

## **BILL ANALYSIS**

Senate Research Center  
86R34070 BRG-D

C.S.H.B. 864  
By: Anchia et al. (Birdwell)  
Natural Resources & Economic Development  
5/16/2019  
Committee Report (Substituted)

### **AUTHOR'S / SPONSOR'S STATEMENT OF INTENT**

In Texas, the Railroad Commission of Texas (railroad commission) is the primary regulator of natural gas companies, and is one agency tasked with investigating natural gas incidents. Interested parties assert that when natural gas incidents occur, it is important that operators provide the railroad commission with reports that are thorough and fully inclusive of all facts regarding the incident in a timely manner. This ensures that the railroad commission is able to conduct full and complete investigations.

H.B. 864 details information operators must provide to the railroad commission after an incident. Required information includes the operator's name and telephone number, location of the incident, time of the incident, and any other significant facts relevant to the incident. Other details may include facts related to ignition, explosion, rerouting of traffic, evacuation of a building, and media interest. H.B. 864 also requires operators to notify the railroad commission of any incident within one hour of incident discovery, and for the railroad commission to keep incident investigation records perpetually.

This bill was the result of extensive stakeholder negotiations with gas companies and other entities, and has the support of all parties. (Original Author's/Sponsor's Statement of Intent)

C.S.H.B. 864 amends current law relating to pipeline incidents; clarifying changes to related administrative penalties.

### **RULEMAKING AUTHORITY**

Rulemaking authority is expressly granted to the Railroad Commission of Texas in SECTION 2 (Section 121.214, Utilities Code) of this bill.

### **SECTION BY SECTION ANALYSIS**

SECTION 1. Amends Sections 121.206(a) and (d), Utilities Code, as follows:

(a) Authorizes the Railroad Commission of Texas (railroad commission) to assess an administrative penalty against a person who violates Section 121.201 (Safety Rules; Railroad Commission Power Under Delegated Federal Authority) or a safety standard or other rule prescribed or adopted under this subchapter (Pipeline Safety), rather than under that section.

(d) Makes a conforming change to this subsection.

SECTION 2. Amends Subchapter E, Chapter 121, Utilities Code, by adding Section 121.214, as follows:

Sec. 121.214. PIPELINE INCIDENT REPORTING AND RECORDS. (a) Defines "distribution gas pipeline facility," "pipeline incident," and "state record" for purposes of this section.

(b) Requires the railroad commission by rule to require a distribution gas pipeline facility operator, after a pipeline incident involving the operator's pipelines, to:

(1) notify the railroad commission of the incident before the expiration of one hour following the operator's discovery of the incident; and

(2) provide the following information to the railroad commission before the expiration of one hour following the operator's discovery of the incident:

(A) the pipeline operator's name and telephone number;

(B) the location of the incident;

(C) the time of the incident; and

(D) the telephone number of the operator's on-site person; and

(3) provide the following information to the railroad commission when the information is known to the operator:

(A) the fatalities and personal injuries caused by the incident;

(B) the cost of the gas lost;

(C) estimated property damage to the operator and others;

(D) any other significant facts relevant to the incident, including facts related to ignition, explosion, rerouting of traffic, evacuation of a building, and media interest; and

(E) other information required under federal regulation to be provided to the Pipeline and Hazardous Materials Safety Administration or a successor agency after a pipeline incident or similar incident.

(c) Requires the railroad commission to retain state records of the railroad commission regarding a pipeline incident perpetually.

SECTION 3. Requires the railroad commission to adopt the rules required by Section 121.214, Utilities Code, as added by this Act, not later than December 31, 2019.

SECTION 4. Effective date: September 1, 2019.