

STATE OF MAINE

IN THE YEAR OF OUR LORD
TWO THOUSAND AND ELEVEN

S.P. 492 - L.D. 1545

**An Act To Authorize the Public Utilities Commission To Exercise
Jurisdiction over Private Natural Gas Pipelines To Ensure Safe Operation**

Emergency preamble. Whereas, acts and resolves of the Legislature do not become effective until 90 days after adjournment unless enacted as emergencies; and

Whereas, there is an immediate need within the State to facilitate the construction of private natural gas pipelines to enable consumers to lower their energy costs and reduce their emissions; and

Whereas, in order to encourage investment in private natural gas pipelines, the State, rather than the Federal Government, should be responsible for the safety regulation of such pipelines; and

Whereas, because the permitting, approval and construction process for a private natural gas pipeline can take many months, it is necessary to make changes to Maine law to enable such pipelines to be built during the current construction season; and

Whereas, in the judgment of the Legislature, these facts create an emergency within the meaning of the Constitution of Maine and require the following legislation as immediately necessary for the preservation of the public peace, health and safety; now, therefore,

Be it enacted by the People of the State of Maine as follows:

Sec. 1. 35-A MRSA §4517 is enacted to read:

§4517. Private natural gas pipelines

1. Private natural gas pipelines; definition. As used in this section, "private natural gas pipeline" means a pipeline that is used solely for the transport of natural gas to a single customer, is owned by the customer or an affiliate of the customer and is not a natural gas pipeline utility or gas utility.

2. Safety regulation. The commission may exercise safety regulation over an entity that owns or operates a private natural gas pipeline on public land or land owned by a 3rd

party, notwithstanding that the entity is not a public utility. Safety regulation under this subsection may be enforced as provided in sections 4515 and 4516-A.

3. Approval of construction. A private natural gas pipeline may not be constructed without approval of the commission. When requesting approval, the entity that owns or operates a private natural gas pipeline shall submit to the commission information concerning the engineering design of the pipeline and the standards of construction the entity proposes to follow and any other information the commission determines necessary to make a determination of whether to approve construction. The commission shall approve the construction if the commission determines that the standards of construction of the pipeline adequately protect the safety of the public.

4. Waiver. The commission may waive for good cause any requirements under this section.

Emergency clause. In view of the emergency cited in the preamble, this legislation takes effect when approved.

In House of Representatives, 2011

Read twice and passed to be enacted.

..... Speaker

In Senate, 2011

Read twice and passed to be enacted.

..... President

Approved 2011

..... Governor