

2015 Regular Session

HOUSE BILL NO. 400

BY REPRESENTATIVE SCHEXNAYDER

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

CONSERVATION/COMMISSR: Authorizes the commissioner of conservation to regulate liquefied natural gas facilities in the state

1 AN ACT

2 To amend and reenact R.S. 30:551(B) and 703 and to enact R.S. 30:4(P) and 551(C) and  
3 (D), relative to the powers and duties of the commissioner of conservation; to  
4 authorize the commissioner to regulate liquefied natural gas facilities in the state;  
5 and to provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 30:551(B) and 703 are hereby amended and reenacted and R.S.  
8 30:4(P) and 551(C) and (D) are hereby enacted to read as follows:

9 §4. Jurisdiction, duties, and powers of the assistant secretary; rules and regulations

10 \* \* \*

11 P. The commissioner of conservation has the authority to promulgate rules  
12 and regulations under the Administrative Procedure Act to regulate the location,  
13 construction, operation, and maintenance of a liquefied natural gas facility within the  
14 state.

15 \* \* \*

16 §551. Regulatory designation

17 \* \* \*

18 B. Notwithstanding the provisions of Subsection A of this Section, the  
19 assistant secretary shall be the authority to regulate ~~all public and private natural gas~~  
20 ~~distribution systems with respect to natural gas pipeline safety, except where~~  
21 prohibited by federal laws persons engaged in the transportation of gas or who own

1        or operate intrastate pipeline facilities for the transportation of gas. The assistant  
2        secretary shall establish by regulation minimum safety standards for pipeline  
3        facilities and the transportation of gas and those regulations shall be consistent with  
4        the rules and regulations authorized by 49 U.S.C.A. Section 60101 et seq.

5                C. The assistant secretary, as permitted by 49 U.S.C.A. Section ~~1674~~ 60105,  
6        may certify annually to the United States ~~secretary of transportation~~ Department of  
7        Transportation that the state, through the office of conservation, has regulatory  
8        jurisdiction over the safety standards and practices of intrastate ~~pipeline~~  
9        ~~transportation~~ pipelines and liquefied natural gas facilities not otherwise regulated  
10       by the Federal Energy Regulatory Commission and the transportation of gas and  
11       liquefied natural gas associated with those facilities.

12                D. Except as provided in 49 U.S.C.A. Section 60104(C), nothing in this  
13       Section authorizes the assistant secretary to adopt or enforce safety standards for  
14       interstate gas pipeline facilities or the transportation of gas associated with those  
15       facilities.

16                                \*        \*        \*

17       §703. Regulatory designation

18                A. The assistant secretary shall be the authority to regulate persons engaged  
19       in the transportation of hazardous liquids or who own or operate intrastate pipeline  
20       facilities for the transportation of hazardous liquids. The assistant secretary shall  
21       establish by regulation minimum safety standards for pipeline facilities and the  
22       transportation of hazardous liquids and shall be consistent with those rules and  
23       regulations authorized by 49 U.S.C.A. Section ~~2001~~ 60101 et seq.

24                B. The assistant secretary, as permitted by 49 U.S.C.A. Section ~~2004~~ 60101,  
25       et seq., may certify annually to the secretary of the United States Department of  
26       Transportation that the state, through the office of conservation, has regulatory  
27       jurisdiction over the safety standards and practice of intrastate pipeline facilities and  
28       the transportation of hazardous liquids associated with those facilities. The assistant  
29       secretary, as permitted by 49 U.S.C.A. Section ~~2001~~ 60101 et seq., may enter into

- 1 an agency relationship with the United States Department of Transportation to  
2 enforce compliance with safety standards with respect to interstate pipeline facilities  
3 or the transportation of hazardous liquids associated with those facilities.
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### DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

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HB 400 Engrossed

2015 Regular Session

Schexnayder

**Abstract:** Authorizes the commissioner of conservation to regulate liquified natural gas facilities in the state.

Proposed law authorizes the commissioner of conservation to promulgate rules for the regulation of the location, construction, operation, and maintenance of a liquefied natural gas facility within the state.

Present law provides that the commissioner of conservation has the authority to regulate all public and private natural gas distribution systems for safety purposes except where prohibited by federal law. Proposed law authorizes the commissioner to regulate people engaged in the transportation of gas or those who own or operate intrastate pipelines and requires state regulations to be consistent with federal rules and regulations.

Present law authorizes the commissioner of conservation to certify to the U.S. secretary of transportation that the state has regulatory jurisdiction over the safety standards of intrastate pipelines. Proposed law authorizes the commissioner to certify to the U.S. Dept. of Transportation that the state has jurisdiction over the safety standards and practices of intrastate pipelines and liquified natural gas facilities and the transportation of gas and liquified natural gas associated with those facilities.

Proposed law specifically provides that, except as provided in federal law, the commissioner does not have authority to regulate safety standards for interstate gas pipelines or the transportation of gas through those pipelines.

(Amends R.S. 30:551(B) and 703; Adds R.S. 30:4(P) and 551(C) and (D))

#### Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Natural Resources and Environment to the original bill:

1. Update regulatory citations references in the Code of Federal Regulations.
2. Authorize the commissioner to regulate the people who transport gas or those who own or operate intrastate pipelines and require state regulations to be consistent with federal rules and regulations.
3. Authorize the commissioner to certify to the U.S. Dept. of Transportation that the state has jurisdiction over the safety standards and practices of intrastate pipelines and liquified natural gas facilities and the transportation of gas and liquified natural gas associated with those facilities.

4. Provide that the commissioner does not have authority to regulate safety standards for interstate gas pipelines or the transportation of gas, except as provided in federal law.