S T A T E O F N E W Y O R K

S. 7010 A. 9336

S E N A T E - A S S E M B L Y

April 11, 2014

IN SENATE -- Introduced by Sen. ESPAILLAT -- read twice and ordered printed, and when printed to be committed to the Committee on Energy and Telecommunications

IN ASSEMBLY -- Introduced by M. of A. RODRIGUEZ -- read once and referred to the Committee on Energy

AN ACT to amend the public service law, in relation to requiring liquid petroleum pipeline facilities to accelerate the repair, rehabilitation, and replacement of equipment or pipelines that are leaking or at a high-risk of leaking

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

Section 1. The public service law is amended by adding a new section 63-gg to read as follows:

S 63-GG. PIPELINE MODERNIZATION AND CONSUMER PROTECTION. 1. DEFINITION. AS USED IN THIS SECTION, THE FOLLOWING TERM SHALL HAVE THE FOLLOWING MEANING:

"GAS PIPELINE FACILITY" MEANS (A) A DISTRIBUTION FACILITY, AND (B) A GAS UTILITY.

2. EACH OPERATOR OF A GAS PIPELINE FACILITY SHALL ACCELERATE THE REPAIR, REHABILITATION, AND REPLACEMENT OF GAS PIPING OR EQUIPMENT THAT IS:

(A) LEAKING; OR

(B) MAY POSE HIGH RISKS OF LEAKING, OR MAY NO LONGER BE FIT FOR SERVICE, BECAUSE OF: (I) INFERIOR MATERIALS, (II) POOR CONSTRUCTION PRACTICES, (III) LACK OF MAINTENANCE, OR (IV) AGE.

3. IN COMPLYING WITH SUBDIVISION TWO OF THIS SECTION, THE COMMISSION SHALL: (A) DEVELOP PRIORITIZED TIMELINES TO REPAIR ALL LEAKS BASED ON THE SEVERITY OF THE LEAK, INCLUDING NON-HAZARDOUS LEAKS, OR REPLACE IDENTIFIED LEAKING OR HIGH-RISK PIPING OR EQUIPMENT, INCLUDING LEAKS IDENTIFIED AS PART OF AN INTEGRITY MANAGEMENT PLAN DEVELOPED UNDER THIS SECTION IF APPLICABLE;

(B) ADOPT A COST-RECOVERY PROGRAM THAT INCLUDES (I) REPLACEMENT PLANS WITH TARGETS AND BENCHMARKS FOR LEAKING OR HIGH-RISK INFRASTRUCTURE

EXPLANATION--Matter in ITALICS (underscored) is new; matter in brackets [ ] is old law to be omitted.

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REPLACEMENT, (II) CONSIDERATION OF THE ECONOMIC, SAFETY, AND ENVIRONMENTAL BENEFITS OF REDUCED GAS LEAKAGE, INCLUDING CONSIDERATION OF REDUCED OPERATION AND MAINTENANCE COSTS AND REDUCED COSTS ATTRIBUTABLE TO LOST OR UNACCOUNTED-FOR NATURAL GAS, AND (III) REPORTING ON THE REDUCTIONS IN LOST OR UNACCOUNTED-FOR GAS AS A RESULT OF PIPELINE REPLACEMENTS;

(C) ADOPT A STANDARD DEFINITION AND METHODOLOGY FOR CALCULATING AND REPORTING UNACCOUNTED-FOR GAS TO IMPROVE DATA QUALITY;

(D) ADOPT LIMITS ON COST RECOVERY FOR THE LOST AND UNACCOUNTED-FOR GAS; AND

(E) REQUIRE USE OF BEST AVAILABLE TECHNOLOGY TO DETECT GAS LEAKS.

4. NO LATER THAN ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION, THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY SHALL, AFTER NOTICE AND OPPORTUNITY TO COMMENT, ISSUE NON-BINDING GUIDELINES IDENTIFYING BEST PRACTICES FOR IDENTIFYING AND CLASSIFYING HIGH-RISK PIPELINE INFRASTRUCTURE AND LEAKS FOR REPAIR OR REPLACEMENT.

5. NOTWITHSTANDING ANY OTHER PROVISION OF LAW TO THE CONTRARY, NO LATER THAN ONE YEAR AFTER THE EFFECTIVE DATE OF THIS SECTION, THE NEW YORK STATE ENERGY RESEARCH AND DEVELOPMENT AUTHORITY AND THE COMMISSION SHALL WORK JOINTLY TO ESTABLISH AND PUBLISH FORMS THAT ADOPT A STANDARD DEFINITION AND METHODOLOGY FOR CALCULATING AND REPORTING UNACCOUNTED-FOR GAS, INCLUDING, WHEN POSSIBLE, INFORMATION ON THE CAUSES OF UNACCOUNTED-FOR GAS AND THE QUANTITIES ASSOCIATED WITH EACH CAUSE, FOR USE BY APPLICABLE STATE AGENCIES TO STANDARDIZE THE DATA COLLECTED ON UNACCOUNTED-FOR GAS.

6. OPERATORS OF GAS PIPELINE FACILITIES IN CITIES WITH A POPULATION OF ONE MILLION OR MORE SHALL ESTABLISH A DATABASE OF PIPELINE INFRASTRUCTURE THAT INCLUDES ITS AGE AND STATE OF REPAIR AND SHALL SHARE THIS INFORMATION WITH THE COORDINATED BUILDING INSPECTION DATA ANALYSIS SYSTEM.

S 2. This act shall take effect immediately.