

HOUSE BILL No. 6199

November 8, 1990, Introduced by Rep. Stallworth and referred to the Committee on Public Utilities.

A bill to amend sections 1, 2, 10, and 11 of Act No. 165 of the Public Acts of 1969, entitled

"An act to authorize the public service commission to establish and enforce gas safety standards; and to provide penalties for violations thereof,"

being sections 483.151, 483.152, 483.160, and 483.161 of the Michigan Compiled Laws.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 Section 1. Sections 1, 2, 10, and 11 of Act No. 165 of the
2 Public Acts of 1969, being sections 483.151, 483.152, 483.160,
3 and 483.161 of the Michigan Compiled Laws, are amended to read as
4 follows:

5 Sec. 1. As used in this act:

6 (a) "Commission" means the public service commission.

7 (b) "Gas" means natural gas, flammable gas, ~~liquefied~~
8 ~~petroleum products that are gases at normal atmospheric pressures~~

1 ~~and temperatures~~ or gas ~~which~~ THAT is toxic ~~and~~ OR
2 corrosive.

3 ~~(c) "Interstate transmission facilities" mean pipeline~~
4 ~~facilities used in the transportation of gas.~~

5 (C) ~~(d)~~ "Person" means ~~any~~ AN individual, firm, joint
6 venture, partnership, corporation, association, municipality,
7 cooperative association, or joint stock association, and includes
8 ~~any~~ A trustee, receiver, assignee, or personal representative
9 ~~thereof~~ OF SUCH AN ENTITY.

10 (D) ~~(e)~~ "Pipeline facilities" includes, but is not limited
11 to, new and existing ~~pipe rights of way~~ PIPELINE RIGHTS-OF-WAY,
12 and any equipment, facility, ~~a~~ OR building used in the trans-
13 portation of gas or the treatment of gas during the course of
14 transportation.

15 (E) ~~(f)~~ "Transportation of gas" means the gathering,
16 transmission, or distribution of gas by pipeline or ~~its~~ THE
17 storage ~~, except that it shall~~ OF GAS. TRANSPORTATION OF GAS
18 DOES not include the gathering of gas in ~~those~~ rural locations
19 ~~which~~ THAT lie outside the limits of ~~any~~ AN incorporated or
20 unincorporated city, town, village, or ~~any~~ other designated
21 residential or commercial area such as a subdivision, ~~a~~ busi-
22 ness or shopping center, ~~a~~ community development, or ~~any~~ sim-
23 ilar populated area ~~which~~ THAT the commission may define as a
24 nonrural area. ~~It shall include~~ TRANSPORTATION OF GAS INCLUDES
25 gathering lines located in or occupying the ~~rights of way~~
26 RIGHTS-OF-WAY of state highways, county roads, or railroads, or

1 the property of schools, hospitals, churches, parks, or similar
2 public places.

3 Sec. 2. (1) The commission shall promulgate rules and pre-
4 scribe safety standards for pipeline facilities and the transpor-
5 tation of gas in accordance with ~~Act No. 88 of the Public Acts~~
6 ~~of 1943, as amended, being sections 24.71 to 24.80 of the~~
7 ~~Compiled Laws of 1948, and subject to Act No. 197 of the Public~~
8 ~~Acts of 1952, as amended, being sections 24.101 to 24.110 of the~~
9 ~~Compiled Laws of 1948~~ THE ADMINISTRATIVE PROCEDURES ACT OF 1969,
10 ACT NO. 306 OF THE PUBLIC ACTS OF 1969, BEING SECTIONS 24.201 TO
11 24.328 OF THE MICHIGAN COMPILED LAWS. In prescribing safety
12 standards, the commission shall consider:

13 (a) Relevant available pipeline safety data.

14 (b) Whether ~~such~~ THE standards are appropriate for the
15 particular type of pipeline transportation.

16 (c) The extent to which ~~such~~ THE standards will contribute
17 to public safety.

18 (2) ~~Upon application by any~~ IF A person engaged in the
19 transportation of gas or the operation of pipeline facilities
20 APPLIES, the commission, after notice and opportunity for a hear-
21 ing and under ~~such~~ THE terms and conditions and to ~~such~~ THE
22 extent ~~as it deems~~ THE COMMISSION CONSIDERS appropriate, may
23 waive, in whole or in part, compliance with any standard estab-
24 lished under this act, if the waiver is not inconsistent with gas
25 pipeline safety. At the time of issuing the waiver, the commis-
26 sion shall state the reasons for its issuance.

1 Sec. 10. (1) ~~The provisions of this~~ THIS act ~~shall~~ DOES
2 not apply to A pipeline ~~facilities and~~ FACILITY OR the
3 transportation of gas subject to the jurisdiction of the federal
4 ~~power~~ ENERGY REGULATORY commission under the natural gas act,
5 CHAPTER 556, 52 STAT. 821, 15 U.S.C. 717 TO 717w.

6 (2) ~~The provisions of this~~ THIS act ~~shall~~ DOES apply to
7 ~~persons~~ A PERSON engaged in interstate commerce other than
8 ~~those~~ A PERSON subject to the jurisdiction of the federal
9 ~~power~~ ENERGY REGULATORY commission.

10 Sec. 11. (1) ~~Any~~ A person who violates ~~any provision of~~
11 this act or ~~any~~ A rule ~~issued~~ PROMULGATED under this act ~~,~~
12 ~~shall be~~ IS subject to a fine of not more than ~~\$1,000.00~~
13 \$10,000.00 for each violation for each day that ~~the violation~~
14 ~~occurs, except that for any series of violations the penalty~~
15 ~~shall not exceed \$200,000.00~~ A RELATED SERIES OF VIOLATIONS CON-
16 TINUES, EXCEPT THAT THE MAXIMUM CIVIL PENALTY SHALL NOT EXCEED
17 \$500,000.00 FOR ANY RELATED SERIES OF VIOLATIONS. ~~Any pipeline~~
18 ~~facility existing at the effective date of this act shall not be~~
19 ~~subject to the penalty provisions of this act for 1 year from the~~
20 ~~effective date.~~

21 (2) In determining the amount of the fine, the commission
22 shall consider ALL OF THE FOLLOWING:

23 (a) The ~~size of the business of the violation~~ EFFECT ON
24 THE ABILITY OF THE PERSON CHARGED TO CONTINUE IN BUSINESS.

25 (b) The NATURE, CIRCUMSTANCES, AND gravity of the
26 violation.

1 (c) ~~The~~ ANY good faith ~~of~~ EFFORT BY the person charged
2 ~~in attempting to achieve compliance after notification of the~~
3 ~~violation~~ TO COMPLY WITH THE REQUIREMENTS OF THIS ACT.

4 (D) THE DEGREE OF CULPABILITY OF THE PERSON CHARGED.

5 (E) THE HISTORY OF PRIOR OFFENSES OF THE PERSON CHARGED.

6 (F) THE ABILITY OF THE PERSON CHARGED TO PAY.

7 (G) OTHER MATTERS AS JUSTICE MAY REQUIRE.

8 (3) The amount of the penalty stipulated may be deducted
9 from ~~any sums owing by~~ A SUM the state ~~to~~ OWES the person
10 charged or may be recovered in A civil action in the Ingham
11 county circuit court.

12 (4) A PERSON WHO WILLFULLY AND KNOWINGLY DEFACES, DAMAGES,
13 REMOVES, OR DESTROYS A PIPELINE SIGN OR RIGHT-OF-WAY MARKER
14 REQUIRED BY THIS ACT IS GUILTY OF A MISDEMEANOR PUNISHABLE BY
15 IMPRISONMENT FOR NOT MORE THAN 1 YEAR, OR BY A FINE OF NOT MORE
16 THAN \$5,000.00, OR BOTH, FOR EACH OFFENSE.