

Act No. 11
Public Acts of 1992
Approved by the Governor
March 10, 1992
Filed with the Secretary of State
March 10, 1992

**STATE OF MICHIGAN
86TH LEGISLATURE
REGULAR SESSION OF 1992**

Introduced by Reps. Stallworth, DeMars, Bartnik, Hoffman, Pitoniak, Wallace, Hoekman, Muxlow, Munsell, Dobronski, Willis Bullard and Stopczynski

ENROLLED HOUSE BILL No. 4834

AN ACT 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:

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

Sec. 1. As used in this act:

- (a) "Commission" means the public service commission.
- (b) "Gas" means natural gas, flammable gas, or gas that is toxic or corrosive.
- (c) "Person" means an individual, firm, joint venture, partnership, corporation, association, municipality, cooperative association, or joint stock association, and includes a trustee, receiver, assignee, or personal representative of such an entity.
- (d) "Pipeline facilities" includes, but is not limited to, new and existing pipeline rights-of-way, and any equipment, facility, or building used in the transportation of gas or the treatment of gas during the course of transportation.
- (e) "Transportation of gas" means the gathering, transmission, or distribution of gas by pipeline or the storage of gas. Transportation of gas does not include the gathering of gas in rural locations that lie outside the limits of an incorporated or unincorporated city, town, village, or other designated residential or commercial area such as a subdivision, business or shopping center, community development, or similar populated area that the commission may define as a nonrural area. Transportation of gas includes gathering lines located in or occupying the property of schools, hospitals, churches, parks, or similar public places.

Sec. 2. (1) The commission shall promulgate rules and prescribe safety standards for pipeline facilities and the transportation of gas in accordance with the administrative procedures act of 1969, Act No. 306 of the Public Acts of 1969, being sections 24.201 to 24.328 of the Michigan Compiled Laws. In prescribing safety standards, the commission shall consider:

- (a) Relevant available pipeline safety data.
- (b) Whether the standards are appropriate for the particular type of pipeline transportation.
- (c) The extent to which the standards will contribute to public safety.

(2) If a person engaged in the transportation of gas or the operation of pipeline facilities applies, the commission, after notice and opportunity for a hearing and under the terms and conditions and to the extent the commission considers appropriate, may waive, in whole or in part, compliance with any standard established under this act, if the waiver is not inconsistent with gas pipeline safety. At the time of issuing the waiver, the commission shall state the reasons for its issuance.

Sec. 10. (1) This act does not apply to a pipeline facility or the transportation of gas subject to the jurisdiction of the federal energy regulatory commission under the natural gas act, chapter 556, 52 Stat. 821, 15 U.S.C. 717 to 717w.

(2) This act applies to a person engaged in interstate commerce other than a person subject to the jurisdiction of the federal energy regulatory commission.

Sec. 11. (1) A person who violates this act or a rule promulgated under this act is subject to a fine of not more than \$10,000.00 for each violation for each day that the violation persists, except that the maximum civil penalty shall not exceed \$500,000.00 for any related series of violations.

(2) In determining the amount of the fine, the commission shall consider all of the following:

(a) The effect on the ability of the person charged to continue in business.

(b) The nature, circumstances, and gravity of the violation.

(c) Any good faith effort by the person charged to comply with the requirements of this act.

(d) The degree of culpability of the person charged.

(e) The history of prior violations of the person charged.

(f) The ability of the person charged to pay.

(g) Other matters as justice may require.

(3) The amount of the penalty stipulated may be deducted from a sum the state owes the person charged or may be recovered in a civil action in the Ingham county circuit court.

(4) A person who willfully and knowingly defaces, damages, removes, or destroys a pipeline sign or right-of-way marker required by this act is guilty of a misdemeanor punishable by imprisonment for not more than 1 year, or by a fine of not more than \$5,000.00, or both, for each offense.

This act is ordered to take immediate effect.

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Clerk of the House of Representatives.

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Secretary of the Senate.

Approved.....

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Governor.