

# SENATE BILL No. 562

June 2, 2005, Introduced by Senator BERNERO and referred to the Committee on Transportation.

A bill to amend 1929 PA 16, entitled

"An act to regulate the business of carrying or transporting, buying, selling or dealing in crude oil or petroleum or its products, through pipe lines; to authorize the use of public highways and the condemnation of private property; to regulate the purchase and storage of crude oil or petroleum; to provide for the control and regulation of all corporations, associations and persons engaged in such business, by the Michigan public utilities commission; to define the powers and duties of the commission in relation thereto; and to prescribe penalties for violations of the provisions hereof,"

(MCL 483.1 to 483.11) by adding section 2c.

## THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1           SEC. 2C. (1) THE COMMISSION SHALL PRESCRIBE SAFETY STANDARDS  
2           FOR PIPELINE FACILITIES. IN PRESCRIBING SAFETY STANDARDS, THE  
3           COMMISSION SHALL CONSIDER ALL OF THE FOLLOWING:

4           (A) RELEVANT AVAILABLE PIPELINE SAFETY DATA.

1 (B) WHETHER THE STANDARDS ARE APPROPRIATE FOR THE PARTICULAR  
2 TYPE OF PIPELINE TRANSPORTATION.

3 (C) THE EXTENT TO WHICH THE STANDARDS WILL CONTRIBUTE TO  
4 PUBLIC SAFETY.

5 (2) A PIPELINE COMPANY SHALL MINIMIZE THE PHYSICAL IMPACT AND  
6 ECONOMIC DAMAGE THAT RESULT FROM THE CONSTRUCTION, MAINTENANCE, AND  
7 REPAIR OF A PIPELINE FACILITY.

8 (3) A PIPELINE COMPANY SHALL NOT CONSTRUCT OR MAINTAIN A NEW  
9 PIPELINE FACILITY WITHOUT FIRST OBTAINING COMMISSION APPROVAL. IN  
10 REVIEWING A REQUEST UNDER THIS SUBSECTION, THE COMMISSION SHALL  
11 HOLD A PUBLIC HEARING TO RECEIVE PUBLIC COMMENT CONCERNING THE NEW  
12 PIPELINE FACILITY.

13 (4) THE COMMISSION, AFTER NOTICE AND OPPORTUNITY FOR A  
14 HEARING, MAY WAIVE, IN WHOLE OR IN PART, ANY STANDARD ESTABLISHED  
15 UNDER THIS SECTION, IF THE WAIVER IS NOT INCONSISTENT WITH PIPELINE  
16 SAFETY. AT THE TIME OF ISSUING THE WAIVER, THE COMMISSION SHALL  
17 STATE THE REASONS FOR THE WAIVER.