

ASSEMBLY, No. 436

STATE OF NEW JERSEY 217th LEGISLATURE

PRE-FILED FOR INTRODUCTION IN THE 2016 SESSION

Sponsored by:

Assemblyman TIM EUSTACE

District 38 (Bergen and Passaic)

SYNOPSIS

Requires natural gas pipeline utilities to repair or replace leaking natural gas pipelines.

CURRENT VERSION OF TEXT

Introduced Pending Technical Review by Legislative Counsel.



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1 AN ACT concerning the repair and replacement of natural gas
2 pipelines, and supplementing P.L.1954, c.212 (C.26:2C-1 et
3 seq.).
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5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:
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8 1. a. In addition to the requirements concerning the repair and
9 replacement of natural gas pipelines adopted by the Board of Public
10 Utilities pursuant to the “Natural Gas Safety Act,” P.L.1952, c.166
11 (C.48:10-2 et seq.), a natural gas pipeline utility shall repair or
12 replace, as appropriate, any pipeline that leaks natural gas, within
13 the time frame established by the department pursuant to subsection
14 b. of this section.

15 b. Within 180 days after the effective date of this act, the
16 department, in consultation with the Board of Public Utilities, shall
17 adopt, pursuant to the “Administrative Procedure Act,” P.L.1968,
18 c.410 (C.52:14B-1 et seq.), rules and regulations necessary for the
19 implementation of this act, including rules and regulations
20 establishing: (1) inspection and reporting requirements; (2)
21 prioritized time frames for the repair and replacement of pipelines
22 based on the severity of leaks, not to exceed one year; (3) best
23 practices and repair standards; and (4) de minimis exceptions to the
24 requirements of subsection a. of this section.

25 c. A natural gas pipeline utility that violates the provisions of
26 subsection a. of this section or any rule or regulation adopted by the
27 department pursuant to subsection b. of this section shall be subject
28 to the penalty provisions of section 19 of P.L.1954, c.212 (C.26:2C-
29 19).

30 d. As used in this section:

31 “Natural gas pipeline utility” means the same as the term is
32 defined in section 2 of P.L.1952, c.166 (C.48:10-3).

33 “Pipeline” means the same as the term is defined in section 2 of
34 P.L.1952, c.166 (C.48:10-3).
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36 2. This act shall take effect immediately.
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39 STATEMENT
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41 This bill would require natural gas pipeline utilities to repair or
42 replace pipelines that leak natural gas, within time frames to be
43 established by the Department of Environmental Protection. Under
44 the bill, the department, in consultation with the Board of Public
45 Utilities, would be required to adopt implementing regulations,
46 including those establishing inspection and reporting requirements,
47 prioritized time frames for the repair and replacement of pipelines
48 based on the severity of leaks, best practices and repair standards,

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1 and de minimis exceptions to the repair and replacement
2 requirements. A natural gas pipeline utility that fails to comply
3 with these requirements would be subject to the penalties set forth
4 in the “Air Pollution Control Act (1954),” including a civil fine of
5 up to \$10,000 for the first offense, \$25,000 for the second offense,
6 and \$50,000 for a third or subsequent offense.

7 Methane, the primary component in natural gas, is a potent
8 greenhouse gas. According to the United States Environmental
9 Protection Agency, methane is 20 times more effective than carbon
10 dioxide at trapping heat in the atmosphere. Methane accounts for
11 nine percent of all U.S. greenhouse gas emissions from human
12 activities, making it the second most prevalent greenhouse gas, after
13 carbon dioxide. Over 60 percent of total methane emissions come
14 from human activities such as industry, agriculture, and waste
15 management. Of these activities, natural gas and petroleum systems
16 are the second-largest source, representing 29 percent of all
17 methane emissions from human activity. Several reports have
18 shown that leaking natural gas pipelines are a major source of
19 methane emissions.

20 To date, State and federal laws and regulations pertaining to
21 natural gas pipelines have focused primarily on health and safety –
22 not on the environment. This bill would address the climate change
23 impacts from natural gas pipeline leaks by requiring gas utilities to
24 repair or replace leaking pipelines, and giving the department
25 enforcement authority under the “Air Pollution Control Act.”