

HOUSE COMMITTEE OF REFERENCE REPORT

Chair of Committee

April 18, 2024
Date

Committee on Energy & Environment.

After consideration on the merits, the Committee recommends the following:

HB24-1357 be amended as follows, and as so amended, be referred to the Committee on Finance with favorable recommendation:

1 Amend printed bill, page 3, strike lines 2 through 23.

2 Strike pages 4 through 7.

3 Page 8, strike lines 1 through 20 and substitute:

4 **"SECTION 1.** In Colorado Revised Statutes, 40-2-115, **amend**
5 (1)(d)(II)(E), (2) introductory portion, and (2)(f); and **add** (1)(d.5),
6 (2)(d.2), (2)(d.3), (2)(d.5), (2)(d.7), and (2)(i.5) as follows:

7 **40-2-115. Cooperation with other states and with the United**
8 **States - natural gas pipeline safety - customer-owned service line**
9 **maintenance and repairs notice of responsibility - rules - definitions.**

10 (1) (d) (II) The commission's gas pipeline safety rules must address and
11 may be more stringent than required by federal standards with regard to:

12 (E) SUBJECT TO SUBSECTION (1)(d.5)(I) OF THIS SECTION, use of
13 advanced leak detection technology to meet the need for pipeline safety
14 and protection of the environment;

15 (d.5) ON OR BEFORE SEPTEMBER 1, 2025, THE COMMISSION SHALL
16 ADOPT RULES THAT:

17 (I) REQUIRE AN OWNER OR OPERATOR OF A TRANSMISSION LINE,
18 GATHERING LINE, OR DISTRIBUTION SYSTEM TO SUBMIT A WRITTEN
19 ADVANCED LEAK DETECTION PROGRAM TO THE COMMISSION. THE RULES
20 ADOPTED PURSUANT TO THIS SUBSECTION (1)(d.5)(I) MUST CONTAIN
21 MINIMUM REQUIREMENTS FOR THE PROGRAMS, INCLUDING THE
22 FOLLOWING:

23 (A) USE OF COMMERCIALY AVAILABLE LEAK DETECTION
24 EQUIPMENT AND TECHNOLOGY, INCLUDING AERIAL SCREENING, HANDHELD
25 LEAK DETECTION, AND MOBILE SURVEYS;

- 1 (B) DETECTION SENSITIVITY LEVELS FOR EACH TECHNOLOGY OR
2 EQUIPMENT;
- 3 (C) FREQUENCY OF LEAK SURVEYS;
- 4 (D) LEAK DETECTION PROCEDURES;
- 5 (E) PROGRAM EVALUATION; AND
- 6 (F) LEAK SURVEY REQUIREMENTS FOR TRANSMISSION LINES,
7 GATHERING LINES, OR DISTRIBUTION SYSTEMS ROAD AND RAILROAD
8 CROSSINGS;
- 9 (II) REQUIRE ANY OWNER OR OPERATOR OF A GATHERING LINE TO:
- 10 (A) ESTABLISH A DAMAGE PREVENTION PROGRAM IN ACCORDANCE
11 WITH 49 CFR 192.614;
- 12 (B) DEVELOP AN EMERGENCY PLAN IN ACCORDANCE WITH 49 CFR
13 192.615;
- 14 (C) DEVELOP A PUBLIC AWARENESS PROGRAM IN ACCORDANCE
15 WITH 49 CFR 192.616; AND
- 16 (D) DEVELOP LEAKAGE SURVEYS IN ACCORDANCE WITH 49 CFR
17 192.706;
- 18 (III) REQUIRE AN OWNER OR OPERATOR TO REPAIR LEAKS IN THE
19 FOLLOWING MANNER:
- 20 (A) A GRADE 1 GAS LEAK MUST BE REPAIRED IMMEDIATELY UPON
21 DETECTION;
- 22 (B) A GRADE 2 GAS LEAK OF A GATHERING LINE MUST BE REPAIRED
23 NO LATER THAN SIXTY DAYS AFTER DETECTION;
- 24 (C) A GRADE 2 GAS LEAK OF A TRANSMISSION LINE OR A
25 DISTRIBUTION SYSTEM MUST BE REPAIRED NO LATER THAN SIX MONTHS
26 AFTER DETECTION;
- 27 (D) A GRADE 3 GAS LEAK OF A GATHERING LINE MUST BE REPAIRED
28 NO LATER THAN ONE YEAR AFTER DETECTION; AND
- 29 (E) A GRADE 3 GAS LEAK OF A TRANSMISSION LINE OR A
30 DISTRIBUTION SYSTEM MUST BE REPAIRED NO LATER THAN TWO YEARS
31 AFTER DETECTION; AND
- 32 (IV) ESTABLISH REMOVAL OR ABANDONMENT IN PLACE
33 REQUIREMENTS FOR ANY SECTION OF TRANSMISSION LINE, GATHERING
34 LINE, OR TRANSMISSION SYSTEM THAT HAS NOT BEEN USED FOR TWO OR
35 MORE YEARS. THE RULES ADOPTED PURSUANT TO THIS SUBSECTION
36 (1)(d.5)(IV) MUST CONSIDER THE LOCATION OF THE TRANSMISSION LINE,
37 GATHERING LINE, OR TRANSMISSION SYSTEM; THE TRANSMISSION LINE'S,
38 GATHERING LINE'S, OR TRANSMISSION SYSTEM'S PROXIMITY TO SENSITIVE
39 HABITAT, NATURAL RESOURCES, AND PUBLIC ROADS AND FACILITIES;
40 LOCAL GOVERNMENT INPUT; AND THE IMPACTS OF REMOVAL TO PUBLIC
41 HEALTH, SAFETY, WELFARE, THE ENVIRONMENT, AND WILDLIFE
42 RESOURCES.
- 43 (2) As used in this section AND IN SECTION 40-2-115.5, unless the

1 context otherwise requires, or as otherwise defined in commission rules:
2 (d.2) "GATHERING LINE" MEANS A TYPE A, TYPE B, TYPE C, OR
3 TYPE R GATHERING PIPELINE, REGARDLESS OF DIAMETER, AS DETERMINED
4 PURSUANT TO 49 CFR 192.8, AS AMENDED.
5 (d.3) "GRADE 1 GAS LEAK" MEANS A LEAK THAT REPRESENTS AN
6 EXISTING OR PROBABLE HAZARD TO PERSONS OR PROPERTY AND THAT
7 REQUIRES IMMEDIATE REPAIR OR CONTINUOUS ACTION UNTIL THE
8 CONDITIONS ARE NO LONGER HAZARDOUS.
9 (d.5) "GRADE 2 GAS LEAK" MEANS A LEAK THAT IS RECOGNIZED AS
10 BEING NONHAZARDOUS AT THE TIME OF DETECTION BUT JUSTIFIES
11 SCHEDULED REPAIR BASED ON PROBABLE FUTURE HAZARD.
12 (d.7) "GRADE 3 GAS LEAK" MEANS A LEAK THAT IS
13 NONHAZARDOUS AT THE TIME OF DETECTION AND CAN BE REASONABLY
14 EXPECTED TO REMAIN NONHAZARDOUS.
15 (f) "Owner or operator" means an owner or operator of a
16 distribution system, GATHERING LINE, OR TRANSMISSION LINE or an
17 investor-owned natural gas utility.
18 (i.5) "TRANSMISSION LINE" HAS THE MEANING SET FORTH IN 49
19 CFR 192.3, AS AMENDED."

20 Page 8, line 23, strike "**user-friendly, public-facing**".

21 Page 8, line 24, strike "**internet**" and "**rules -**".

22 Page 8, line 26, strike "2025," and substitute "2026," and strike
23 "USER-FRIENDLY, PUBLIC-FACING".

24 Page 8, strike line 27.

25 Page 9, strike line 1 and substitute "WEBSITE TO PROVIDE THE PUBLIC
26 WITH ACCESS TO INFORMATION".

27 Page 9, after line 3 insert:

28 "(I) COMPLAINTS REGARDING PIPELINES OR PIPELINE OWNERS OR
29 OPERATORS AND HOW EACH COMPLAINT IS ADDRESSED BY THE
30 COMMISSION;".

31 Renumber succeeding subparagraphs accordingly.

32 Page 9, line 4, strike "EVENTS;" and substitute "EVENTS AND THE
33 COMMISSION'S RESPONSE TO EACH EVENT;".

1 Page 10, line 14, after "(c)" insert "(I)".

2 Page 10, after line 18 insert:

3 "(II) (A) NOTWITHSTANDING THE "PROCUREMENT CODE",
4 ARTICLES 101 TO 112 OF TITLE 24, TO PREPARE THE WEBSITE, THE
5 COMMISSION MAY ENGAGE THE SERVICES OF CONTRACTORS; LEGAL
6 COUNSEL; CONSULTANTS, INCLUDING CONSULTANTS WITH EXPERTISE IN
7 PIPELINE SAFETY; INSTITUTIONS OF HIGHER EDUCATION; PUBLIC RESEARCH
8 LABORATORIES; PRIVATE RESEARCH INSTITUTIONS; AND THE ATTORNEY
9 GENERAL'S OFFICE FOR PROFESSIONAL AND TECHNICAL ASSISTANCE,
10 ADVICE, AND OTHER GOODS AND SERVICES, INCLUDING INFORMATION
11 TECHNOLOGY SERVICES.

12 (B) THE COMMISSION SHALL ENCOURAGE DIVERSITY IN
13 APPLICANTS FOR CONTRACTS PURSUANT TO SUBSECTION (1)(c)(II)(A) OF
14 THIS SECTION AND AVOID USING SINGLE-SOURCE BIDS."

15 Page 12, strike lines 3 and 4 and substitute:

16 "(II) "WEBSITE" MEANS A PUBLIC-FACING, INTERACTIVE,
17 SEARCHABLE, ELECTRONIC".

18 Page 12, line 14, strike "(1)(e), OR (I)(g)" and substitute "OR (1)(e)".

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