

A BILL TO BE ENTITLED

AN ACT

relating to the issuance of a permit by the Railroad Commission of Texas for the routing of certain oil or gas pipelines; establishing a fee.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Chapter 121, Utilities Code, is amended by adding Subchapter K to read as follows:

SUBCHAPTER K. OIL OR GAS PIPELINE ROUTE PERMITS

Sec. 121.551. DEFINITION. In this subchapter, "commission" means the Railroad Commission of Texas.

Sec. 121.552. APPLICABILITY. (a) This chapter applies only to a pipeline that transports gas or petroleum and is owned, operated, or managed by:

(1) a gas corporation described by Chapter 181; or

(2) a common carrier described by Section 111.002, Natural Resources Code.

(b) This chapter does not apply to a pipeline:

(1) the routing of which is subject solely to the jurisdiction of a federal agency;

(2) that is a gas distribution pipeline facility; or

(3) that is a sour gas pipeline facility, as defined by Section 121.451.

Sec. 121.553. ROUTE PERMIT; MANDAMUS. (a) A person may not begin construction of a pipeline before the person obtains a

1 permit from the commission authorizing the route of the pipeline.

2 (b) The commission may approve an application and grant a
3 permit only if the commission determines that the route of the
4 pipeline is reasonable and that it moderates the negative effects
5 on affected communities and landowners after consideration of all
6 relevant factors, including:

- 7 (1) community values;
- 8 (2) recreational and park areas;
- 9 (3) historical and aesthetic values; and
- 10 (4) environmental integrity.

11 (c) The commission may:

- 12 (1) grant the permit as requested;
- 13 (2) grant the permit for the construction of a portion
14 of the requested pipeline; or
- 15 (3) deny the permit.

16 (d) The commission must grant or deny a permit not later
17 than the first anniversary of the date the application for the
18 permit is filed. If the commission does not grant or deny the
19 permit on or before that date, the applicant may seek a writ of
20 mandamus in a district court of Travis County to compel the
21 commission to take action under Subsection (c).

22 Sec. 121.554. NOTICE OF PIPELINE ROUTE. (a) Before filing
23 an application under this subchapter, a person seeking a permit
24 authorizing the route of a pipeline must:

- 25 (1) publish, in a conspicuous form and place, notice
26 to the public of the proposed route for the pipeline once each week
27 for four successive weeks in a newspaper having general circulation

1 in each county containing territory affected by the route; and

2 (2) mail notice of the proposed route to any other
3 affected person, as determined by commission rule.

4 (b) The commission shall adopt rules concerning the public
5 notice required by Subsection (a).

6 (c) The commission may not grant an application for a permit
7 authorized by this subchapter if the public notice required by
8 Subsection (a) has not been completed.

9 Sec. 121.555. CONTESTED CASES. The commission shall
10 provide for contested case hearings concerning the granting,
11 partial granting, or denial of a permit authorizing the route of a
12 pipeline. The commission shall ensure that affected parties have
13 an opportunity to intervene in and present evidence and argument in
14 a hearing under this section.

15 Sec. 121.556. ADMINISTRATIVE REVIEW. (a) The commission
16 may approve an application for a permit authorizing the route of a
17 pipeline without a hearing if:

18 (1) at least 60 days have passed since the completion
19 of all notice requirements under Section 121.554(a);

20 (2) the matter is uncontested or has been fully
21 stipulated so that there are no issues of material fact or law
22 disputed by any party; and

23 (3) the commission finds that:

24 (A) no hearing is necessary; and

25 (B) administrative review is warranted.

26 (b) Nothing in this section shall be construed to alter any
27 notice requirement imposed on any proceeding by statute, rule, or

1 order.

2 (c) Nothing in this section shall be construed to alter any
3 time limit imposed on any proceeding by a statute, rule, or order.

4 Sec. 121.557. PIPELINE ROUTE AND REGULATORY FEES. The
5 commission shall by rule adopt a fee to be assessed on a person
6 seeking a permit authorized by this subchapter to defray the costs
7 associated with the review and approval of routing applications.

8 SECTION 2. The Railroad Commission of Texas shall adopt the
9 rules necessary to implement Subchapter K, Chapter 121, Utilities
10 Code, as added by this Act, not later than January 1, 2020.

11 SECTION 3. This Act takes effect September 1, 2019.