

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021

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SENATE BILL 549

Short Title: Improve Pipeline Safety. (Public)

Sponsors: Senator Marcus (Primary Sponsor).

Referred to: Rules and Operations of the Senate

April 6, 2021

A BILL TO BE ENTITLED
AN ACT TO PROTECT THE CITIZENS OF NORTH CAROLINA FROM AGING AND
POORLY MAINTAINED PIPELINES.

Whereas, the largest gasoline pipeline leak in State history was discovered in Mecklenburg County after it had been leaking for an unknown amount of time; and

Whereas, the pipe was more than 40 years old when it began leaking; and

Whereas, more than a million gallons of gasoline were released into the soil and groundwater as a result of the leak; and

Whereas, the clean up and restoration will take years and the area where this environmental tragedy occurred will never be the same; and

Whereas, countless residents have been displaced, inconvenienced, worried, and otherwise negatively impacted by the leak of gasoline near their homes; and

Whereas, nearby drinking water wells have been capped due to the threat of free product, and the full extent of the environmental damage is not yet known; and

Whereas, pipelines conveying petroleum products and other hazardous liquids extend through several counties of the State; and

Whereas, the State has a duty to protect its citizens from environmental injury; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1. The Department of Environmental Quality's Division of Energy, Mineral, and Land Resources, with the assistance of the Public Staff of the North Carolina Utilities Commission, shall study the condition, safety, and environmental impact of pipelines that transport petroleum products in and through the State for the purpose of providing recommendations to the General Assembly on the need for additional funds or legislative changes to improve pipeline safety and protect the State's land and waters from pollution caused by leaking or poorly maintained petroleum product pipelines. As part of its study, the Division shall evaluate and make recommendations for, at a minimum, the following:

- (1) Updates needed to oil damage prevention statutes to implement incentives and requirements for best practices, in coordination with federal guidance.
- (2) Cost-recovery mechanisms, rules, or incentives the State Utilities Commission could employ to encourage more effective pipeline safety programs and the replacement and upgrade of aging pipeline infrastructure.
- (3) Improvements in emergency planning, management, and communication in the context of petroleum product pipelines that are needed to improve communications among first responders, pipeline operators, adjacent landowners, and State and federal regulators.



1 **SECTION 2.(a)** The sum of one hundred thousand dollars (\$100,000) in
2 nonrecurring funds for the 2021-2022 fiscal year and one hundred thousand dollars (\$100,000)
3 in nonrecurring funds for the 2022-2023 fiscal year is appropriated from the General Fund to the
4 Department of Environmental Quality to be allocated to the Division of Energy, Mineral, and
5 Land Resources for the study authorized by this act.

6 **SECTION 2.(b)** The Department may establish time-limited positions with the funds
7 provided by this act and may contract with a nonprofit entity to provide services related to the
8 study.

9 **SECTION 3.** The Department shall report its findings and recommendations no later
10 than December 15, 2022, to the Joint Legislative Commission on Energy Policy.

11 **SECTION 4.** Section 2 of this act becomes effective July 1, 2021. The remainder of
12 this act is effective when it becomes law.