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APPROVED
AUG 30 1974

EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET
WASHINGTON, D.C. 20503

AUG 28 1974

Folder 8/31
WARCHIVES
9/3

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 15205 - Natural Gas Pipeline Safety Act Amendments of 1974
Sponsors - Rep. Staggers (D) West Virginia and Rep. Devine (R) Ohio

Last Day for Action

September 3, 1974 - Tuesday

Purpose

Authorizes appropriations for fiscal years 1975 and 1976 for carrying out the Natural Gas Pipeline Safety Act. (Although the authorizations are somewhat larger than requested, the amounts involved are very small and the budget impact would, therefore, be minimal.)

Agency Recommendations

Office of Management and Budget	Approval
Department of Transportation	Approval
National Transportation Safety Board	Approval (informally)
Federal Power Commission	Approval (Informally)

Discussion

This bill results from a legislative proposal submitted by the Department of Transportation (DOT) and differs in certain respects as noted below from that proposal.

The Natural Gas Pipeline Safety Act of 1968 provides for the setting of Federal safety standards by the Secretary of Transportation for facilities used in the transportation by pipeline or in the storage of natural and other gases. That



Act gives DOT exclusive safety authority over gas pipeline systems which are subject to the jurisdiction of the Federal Power Commission and which are part of or affect interstate or foreign commerce. The Act also gives DOT overall responsibility for the safety regulation of intrastate gas pipeline systems covered by the Act.

The Act further provides that States may (1) enforce safety standards with respect to intrastate facilities by filing a certificate with DOT, (2) enter into an agreement with DOT to assist in enforcing Federal safety standards which apply to interstate facilities, and (3) agree to act as an agent of the Federal Government for the purposes of monitoring compliance with the Federal regulations on interstate facilities. The Act provides that the Federal Government shall make grants-in-aid to the States to cover up to 50 percent of the costs of such assistance.

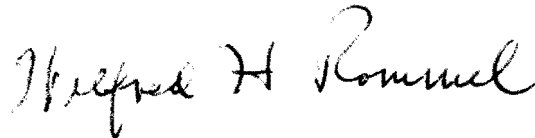
Currently, the Act provides a single authorization for both grants-in-aid and for DOT's expenses of running the program. This has made it difficult for the States to plan their programs effectively, since they do not know how much money will be available for grants. H.R. 15205 would provide two separate authorizations for grants and for DOT's expenses. This provision is the result of draft legislation submitted to the Congress by DOT.

In its draft legislation, DOT had asked for a permanent open-ended authorization to cover its expenses and for annual authorizations for grants-in-aid for fiscal years 1975 through 1978. H.R. 15205 would provide separate annual authorizations for both categories for fiscal years 1975 and 1976 only. The enrolled bill provides authorizations for the grants-in-aid in the amounts of \$1.8 million and \$2.5 million for 1975 and 1976, respectively, compared to \$1.2 million and \$1.45 million for those years requested by DOT. The DOT appropriation bill, which is now enrolled, provides appropriations of \$1.2 million for 1975 for grants-in-aid.

In its report on the bill, the House Commerce Committee stated, "Your committee has cut back the bill to 2 fiscal years because of its serious concern about the operation of the program under the act . . . , it is your committee's intention to carry out continuing oversight of the OPS [Office of Pipeline Safety] and its administration and enforcement of the gas pipeline safety program under the act. If that oversight should reveal any need to amend the act, that, of course, can and will be done at that time."

That report also commented, "The committee amendment would, however, increase the authorization of appropriations for grants-in-aid to the States for each of the 2 fiscal years over the amounts requested by the administration. This has been done because the amounts requested by the administration would be insufficient to pay the States up to 50 percent of their projected costs (as provided in section 5(c) of the act) of carrying out pipeline safety activities under the act."

In its views letter on the enrolled bill, DOT comments that, "Although the enrolled bill provides for authorizations in an amount and in a form different from that requested by this Department, we find the enrolled bill to be acceptable and recommend that the President sign this bill."

A handwritten signature in cursive script, reading "Alfred H. Rommel".

Assistant Director for
Legislative Reference

Enclosures



GENERAL COUNSEL

OFFICE OF THE SECRETARY OF TRANSPORTATION
WASHINGTON, D.C. 20590

AUG 23 1974

Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C. 20503

Dear Mr. Ash:

The Office of Management and Budget has asked for the views of this Department concerning H.R. 15205, an enrolled bill to amend the Natural Gas Pipeline Safety Act of 1968. For administrative expenses for the pipeline program, the bill authorizes \$2 million for fiscal 1975, and \$2.85 million for fiscal 1976. The Department originally asked for an open-ended authorization for these expenses to preserve flexibility and to avoid any problem because of unforeseen program requirements.

This bill also authorizes, for the pipeline grant-in-aid program, \$1.8 million for fiscal 1975 and \$2.5 million for fiscal 1976. The Department originally asked for \$1.2 million for fiscal 1975, \$1.45 million for fiscal 1976, \$1.7 million for fiscal 1977, and \$1.95 for fiscal 1978. Although the enrolled bill provides for authorizations in an amount and in a form different from that requested by this Department, we find the enrolled bill to be acceptable and recommend that the President sign this bill.

Sincerely,

A handwritten signature in dark ink, appearing to read "Rodney E. Eyster", is written over the typed name. The signature is fluid and cursive.

Rodney E. Eyster



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

DATE: 8-29-74

TO: Bob Linder

FROM: Wilf Rommel

Attached are the NTSB views letter on H.R. 15205 and the Army views letter on H.R. 3620 for inclusion in the enrolled bill files.



NATIONAL TRANSPORTATION SAFETY BOARD
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C. 20591

OFFICE OF
GENERAL MANAGER

August 23, 1974

Mr. W. H. Rommel
Assistant Director for
Legislative Reference
Office of Management and Budget
Washington, D. C.

Dear Mr. Rommel:

The National Transportation Safety Board has reviewed the enrolled bill, "H. R. 15205, To amend the Natural Gas Pipeline Act of 1968, as amended, to authorize additional appropriations, and for other purposes," and has no objections to the bill. We recommend that the President sign the bill into law.

Sincerely,

Richard L. Spears
General Manager



DEPARTMENT OF THE ARMY
WASHINGTON, D.C. 20310

28 AUG 1974

Honorable Roy L. Ash
Director
Office of Management and Budget

Dear Mr. Ash:

This is in reply to your request for the views of the Department of the Army on enrolled enactment H.R. 3620, 93d Congress, "To establish the Great Dismal Swamp Wildlife Refuge."

The purpose of the enrolled enactment is stated in its title. The Refuge would consist of approximately 50,000 acres donated by the Union Camp Corporation through the Nature Conservancy, plus such additional adjacent lands within the Great Dismal Swamp as the Secretary of the Interior may acquire should he deem it suitable to carry out the purposes of the Act.

The Refuge would be administered by the Secretary of the Interior pursuant to the provisions of the National Wildlife Refuge System Administration Act of 1966, except that he could also use such additional authorities as are available to him for the conservation and management of wildlife and natural resources, the development of outdoor recreation opportunities, and interpretative education. In addition, the Secretary of the Interior and the Chief of Engineers, Department of the Army, would be required to consult with one another and take such cooperative action as they deem necessary to insure that navigational and other uses made of the Dismal Swamp Canal do not adversely affect the Refuge, with particular attention to be given to maintaining an appropriate water level in Lake Drummond.

The Department of the Army has no objection to the approval of enrolled enactment H.R. 3620.

Sincerely,

Howard H. Callaway
Howard H. Callaway
Secretary of the Army



EXECUTIVE OFFICE OF THE PRESIDENT
OFFICE OF MANAGEMENT AND BUDGET

DATE: 9-3-74

TO: Bob Linder

FROM: Wilf Rommel

Attached is the FPC views letter on
H.R. 15205. Please have it included
in the enrolled bill file. Thanks.

FEDERAL POWER COMMISSION
WASHINGTON, D.C. 20426

AUG 28 1974

ENROLLED BILL
H.R. 15205 - 93d Congress
Natural Gas Pipeline Safety Act
Amendments

Honorable Roy L. Ash
Director, Office of Management and Budget
Executive Office of the President
Washington, D. C. 20503

Attention: Mrs. Louise Garziglia
Legislative Reference Division
Room 7201, New Executive Office Building

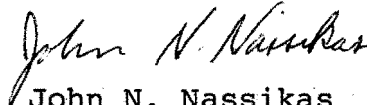
Dear Mr. Ash:

This is in response to Mr. Rommel's request of August 22, 1974, for comment on H.R. 15205, an Enrolled Bill, "to amend the Natural Gas Pipeline Safety Act of 1968." H.R. 15205 grants to the Department of Transportation appropriations in the amounts of \$2,000,000 for the fiscal year ending June 30, 1975, and \$2,850,000 for the fiscal year ending June 30, 1976. Secondly, it authorizes separate appropriations for grants-in-aid to the States to conduct State pipeline safety programs for the fiscal years ending June 30, 1975 and June 30, 1976.

The amendment which authorizes separate funds in specific amounts (for the fiscal years ending June 30, 1975 and 1976) to the States would have the advantage of notifying the States in advance as to available funds. This would permit each State to plan for matching funds and to adopt a program suited to their needs and resources.

The Federal Power Commission supports the enactment of H.R. 15205.

Sincerely,


John N. Nassikas
Chairman



To
Sharon Hendricks
8-28-74

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF MANAGEMENT AND BUDGET

WASHINGTON, D.C. 20503

AUG 28 1974

MEMORANDUM FOR THE PRESIDENT

Subject: Enrolled Bill H.R. 15205 - Natural Gas Pipeline
Safety Act Amendments of 1974
Sponsors - Rep. Staggers (D) West Virginia and
Rep. Devine (R) Ohio

Last Day for Action

September 3, 1974 - Tuesday

Purpose

Authorizes appropriations for fiscal years 1975 and 1976 for carrying out the Natural Gas Pipeline Safety Act. (Although the authorizations are somewhat larger than requested, the amounts involved are very small and the budget impact would, therefore, be minimal.)

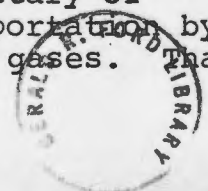
Agency Recommendations

Office of Management and Budget	Approval
Department of Transportation	Approval
National Transportation Safety Board	Approval (informally)
Federal Power Commission	Approval (Informally)

Discussion

This bill results from a legislative proposal submitted by the Department of Transportation (DOT) and differs in certain respects as noted below from that proposal.

The Natural Gas Pipeline Safety Act of 1968 provides for the setting of Federal safety standards by the Secretary of Transportation for facilities used in the transportation by pipeline or in the storage of natural and other gases. That



THE WHITE HOUSE
WASHINGTON

ENROLLED BILL

SUBJECT: Enrolled Bill H. R. 15205 - Natural
Gas Pipeline Safety Act Amendments of 1974

<u>Name</u>	<u>Approval</u>	<u>Date</u>
<u>Michael Duval</u>	<u>Yes</u>	<u> </u>
<u>Phil Buchen</u>	<u>Yes</u>	<u> </u>
<u>Bill Timmons</u>	<u>Yes</u>	<u> </u>
<u>Ken Cole</u>	<u> </u>	<u> </u>
<u> </u>	<u> </u>	<u> </u>
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<u> </u>	<u> </u>	<u> </u>

Comments:

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 547

Date: August 28, 1974

Time: 4:15 p. m.

FOR ACTION: ✓ Michael Duval
✓ Phil Buchen
✓ Bill Timmons

cc (for information): Warren K. Hendriks
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Friday, August 30, 1974

Time: 2:00 p. m.

SUBJECT: Enrolled Bill H. R. 15205 - Natural Gas Pipeline Safety Act Amendments of 1974

ACTION REQUESTED:

___ For Necessary Action

XX ___ For Your Recommendations

___ Prepare Agenda and Brief

___ Draft Reply

___ For Your Comments

___ Draft Remarks

REMARKS:

Please return to Kathy Tindle- West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

K. R. COLE, JR.
For the President

THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 547

Date: August 28, 1974

Time: 4:15 p.m.

FOR ACTION: Michael Duval
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Time: 2:00 p.m.

SUBJECT: Enrolled Bill H. R. 15205 - Natural Gas Pipeline Safety Act Amendments of 1974

ACTION REQUESTED:

- For Necessary Action
- For Your Recommendations
- Prepare Agenda and Brief
- Draft Reply
- For Your Comments
- Draft Remarks

REMARKS:

OK

Mike Duval

Please return to Kathy Tindle - West Wing



PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

Date: August 28, 1974

Time: 4:15 p. m.

FOR ACTION: Michael Duval
✓ Phil Buchen
Bill Timmons

cc (for information): Warren K. Hendriks
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ACTION REQUESTED:

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___ Prepare Agenda and Brief

___ Draft Reply

___ For Your Comments

___ Draft Remarks

REMARKS:

Please return to Kathy Tindle- West Wing

No objection

W.C.

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President



THE WHITE HOUSE
WASHINGTON

August 30, 1974

MEMORANDUM FOR: MR. WARREN HENDRIKS
FROM: WILLIAM E. TIMMONS *WT*
SUBJECT: Action Memorandum - Log No. 547
Enrolled Bill H. R. 15205 - Natural Gas
Pipeline Safety Act Amendments of 1974

The Office of Legislative Affairs concurs in the attached proposal and has no additional recommendations.

Attachment



THE WHITE HOUSE

ACTION MEMORANDUM

WASHINGTON

LOG NO.: 547

Date: August 28, 1974

Time: 4:15 p. m.

FOR ACTION: Michael Duval
Phil Buchen
✓ Bill Timmons

cc (for information): Warren K. Hendriks
Jerry Jones

FROM THE STAFF SECRETARY

DUE: Date: Friday, August 30, 1974

Time: 2:00 p. m.

SUBJECT: Enrolled Bill H. R. 15205 - Natural Gas Pipeline Safety Act Amendments of 1974

ACTION REQUESTED:

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XX For Your Recommendations

___ Prepare Agenda and Brief

___ Draft Reply

___ For Your Comments

___ Draft Remarks

REMARKS:

Please return to Kathy Tindle- West Wing

PLEASE ATTACH THIS COPY TO MATERIAL SUBMITTED.

If you have any questions or if you anticipate a delay in submitting the required material, please telephone the Staff Secretary immediately.

Warren K. Hendriks
For the President

NATURAL GAS PIPELINE SAFETY ACT AMENDMENTS OF 1974

AUGUST 16, 1974.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. STAGGERS, from the Committee on Interstate and Foreign Commerce, submitted the following

REPORT

together with

MINORITY VIEWS

[To accompany H.R. 15205]

The Committee on Interstate and Foreign Commerce, to whom was referred the bill (H.R. 15205) to amend the Natural Gas Pipeline Safety Act of 1968, as amended, to authorize additional appropriations, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike out all after the enacting clause and insert the following:

That this Act may be cited as the "Natural Gas Pipeline Safety Act Amendments of 1974".

Sec. 2. Section 5(c) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1674(c)) is amended by renumbering paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting immediately after paragraph (1) the following new paragraph:

"(2) Funds authorized to be appropriated by section 15(b) of this Act shall be allocated among the several States for payments to aid in the conduct of pipeline safety programs in accordance with paragraph (1) of this section."

Sec. 3. Section 15 of such Act (49 U.S.C. 1684) is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"Sec. 15. (a) There are authorized to be appropriated \$2,000,000 for the fiscal year ending June 30, 1975, and \$2,850,000 for the fiscal year ending June 30, 1976, for the purpose of carrying out the provisions of this Act, except that the funds appropriated pursuant to this subsection shall not be used for Federal grants-in-aid.

"(b) For the purpose of carrying out the provisions of section 5(c) of this Act, there are authorized to be appropriated for Federal grants-in-aid, \$1,800,000 for the fiscal year ending June 30, 1975, and \$2,500,000 for the fiscal year ending June 30, 1976."



COMMITTEE AMENDMENT

The committee amendment (1) authorizes the appropriation of \$2 million for fiscal year 1975, and \$2.85 million for fiscal year 1976, to carry out the provisions of the Natural Gas Pipeline Safety Act of 1968 (hereafter referred to as the "Act"), other than the provisions of section 5(c) relating to grants-in-aid to the States, and (2) authorizes the appropriation of \$1.8 million for fiscal year 1975, and \$2.5 million for fiscal year 1976, for grants-in-aid to the States of up to 50 percent of their costs in carrying out pipeline safety activities pursuant to the provisions of section 5 of the act.

H.R. 15205 was introduced at the request of the administration. As introduced, it would have provided open-end authorization of appropriations to carry out the provisions of the act other than the grants-in-aid provisions. In addition, for grants-in-aid to the States, the bill, as introduced, would have authorized \$1.2 million for fiscal year 1975, \$1.45 million for fiscal year 1976, \$1.7 million for fiscal year 1977, and \$1.95 million for fiscal year 1978.

Your committee has cut back the bill to 2 fiscal years because of its serious concern about the operation of the program under the act. During fiscal year 1974, only 25 persons were employed in the Office of Pipeline Safety (hereafter referred to as "OPS") of the Department of Transportation which administers and enforces the act. This is fewer persons than were employed by the OPS in any of the 3 preceding fiscal years. The State of New York employs 30 persons in gas pipeline safety activities. At present the OPS is only devoting about 2 man-years per year to field inspection relating to gas pipelines. In a program that involves about 2,100 operators of approximately 1.4 million miles of gas pipeline and the safety of literally hundreds of thousands of Americans, your committee believes that the level of staffing in the OPS is wholly inadequate to provide vigorous administration and enforcement of the act. However, we note with approval that with the funds authorized for fiscal year 1975, it is intended to employ 19 additional persons in the OPS. At present, OPS has a field office in Houston where three persons are employed. Most of these additional employees will be used to staff four new OPS field offices which will be located in Atlanta, Kansas City, Philadelphia, and San Francisco. Certainly this is a step in the right direction.

Nevertheless, it is your committee's intention to carry out continuing oversight of the OPS and its administration and enforcement of the gas pipeline safety program under the act. If that oversight should reveal any need to amend the act, that, of course, can and will be done at that time.

In addition to the consideration of the public safety, another important reason for insisting on vigorous administration and enforcement of the act is that by preventing pipeline leaks and explosions precious energy resources will be conserved.

During 1974 two gas pipeline accidents occurred which vividly illustrate the threat such accidents pose to the public safety and to the waste of this precious source of energy:

On April 23, 1974, a gas explosion wrecked a 24-story office building in New York City. The explosion occurred before the beginning of the business day. Nonetheless, the blast injured 70 persons, three of them critically, and left hundreds who lived in

nearby apartment buildings temporarily homeless. It did \$10 million in damage.

At 10:20 p.m. on June 9, 1974, a 30-inch interstate gas pipeline ruptured and exploded in Fauquier County, Va. Flames from the exploding gas were estimated to be 4,500 feet high and the gas continued to burn for over 2 hours.

The committee amendment would, however, increase the authorization of appropriations for grants-in-aid to the States for each of the 2 fiscal years over the amounts requested by the administration. This has been done because the amounts requested by the administration would be insufficient to pay the States up to 50 percent of their projected costs (as provided in section 5(c) of the act) of carrying out pipeline safety activities under the act.

COMMITTEE ACTION

Hearings were held on H.R. 15205 before your committee's Subcommittee on Communications and Power on June 13, 1974. Statements were received at the hearing from representatives of the Department of Transportation. Also heard were representatives of the gas pipeline company whose interstate gas pipeline in Fauquier County, Va., broke and exploded in June of this year.

On July 16, 1974, the subcommittee amended the bill as herein reported, and reported it to the full committee by a unanimous voice vote.

Your committee ordered the bill reported to the House by a unanimous voice vote on August 15, 1974.

BACKGROUND

The Natural Gas Pipeline Safety Act of 1968 was enacted into law on August 12, 1968. Administration of the act is vested in the Secretary of Transportation who has delegated his responsibility to the OPS.

The act provides for Federal safety standards for those facilities utilized in the transportation of natural and other gases by pipeline, or its storage, in or affecting interstate or foreign commerce. This involves approximately 1.4 million miles of gas pipeline system including some 260,000 miles of transmission pipelines, 650,000 miles of distribution mains plus an additional 400,000 miles of gas service lines, and some of the 70,000 miles of gathering lines. These pipeline facilities transport more than a third of the Nation's energy needs while serving approximately 43.7 million customers. Federal safety standards under the act may apply to the design, installation, inspection, testing, construction, extension, operation, replacement, and maintenance of gas pipeline facilities.

The act creates exclusive Federal safety authority over gas pipeline systems, generally described as interstate systems, which are subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act. In addition, the act gives the Secretary overall responsibility for the safety regulation of intrastate gas pipeline systems covered by the act.

A State may assume responsibility for enforcing safety standards with respect to intrastate facilities through the filing of a certification

under section 5(a) of the act, or may enter into an agreement with the Secretary under section 5(b) to assist in the enforcement of the Federal safety standards. A certifying State agency may adopt additional, or more stringent, standards applicable to intrastate pipeline facilities, which are not incompatible with the Federal standards.

Of the 52 jurisdictions to which the act applies (the 50 States, the District of Columbia, and Puerto Rico), 45 have filed certifications under section 5(a), and 6 have agreements with the Secretary under section 5(b). New Jersey does not participate in the program under the act.

Section 5(c) of the Act provides that the Secretary shall make grants-in-aid of up to 50 percent of the cost of personnel, equipment, and activities of a State agency which are reasonably required to carry out a safety program under a certification pursuant to section 5(a), or under an agreement pursuant to section 5(b), or which are reasonably required in acting as an agent of the Secretary for the purpose of monitoring for compliance the regulations with respect to interstate gas pipeline facilities. At present, 22 States act as agents of the Secretary for such purpose.

COST

As set forth above, H.R. 15205, as amended, would authorize the appropriation of the following amounts:

	Fiscal year—	
	1975	1976
Operation of the act, other than grants-in-aid to States.....	\$2,000,000	\$2,850,000
Grants-in-aid to States.....	1,800,000	2,500,000
Total.....	3,800,000	5,350,000

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman):

NATURAL GAS PIPELINE SAFETY ACT OF 1968

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Pipeline Safety Act of 1968".

DEFINITIONS

SEC. 2. As used in this Act—

(1) "Person" means any individual, firm, joint venture, partnership, corporation, association, State, municipality, cooperative association, or joint stock association, and includes any trustee, receiver, assignee, or personal representative thereof;

(2) "Gas" means natural gas, flammable gas, or gas which is toxic or corrosive;

(3) "Transportation of gas" means the gathering, transmission or distribution of gas by pipeline or its storage in or affecting interstate or foreign commerce; except that it shall not include the gathering of gas in those rural locations which lie outside the limits of any incorporated or unincorporated city, town, village, or any other designated residential or commercial area such as a subdivision, a business or shopping center, a community development, or any similar populated area which the Secretary may define as a nonrural area;

(4) "Pipeline facilities" includes, without limitation, new and existing pipe rights-of-way and any equipment facility, or building used in the transportation of gas or the treatment of gas during the course of transportation but "rights-of-way" as used in this Act does not authorize the Secretary to prescribe the location or routing of any pipeline facility;

(5) "State" includes each of the several States, the District of Columbia, and the Commonwealth of Puerto Rico;

(6) "Municipality" means a city, county, or any other political subdivision of a State;

(7) "National organization of State commissions" means the national organization of the State commissions referred to in part II of the Interstate Commerce Act;

(8) "Interstate transmission facilities" means pipeline facilities used in the transportation of gas which are subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act; and

(9) "Secretary" means the Secretary of Transportation.

STANDARDS ESTABLISHED

SEC. 3. (a) As soon as practicable but not later than three months after the enactment of this Act, the Secretary shall, by order, adopt as interim minimum Federal safety standards for pipeline facilities and the transportation of gas in each State the State standards regulating pipeline facilities and the transportation of gas within such State on the date of enactment of this Act. In any State in which no such standards are in effect, the Secretary shall, by order, establish interim Federal safety standards for pipeline facilities and the transportation of gas in such State which shall be such standards as are common to a majority of States having safety standards for the transportation of gas and pipeline facilities on such date. Interim standards shall remain in effect until amended or revoked pursuant to this section. Any State agency may adopt such additional or more stringent standards for pipeline facilities and the transportation of gas not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act as are not incompatible with the Federal minimum standards, but may not adopt or continue in force after the interim standards provided for above become effective any such standards applicable to interstate transmission facilities.

(b) Not later than twenty-four months after the enactment of this Act, and from time to time thereafter, the Secretary shall, by order, establish minimum Federal safety standards for the transportation of gas and pipeline facilities. Such standards may apply to the design, installation, inspection, testing, construction, extension, operation, re-

placement, and maintenance of pipeline facilities. Standards affecting the design, installation, construction, initial inspection, and initial testing shall not be applicable to pipeline facilities in existence on the date such standards are adopted. Whenever the Secretary shall find a particular facility to be hazardous to life or property, he shall be empowered to require the person operating such facility to take such steps necessary to remove such hazards. Such Federal safety standards shall be practicable and designed to meet the need for pipeline safety. In prescribing such standards, the Secretary shall consider—

- (1) relevant available pipeline safety data;
- (2) whether such standards are appropriate for the particular type of pipeline transportation;
- (3) the reasonableness of any proposed standards; and
- (4) the extent to which such standards will contribute to public safety.

Any State agency may adopt such additional or more stringent standards for pipeline facilities and the transportation of gas not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act as are not incompatible with the Federal minimum standards, but may not adopt or continue in force after the minimum Federal safety standards referred to in this subsection become effective any such standards applicable to interstate transmission facilities.

(c) Any standards prescribed under this section, and amendments thereto, shall become effective thirty days after the date of issuance of such standards unless the Secretary, for good cause recited, determines an earlier or later effective date is required as a result of the period reasonably necessary for compliance.

(d) The provisions of subchapter II of chapter 5 of title 5 of the United States Code shall apply to all orders establishing, amending, revoking, or waiving compliance with, any standard established under this Act. The Secretary shall afford interested persons an opportunity to participate fully in the establishment of such safety standards through submission of written data, views, or arguments with opportunity to present oral testimony and argument.

(e) Upon application by any person engaged in the transportation of gas or the operation of pipeline facilities, the Secretary may, after notice and opportunity for hearing and under such terms and conditions and to such extent as he deems appropriate, waive in whole or in part compliance with any standard established under this Act, if he determines that a waiver of compliance with such standard is not inconsistent with a gas pipeline safety. The Secretary shall state his reasons for any such waiver. A State agency, with respect to which there is in effect a certification pursuant to section 5(a) or an agreement pursuant to section 5(b), may waive compliance with a safety standard in the same manner as the Secretary, provided such State agency gives the Secretary written notice at least sixty days prior to the effective date of the waiver. If, before the effective date of a waiver to be granted by a State agency, the Secretary objects in writing to the granting of the waiver, any State agency action granting the waiver will be stayed. After notifying such State agency of his objection, the Secretary shall afford such agency a prompt opportunity to present its request for waiver, with opportunity for hearing, and the Secretary shall determine finally whether the requested waiver may be granted.

TECHNICAL PIPELINE SAFETY STANDARDS COMMITTEE

SEC. 4. (a) The Secretary shall establish a Technical Pipeline Safety Standards Committee. The Committee shall be appointed by the Secretary, after consultation with public and private agencies concerned with the technical aspect of the transportation of gas or the operation of pipeline facilities, and shall be composed of fifteen members each of whom shall be experienced in the safety regulation of the transportation of gas and of pipeline facilities or technically qualified by training and experience in one or more fields of engineering applied in the transportation of gas or the operation of pipeline facilities to evaluate gas pipeline safety standards, as follows:

(1) Five members shall be selected from governmental agencies, including State and Federal Governments, two of whom, after consultation with representatives of the national organization of State commissions, shall be State commissions;

(2) Four members shall be selected from the natural gas industry after consultation with industry representatives, not less than three of whom shall be currently engaged in the active operation of natural gas pipelines; and

(3) Six members shall be selected from the general public.

(b) The Secretary shall submit to the Committee all proposed standards and amendments to such standards and afford such Committee a reasonable opportunity, not to exceed ninety days, unless extended by the Secretary, to prepare a report on the technical feasibility, reasonableness, and practicability of each such proposal. Each report by the Committee, including any minority views, shall be published by the Secretary and form a part of the proceedings for the promulgation of standards. In the event that the Secretary rejects the conclusions of the majority of the Committee, he shall not be bound by such conclusions but shall publish his reasons for rejection thereof. The Committee may propose safety standards for pipeline facilities and the transportation of gas to the Secretary for his consideration. All proceedings of the Committee shall be recorded and the record of each such proceeding shall be available for public inspection.

(c) Members of the Committee other than Federal employees may be compensated at a rate to be fixed by the Secretary not to exceed \$100 per diem (including travel time) when engaged in the actual duties of the Committee. All members, while away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently. Payments under this section shall not render members of the Committee employees or officials of the United States for any purpose.

STATE CERTIFICATIONS AND AGREEMENTS

SEC. 5. (a) Except for the fourth sentence of section 3(b), section 12(b), and except as otherwise provided in this section, the provisions of this Act shall not apply to pipeline facilities and the transportation of gas (not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act) within a State when the safety stand-

ards and practices applicable to same are regulated by a State agency (including a municipality) which submits to the Secretary an annual certification that such State agency (1) has regulatory jurisdiction over the safety standards and practices of such pipeline facilities and transportation of gas; (2) has adopted each Federal safety standard applicable to such pipeline facilities and transportation of gas established under this Act as of the date of the certification; (3) is enforcing each such standard; and (4) has the authority to require record maintenance, reporting, and inspection substantially the same as are provided under section 12 and the filing for approval of plans of inspection and maintenance described in section 11; and that the law of the State makes provision for the enforcement of the safety standards of such State agency by way of injunctive and monetary sanctions substantially the same as are provided under sections 9 and 10; except that a State agency may file a certification under this subsection without regard to the requirement of injunctive and monetary sanctions under State law for a period not to exceed five years after the date of enactment of this Act. Each annual certification shall include a report, in such form as the Secretary may by regulation provide, showing (i) name and address of each person subject to the safety jurisdiction of the State agency; (ii) all accidents or incidents reported during the preceding twelve months by each such person involving personal injury requiring hospitalization, fatality, or property damage exceeding \$1,000, together with a summary of the State agency's investigation as to the cause and circumstances surrounding such accident or incident; (iii) the record maintenance, reporting, and inspection practiced by the State agency to enforce compliance with such Federal safety standards, including a detail of the number of inspections made of pipeline facilities by the State agency during the preceding twelve months; and (iv) such other information as the Secretary may require. The report included with the first annual certification need not show information unavailable at that time. If after receipt of annual certification, the Secretary determines that the State agency is not satisfactorily enforcing compliance with Federal safety standards, he may, on reasonable notice and after opportunity for hearing, reject the certification or take such other action as he deems appropriate to achieve adequate enforcement including the assertion of Federal jurisdiction. When such notice is given by the Secretary, the burden of proof shall be upon the State agency to show that it is satisfactorily enforcing compliance with Federal safety standards.

(b) With respect to any pipeline facilities and transportation of gas (not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act) for which the Secretary does not receive an annual certification under subsection (a) of this section, the Secretary is authorized by agreement with a State agency (including a municipality) to authorize such agency to assume responsibility for, and carry out on behalf of the Secretary as it relates to pipeline facilities and the transportation of gas not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act the necessary actions to—

(1) establish an adequate program for record maintenance, reporting, and inspection designed to assist compliance with Federal safety standards;

(2) establish procedures for approval of plans of inspection and maintenance substantially the same as are required under section 11;

(3) implement a compliance program acceptable to the Secretary including provision for inspection of pipeline facilities used in such transportation of gas; and

(4) cooperate fully in a system of Federal monitoring of such compliance program and reporting under regulations prescribed by the Secretary.

Any agreement executed pursuant to this subsection shall require the State agency promptly to notify the Secretary of any violation or probable violation of a Federal safety standard which it discovers as a result of its program.

(c) (1) Except as otherwise provided in this section, if an application is submitted not later than September 30 in any calendar year, the Secretary shall pay out of funds appropriated or otherwise made available up to 50 per centum of the cost of the personnel, equipment, and activities of a State agency reasonably required, during the following calendar year to carry out a safety program under a certification under subsection (a) or an agreement under subsection (b) of this section; or to act as agent of the Secretary with respect to interstate transmission facilities. The Secretary may, after notice and consultation with a State agency, withhold all or any part of the funds for a particular State agency if he determines that such State agency (A) is not satisfactorily carrying out a safety program under a certification under subsection (a) or an agreement under subsection (b) of this section, or (B) is not satisfactorily acting as agent of the Secretary with respect to interstate transmission facilities. No such payment may be made unless the State agency making application under this subsection gives assurances satisfactory to the Secretary that the State agency will provide the remaining cost of such a safety program and that the aggregate expenditures of funds of the State, exclusive of Federal grants, for gas safety programs will be maintained at a level which does not fall below the average level of such expenditures for the last two fiscal years preceding the date of enactment of this section.

(2) *Funds authorized to be appropriated by section 15(b) of this Act shall be allocated among the several States for payments to aid in the conduct of pipeline safety programs in accordance with paragraph (1) of this section.*

[(2)] (3) Payments under this section may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments and underpayments.

[(3)] (4) The Secretary may, by regulation, provide for the form and manner of filing of applications under this section, and for such reporting and fiscal procedures as he deems necessary to assure the proper accounting for Federal funds.

(d) A certification which is in effect under subsection (a) of this section shall not apply with respect to any new or amended Federal safety standard for pipeline facilities or the transportation of gas, not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act, established pursuant to this Act after the date of such certification. The provisions of this Act shall apply to any such new

or amended Federal safety standard until the State agency has adopted such standard and has submitted an appropriate certification in accordance with the provisions of subsection (a) of this section.

(e) Any agreement under this section may be terminated by the Secretary if, after notice and opportunity for a hearing, he finds that the State agency has failed to comply with any provision of such agreement. Such finding and termination shall be published in the Federal Register, and shall become effective no sooner than fifteen days after the date of publication.

JUDICIAL REVIEW OF ORDERS

SEC. 6. (a) Any person who is or will be adversely affected or aggrieved by any order issued under this Act may at any time prior to the sixtieth day after such order is issued file a petition for a judicial review with the United States Court of Appeals for the District of Columbia or for the circuit wherein such petitioner is located or has his principal place of business. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Secretary or other officer designated by him for that purpose.

(b) Upon the filing of the petition referred to in subsection (a), the court shall have jurisdiction to review the order in accordance with chapter 7 of title 5 of the United States Code and to grant appropriate relief as provided in such chapter.

(c) The judgment of the court affirming or setting aside, in whole or in part, any such order of the Secretary shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28 of the United States Code.

(d) Any action instituted under this section shall survive, notwithstanding any change in the person occupying the office of Secretary or any vacancy in such office.

(e) The remedies provided for in this section shall be in addition to and not in substitution for any other remedies provided by law.

COOPERATION WITH FEDERAL POWER COMMISSION AND STATE COMMISSIONS

SEC. 7. Whenever the establishment of a standard or action upon application for waiver under the provisions of this Act, would affect continuity of any gas services, the Secretary shall consult with and advise the Federal Power Commission or State commission having jurisdiction over the affected pipeline facility before establishing the standard or acting on the waiver application and shall defer the effective date until the Federal Power Commission or any such commission has had reasonable opportunity to grant the authorizations it deems necessary. In any proceedings under section 7 of the Natural Gas Act (15 U.S.C. 717f) for authority to establish, construct, operate, or extend a gas pipeline which is or will be subject to Federal or other applicable safety standards, any applicant shall certify that it will design, install, inspect, test, construct, operate, replace, and maintain the pipeline facilities in accordance with Federal and other applicable safety standards and plans for maintenance and inspection. Such certification shall be binding and conclusive upon the Commission unless

the relevant enforcement agency has timely advised the Commission in writing that the applicant has violated safety standards established pursuant to this Act.

COMPLIANCE

SEC. 8. (a) Each person who engages in the transportation of gas or who owns or operates pipeline facilities shall—

(1) at all times after the date any applicable safety standard established under this Act takes effect comply with the requirements of such standard; and

(2) file and comply with a plan of inspection and maintenance required by section 11; and

(3) permit access to or copying of records, and make reports or provide information, and permit entry or inspection, as required under section 12.

(b) Nothing in this Act shall affect the common law or statutory tort liability of any person.

CIVIL PENALTY

SEC. 9. (a) Any person who violates any provision of section 8(a), or any regulation issued under this Act, shall be subject to a civil penalty of not to exceed \$1,000 for each such violation for each day that such violation persists, except that the maximum civil penalty shall not exceed \$200,000 for any related series of violations: *Provided*, That for a reasonable period of time, not to exceed one year after the date of enactment of this Act, such civil penalties shall not be applicable to pipeline facilities existing on such date of enactment.

(b) Any such civil penalty may be compromised by the Secretary. In determining the amount of such penalty, or the amount agreed upon in compromise, the appropriateness of such penalty to the size of the business of the person charged, the gravity of the violation, and the good faith of the person charged in attempting to achieve compliance, after notification of a violation, shall be considered. The amount of such penalty, when finally determined, or the amount agreed upon in compromise, may be deducted from any sums owing by the United States to the person charged or may be recovered in a civil action in the United States district courts.

INJUNCTION AND JURISDICTION

SEC. 10. (a) The United States district courts shall have jurisdiction, subject to the provisions of rule 65 (a) and (b) of the Federal Rules of Civil Procedure, to restrain violations of this Act (including the restraint of transportation of gas or the operation of a pipeline facility) or to enforce standards established hereunder upon petition by the appropriate United States attorney or the Attorney General on behalf of the United States. Whenever practicable, the Secretary shall give notice to any person against whom an action for injunctive relief is contemplated and afford him an opportunity to present his views, and, except in the case of a knowing and willful violation, shall afford him reasonable opportunity to achieve compliance. However, the failure to give such notice and afford such opportunity shall not preclude the granting of appropriate relief.

(b) In any proceeding for criminal contempt for violation of an injunction or restraining order issued under this section, which violation also constitutes a violation of this Act, trial shall be by the court or, upon demand of the accused, by a jury. Such trial shall be conducted in accordance with the practice and procedure applicable in the case of proceedings subject to the provisions of rule 42(b) of the Federal Rules of Criminal Procedure.

(c) Actions under subsection (a) of this section and section 9 may be brought in the district wherein any act or transaction constituting the violation occurred, or in the district wherein the defendant is found or is an inhabitant or transacts business, and process in such cases may be served in any other district of which the defendant is an inhabitant or transacts business or wherever the defendant may be found.

(d) In any action brought under subsection (a) of this section and section 9, subpoenas for witnesses who are required to attend a United States district court may run into any other district.

INSPECTION AND MAINTENANCE PLANS

SEC. 11. Each person who engages in the transportation of gas or who owns or operates pipeline facilities not subject to the jurisdiction of the Federal Power Commission under the Natural Gas Act shall file with the Secretary or, where a certification or an agreement pursuant to section 5 is in effect, with the State agency, a plan for inspection and maintenance of each such pipeline facility owned or operated by such person, and any changes in such plan, in accordance with regulations prescribed by the Secretary or appropriate State agency. The Secretary may, by regulation, also require persons who engage in the transportation of gas or who own or operate pipeline facilities subject to the provisions of this Act to file such plans for approval. If at any time the agency with responsibility for enforcement of compliance with the standards established under this Act finds that such plan is inadequate to achieve safe operation, such agency shall, after notice and opportunity for a hearing, require such plan to be revised. The plan required by the agency shall be practicable and designed to meet the need for pipeline safety. In determining the adequacy of any such plan, such agency shall consider—

- (1) relevant available pipeline safety data;
- (2) whether the plan is appropriate for the particular type of pipeline transportation;
- (3) the reasonableness of the plan; and
- (4) the extent to which such plan will contribute to public safety.

RECORDS, REPORTS, AND INSPECTION FOR COMPLIANCE

SEC. 12. (a) Each person who engages in the transportation of gas or who owns or operates pipeline facilities shall establish and maintain such records, make such reports, and provide such information as the Secretary may reasonably require to enable him to determine whether such person has acted or is acting in compliance with this Act and the standards established under this Act. Each such person shall,

upon request of an officer, employee, or agent authorized by the Secretary, permit such officer, employee, or agent to inspect books, papers, records, and documents relevant to determining whether such person has acted or is acting in compliance with this Act and the standards established pursuant to this Act.

(b) The Secretary is authorized to conduct such monitoring of State enforcement practices and such other inspection and investigation as may be necessary to aid in the enforcement of the provisions of this Act and the standards established pursuant to this Act. He shall furnish the Attorney General any information obtained indicating noncompliance with such standards for appropriate action. For purposes of enforcement of this Act, officers, employees, or agents authorized by the Secretary, upon presenting appropriate credentials to the individual in charge, are authorized (1) to enter upon, at reasonable times, pipeline facilities, and (2) to inspect, at reasonable times and within reasonable limits and in a reasonable manner, such facilities. Each such inspection shall be commenced and completed with reasonable promptness.

(c) Accident reports made by any officer, employee, or agent of the Department of Transportation shall be available for use in any civil, criminal, or other judicial proceeding arising out of such accident. Any such officer, employee, or agent may be required to testify in such proceedings as to the facts developed in such investigations. Any such report shall be made available to the public in a manner which need not identify individuals. All reports on research projects, demonstration projects, and other related activities shall be public information.

(d) All information reported to or otherwise obtained by the Secretary or his representative pursuant to subsection (a), (b), or (c) which information contains or relates to a trade secret referred to in section 1905 of title 18 of the United States Code shall be considered confidential for the purpose of that section, except that such information may be disclosed to other officers, or employees concerned with carrying out this Act or when relevant in any proceeding under this Act. Nothing in this section shall authorize the withholding of information by the Secretary or any officer, employee, or agent under his control, from the duly authorized committees of the Congress.

ADMINISTRATION

SEC. 13. (a) The Secretary shall conduct research, testing, development, and training necessary to carry out the provisions of this Act. The Secretary is authorized to carry out the provisions of this section by contract, or by grants to individuals, States, and nonprofit institutions.

(b) Upon request, the Secretary shall furnish to the Federal Power Commission any information he has concerning the safety of any materials, operations, devices, or processes relating to the transportation of gas or the operation of pipeline facilities.

(c) The Secretary is authorized to advise, assist, and cooperate with other Federal departments and agencies and State and other interested public and private agencies and persons, in the planning and development of (1) Federal safety standards, and (2) methods for inspecting and testing to determine compliance with Federal safety standards.

(d) The Secretary is authorized to consult with, and make recommendations to, other Federal departments and agencies, State and local governments, and other public and private agencies or persons, for the purpose of developing and encouraging activities, including the enactment of legislation, to assist in the implementation of this Act and to improve State and local pipeline safety programs.

ANNUAL REPORT

Sec. 14. (a) The Secretary shall prepare and submit to the President for transmittal to the Congress on March 17 of each year a comprehensive report on the administration of this Act for the preceding calendar year. Such report shall include—

(1) a thorough compilation of the accidents and casualties occurring in such year with a statement of cause whenever investigated and determined by the National Transportation Safety Board;

(2) a list of Federal gas pipeline safety standards established or in effect in such year with identification of standards newly established during such year;

(3) a summary of the reasons for each waiver granted under section 3(e) during such year;

(4) an evaluation of the degree of observance of applicable safety standards for the transportation of gas and pipeline facilities including a list of enforcement actions, and compromises of alleged violations by location and company name;

(5) a summary of outstanding problems confronting the administration of this Act in order of priority;

(6) an analysis and evaluation of research activities, including the policy implications thereof, completed as a result of Government and private sponsorship and technological progress for safety achieved during such year;

(7) a list, with a brief statement of the issues, of completed or pending judicial actions under the Act;

(8) the extent to which technical information was disseminated to the scientific community and consumer-oriented information was made available to the public;

(9) a compilation of—

(A) certifications filed by State agencies (including municipalities) under section 5(a) which were in effect during the preceding calendar year, and

(B) certifications filed under section 5(a) which were rejected by the Secretary during the preceding calendar year, together with a summary of the reasons for each such rejection; and

(10) a compilation of—

(A) agreements entered into with State agencies (including municipalities) under section 5(b) which were in effect during the preceding calendar year, and

(B) agreements entered into under section 5(b) which were terminated by the Secretary during the preceding calendar year, together with a summary of the reasons for each such termination.

(b) The report required by subsection (a) shall contain such recommendations for additional legislation as the Secretary deems necessary to promote cooperation among the several States in the improvement of gas pipeline safety and to strengthen the national gas pipeline safety program.

[APPROPRIATIONS AUTHORIZED]

[Sec. 15. For the purpose of carrying out the provisions of this Act over a period of three fiscal years, beginning with the fiscal year ending June 30, 1972, there is authorized to be appropriated not to exceed \$3,000,000 for the fiscal year ending June 30, 1972; not to exceed \$3,800,000 for the fiscal year ending June 30, 1973; and not to exceed \$5,000,000 for the fiscal year ending June 30, 1974.]

APPROPRIATIONS AUTHORIZED

Sec. 15. (a) There are authorized to be appropriated \$2,000,000 for the fiscal year ending June 30, 1975, and \$2,850,000 for the fiscal year ending June 30, 1976, for the purpose of carrying out the provisions of this Act, except that the funds appropriated pursuant to this subsection shall not be used for Federal grants-in-aid.

(b) For the purpose of carrying out the provisions of section 5(c) of this Act, there are authorized to be appropriated for Federal grants-in-aid, \$1,800,000, for the fiscal year ending June 30, 1975 and \$2,500,000 for the fiscal year ending June 30, 1976.

MINORITY VIEWS OF MR. DINGELL

The Natural Gas Pipeline Safety Act of 1968 (NGPSA) was signed into law on August 12, 1968—over 6 years ago. In that 6 years this committee has held only 2 days of hearings on the act. These were held on March 9, 1971, and March 13, 1974, on bills to extend expiring 3-year authorizations to carry out the act. If history repeats itself, and I think it will, it will be 2 more years before another hearing is held on the NGPSA and then only for the purpose of enacting legislation to extend the 2-year authorization which we are now reporting.

Yet the NGPSA was enacted to protect lives and property from gas pipeline failures. Is it achieving that purpose? The following events speak for themselves:

On Sunday evening, June 9, 1974, an interstate gas pipeline exploded near Bealeton, Va., and burned for nearly 2 hours. Flames from the burning gas could be seen in the night sky from Washington, D.C., almost 50 miles away. No lives were lost but only because the explosion occurred in a remote rural area.

On April 23, 1974, a gas explosion literally wrecked a 24-story office building in New York City. The blast injured 70 persons, three of them critically, left hundreds of persons temporarily homeless and did \$10 million worth of damage. Miraculously the explosion occurred shortly before the building filled up with its daily complement of office workers.

In the Washington, D.C., metropolitan area alone the toll of gas explosions has been frightening. Late in 1972 a gas explosion and fire killed three persons and destroyed two homes in Fairfax County, Va.; on November 15, 1972, three persons were injured in a gas explosion that demolished a home in East Riverdale, Md.; in June of last year three persons were killed in a gas explosion and fire at a home in Bowie, Md.; that same month an unoccupied house in Columbia, Md., blew up in a gas explosion; the following month a gas explosion at an apartment complex in Annandale, Va., caused a fire and severe property damage and 2 days later there was a gas explosion at a restaurant in Arlington, Va.

In April 1973, seven persons died when an El Paso, Tex., apartment building was demolished by a gas explosion.

In 1972, two Ohio gas pipeline accidents resulted in the deaths of eight citizens, seven of them in the Cincinnati area.

On February 21, 1973, in Coopersburg, Pa., a contractor working on a municipal sewer project was excavating with dynamite. A blast cracked open an underground gas pipeline, apparently at a welded joint, and gas flowed into a nearby six-unit apartment building. Five died and 16 were injured in the subsequent explosion that demolished the apartment building.

On November 17, 1972, an operating engineer ran a bulldozer over a gas line in Lake City, Minn. Forty feet away the basement

of a store filled with gas. An employee smelled the odor, and, entering the basement he snapped on the light switch—six people were killed in the explosion that followed.

In May 1968, a construction crew in Hapeville, Ga., accidentally broke a gas service line outside a day nursery filled with children. Gas seeped along the outside of the buried pipe into the building. Seven children and two adults were killed in that explosion.

In its August 4, 1973, issue, Business Week magazine reported the Office of Pipeline Safety as having tabulated 461 major gas-distribution-system accidents for the first 6 months of that year resulting in 39 deaths and 218 injuries. This compared with 28 deaths and 294 injuries for all of 1972.

These are merely examples of the shocking toll of lives and property taken by gas pipeline explosions. We must determine why the NGPSA is not achieving its intended purpose of protecting lives and property from gas pipeline accidents and we must do it soon. The only way I know of making this determination is through intensive oversight hearings.

In an effort to force such oversight hearings, I offered an amendment during the committee's consideration of the bill to limit it to a 1-year authorization. Unfortunately, the amendment was defeated. I fervently hope that it will not take a holocaust triggered by a gas pipeline failure to bring about adequate hearings on the Natural Gas Pipeline Safety Act.

JOHN D. DINGELL.

NATURAL GAS PIPELINE SAFETY ACT AUTHORIZATION

AUGUST 13, 1974.—Ordered to be printed

Mr. MAGNUSON, from the Committee on Commerce,
submitted the following

REPORT

together with

ADDITIONAL VIEWS

[To accompany S. 3620]

The Committee on Commerce to which was referred the bill (S. 3620) to amend the Natural Gas Pipeline Safety Act of 1968, as amended, to authorize additional appropriations, and for other purposes, having considered the same, reports favorably thereon with amendments and recommends that the bill as amended do pass.

DESCRIPTION

This bill provides for the authorization of appropriations for fiscal year 1975 to carry out the purposes of the Natural Gas Pipeline Safety Act of 1968. That Act provides for the setting of Federal safety standards for those facilities in or affecting interstate or foreign commerce utilized in the transportation by pipeline and storage of natural and other gases. The Act provides States with the opportunity to assume responsibility for enforcing safety standards for intrastate facilities or for assisting the enforcement of Federal safety standards which apply to interstate facilities. States assuming such responsibilities are entitled to Federal grants-in-aid.

The bill authorizes the appropriation of sums not to exceed \$2,000,000 in fiscal year 1975 to carry out those aspects of the Act not related to the Federal grant-in-aid programs which are separately authorized at a level not to exceed \$1,200,000.

COMMITTEE AMENDMENTS

The bill as introduced at the request of the Administration provided for an "open-ended" authorization for the purposes of carrying out those provisions of the Natural Gas Pipeline Safety Act not related to the Federal grant-in-aid programs. The Committee amended the bill to eliminate the open-ended authorization. The amendment provides a one-year authorization of \$2,000,000 for those activities not related to the Federal grant-in-aid programs. The Committee also amended the bill by retaining the fiscal year 1975 grant-in-aid authorization of \$1,200,000 but eliminating the fiscal year 1976, 1977, and 1978 authorizations.

DISCUSSION

The Committee in reviewing the performance of the Office of Pipeline Safety in implementing the Natural Gas Pipeline Safety Act of 1968 agrees with the Director's conclusions of its Director as expressed in the House hearings on the authorization measure. Director Caldwell stated that there was ample authority under the Act to assure the safe operation of gas pipelines. The Committee has under intensive review the performance of the Office of Pipeline Safety in exercising that authority in such a way as to secure the safe operation of gas pipelines. The preliminary findings suggest that there have been serious omissions which the Committee will continue to examine and try to cure. In the meantime, the Committee believes that it is essential to authorize appropriations for the Office of Gas Pipeline Safety so that it can continue its activities (as meager as some argue they are) and provide grants-in-aid to the States to assure some degree of natural and other gas pipeline safety greater than that level of safety existing prior to the passage of the Natural Gas Pipeline Safety Act of 1968.

The Committee has provided only a one year authorization because it recognizes that its investigation of the efficacy of the Office of Gas Pipeline Safety and the grant-in-aid programs it administers may lead to legislative changes requiring different authorization in subsequent fiscal years. For example, the Committee might recommend the abolition of the Office or its location in some other Government agency if its study leads to the conclusion that only such action will lead to a vigorous administration of this important safety act. The Committee intends to take further steps to improve the gas pipeline safety situation later in this session of Congress.

COSTS

The Committee estimates that the costs associated with S. 3620 will not exceed \$2,300,000 for fiscal year 1975.

CHANGES IN EXISTING LAW

In compliance with subsection (4) of Rule XXIX of the Standing Rules of the Senate, changes in existing law made by the bill as reported are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italic, existing law in which no change is proposed is shown in roman) :

SECTION 5(c) OF THE NATURAL GAS PIPELINE SAFETY ACT OF 1968

(49 U.S.C. 1674(c))

(c) Grants to aid State enforcement

(1) Upon an application submitted not later than September 30 in any calendar year, the Secretary is authorized to pay out of funds appropriated pursuant to section 1684 of this title up to 50 per centum of the cost of the personnel, equipment, and activities of a State agency reasonably required to carry out a safety program under a certification under subsection (a) or an agreement under subsection (b) of this section during the following calendar year. No such payment may be made unless the State agency making application under this subsection gives assurances satisfactory to the Secretary that the State agency will provide the remaining cost of such a safety program and that the aggregate expenditures of funds of the State, exclusive of Federal grants, for gas safety programs will be maintained at a level which does not fall below the average level of such expenditures for the last two fiscal years preceding the date of enactment of this section.

(2) Funds authorized to be appropriated by section 15(b) of this Act shall be allocated among the several States to aid in the conduct of pipeline safety programs approved in accordance with paragraph (c) (1) of this section.

[(2)] (3) Payments under this section may be made in installments, in advance or by way of reimbursement, with necessary adjustments on account of overpayments and underpayments.

[(3)] (4) The Secretary may, by regulation, provide for the form and manner of filing of applications under this section, and for such reporting and fiscal procedures as he deems necessary to assure the proper accounting for Federal funds.

SECTION 15 OF THE NATURAL GAS PIPELINE SAFETY ACT OF 1968

(49 U.S.C. 1684)

[Sec. 15. For the purpose of carrying out the provisions of this chapter over a period of three fiscal years, beginning with the fiscal year ending June 30, 1972, there is authorized to be appropriated not to exceed \$3,000,000 for the fiscal year ending June 30, 1972; not to exceed \$3,800,000 for the fiscal year ending June 30, 1973; and not to exceed \$5,000,000 for the fiscal year ending June 30, 1974.]

Sec. 15. (a) There are authorized to be appropriated such sums as are necessary not to exceed \$2,000,000 for the fiscal year ending June 30, 1975 for the purpose of carrying out the provisions of this Act, except that the funds appropriated pursuant to this subsection shall not be used for Federal grants-in-aid.

(b) For the purpose of carrying out the provisions of subsection 5(c) of this Act, there is authorized to be appropriated for Federal grants-in-aid, the sum of \$1,200,000 for the fiscal year ending June 30, 1975.

AGENCY COMMENTS

NATIONAL TRANSPORTATION SAFETY BOARD,
DEPARTMENT OF TRANSPORTATION,
Washington, D.C., July 19, 1974.

HON. WARREN G. MAGNUSON,
Chairman, Committee on Commerce,
U.S. Senate, Washington, D.C.

DEAR MR. CHAIRMAN: Thank you for your letter of July 1, 1974, inviting the comments of the National Transportation Safety Board on S. 3620, a bill to amend the Natural Gas Pipeline Safety Act of 1968, as amended, to authorize additional appropriations, and for other purposes.

We have reviewed the proposed legislation and determined that we have no official comments to offer at this time. Your thoughtfulness in soliciting our views is greatly appreciated.

Sincerely,

JOHN H. REED, *Chairman.*

ADDITIONAL VIEWS OF SENATOR J. GLENN BEALL, JR.

While I voted to report S. 3620, the Natural Gas Pipeline Safety Act Amendments of 1974, I did so with reservations.

Since the Act expires, we obviously must provide for its extension. I believe, however, that this Act needs more than a simple extension, without even a single day of hearings. In fact, the growing problem of natural gas explosions calls for a reexamination of both the Act and its administration.

My interest in natural gas problems grew out of the series of explosions which have rocked the Washington and Baltimore areas in recent years. In 1973 I offered an amendment to the Department of Transportation Appropriations bill authorizing a study of the growing problem of natural gas explosions in residential areas. This amendment passed and contracts, pursuant to this appropriation, have been let for studies of the safety of plastic pipes, odorants and their effectiveness, and the evaluation of the procedures and tools for assessing the safety of gas distribution systems.

Since then, I have continued my examination of this problem and have made a series of recommendations for administrative action, particularly with respect to the major cause of pipeline accidents—damage to pipelines during excavation. (See Congressional Record of May 21, 1974, pages S 8666-8668).

Damages to pipelines as a result of construction activities seems to be an area that cries out for immediate attention. There are steps that can and should be taken to dramatically reduce such accidents. As the National Transportation Safety Board has stated, "Pipeline accidents caused by excavation and construction activities, including blasting, can be prevented. . . Although new technological advancements and new concepts should be developed, the hardware and knowledge currently available can be used to reduce the number of excavation-damage accidents." When we keep in mind that damage to pipeline during excavation is already the primary cause of pipeline accidents, and it is estimated by the Association of General Contractors that between now and the year 2000, the United States will match all the construction that has taken place in our Nation's history, the need for action, and action now, to prevent construction-related accidents to pipelines and other underground utilities is apparent.

States, for example, should be required to establish statewide utility coordination councils and see to it that local councils are established in appropriate areas within the State. These are ongoing in a number of areas and they can and do work.

Similarly, at the state and local level, legislation should be enacted to require contractors to notify, via a one call or other similarly effective system, all utilities prior to commencing work. The utilities then should be required to respond with appropriate markings and assistance to contractors so as to avoid damage to buried lines.

Also, I believe that there is a critical need for examining the adequacy of existing inspection and staff. Earlier this year, I introduced S. 3245, the National Transportation Safety Board Independence and Improvement Act of 1974, which would broaden and expand the role of the National Transportation Safety Board in surface transportation safety, including pipeline safety. When I introduced the bill I pointed out that there are only two employees at the NTSB working on pipeline safety. Similarly, the Office of Pipeline Safety, in my judgment, is also understaffed with only eighteen professional employees. One might feel better if the staffing by the states in this field were adequate, but this is not the case.

For example, the Prince Georges County Task Force on Underground Utility Hazards, in my state of Maryland, concluded in a recent study that both the Office of Pipeline Safety and the Maryland Public Service Commission had minimal personnel in the field. Little or no on-sight inspection was found to be conducted by state and federal agencies to verify compliance with regulations. Maryland had only one pipeline safety inspector for the entire state and ours is a representative state in this regard. At the very minimum, I believe that the federal grants to the state must be sufficient to pay for the cost of a full time safety engineer and not less than one full time inspector.

In voting to report this bill, I reserve my right to offer floor amendments or to offer amendments to subsequent bills which the Commerce Committee will be considering. I was pleased that the Committee, during our discussions of the reported measure, indicated its willingness to entertain such amendments to another measure at a later time. I will be discussing and working with my colleagues in determining the best course of action to pursue.

While it is true that pipelines, as compared to other modes of surface transportation, have a good safety record, nevertheless, the potential for catastrophe is overwhelming.

Because of the potential for catastrophe, the *Washington Post* in an editorial, urged "federal and state officials, not to mention gas companies themselves, take the problem with more seriousness." I agree.

I hope the Commerce Committee will be able to conduct the needed and serious evaluation of this growing problem of natural gas explosions from which we have witnessed a tripling of fatalities since 1969.

J. GLENN BEALL, JR.



Ninety-third Congress of the United States of America

AT THE SECOND SESSION

*Begun and held at the City of Washington on Monday, the twenty-first day of January,
one thousand nine hundred and seventy-four*

An Act

To amend the Natural Gas Pipeline Safety Act of 1968, as amended, to authorize additional appropriations, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Natural Gas Pipeline Safety Act Amendments of 1974".

SEC. 2. Section 5(c) of the Natural Gas Pipeline Safety Act of 1968 (49 U.S.C. 1674(c)) is amended by renumbering paragraphs (2) and (3) as paragraphs (3) and (4), respectively, and by inserting immediately after paragraph (1) the following new paragraph:

"(2) Funds authorized to be appropriated by section 15(b) of this Act shall be allocated among the several States for payments to aid in the conduct of pipeline safety programs in accordance with paragraph (1) of this section."

SEC. 3. Section 15 of such Act (49 U.S.C. 1684) is amended to read as follows:

"APPROPRIATIONS AUTHORIZED

"SEC. 15. (a) There are authorized to be appropriated \$2,000,000 for the fiscal year ending June 30, 1975, and \$2,850,000 for the fiscal year ending June 30, 1976, for the purpose of carrying out the provisions of this Act, except that the funds appropriated pursuant to this subsection shall not be used for Federal grants-in-aid.

"(b) For the purpose of carrying out the provisions of section 5(c) of this Act, there are authorized to be appropriated for Federal grants-in-aid, \$1,800,000 for the fiscal year ending June 30, 1975, and \$2,500,000 for the fiscal year ending June 30, 1976."

Speaker of the House of Representatives.

*Vice President of the United States and
President of the Senate.*

August 22, 1974

Dear Mr. Director:

The following bills were received at the White House on August 22nd:

S. 1871	H.R. 14402
S. 3703	H.R. 14920
H.R. 6485	H.R. 15205
H.R. 11864	H.R. 15842

Please let the President have reports and recommendations as to the approval of these bills as soon as possible.

Sincerely,

Robert D. Linder
Chief Executive Clerk

The Honorable Roy L. Ash
Director
Office of Management and Budget
Washington, D. C.