

THE GENERAL ASSEMBLY OF PENNSYLVANIA

HOUSE BILL

No. 2469

Session of
1978

INTRODUCED BY MESSRS. GARZIA, HUTCHINSON AND MANDERINO,
MAY 23, 1978

AS AMENDED ON THIRD CONSIDERATION, HOUSE OF REPRESENTATIVES,
SEPTEMBER 19, 1978

AN ACT

1 Providing for the regulation of natural or man-made caverns
2 which are used for the storage of ~~crude oil or its~~ <—
3 ~~derivatives~~, natural or artificial gas, authorizing the
4 Department of Labor and Industry to prescribe regulations for
5 the use and maintenance of such facilities in order to insure
6 the health and safety of workers and the general public and
7 for the protection of property, providing for the regulation
8 of the construction of such facilities by the Department of
9 Environmental Resources, requiring the posting of a bond and
10 providing penalties.

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3 The General Assembly of the Commonwealth of Pennsylvania
4 hereby enacts as follows:

5 Section 1. Short title.

6 This act shall be known and may be cited as the "Underground
7 Storage Act."

8 Section 2. Definitions.

9 The following words and phrases, when used in this act, shall
10 have, unless the context clearly indicates otherwise, the
11 meanings given to them in this section:

12 "Commodity" or "stored commodity." Either in a liquid or
13 gaseous state: ~~crude oil and its derivatives~~, natural and <—
14 artificial gas.

15 "Department." The Department of Labor and Industry.

16 "Underground storage facility." A natural or man-made cavern
17 used for the storage of a commodity. Excluded are storage
18 facilities which are not natural or man-made caverns and which
19 are registered with the department for the storage of liquified
20 petroleum gas pursuant to the act of December 27, 1951

21 (P.L.1793, No.475), referred to as the Liquified Petroleum Gas
22 Act and all underground storage facilities subject to the act of
23 November 30, 1955 (P.L.756, No.225), known as the "Gas

24 Operations, Well-Drilling, Petroleum and Coal Mining Act." ACT" <—

25 AND FURTHER EXCLUDING UNDERGROUND STORAGE FACILITIES AND
26 OPERATIONS CERTIFICATED OR AUTHORIZED BY THE FEDERAL ENERGY
27 REGULATORY COMMISSION (FERC) OR ITS PREDECESSOR UNDER THE
28 NATURAL GAS ACT (15 U.S.C. § 717 ET. SEQ.)

29 "User." Any person, firm, corporation, partnership or other
30 entity including the Commonwealth and its political

1 subdivisions.

2 ~~Section. 3. Annual registration.~~ <—

3 ~~(a) Registration requirement. No underground storage~~
4 ~~facility shall be used to store a commodity unless the same has~~
5 ~~been registered with the department.~~

6 ~~(b) Application. An application for a registration~~
7 ~~certificate shall be made on such form and in such manner as~~
8 ~~prescribed by the rules of the department. The information~~
9 ~~required on the application shall include, but not be limited~~
10 ~~to, a statement that the bond or security required by this act~~
11 ~~has been given.~~

12 ~~(c) Fee.—~~

13 ~~(1) A fee of \$100 shall be collected by the department~~
14 ~~for each new or renewal registration certificate issued.~~

15 ~~(2) All fees collected under this act shall be paid into~~
16 ~~the State Treasury through the Department of Revenue.~~

17 Section 4 3. Rules and regulations. <—

18 (a) In general.--The department shall, in the manner
19 provided by law, promulgate rules and regulations governing:

20 (1) The use and maintenance of underground storage
21 facilities and associated pumping, venting, safety and other
22 equipment.

23 (2) Commercial, industrial or construction activity at
24 or near underground storage facility sites.

25 (b) Nature of regulations.--The regulations shall be as are
26 reasonably necessary for the protection of the health and safety
27 of workers and the general public and for the protection of
28 public and private property located near underground storage
29 facility sites.

30 (c) Recognized standards.--The regulations shall be in

1 substantial conformity with the generally accepted standards for
2 the storage of commodities in underground storage facilities.

3 Section ~~5~~ 4. Bond. <—

4 The user of an underground storage facility shall post a bond
5 in a face amount of \$100,000 or proof of liability insurance
6 coverage in said amount to cover damages which may be caused by
7 the use of such facility or a stored commodity.

8 Section ~~6~~ 5. Construction. <—

9 The design and construction of underground storage facilities
10 shall be in accordance with the rules and regulations of the
11 Department of Environmental Resources. No underground storage
12 facility CONSTRUCTED AFTER THE ENACTMENT DATE OF THIS ACT shall <—
13 be used to store a commodity until a permit has been issued by
14 the Department of Environmental Resources and the user of such
15 facility has furnished the Department of Environmental Resources
16 with the following:

17 (1) Certification by a geologist or geological engineer
18 that the porosity and structural stability of the surrounding
19 rock formations meet or exceed the minimum standards set by
20 the department.

21 (2) Certification by a chemist or chemical engineer that
22 the surrounding rock will not react with the stored
23 commodity.

24 ~~Section 7. Storage pressure.~~ <—

25 ~~No external pressure shall be applied to the stored commodity~~
26 ~~other than the normal pressure required to move it into storage.~~

27 Section ~~8~~ 6. Enforcement. <—

28 (a) Inspection.--The department shall AT LEAST ANNUALLY, for <—
29 the purpose of inspection have a right of access to every
30 underground storage facility and associated buildings and

1 equipment. THE DEPARTMENT SHALL CHARGE AN INSPECTION FEE OF \$25 <—
2 FOR EACH INSPECTION MADE BY THE DEPARTMENT.

3 (b) Suspension of use.--If, in the judgment of the
4 department the continued use of an underground storage facility
5 or associated equipment is found to be dangerous to life or
6 property, the department may order the suspension of use of the
7 facility or equipment until the reasonable and necessary changes
8 recommended by the department are made. Any such determination
9 shall be subject to the review procedures provided in the act of
10 June 4, 1945 (P.L.1388, No.442), known as the "Administrative
11 Agency Law.

12 (c) Records.--Adequate records shall be maintained by each
13 user of an underground storage facility and shall be made
14 available to the department upon request. The department may by
15 rule, establish the form and contents of such records.

16 Section 9 7. Penalties. <—

17 Any user of an underground storage facility who violates any
18 order of the department regarding the use of an underground
19 storage facility or associated equipment, shall upon conviction
20 thereof, be guilty of a summary offense and shall be fined the
21 sum of \$500 for each day of such violation, plus costs.

22 Section ~~10~~ 8. Transition provision. <—

23 Any storage facility which is a natural or man-made cavern
24 and which is registered with the department for the storage of
25 liquified petroleum gas pursuant to the Liquified Petroleum Gas
26 Act shall, on and after the effective date of this act, be
27 subject to regulations under this act and not the Liquified
28 Petroleum Gas Act.

29 Section ~~11~~ 9. Repeals. <—

30 (a) Specific repeals.--As much of the act of December 27,

1 1951 (P.L.1793, No.475), entitled "An act providing for the
2 marking of liquefied petroleum gas containers and prohibiting
3 the refilling or use of such containers without authorization by
4 the owner thereof; authorizing the Department of Labor and
5 Industry, after public hearing, to prescribe uniform regulations
6 for safety in the design, construction, location, installation
7 and operation of equipment for storing, handling, transporting
8 by tank truck or tank trailer and utilizing liquefied petroleum
9 gases for fuel purposes and for the odorization of said gases
10 used therewith; prohibiting the adoption by municipalities or
11 other political subdivisions of ordinances or regulations in
12 conflict with this act; providing for prosecutions for
13 violations of this act by summary proceedings, and prescribing
14 the penalty therefor," as is inconsistent herewith, is hereby
15 repealed to the extent of the inconsistency.

16 (b) General repeal.--All acts or parts of acts inconsistent
17 herewith are hereby repealed to the extent of the inconsistency.

18 Section ~~12~~ 10. Effective date.

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19 This act shall take effect in 90 days.