

ASSEMBLY BILL

No. 1234

Introduced by Assembly Member Pescetti

February 23, 2001

An act to add Section 857 to the Public Utilities Code, relating to public utilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 1234, as introduced, Pescetti. Public utilities: natural gas.

(1) Under existing law, no public utility may transfer or encumber in whole or in part any property necessary or useful in the performance of its duties to the public without prior authorization from the Public Utilities Commission.

This bill would require a gas corporation to put its gas gathering lines, including existing lines and lines that have been retired but are still functional, to auction by December 31, 2001. The bill would define a gathering line as a pipeline that transports liquid hydrocarbons between multiple wells, testing facilities, treating and production facilities, storage facilities, or custody transfer facilities. The bill would require the commission to determine the manner, terms, and conditions of these auctions. The bill would require a gas corporation to obtain approval of the commission prior to retiring any portion of its gas gathering or delivery system. Because a violation of the Public Utilities Act is a crime under existing provisions of law, the bill would create a state-mandated local program by expanding the definition of a crime.

(2) The California Constitution requires the state to reimburse local agencies and school districts for certain costs mandated by the state. Statutory provisions establish procedures for making that reimbursement.

This bill would provide that no reimbursement is required by this act for a specified reason.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: yes.

The people of the State of California do enact as follows:

1 SECTION 1. Section 857 is added to the Public Utilities
2 Code, to read:
3 857. (a) A gas corporation shall put its gas gathering lines to
4 auction by December 31, 2001. The auction shall include both
5 existing gathering lines and lines that have been retired but are still
6 functional. For purposes of this section a “gathering line” means
7 a pipeline that transports liquid hydrocarbons between multiple
8 wells, testing facilities, treating and production facilities, storage
9 facilities, or custody transfer facilities.
10 (b) The commission shall determine the manner, terms, and
11 conditions of these auctions.
12 (c) A gas corporation shall obtain the approval of the
13 commission prior to retiring any portion of its gas gathering or
14 delivery system.
15 SEC. 2. No reimbursement is required by this act pursuant to
16 Section 6 of Article XIII B of the California Constitution because
17 the only costs that may be incurred by a local agency or school
18 district will be incurred because this act creates a new crime or
19 infraction, eliminates a crime or infraction, or changes the penalty
20 for a crime or infraction, within the meaning of Section 17556 of
21 the Government Code, or changes the definition of a crime within
22 the meaning of Section 6 of Article XIII B of the California
23 Constitution.

