The following is a list of issues for consideration by the Petroleum Pipeline Study Committee. Public feed-back is welcomed. If you would like to comment on any of these issues, please submit your comments to Heather Anderson, Senate staff for the Study Committee, by 5:00 p.m. on Friday, June 2, 2017. Ms. Anderson's mailing address is Post Office Box 142, Columbia SC 29202, and email is <u>heatheranderson@scsenate.gov</u>. Comments submitted by email should be in a Word or Adobe document. All comments received will be posted on the Study Committee's website:

<u>http://www.scstatehouse.gov/CommitteeInfo/PetroleumPipelineStudyCommittee.php</u>

## **Considerations for Petroleum Pipeline Study Committee**

Issue: Should private petroleum pipeline companies be authorized to use eminent domain in South Carolina under limited circumstances after certain regulatory hurdles and other requirements are met?

If yes, the following should be considered in any recommendation to the General Assembly:

- Should a petroleum pipeline company be deemed a public utility in South Carolina, regulated by state agencies in areas that are not preempted by federal law?
- Should there be a process to require a showing of need prior to a petroleum pipeline company utilizing eminent domain? If so, the following may need to be considered:
  - Should "public use" be defined in statute? Should that include identifying certain tangible benefits specific to South Carolina and its citizens?
  - Should petroleum pipeline companies obtain a certificate of need and/or public necessity as part of the permitting process? What factors would be included to establish public necessity?
  - What opportunities should be given for public notice and public comment during the permitting process?
  - Does current law provide adequate protections for conservation areas? Do additional environmental concerns need to be addressed to protect certain environmentally sensitive areas of the state?
  - Although South Carolina's current eminent domain cases are determined by the courts, other states utilize a two-step system for pipeline companies in which regulators initially determine if there is a need for a pipeline and review environmental factors. If this type of review were implemented in South Carolina, would all permitting/approvals need to be issued before a pipeline company could begin construction?
- Should there be standards for a petroleum pipeline company's initial interaction with property owners for surveys?

- Should state agencies be more involved overall in regards with petroleum pipeline matters?
  - Should there be requirements for when a spill must be reported to a state agency, in addition to federal reporting requirements?
  - Should petroleum pipeline companies be required to respond to certain state regulatory entities concerning clean-up or any additional monitoring following a spill?
  - Should a state agency be tasked with inspecting petroleum pipelines, which currently is a federal responsibility? If yes, could this include inspections from the beginning of the pipeline's construction throughout its use?
  - What funding mechanism should be available for clean-up in the event the petroleum pipeline company is incapable of paying for a spill?
  - Should there be a bonding requirement for a petroleum pipeline company to post a minimum amount to be available in the event of a future spill?
  - Are the current standards in South Carolina law sufficient for a petroleum pipeline clean-up?
  - Are there adequate protections in current law to notify the public when there is a spill incident, which includes the availability of information to assist citizens who are directly affected by a petroleum pipeline spill?
- Should a buy back option be required if a petroleum pipeline company condemns property but does not utilize the property within a certain time period?
- Should abandoned petroleum pipelines be addressed in legislation?