

Pipeline Ordinance and Legislative Options



Presented

by

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August 7, 2008

Pipelines under Street Facilities

- Decades old practice prohibits **high-pressure pipelines under City streets**
- Results in acquisition of **easements through private property**, although property owners are compensated
- Appropriate to **revisit practice** due to improved construction standards and ability to bore

Benefit:

- Property owners may not be subject to **eminent domain** proceedings
- Distance from structures would be **maximized**
- **Additional routes** outside of neighborhoods may become viable

Risk:

- Some property owners may not perceive the loss of compensation as an **adequate offset** to an additional distance of from their homes

Pipelines under Street Facilities, cont.

Potential Administrative Changes:

- Reviewed by Transportation & Public Works, Water and Engineering Departments for technical standards, construction methods, work schedules and traffic control plans
 - All construction will meet City specifications and standards
 - Work site will be properly barricaded
 - Pipeline contractor shall be licensed, bonded and meet City insurance requirements
- Prohibited in existing or planned median sections
- Installed a minimum of 10 feet deep and 5 feet below existing or planned City facilities
- Installed by bore method unless agreement reached for trenching and gas operator funding of street reconstruction that benefits the City

Pipelines under Street Facilities, cont.

Potential Ordinance Change:

Require pipeline companies to consult with City to identify possible routes under City streets prior to pursuing private easement acquisition or eminent domain proceedings

Options for Pipeline Route Reporting

- Flower Mound requires pipeline permit applications that depicts pipeline routes
 - **Reiterates** federal and state construction standards
 - Occurs **after the easements have been acquired** so not an early warning mechanism for neighborhoods
 - **Release of liability** for the town for subdivision of residential lots within 100 feet (easements currently recorded on the plat)
- Recommendation for **Fort Worth**: Combine with City street ordinance provision to require electronic as-built construction submittals by operator for City map layer

Legislative or Rule-Making Options

- Pursue **additional funding for Texas Railroad Commission** to increase inspections and enforcement under current rules for pipelines and well sites
 - Currently only **25 field inspectors** located in seven regional offices **161,000 miles**
 - 43,000 miles of natural gas transmission lines
 - 28,000 miles of hazardous liquids lines
 - 90,000 miles of distribution lines
 - Currently only **83 field inspectors** located in nine district offices for **376,139 oil and gas wells**
 - 265,577 are active of which 84,918 are producing
 - 110,562 inactive wells

Legislative or Rule-making Options, cont.

- Pursue **more timely State clean-up and regulation** of abandoned wells, pipelines and compressor stations
 - RRC charged with eliminating the threat of pollution posed by inactive unplugged wells
 - 2007 annual report identified 16,293 inactive wells in violation of the Commission's plugging rules
 - Only 77% of wells plugged in 2007 were plugged voluntarily by the operator with 1,536 handled by the Commission through Oil Field Cleanup Program and other funds
 - Often two years or longer until Commission takes over clean-up

Legislative or Rule-making Options, cont.

- Seek State regulatory authority for production lines
- Seek consistency of **definition of gas utility** between the Texas Railroad Commission and the Texas Department of Transportation

Drilling and Pipeline Master Plan

- Involves private competitive companies and private citizens benefiting from the exercise of their property rights
- Designating specific drill sites could hinder the ability of private citizens to lease their minerals
- Geological constraints
- Legal issues related to the dominant mineral estate and takings issues under Texas law in addition to anti-trust issues
- Conflicts with pipeline company's state power of eminent domain
- Whose backyard is appropriate?

History of Gas Drilling Ordinance

- **July 11, 2001:** The **first two applications** for Planned Development zoning to permit the drilling and production of gas were heard and continued by the Zoning Commission
- **July 17, 2001:** The City Council **adopted a 90 day moratorium** for the acceptance of applications, which was **extended** on September 11th to December 11, 2001
- At the time the moratorium was adopted there was **no gas drilling** inside the city limits
- Council site tours, request for public comments, presentations to various neighborhoods and groups, Council presentations and public hearings held between July and December
- First Ordinance adopted on **December 11, 2001**
- **November 2005:** City Council appoints second Task Force in response to citizen complaints about noise
- City Council **adopted revisions on June 13, 2006**

Questions?