

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2023**

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**SENATE BILL 328**

Short Title: Improve Pipeline Safety. (Public)

Sponsors: Senator Marcus (Primary Sponsor).

Referred to: Rules and Operations of the Senate

March 20, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROTECT THE CITIZENS OF NORTH CAROLINA FROM AGING AND  
3 POORLY MAINTAINED PIPELINES.

4 Whereas, the largest gasoline pipeline leak in State history was discovered in  
5 Mecklenburg County after it had been leaking for an unknown amount of time; and

6 Whereas, the pipe was more than 40 years old when it began leaking; and

7 Whereas, more than 1,400,000 gallons of gasoline were released into the soil and  
8 groundwater as a result of the leak; and

9 Whereas, the cleanup and restoration will take years, and the area where this  
10 environmental tragedy occurred will never be the same; and

11 Whereas, countless residents have been displaced, inconvenienced, worried, and  
12 otherwise negatively impacted by the leak of gasoline near their homes; and

13 Whereas, nearby drinking water wells have been capped due to the threat of free  
14 product, and the full extent of the environmental damage is not yet known; and

15 Whereas, pipelines conveying petroleum products and other hazardous liquids extend  
16 through several counties of the State; and

17 Whereas, the State has a duty to protect its citizens from environmental injury; Now,  
18 therefore,

19 The General Assembly of North Carolina enacts:

20 **SECTION 1.** The Department of Environmental Quality's Division of Energy,  
21 Mineral, and Land Resources, with the assistance of the Public Staff of the North Carolina  
22 Utilities Commission, shall study the condition, safety, and environmental impact of pipelines  
23 that transport petroleum products in and through the State for the purpose of providing  
24 recommendations to the General Assembly on the need for additional funds or legislative changes  
25 to improve pipeline safety and protect the State's land and waters from pollution caused by  
26 leaking or poorly maintained petroleum product pipelines. As part of its study, the Division shall  
27 evaluate and make recommendations for, at a minimum, the following:

- 28 (1) Updates needed to oil damage prevention statutes to implement incentives and  
29 requirements for best practices, in coordination with federal guidance.
- 30 (2) Cost-recovery mechanisms, rules, or incentives the State Utilities  
31 Commission could employ to encourage more effective pipeline safety  
32 programs and the replacement and upgrade of aging pipeline infrastructure.
- 33 (3) Improvements in emergency planning, management, and communication in  
34 the context of petroleum product pipelines that are needed to improve  
35 communications among first responders, pipeline operators, adjacent  
36 landowners, and State and federal regulators.



1           **SECTION 2.(a)** The sum of one hundred thousand dollars (\$100,000) in  
2 nonrecurring funds for the 2023-2024 fiscal year is appropriated from the General Fund to the  
3 Department of Environmental Quality to be allocated to the Division of Energy, Mineral, and  
4 Land Resources for the study authorized by this act.

5           **SECTION 2.(b)** The Department may establish time-limited positions with the funds  
6 provided by this act and may contract with a nonprofit entity to provide services related to the  
7 study.

8           **SECTION 3.** The Department shall report its findings and recommendations no later  
9 than April 1, 2024, to the Joint Legislative Commission on Energy Policy.

10          **SECTION 4.** Section 2 of this act becomes effective July 1, 2023. The remainder of  
11 this act is effective when it becomes law.