MISSISSIPPI LEGISLATURE

By: Representative Staples

To: Energy

HOUSE BILL NO. 791

1 AN ACT TO AMEND SECTION 11-27-47, MISSISSIPPI CODE OF 1972, 2 TO PROVIDE THAT OIL OR GAS PIPELINES BUILT, CONSTRUCTED OR 3 EXTENDED USING EMINENT DOMAIN MUST BE OPERATED AS COMMON CARRIERS; 4 AND FOR RELATED PURPOSES. BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF MISSISSIPPI: 5 SECTION 1. Section 11-27-47, Mississippi Code of 1972, is 6 7 amended as follows: 11-27-47. (1) All companies, associations of persons, 8 9 municipalities, associations of municipalities, public utility 10 districts authorized by and under the laws of the State of Mississippi, or natural gas districts, incorporated or organized 11 12 for the purpose of building or constructing pipelines and 13 appliances for the conveying and distribution of oil or gas, 14 including carbon dioxide or other gaseous substances for use in connection with secondary or tertiary recovery projects located 15 within the State of Mississippi for the enhanced recovery of 16 17 liquid or gaseous hydrocarbons, or for the purpose of constructing, maintaining and operating lines for transmitting 18 19 electricity for lighting, heating and power purposes, or for the H. B. No. 791 ~ OFFICIAL ~ G1/219/HR31/R1322 PAGE 1 (CAA\JAB)

20 purpose of constructing, maintaining and operating lines and 21 appliances, for storing, transmitting and distributing water and 22 for transmitting, treating and disposing of sewage, are * * * empowered to exercise the right of eminent domain in the manner 23 24 now provided by law, subject to the provision of subsection (2) of 25 this section, and to build and construct the *** * *** pipelines and appliances along or across highways, waters, railroads, canals and 26 27 public lands, above or below ground, but not in a manner to be 28 dangerous to persons or property, nor to interfere with the common 29 use of such roads, waters, railroads, canals and public lands. 30 (2) (a) Any existing pipeline or appliance for the conveying and distribution of oil or gas, including carbon dioxide 31 32 or other gaseous substances for use in connection with secondary

33 or tertiary recovery products located within the State of

34 Mississippi for the enhanced recovery of liquid or gaseous

35 hydrocarbons, that was built, constructed or extended using the

36 power of eminent domain, including threat of such, must be

37 operated as a common carrier, as a condition of having exercised

38 the power of eminent domain, including threat of such.

39 (b) If an entity intends to build or construct a new 40 pipeline or appliance or extend an existing pipeline or appliance 41 on or after July 1, 2019, for the conveying and distribution of 42 <u>oil or gas, including carbon dioxide or other gaseous substances</u> 43 for use in connection with secondary or tertiary recovery projects 44 <u>located within the State of Mississippi for the enhanced recovery</u>

H. B. No. 791 **~ OFFICIAL ~** 19/HR31/R1322 PAGE 2 (CAA\JAB) 45 of liquid or gaseous hydrocarbons, the entity must first make a 46 declaration on a form developed by the State Oil and Gas Board declaring whether the entity desires to exercise the power of 47 eminent domain to build, construct or extend the pipeline or 48 49 appliance. The form shall state that if the entity exercises the 50 power of eminent domain to build, construct or extend the pipeline or appliance, the entity must operate the pipeline or appliance 51 52 for which eminent domain was exercised to build, construct or 53 extend as a common carrier, as a condition of exercising the power 54 of eminent domain. 55 (c) No entity that is subject to this subsection may 56 exercise the power of eminent domain to build, construct or extend 57 a pipeline or appliance until the entity has made the required

58 declaration on the form, and any entity that exercises the power

59 of eminent domain to build, construct or extend a pipeline or

60 appliance must operate the pipeline or appliance for which eminent

61 domain was exercised to build, construct or extend as a common

62 <u>carrier</u>.

63 (3) The board of supervisors of any county through which any 64 such line may pass shall have the power to regulate, within its 65 respective limits, the manner in which such lines and appliances 66 shall be constructed and maintained on and above the highways and 67 bridges of the county. All such companies, associations of 68 persons, municipalities, associations of municipalities, public 69 utility districts authorized by and under the laws of the State of

70 Mississippi or natural gas districts shall be responsible in 71 damages for any injury caused by such construction or use thereof. 72 SECTION 2. This act shall take effect and be in force from 73 and after July 1, 2019.

H. B. No. 791 19/HR31/R1322 PAGE 4 (CAA\JAB) XIII IN INFINITION OFFICIAL ~ ST: Oil and gas pipelines; clarify those built using eminent domain must be operated as common carriers.