1	Senate Bill No. 314
2	(By Senators Kessler (Acting President), Edgell, Beach and
3	Klempa)
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5	[Introduced January 27, 2011; referred to the Committee on
6	Transportation and Infrastructure; and then to the Committee on
7	Finance.]
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12	A BILL to amend the Code of West Virginia, 1931, as amended, by
13	adding thereto a new article, designated §17C-17C-1, §17C-17C-
14	2, §17C-17C-3, §17C-17C-4, §17C-17C-5 and §17C-17C-6, all
15	relating to creation of the Temporary Natural Gas Resources
16	Transportation Road System; providing legislative findings;
17	creating regulatory program; defining certain terms; requiring
18	Division of Highways to establish vehicle weight and size
19	limits for public highways, including natural gas resource
20	transportation roads; providing for temporary designation of
21	natural gas resource transportation roads; requiring
22	certification of natural gas permitting areas by the
23	Department of Environmental Protection to Division of
24	Highways; requiring exchange of certain information between

1 agencies; requiring certain road signs; providing for toll-2 free telephone line for public reporting of poor driving or 3 violations; authorizing the Public Service Commission to 4 administer the special permit program and to enforce this 5 article; authorizing Public Service Commission to inspect certain trucking records; requiring study and report on 6 7 commercial vehicle safety-related issues; authorizing emergency and legislative rules to effectuate purposes of the 8 9 article; authorizing the Public Service Commission to issue 10 permits and establish training and other requirements; 11 authorizing Division of Highways to issue permits and 12 establish certain requirements; requiring all natural gas well owners to obtain permit; providing that natural gas well 13 14 owners are responsible for contractors; providing that all 15 natural gas well owners in an area are responsible for the 16 cost of road maintenance and repair; providing for suspension, 17 revocation and modification of permits; providing for cease and desist orders in the interest of public safety; requiring 18 19 accident reporting; and creating penalties for failing to 20 report accidents.

21 Be it enacted by the Legislature of West Virginia:

That the Code of West Virginia, 1931, as amended, be amended 3 by adding thereto a new article, designated §17C-17C-1, §17C-17C-2, 24 §17C-17C-3, §17C-17C-4, §17C-17C-5 and §17C-17C-6, all to read as

1 follows:

2 ARTICLE 17C. CREATION AND REGULATION OF NATURAL GAS RESOURCE 3 TRANSPORTATION ROADS.

4 §17C-17C-1. Legislative findings and creation of program.

5 (a) The Legislature finds and declares that:

6 (1) The vast potential for the development of the Marcellus 7 Shale and other natural gas formations underlying West Virginia 8 through the use of new exploration and production techniques 9 currently has, and will continue to have, a tremendous impact upon 10 the citizens of this state, providing an economic force and 11 affecting the social construct and day-to-day life and environment 12 of the people and communities of this state where the drilling and 13 development occur.

(2) The historic progression of the natural gas industry and its potential for growth as the Marcellus Shale and other natural gas formations are tapped for unprecedented gas production results in an increasing use of the public highways of this state for the k transportation of the massive drilling equipment, enormous amounts of water, sand, chemicals and other materials, both benign and hazardous. Roads where such equipment and materials are transported are mainly two-lane rural roads and highways of varying grades and conditions. The daily presence of large commercial motor vehicles on these roads and highways causes significant to local communities and the local transportation

1 infrastructure. Local residents are exposed on a daily basis to 2 the dangers associated with sharing narrow rural roads with a large 3 number of these vehicles.

(3) Although the development and drilling phases of natural 4 5 gas production are generally for a period of one year or less, the 6 effects of the development on the citizens and the infrastructure 7 are acute and significant. The increased capacity and ability of 8 the commercial vehicles to haul the equipment and materials 9 necessary for the development of these well sites, tied with 10 increased economic pressures to bring the wells on line as quickly 11 as possible, have created economic incentives for transporting 12 large quantities of equipment and materials, sometimes in 13 commercial vehicles that are oversize or overweight. Regardless of 14 whether the vehicles are of legal size and weight or are carrying 15 excessive weight or are oversize, they cause the rapid 16 deterioration of state roads and bridges, create significant costs 17 to the state of millions of dollars in lost road and bridge use and 18 life.

19 (4) The use of these vehicles on narrow, rural roads which 20 were not designed nor intended for such large vehicles also puts 21 the safety of all drivers on those roads at risk. Accidents 22 involving large commercial vehicles on these rural roads may render 23 the roads impassable for emergency vehicles as well as local 24 residents for extended periods of time. The lack of communication

1 with local law-enforcement and responsible agencies regarding such 2 accidents and traffic hazards is not only dangerous for the vehicle 3 operators and local residents, it is illegal. The communication 4 problem is exacerbated by the lack of cellular telephone service in 5 many rural areas.

6 (5) Enforcement of truck safety and driver safety laws has 7 been divided between various jurisdictions such as local and state 8 law enforcement, the Division of Highways and the Public Service 9 Commission. As a result, local and state enforcement of those 10 comprehensive laws has not been uniform, with the result that many 11 of these laws may not have not been enforced.

12 (6) The resulting need for a remedy for hauling equipment and 13 materials to natural gas drilling sites is severe where the 14 Marcellus Shale and other formations are being actively developed. 15 As more natural gas is produced from these formations, every area 16 of the state will be affected.

17 (7) Any remedy must include additional safety protections for 18 the public sharing the roads with a large vehicle fleet and 19 specialized training for operators of these vehicles, as well as 20 requiring the program to be designed to assure that state weight 21 and safety requirements are effectively administered and enforced. 22 (b) A special regulatory program with administrative 23 enforcement authority over all vehicles hauling equipment and 24 materials for natural gas drilling in West Virginia is created.

1 This program is designed to address the economic needs of the state 2 natural gas industry within the confines of the ability of the 3 transportation infrastructure to accommodate these needs and in 4 careful consideration for road safety and maintenance requirements 5 of these vehicles by providing for enhanced enforcement and safety 6 requirements on natural gas resource transportation roads and 7 allowing limited weight and size increases, above the currently 8 allowable weight and size limits on these rural roads for vehicles 9 hauling equipment and materials for natural gas drilling where an 10 increase is required and where the infrastructure can sustain, or 11 be made to sustain, the increased traffic and loads.

12 §17C-17C-2. Definitions.

13 For purposes of this article:

14 (a) "Commission" means the Public Service Commission of West 15 Virginia.

16 (b) "Division" means the Division of Highways within the 17 Department of Transportation.

18 (c) "Drilling activity" means the activity related to 19 exploration and production of natural gas from a site for "well 20 work" as defined in section one, article six, chapter twenty-two of 21 this code.

22 (d) "Drilling site or well site" means the location of 23 drilling activity.

24 (e) "Driver or Operator" means the person operating a

1 commercial motor vehicle transporting natural gas drilling
2 equipment or materials on any public highway of this state.

3 (f) "Natural gas resource transportation road" means a road 4 designated by the Department of Transportation as safe and 5 sufficient to allow vehicles hauling equipment and materials to 6 natural gas drilling sites to carry a greater gross and axle weight 7 of up to one hundred and twenty thousand pounds, with a five 8 percent variance.

9 (g) "Natural gas well owner" means any person, firm, 10 partnership, partnership association or corporation that owns, 11 manages, operates, controls or possesses such well as principal, or 12 as lessee or contractor; employee or agent of such principal.

(h) "Vehicle owner" means the person who as owner of a 14 commercial motor vehicle employs, contracts or otherwise directs a 15 driver to operate that vehicle on a public highway of this state 16 for the purpose of transporting equipment or materials to a natural 17 gas drilling site.

18 §17C-17C-3. Authority and duties of the Division of Highways;
 Department of Environmental Protection and Public
 Service Commission generally.

(a) The Division of Highways shall establish all legal vehicle weight and size limits for all public highways including roads within the natural gas resource transportation road system. The Division of Highways shall establish a temporary road designation

1 of natural gas resource transportation road which shall apply only 2 during the period of time that a natural gas drilling activity is 3 underway. The designation shall be withdrawn when the drilling 4 equipment is removed and the gas well is in production.

5 (b) Only state-maintained roads and public highways found in 6 the areas certified by the Department of Environmental Protection 7 as having active natural gas drilling sites in the Marcellus Shale 8 or other such formations, where well work is ready to commence or 9 is being conducted, shall may be included in the temporary natural 10 gas resource transportation road system. The Department of 11 Environmental Protection shall provide copies of the permit for 12 well work and the application for the permit to the division and 13 promptly advise the division when well work permits are issued, 14 revoked or modified, if the modification would require a change to 15 the list of natural gas resource transportation roads.

16 (c) The division shall post signs on natural gas resource 17 transportation roads informing the public of the designation and 18 shall also list a toll-free telephone line for public reporting of 19 poor driving or law violations by special permit operators.

20 (d) The Public Service Commission shall administer the natural 21 gas resource transportation road special permitting program and 22 otherwise enforce the provisions of this article. The commission 23 shall establish requirements for vehicle operators holding natural 24 gas resource transportation road permits pursuant to section four

1 of this article consistent with federal statutory and regulatory
2 requirements.

3 (e) The commission may, during normal business hours, conduct 4 inspections of all trucking-related records of vehicle operators 5 and owners engaged in the transportation of equipment and materials 6 on natural gas resource transportation roads. Copies of records 7 shall be provided to commission employees upon request. This 8 provision may not be construed to authorize the commission to 9 reveal trade secrets or other confidential financial information of 10 those persons inspected; however the commission may use any weight 11 measurement records as evidence of a violation of this article.

12 (f) The commission shall establish and maintain a toll-free 13 telephone line for public reporting of poor driving or law 14 violations by special permit operators. In addition, the 15 commission shall require all vehicles operating under a special 16 permit issued pursuant to the provisions of this article to clearly 17 display on the vehicle the toll-free telephone number.

(g) The commission shall implement a study of commercial vehicle safety-related issues, including using higher education institutions and other research organizations. The commission shall provide periodic reports to the commercial motor vehicle weight and safety enforcement advisory committee as established in section two, article one-a, chapter twenty-four-a of this code the study of motor vehicle weight and safety

1 enforcement.

2 (h) Notwithstanding the provisions of section three, article 3 one, chapter twenty-nine-a of this code, the commission and the 4 division shall each propose emergency and legislative rules for 5 promulgation in accordance with the provisions of article three of 6 said chapter to carry out their duties and responsibilities 7 pursuant to the provisions of this article.

8 §17C-17C-4. Special permits; training requirements; promulgation of rules.

10 (a) The commission may issue permits to authorize 11 transportation of equipment and materials on natural gas resource 12 transportation roads if the vehicle driver meets training and 13 safety requirements established by the commission. This special 14 permit is in addition to any other permit or license required by 15 law.

16 (b) Notwithstanding the provisions of section three, article 17 one, chapter twenty-nine-a of this code, the commission shall 18 promulgate emergency and legislative rules to effectuate the 19 purposes of this section, which shall, at a minimum, provide for 20 the following:

(1) Requirements for twenty-four hours of mandatory specialized training for commercial vehicles operators with less than two years of commercial driving experience and all commercial operators using the natural gas resource transportation roads who

1 have less than one year of commercial driving experience on 2 mountainous rural roads;

3 (2) Requirements for random drug and alcohol testing;

4 (3) Mandatory reporting of accidents;

5 (4) Requirements for daily records consistent with the 6 provisions of any applicable federal statutory or regulatory 7 requirements;

8 (5) Permit fees; and

9 (6) Any other requirements determined to be necessary or 10 appropriate by the commission.

11 (c) Special permits authorized by this section shall be issued 12 by the commission on forms prescribed and furnished by it. The 13 special permit indicium shall be carried on the person of the 14 vehicle driver. Lost, destroyed, stolen or otherwise unusable 15 special permits shall be replaced in accordance with legislative 16 rules to be promulgated by the commission.

17 (d) Special permits issued pursuant to the provisions of this 18 section are valid for a period of one year from the date of 19 purchase: *Provided*, That no renewal permits shall be issued to any 20 permittee who, at the time of the renewal, has any administrative 21 or criminal actions pending relating to the operation of commercial 22 motor vehicles in this or other states.

23 §17C-17C-5. Natural gas well owner permits; promulgation of rules.
(a) A natural gas well owner may not have, authorize or allow

1 equipment or materials to be transported over a natural gas 2 resource transportation road without a natural gas well owner 3 permit issued by the Commissioner of the Division of Highways. A 4 natural gas well owner permit may be issued for a period not to 5 exceed two years and may be renewed for an additional period not to 6 exceed one year. All natural gas well owners currently conducting 7 drilling activities shall apply for a natural gas well owner permit 8 within thirty days of the enactment of this article by the 9 Legislature in 2011. The natural gas well owner is responsible for 10 the conduct of his or her contractors and subcontractors when they 11 are using a natural gas resource transportation road.

12 (b) Natural gas well owner permits may include, but are not 13 limited to, the following requirements:

14 (1) Pilot vehicles when required by the division;

15 (2) Creation and maintenance of vehicle pull off areas;

16 (3) Limitation on hours of operation of vehicles;

17 (4) Provide the division with an up-to-date list of 18 contractors and subcontractors authorized by the natural gas well 19 owner to transport equipment and materials on a natural gas 20 resource road;

(5) Provide the division with an up-to-date list of the vehicles and equipment used by the contractors and subcontractors authorized by the natural gas well owner to transport equipment and materials on a natural gas resource road;

(6) Weight and length restrictions for commercial vehicles and
 2 loads as appropriate for the roads;

3 (7) Road improvements which may be required before, during and 4 after completion of that portion of the well work that necessitates 5 transportation of equipment and materials under this permit; and

6 (8) Performance bond in an amount sufficient to cover road 7 repairs.

8 (c) If more than one natural gas well owner is operating in 9 the same area, each owner is jointly and severely liable for the 10 cost of road repair and maintenance.

(d) The division may suspend, revoke or modify a permit, after notice and opportunity to be heard, if the natural gas well owner violates the terms and conditions of the permit. If one or more violations, individually or in combination, endanger public safety the division may issue a cease and desist order requiring the immediate cessation of all well work and the transportation of equipment and materials until such time as the violation or l8 violations are corrected and the public safety is no longer 19 endangered.

20 (e) The division shall promptly notify the Department of 21 Environmental Protection of natural gas well owner permit 22 violations. The department shall suspend or revoke the well work 23 permit when the natural gas well owner permit has been suspended or 24 revoked or a cease and desist order has been entered by the

1 division.

2 (f) The division shall propose emergency and legislative rules 3 for promulgation in accordance with the provisions of article 4 three, chapter twenty-nine-a of this code to establish a schedule 5 of permit fees and to effectuate the provisions of this section.

6 §17C-17C-6. Accident reporting; penalties.

(a) Whenever any accident occurs on or about a road designated 7 8 as part of the natural resources transportation road system, it is 9 the duty of the operator to notify, within fifteen minutes, the 10 Division of Homeland Security and Emergency Management of the 11 accident regardless of whether another vehicle is involved in the 12 accident or whether any injuries occurred. It shall be posted in 13 a conspicuous location in every vehicle whose operator has a permit 14 for the natural gas resource transportation road system. If the 15 accident occurs in an area where cellular telephone service is not 16 available the operator shall, within five minutes, contact the 17 drilling site or the trucking company's headquarters via radio. 18 The radio operator at the drilling site or the trucking company's 19 headquarters shall immediately notify the Division of Homeland 20 Security and Emergency Management of the accident and its precise 21 location.

(b) In addition to any other penalty or sanction provided by 23 law, the Commissioner of the Division of Motor Vehicles shall 24 suspend for a period of one year the driver's license of a

1 commercial vehicle driver if it is determined that the driver 2 failed to give notice as required by this section. The 3 Commissioner of Motor Vehicles may waive the suspension if he or 4 she finds that failure to give notice of an accident was caused by 5 circumstances wholly outside the control of the operator.

6 (c) In addition to any other penalty or sanction provided by 7 law, the Commissioner of Environmental Protection shall impose a 8 civil administrative penalty of \$50,000 on a natural gas well owner 9 if it is determined that the radio operator failed to give notice 10 as required by this section. The Commissioner of Environmental 11 Protection may waive imposition of the civil administrative penalty 12 if he or she finds that failure to give notice of an accident was 13 caused by circumstances wholly outside the control of the radio 14 operator.

NOTE: The purpose of this bill is to create the natural gas resources transportation road system and to regulate the transportation of equipment and materials on those roads.

This article is new; therefore, strike-throughs and underscoring have been omitted.