

2025 Regular Session

HOUSE BILL NO. 494

BY REPRESENTATIVE DOMANGUE

Prefiled pursuant to Article III, Section 2(A)(4)(b)(i) of the Constitution of Louisiana.

PETROLEUM/OIL-GAS: Provides for common carriers of petroleum pipelines

1 AN ACT

2 To amend and reenact R.S. 45:251(1) and (3) and 255, relative to common carriers; to
3 provide for definitions; to provide for regulation of tank facilities by the Public
4 Service Commission; to provide for retroactive and prospective application; and to
5 provide for related matters.

6 Be it enacted by the Legislature of Louisiana:

7 Section 1. R.S. 45:251(1) and (3) and 255 are hereby amended and reenacted to read
8 as follows:

9 §251. Common carrier, petroleum, pipe line defined

10 As used in this Chapter, the following terms have the meaning ascribed to
11 them in this Section, unless the context clearly indicates otherwise:

12 (1) "Common carrier" includes all persons engaged in the transportation of
13 petroleum as public utilities ~~and common carriers~~ for hire; or which on proper
14 showing may be legally held a common carrier from the nature of the business
15 conducted; or from the manner in which such business is carried on; provided that
16 such transportation or other business is necessary or integral to the pipe line
17 transportation function.

18 * * *

19 (3)(a) "Pipe line" includes the following:

(i) ~~the~~ The real estate, rights of way, pipe in line, telephone and telegraph lines or other communication systems, tank facilities as herein designated, necessary or integral to the pipe line transportation function and necessary for the proper conduct of ~~its~~ the subject common carrier's business as a common carrier.

(ii) ~~all~~ All fixtures, equipment and personal property of every kind owned, controlled, operated, used or managed, in connection with, or to facilitate the transportation, distribution and delivery of petroleum through lines constructed of pipe.

(b) "Pipe line" does not include the following:

(i) Pipes designed and used solely within a terminal facility for terminalling services, including pipes delivering petroleum into or extracting petroleum from tanks used for terminalling services, intra-terminal transfer lines, metering facilities associated with such terminalling services, tanks designed and used for terminalling services, and truck unloading facilities.

(ii) Any property of an entity that does not otherwise meet the definition of
common carrier.

* * *

§255. Regulations of commission; petition, notice and hearing; reparations

The Louisiana Public Service Commission shall establish and enforce reasonable rates and regulations for gathering, transporting, loading and delivering petroleum, by any common carrier as defined in R.S. 45:251, and for the furnishing and use of reasonable tank facilities necessary ~~and incident to such~~ or integral to the pipe line transportation function and that may be necessary, in its capacity as a common carrier only, to take care, for a reasonable time, of all petroleum transported by it, excluding pipes designed and used solely within a terminalling facility to deliver petroleum into or extract petroleum from tanks used for terminalling services, including intra-terminal transfer lines, metering facilities associated with such terminalling services, tanks designed and used for terminalling services, and truck unloading facilities, and to prescribe and enforce regulations for control of these

1 common carriers in respect to their pipe lines and receiving, tanking, delivering,
2 transferring and loading facilities. It shall exercise this power upon petition by any
3 person showing a substantial interest in the subject. No order requiring the
4 furnishing of such facilities or establishing or prescribing rates, rules and regulations
5 shall be made, except after hearing after at least ten days and not more than thirty
6 days notice to the person owning, controlling, managing or operating the pipe lines
7 affected. If any rate shall be filed by any pipe line and a complaint or petition to
8 reduce the rate is filed by any shipper or owner of petroleum, and such complaint is
9 sustained in whole or in part, all owners and shippers of petroleum, who shall have
10 paid rates so filed by the pipe line have the right to reparation or reimbursement of
11 all excess in transportation charges above the proper rate as finally determined, on
12 all shipments made within six months prior to the date of the filing of the complaint.

13 Section 2. The provisions of this Act shall be given prospective and retroactive
14 application.

15 Section 3. Notwithstanding Section 2, the provisions of this Act shall not apply
16 retroactively to the matter entitled *Cantium, LLC v. Rosefield Fourchon Operating, LLC*,
17 Docket No. T-37136, pending before the Louisiana Public Service Commission and any
18 appeals of that matter, including any and all claims by and between the parties asserted in
19 that action.

DIGEST

The digest printed below was prepared by House Legislative Services. It constitutes no part of the legislative instrument. The keyword, one-liner, abstract, and digest do not constitute part of the law or proof or indicia of legislative intent. [R.S. 1:13(B) and 24:177(E)]

HB 494 Reengrossed

2025 Regular Session

Domangue

Abstract: Provides for the regulation of tank facilities, terminal facilities, and truck unloading facilities as they relate to petroleum transportation.

Present law provides definitions relative to common carriers.

Proposed law amends the definitions of "common carrier" and "pipe line" to clarify that petroleum transportation business and tank facilities must be necessary or integral to the pipe line transportation function, and to exclude from the definition of "pipe line" certain terminal and unloading facilities.

Present law requires the Public Service Commission to establish and enforce rates and regulations for certain common carriers, including tank facilities and petroleum transportation.

Proposed law specifies that the Public Service Commission is only required to regulate tank facilities that are integral to the pipe line transportation function and not certain terminal facilities and truck unloading facilities related to petroleum transportation.

Proposed law provides for prospective and retrospective application of proposed law, except that proposed law shall not apply retroactively to the matter entitled *Cantium, LLC v. Rosefield Fourchon Operating, LLC*, Docket No. T-37136, pending before the Louisiana Public Service Commission and any appeals of that matter, including any and all claims by and between the parties asserted in that action.

(Amends R.S. 45:251(1) and (3) and 255)

Summary of Amendments Adopted by House

The Committee Amendments Proposed by House Committee on Commerce to the original bill:

1. Amend the definition of "pipe line" to clarify that it does not include pipes designed and used solely within a terminal facility for terminalling services and associated services, tanks designed and used for terminalling services, and truck unloading facilities.
2. Specify that the Public Service Commission's power to establish rates and regulations for petroleum transportation by common carriers excludes pipes designed and used solely within a terminalling facility for terminalling services and associated services, tanks designed and used for terminalling services, and truck unloading facilities.

The House Floor Amendments to the engrossed bill:

1. Clarifies that the provisions of proposed law shall not apply retroactively to the matter entitled *Cantium, LLC v. Rosefield Fourchon Operating, LLC*, Docket No. T-37136, pending before the Louisiana Public Service Commission and any appeals of that matter, including any and all claims by and between the parties asserted in that action.