



Reprinted  
April 3, 2009

---

---

# ENGROSSED

## SENATE BILL No. 487

---

DIGEST OF SB 487 (Updated April 2, 2009 10:53 am - DI 103)

**Citations Affected:** IC 8-1.

**Synopsis:** Underground plant protection. Requires the operator of an underground facility to join the Indiana Underground Plant Protection Service (IUPPS) or its successor organization. Imposes a civil penalty if an operator fails to maintain IUPPS membership. Requires an operator to provide information concerning the locations of its underground facilities to the IUPPS. Provides that the operator of a pipeline facility that provides incorrect facility locate markings may be subject to a civil penalty under certain circumstances. Establishes the underground plant protection advisory committee (advisory committee). Authorizes the advisory committee to recommend penalties to the Indiana utility regulatory commission (IURC) for persons that violate the underground plant protection statute. Establishes the underground plant protection account to receive deposits of civil penalties. Deletes obsolete provisions requiring operators to record underground facility locations with county recorders. Beginning July 1, 2010, requires the IURC to report to the regulatory flexibility committee on best practices concerning vertical location of underground facilities. Requires a person responsible for excavation or demolition to perform white lining if the person is unable to identify the physical location of the excavation or demolition to the IUPPS. Requires the IURC to adopt rules to implement the underground plant protection statute. Makes conforming amendments. Repeals an obsolete provision concerning the responsibilities of IUPPS.

**Effective:** July 1, 2009.

C  
o  
p  
y

---

---

## Charbonneau, Merritt, Randolph

(HOUSE SPONSORS — AUSTIN, SOLIDAY)

---

---

January 15, 2009, read first time and referred to Committee on Utilities & Technology.

February 9, 2009, amended, reported favorably — Do Pass.  
February 17, 2009, read second time, amended, ordered engrossed.  
February 18, 2009, engrossed.  
February 19, 2009, read third time, passed. Yeas 47, nays 3.

HOUSE ACTION

February 25, 2009, read first time and referred to Committee on Commerce, Energy, Technology and Utilities.  
March 30, 2009, amended, reported — Do Pass.  
April 2, 2009, read second time, amended, ordered engrossed.

---

---

ES 487—LS 7598/DI 103+



Reprinted  
April 3, 2009

First Regular Session 116th General Assembly (2009)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2008 Regular Session of the General Assembly.

## ENGROSSED SENATE BILL No. 487

A BILL FOR AN ACT to amend the Indiana Code concerning utilities and transportation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1 SECTION 1. IC 8-1-2.6-4, AS AMENDED BY P.L.27-2006,  
2 SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3 JULY 1, 2009]: Sec. 4. (a) A regulatory flexibility committee is  
4 established to monitor competition in the telecommunications industry.  
5 (b) The committee is composed of the members of a house standing  
6 committee selected by the speaker of the house of representatives and  
7 a senate standing committee selected by the president pro tempore of  
8 the senate. In selecting standing committees under this subsection, the  
9 speaker and president pro tempore shall determine which standing  
10 committee of the house of representatives and the senate, respectively,  
11 has subject matter jurisdiction that most closely relates to the  
12 electricity, gas, energy policy, and telecommunications jurisdiction of  
13 the regulatory flexibility committee. The chairpersons of the standing  
14 committees selected under this subsection shall co-chair the regulatory  
15 flexibility committee.  
16 (c) The commission shall, by July 1 of each year, prepare for  
17 presentation to the regulatory flexibility committee a report that

ES 487—LS 7598/DI 103+



C  
O  
P  
Y

- 1 includes the following:
- 2 (1) An analysis of the effects of competition and technological
- 3 change on universal service and on pricing of all
- 4 telecommunications services offered in Indiana.
- 5 (2) An analysis of the status of competition and technological
- 6 change in the provision of video service (as defined in
- 7 IC 8-1-34-14) to Indiana customers, as determined by the
- 8 commission in carrying out its duties under IC 8-1-34. The
- 9 commission's analysis under this subdivision must include a
- 10 description of:
- 11 (A) the number of multichannel video programming
- 12 distributors offering video service to Indiana customers;
- 13 (B) the technologies used to provide video service to Indiana
- 14 customers; and
- 15 (C) the effects of competition on the pricing and availability of
- 16 video service in Indiana.
- 17 (3) Beginning with the report due July 1, 2007, and in each report
- 18 due in an odd-numbered year after July 1, 2007:
- 19 (A) an identification of all telecommunications rules and
- 20 policies that are eliminated by the commission under section
- 21 4.1 of this chapter during the two (2) most recent state fiscal
- 22 years; and
- 23 (B) an explanation why the telecommunications rules and
- 24 policies identified under clause (A) are no longer in the public
- 25 interest or necessary to protect consumers.
- 26 **(4) Beginning with the report due July 1, 2010, best practices**
- 27 **concerning vertical location of underground facilities for**
- 28 **purposes of IC 8-1-26. A report under this subdivision must**
- 29 **address the viability and economic feasibility of technologies**
- 30 **used to vertically locate underground facilities.**
- 31 (d) In addition to reviewing the commission report prepared under
- 32 subsection (c), the regulatory flexibility committee shall also issue a
- 33 report and recommendations to the legislative council by November 1
- 34 of each year that is based on a review of the following issues:
- 35 (1) The effects of competition and technological change in the
- 36 telecommunications industry and impact of competition on
- 37 available subsidies used to maintain universal service.
- 38 (2) The status of modernization of the publicly available
- 39 telecommunications infrastructure in Indiana and the incentives
- 40 required to further enhance this infrastructure.
- 41 (3) The effects on economic development and educational
- 42 opportunities of the modernization described in subdivision (2).

C  
o  
p  
y



- 1 (4) The current methods of regulating providers, at both the
- 2 federal and state levels, and the effectiveness of the methods.
- 3 (5) The economic and social effectiveness of current
- 4 telecommunications service pricing.
- 5 (6) All other telecommunications issues the committee deems
- 6 appropriate.

7 The report and recommendations issued under this subsection to the  
 8 legislative council must be in an electronic format under IC 5-14-6.

9 (e) The regulatory flexibility committee shall meet on the call of the  
 10 co-chairpersons to study telecommunications issues described in  
 11 subsection (d). The committee shall, with the approval of the  
 12 commission, retain the independent consultants the committee  
 13 considers appropriate to assist the committee in the review and study.  
 14 The expenses for the consultants shall be paid by the commission.

15 SECTION 2. IC 8-1-26-1 IS AMENDED TO READ AS FOLLOWS  
 16 [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Except as provided by this  
 17 section, this chapter does not apply to the following:

- 18 (1) ~~Excavation using only nonpowered hand tools: that is~~  
 19 ~~performed:~~  
 20 (A) **only with a hand tool;**  
 21 (B) **on property owned or controlled by the person**  
 22 **performing the excavation; and**  
 23 (C) **to a depth not greater than twelve (12) inches.**
- 24 (2) Excavation using only animals.
- 25 (3) Tilling of soil for agricultural purposes, such as plowing,  
 26 planting, and combining.
- 27 (4) Surface coal mining and reclamation operations conducted  
 28 under a permit issued by the natural resources commission under  
 29 IC 14-34.
- 30 (5) Railroad right-of-way maintenance or operations.
- 31 (6) **Underground probing to determine the extent of gas**  
 32 **migration.**

33 (b) This chapter does apply to blasting, setting drainage tile,  
 34 subsoiling, and other subsurface activities.

35 (c) Sections 16, 19, 20, and 22 of this chapter apply to the  
 36 construction and installation of railroad signal facilities and drainage  
 37 facilities at public grade crossings.

38 SECTION 3. IC 8-1-26-1.3 IS ADDED TO THE INDIANA CODE  
 39 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 40 1, 2009]: Sec. 1.3. **As used in this chapter, "account" refers to the**  
 41 **underground plant protection account established by section 24 of**  
 42 **this chapter.**

C  
O  
P  
Y



1 SECTION 4. IC 8-1-26-1.5 IS ADDED TO THE INDIANA CODE  
2 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
3 1, 2009]: **Sec. 1.5. As used in this chapter, "advisory committee"**  
4 **refers to the underground plant protection advisory committee**  
5 **established by section 23 of this chapter.**

6 SECTION 5. IC 8-1-26-3 IS AMENDED TO READ AS FOLLOWS  
7 [EFFECTIVE JULY 1, 2009]: Sec. 3. As used in this chapter,  
8 "association" means an organization **that is:**

- 9 (1) formed in Indiana to provide for mutual receipt of notice of  
10 excavation or demolition for the organization's **members;**  
11 **member operators that have underground facilities in Indiana;**
- 12 (2) **known as the Indiana Underground Plant Protection**  
13 **Service (or its successor organization); and**
- 14 (3) **accessed by dialing the abbreviated dialing code 811, as**  
15 **designated by the Federal Communications Commission as**  
16 **the nationwide toll free number to be used by state One Call**  
17 **systems.**

18 SECTION 6. IC 8-1-26-6 IS AMENDED TO READ AS FOLLOWS  
19 [EFFECTIVE JULY 1, 2009]: Sec. 6. As used in this chapter,  
20 "excavate" means an operation for the movement, placement, or  
21 removal of earth, rock, or other materials in or on the ground by use of  
22 **tools or** mechanized equipment or by discharge of explosives,  
23 including augering, backfilling, **boring,** digging, ditching, drilling,  
24 **driving,** grading, **jacking,** plowing in, pulling in, ripping, scraping,  
25 trenching, and tunneling.

26 SECTION 7. IC 8-1-26-7 IS AMENDED TO READ AS FOLLOWS  
27 [EFFECTIVE JULY 1, 2009]: Sec. 7. As used in this chapter, "facility"  
28 means a line or system used for producing, storing, conveying,  
29 transmitting, or distributing communication, information, electricity,  
30 gas, petroleum, petroleum products, hazardous liquids, **carbon dioxide**  
31 **fluids,** water, steam, or sewerage. **The term includes pipeline**  
32 **facilities.**

33 SECTION 8. IC 8-1-26-10 IS AMENDED TO READ AS  
34 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 10. As used in this  
35 chapter, "operator" means a person who owns or operates an  
36 underground facility, **other than an underground facility that:**

- 37 (1) **is located on real property that the person owns or**  
38 **occupies; and**
- 39 (2) **the person operates for the person's benefits.**

40 SECTION 9. IC 8-1-26-11 IS AMENDED TO READ AS  
41 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11. As used in this  
42 chapter, "person" means an individual, a corporation, a partnership, a

C  
o  
p  
y



1 limited liability company, an association, or other entity organized  
 2 under the laws of any state. The term includes state, local, and federal  
 3 agencies. **The term does not include the association.**

4 SECTION 10. IC 8-1-26-11.2 IS ADDED TO THE INDIANA  
 5 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 6 [EFFECTIVE JULY 1, 2009]: **Sec. 11.2. As used in this chapter,**  
 7 **"pipeline facilities" has the meaning set forth in IC 8-1-22.5-1(d).**

8 SECTION 11. IC 8-1-26-11.5 IS ADDED TO THE INDIANA  
 9 CODE AS A NEW SECTION TO READ AS FOLLOWS  
 10 [EFFECTIVE JULY 1, 2009]: **Sec. 11.5. As used in this chapter,**  
 11 **"white lining" means the act of marking the route or boundary of**  
 12 **a proposed excavation or demolition with white paint, flags, or**  
 13 **stakes, or a combination of white paint, flags, and stakes.**

14 SECTION 12. IC 8-1-26-15 IS AMENDED TO READ AS  
 15 FOLLOWS [EFFECTIVE JULY 1, 2009]: ~~Sec. 15. (a) This section~~  
 16 ~~applies to recordings made with a county recorder before September 1,~~  
 17 ~~2004.~~

18 ~~(b) Except as provided in subsection (c);~~ **(a) An operator that has**  
 19 **underground facilities located in Indiana must become a member of**  
 20 **the association and shall record with the county recorder of each**  
 21 **county in which the facilities are located a list containing provide the**  
 22 **following information to the association:**

23 **(1) The name of each township in the and county in which the**  
 24 **operator has underground facilities, including those facilities that**  
 25 **have been abandoned in place by the operator but not yet**  
 26 **physically removed.**

27 **(2) The list must include the name of the operator. and**

28 **(3) The name, title, address, and telephone number of the**  
 29 **operator's representative designated to receive the written or**  
 30 **telephonic notice of intent required by section 16 of this chapter.**

31 ~~(c) (b) An operator shall record report~~ any changes in the  
 32 information contained in the list recorded under subsection ~~(b) (a)~~ with  
 33 the county recorder of the county in which these facilities are located  
 34 **association** within thirty (30) calendar days of the change. The  
 35 document reflecting the changes shall be cross-referenced to the  
 36 original list recorded information reported under subsection ~~(b) (a)~~.

37 ~~(d) The county recorder shall charge a fee in accordance with~~  
 38 ~~IC 36-2-7-10.~~

39 ~~(e) An association meeting the requirements of section 17 of this~~  
 40 ~~chapter shall be responsible for providing the information required in~~  
 41 ~~subsections (b) and (c) for the association's members and shall be~~  
 42 ~~responsible for paying the fee contained in subsection (d) for the~~

C  
o  
p  
y



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

~~association's members.~~

(c) A person other than an operator may be a member of the association.

(d) A person that is required, but fails, to maintain membership in the association after December 31, 2009, may be subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed one hundred dollars (\$100). Each day that a person that is required, but fails, to maintain membership in the association constitutes a separate violation for purposes of imposing a fine under this subsection.

SECTION 13. IC 8-1-26-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) Except as provided in section 19 of this chapter, before commencing an excavation or demolition operation described in section 14 of this chapter each person responsible for the excavation or demolition must shall:

- (1) serve written or telephonic notice on the association of the person's intent to excavate or demolish; and
- (2) perform white lining at the site of the excavation or demolition if the person responsible for the excavation or demolition is unable to provide to the association the physical location of the proposed excavation or demolition by one (1) of the following means:
  - (A) A street address.
  - (B) A legal description of the location.
  - (C) A highway location using highway mile markers or cross streets.

The notice required under subdivision (1) must be received at least two (2) full working days but not more than twenty (20) calendar days before the commencement of the work. Upon receiving the notice, the association immediately shall notify each operator that has underground facilities located in the proposed area of excavation or demolition. However, A person responsible for excavation or demolition may commence work before the elapse of two (2) full working days if all affected operators have notified the person that the location of all the affected operators' facilities have been marked or that the affected operators have no facilities in the location of the proposed excavation or demolition.

(b) For a notice served under this section before September 1, 2004, the notice must be served on each operator, or each operator's association, who has recorded a list required by section 15 of this chapter indicating that the operator has underground facilities located

C  
O  
P  
Y



1 in the proposed area of excavation or demolition.

2 (c) After August 31, 2004, a notice under this section must be  
3 served on the association described in section 17(c) of this chapter. (b)  
4 A county recorder who receives an inquiry from a person seeking to  
5 provide notice of an excavation or a demolition under this section shall  
6 refer the person to the association. described in section 17(c) of this  
7 chapter. After receiving a notice under this section, the association  
8 shall

9 (1) determine whether one (1) or more of the association's  
10 members have underground facilities located in the proposed area  
11 of excavation or demolition; based on recordings made under  
12 section 15 or 15.5 of this chapter; and

13 (2) provide notice of the proposed excavation or demolition to any  
14 member identified under subdivision (1) as having **each member**  
15 **operator that has** underground facilities located in the proposed  
16 area of excavation or demolition.

17 (d) (c) A person responsible for demolition must give an operator a  
18 reasonable amount of time, as mutually determined by the operator, the  
19 person responsible for demolition, and the project owner, to remove or  
20 protect the operator's facilities before demolition of the structure is  
21 commenced.

22 (e) (d) The written or telephonic notice required by subsection (a)  
23 must contain the following information:

24 (1) The name, address, and telephone number of the person  
25 serving the notice, and, if different, the person responsible for the  
26 excavation or demolition.

27 (2) The starting date, anticipated duration, and type of excavation  
28 or demolition operation to be conducted.

29 (3) The location of the proposed excavation or demolition.

30 (4) Whether or not explosives or blasting are to be used.

31 (5) The approximate depth of excavation.

32 (6) **Whether the person responsible for the proposed**  
33 **excavation or demolition intends to perform white lining at**  
34 **the site of the proposed excavation or demolition.**

35 (e) **The person responsible for the excavation or demolition shall**  
36 **submit a separate locate request along with the notice provided**  
37 **under subsection (d)(3) to the association as follows:**

38 (1) **Within an incorporated area, for each one thousand five**  
39 **hundred (1,500) linear feet of proposed excavation or**  
40 **demolition.**

41 (2) **In an unincorporated area, for each two thousand five**  
42 **hundred (2,500) linear feet of proposed excavation or**

C  
o  
p  
y





1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

**demolition.**

(f) If the notice required by this section is by telephone, The operator or association shall maintain an adequate record of the notice required by this section for three (3) seven (7) years to document compliance with this chapter. A copy of the record shall be furnished to the person giving notice to excavate or demolish upon written request. For a notice given by telephone after August 31, 2004, the association described in section 17(c) of this chapter is responsible for maintaining the record of notice required by this subsection.

**(g) A person that:**

- (1) causes damage to a pipeline facility located in an area of excavation or demolition;
- (2) is required to provide notice under this section for the excavation or demolition; and
- (3) fails to provide the notice;

may be subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed ten thousand dollars (\$10,000).

**(h) A person that:**

- (1) causes damage to a pipeline facility located in an area of excavation or demolition;
- (2) is required to perform white lining under subsection (a)(2); and
- (3) fails to perform white lining before an operator of a pipeline facility arrives at the site of the proposed excavation or demolition to mark the operator's pipeline facilities;

may be subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed ten thousand dollars (\$10,000).

SECTION 14. IC 8-1-26-17 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 17. (a) Before September 1, 2004, operators, in any combination or group, may form and operate an association in Indiana to record for the association's members the information required by section 15 of this chapter and to provide for mutual receipt of notice of excavation or demolition operations under section 16 of this chapter. An association may provide the service on behalf of operators having underground facilities in Indiana and shall record with the county recorder of the county in which those facilities are located the following information:

- (1) The telephone number and address of the association;
- (2) A description of the geographical area served by the association.

C  
O  
P  
Y



- 1           (3) A list of the names and addresses of each operator receiving
- 2           the service from the association.
- 3           (b) An association formed under this section must have the
- 4           capability to serve any operator located in Indiana. Associations that
- 5           qualify under this section include, without limitation, the "One Call"
- 6           system that is managed by the Indiana Underground Plant Protection
- 7           Service.
- 8           (c) ~~After August 31, 2004,~~ (a) An operator that has underground
- 9           facilities located in Indiana must be a member of the Indiana
- 10          Underground Plant Protection Service or its successor organization. if
- 11          The articles of incorporation or the bylaws of the Indiana Underground
- 12          Plant Protection Service or its successor organization **shall** do the
- 13          following:
- 14               (1) Provide that the board of directors of the Indiana Underground
- 15               Plant Protection Service or its successor organization is composed
- 16               of:
- 17                   (A) five (5) members representing electric utilities other than
- 18                   municipal electric utilities, including corporations organized
- 19                   or operating under IC 8-1-13 or corporations organized under
- 20                   IC 23-17, some of whose members are local district
- 21                   corporations (as described in IC 8-1-13-23);
- 22                   (B) five (5) members representing investor owned gas utilities,
- 23                   including pipelines;
- 24                   (C) five (5) members representing telecommunications
- 25                   providers, at least one (1) of whom is a provider of cable
- 26                   television service;
- 27                   (D) five (5) members representing water or sewer utilities
- 28                   other than municipal water or sewer utilities; and
- 29                   (E) five (5) members representing political subdivisions,
- 30                   including municipal utilities, which must include the political
- 31                   subdivision that owns the largest waterworks utility in Indiana.
- 32               (2) Require the affirmative vote of at least sixty percent (60%) of
- 33               each category of members ~~in~~ **appointed under** subdivision (1) to
- 34               approve an increase, a decrease, or any other adjustment to the
- 35               membership dues, rates, tariffs, locate fees, or any other charges
- 36               imposed by the Indiana Underground Plant Protection Service or
- 37               its successor organization.
- 38               (d) ~~(b)~~ The association ~~identified in subsection (c)~~ shall provide ~~the~~
- 39               services described in subsection (a) by:
- 40                   (1) recording for the association's members the information
- 41                   required by section 15.5 of this chapter; and
- 42                   (2) providing for mutual receipt of notice of excavation or

C  
o  
p  
y



1 demolition operations under section 16 of this chapter.  
 2 ~~(e)~~ (c) The association ~~identified in subsection (e)~~ shall:  
 3 (1) annually update the association's ~~grid base~~ map data,  
 4 including street addresses; and  
 5 (2) make reasonable efforts to reduce incorrect locate requests  
 6 issued to the association's members.

7 **(d) The association shall develop and implement guidelines to**  
 8 **provide that, for purposes of providing notice to an operator under**  
 9 **section 16 of this chapter, the time of receipt of a notice of an intent**  
 10 **to excavate or demolish is determined as follows:**

- 11 (1) For a notice that is received between the hours of 7 a.m.  
 12 and 6 p.m. on a working day, at the time of receipt.  
 13 (2) For a notice that is received after 6 p.m. on a working day  
 14 and before 7 a.m. on the following working day, at 7 a.m. on  
 15 the following working day.

16 SECTION 15. IC 8-1-26-18 IS AMENDED TO READ AS  
 17 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 18. (a) Each operator  
 18 ~~or association~~ notified under section 16 of this chapter shall, in two (2)  
 19 full working days ~~of~~ **after** receiving the notice of intent provided in  
 20 section 16 of this chapter, ~~(unless a shorter period is provided by~~  
 21 ~~agreement between the person responsible for the excavation or~~  
 22 ~~demolition and the operator)~~; supply to the person responsible for the  
 23 excavation or demolition the following information, using maps when  
 24 appropriate:

- 25 (1) The approximate location and description of all the operator's  
 26 underground facilities that may be damaged as a result of the  
 27 excavation or demolition.  
 28 (2) The location and description of all facility markers indicating  
 29 the approximate location of the underground facilities.  
 30 (3) Any other information that would assist that person in locating  
 31 and avoiding damage to the underground facilities, including  
 32 providing adequate temporary markings indicating the  
 33 approximate location of the underground facility and locations  
 34 where permanent facility markers do not exist.

35 (b) Facility locate markings must consist of paint, flags, or stakes or  
 36 any combination that mark the approximate location of the  
 37 underground facilities. **The method of marking must be appropriate**  
 38 **for the location of the underground facilities.**

39 (c) Color coding of facility locate markings indicating the type of  
 40 underground facility must conform to the following color coding:

41 Facility and Type of Product	Specific Group
	Identifying Color

C  
O  
P  
Y



- 1 (1) Electric power distribution
- 2 and transmission . . . . . Safety red
- 3 (2) Municipal electric systems . . . . . Safety red
- 4 (3) Gas distribution and
- 5 transmission . . . . . High visibility
- 6 safety yellow
- 7 (4) Oil distribution and
- 8 transmission . . . . . High visibility
- 9 safety yellow
- 10 (5) Dangerous materials, product
- 11 lines, steam lines . . . . . High visibility
- 12 safety yellow
- 13 (6) Telephone and telegraph
- 14 systems . . . . . Safety alert
- 15 orange
- 16 (7) Cable television . . . . . Safety alert
- 17 orange
- 18 (8) Police and fire
- 19 communications . . . . . Safety alert
- 20 orange
- 21 (9) Water systems . . . . . Safety precaution
- 22 blue
- 23 (10) Sewer systems . . . . . Safety green
- 24 (11) Proposed excavation . . . . . White

25 (d) Each operator ~~or association~~ notified under section 16 of this  
 26 chapter shall, within two (2) full working days of receiving the notice  
 27 of intent provided in section 16 of this chapter, **make a reasonable**  
 28 **attempt to** provide notification to the person responsible for the  
 29 excavation or demolition if the operator has no facilities in the location  
 30 of the proposed excavation or demolition.

31 **(e) This section does not apply to an operator making an**  
 32 **emergency repair to its own underground facility.**

33 **(f) This subsection applies if all of the following occur:**

- 34 **(1) An operator of a pipeline facility is required to supply**
- 35 **information, including facility locate markings, under**
- 36 **subsection (a) to a person responsible for an excavation or**
- 37 **demolition.**
- 38 **(2) The operator of the pipeline facility fails to supply the**
- 39 **information described in subdivision (1) or provides incorrect**
- 40 **facility locate markings.**
- 41 **(3) The operator's pipeline facility is damaged during the**
- 42 **excavation or demolition for which the operator was required**

C  
O  
P  
Y



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

to supply the information described in subdivision (1).  
The operator of the pipeline facility may be subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed one thousand dollars (\$1,000).

(g) Subsection (f) does not apply to an operator that:  
(1) is repairing its own underground facilities; or  
(2) fails to supply required information or provide facility locate markings due to factors beyond the control of the operator.

(h) A person that knowingly moves, removes, damages, or otherwise alters a facility locate marking supplied under this section may be subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed ten thousand dollars (\$10,000). This subsection does not apply to a person that moves, removes, damages, or otherwise alters a facility locate marking as part of the excavation or demolition for which the facility locate markings were supplied.

SECTION 16. IC 8-1-26-19 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 19. (a) A person responsible for emergency excavation or demolition to ameliorate an imminent danger to life, health, property, or loss of service is not required to comply with the notice requirements of section 16 of this chapter. However, that person shall:

- (1) give, as soon as practicable, oral notice of the emergency excavation or demolition to each operator having underground facilities located in the area or to an the association; described in section 17 of this chapter that serves an operator where the excavation or demolition is to be performed; and
- (2) request emergency assistance from each operator identified by the association as having underground facilities located in the area of the emergency excavation or demolition in locating and providing immediate protection to the operator's underground facilities.

(b) This section applies to an operator making an emergency repair to its own underground facility.

(c) A person that knowingly provides false notice of an emergency excavation or demolition to the association under subsection (a) may be subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed one thousand dollars (\$1,000).

C  
o  
p  
y



1 SECTION 17. IC 8-1-26-20 IS AMENDED TO READ AS  
2 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 20. (a) In addition to  
3 the notice required in section 16 of this chapter, a person responsible  
4 for an excavation or demolition operation under section 14 of this  
5 chapter shall do all of the following:

6 (1) Plan the excavation or demolition to avoid damage to or  
7 minimize interference with underground facilities in and near the  
8 construction area.

9 (2) Maintain a clearance between an underground facility, as  
10 marked by the operator, and the cutting edge or point of  
11 mechanized equipment. The clearance ~~under subdivision (2)~~ must  
12 be not less than two (2) feet on either side of the outer limits of  
13 the physical plant. However, if the clearance is less than two (2)  
14 feet, exposure of the underground facility may be accomplished  
15 only by the use of hand excavation, air cutting, or vacuum  
16 excavation.

17 (3) Notify the association if:

18 (A) there is evidence of an unmarked pipeline facility in the  
19 area of the excavation or demolition; or

20 (B) the markings indicating the location of an underground  
21 facility have become illegible.

22 (b) A person who:

23 (1) violates subsection (a); and

24 (2) causes damage to a pipeline facility in the area of the  
25 excavation or demolition;

26 may be subject to a civil penalty in an amount recommended by the  
27 advisory committee and approved by the commission, not to exceed  
28 ten thousand dollars (\$10,000).

29 SECTION 18. IC 8-1-26-21 IS AMENDED TO READ AS  
30 FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 21. (a) Except as  
31 provided in subsection (b), a person responsible for an excavation or  
32 a demolition operation under section 14 of this chapter that results in  
33 damage to an underground facility shall:

34 (1) immediately upon discovery of the damage, notify the operator  
35 of the facility **and the association** of the location and nature of  
36 the damage; and

37 (2) allow the operator **of the facility** reasonable time to  
38 accomplish necessary repairs before completing the excavation or  
39 demolition in the immediate area of the facility.

40 (b) A person responsible for an excavation or a demolition operation  
41 under section 14 of this chapter that results in damage to an  
42 underground facility permitting the escape of flammable, toxic, or

C  
o  
p  
y



1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25  
26  
27  
28  
29  
30  
31  
32  
33  
34  
35  
36  
37  
38  
39  
40  
41  
42

corrosive gas or liquid shall:

- (1) immediately upon discovery of the damage, notify the operator **and the association** and local police and fire departments having jurisdiction; and
- (2) take other action necessary to protect persons and property and to minimize the hazards until arrival of the operator's personnel or police and fire personnel.

SECTION 19. IC 8-1-26-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 23. (a) The underground plant protection advisory committee is established.**

**(b) The advisory committee consists of the following seven (7) members appointed by the governor:**

- (1) One (1) member representing the association.**
- (2) One (1) member representing investor owned gas utilities.**
- (3) One (1) member representing operators of pipeline facilities or pipelines.**
- (4) One (1) member representing municipal gas utilities.**
- (5) Two (2) members representing commercial excavators.**
- (6) One (1) member representing providers of facility locate marking services.**

**(c) The term of a member is four (4) years. A member of the advisory committee serves at the pleasure of the governor. The governor shall fill a vacancy in the membership of the advisory committee for the unexpired term of the vacating member.**

**(d) The association and the commission shall provide staff support and meeting space to the advisory committee.**

**(e) The members of the advisory committee shall elect a chairperson. The advisory committee shall meet at the call of the chairperson.**

**(f) The affirmative vote of a majority of members appointed under subsection (b) is required to take action.**

**(g) The pipeline safety division shall investigate alleged violations of this chapter. If the pipeline safety division finds that a person has violated this chapter, the pipeline safety division shall forward its finding to the advisory committee.**

**(h) The advisory committee shall act in an advisory capacity to the commission concerning the implementation and enforcement of this chapter. In this capacity, and subject to subsections (i) and (j), the advisory committee may recommend the following penalties with respect to persons that the pipeline safety division has found to violate this chapter:**

C  
o  
p  
y



- 1           **(1) Civil penalties consistent with this chapter.**
- 2           **(2) Participation in education or training programs developed**
- 3           **and implemented by the commission.**
- 4           **(3) Warning letters.**
- 5           **(4) Development of a plan to avoid future violations of this**
- 6           **chapter.**

7           **Before making a recommendation under this subsection, the**  
 8           **advisory committee shall provide notice to the person found to be**  
 9           **in violation of this chapter of an opportunity to appear before the**  
 10           **advisory committee with respect to the violation.**

11           **(i) The advisory board may consider the following when making**  
 12           **a recommendation under subsection (h):**

- 13           **(1) Whether the person found to be in violation of this chapter**
- 14           **is a first time or repeat violator.**
- 15           **(2) Whether the person found to be in violation of this chapter**
- 16           **is:**
  - 17           **(A) a homeowner or tenant performing excavation or**
  - 18           **demolition:**
    - 19           **(i) on the homeowner's or tenant's residential property;**
    - 20           **and**
    - 21           **(ii) outside an operator's easement or right of way; or**
  - 22           **(B) a business entity.**

23           **(3) The severity of the violation.**

24           **(j) If the advisory committee determines that:**

- 25           **(1) the person found to be in violation of this chapter is a first**
- 26           **time violator described in subsection (i)(2)(A); and**
- 27           **(2) the violation did not result in physical harm to a person;**
- 28           **the advisory committee may not recommend a penalty described**
- 29           **in subsection (h)(1) or (h)(4).**

30           **(k) Upon receiving a recommendation from the advisory**  
 31           **committee under subsection (h), and after notice and opportunity**  
 32           **for a public hearing, the commission shall do the following as**  
 33           **applicable:**

- 34           **(1) Uphold or reverse the finding of a violation by the pipeline**
- 35           **safety division under subsection (g).**
- 36           **(2) Approve or disapprove each recommendation of the**
- 37           **advisory committee.**
- 38           **(3) Collect any civil penalties and deposit the penalties in the**
- 39           **underground plant protection account.**

40           SECTION 20. IC 8-1-26-24 IS ADDED TO THE INDIANA CODE  
 41           AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
 42           1, 2009]: **Sec. 24. (a) The underground plant protection account is**

**C**  
**O**  
**P**  
**Y**





1 established to provide funding for the following programs  
2 established and administered by the commission:

3 (1) Public awareness programs concerning underground plant  
4 protection.

5 (2) Training and educational programs for contractors,  
6 excavators, locators, operators, and other persons involved in  
7 underground plant protection.

8 (3) Incentive programs for contractors, excavators, locators,  
9 operators, and other persons involved in underground plant  
10 protection to reduce the number of violations of this chapter.

11 (b) The commission shall administer the account.

12 (c) The treasurer of state shall invest money in the account not  
13 currently needed to meet the obligations of the account in the same  
14 manner as other public money may be invested. Interest that  
15 accrues from these investments shall be deposited in the account.

16 (d) Money in the account at the end of a state fiscal year does  
17 not revert to the state general fund.

18 (e) The expenses of administering the account shall be paid from  
19 money in the account.

20 (f) The account consists of penalties deposited under section  
21 23(i) of this chapter.

22 SECTION 21. IC 8-1-26-25 IS ADDED TO THE INDIANA CODE  
23 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
24 1, 2009]: **Sec. 25. An operator of a pipeline facility that violates this  
25 chapter may be subject to a civil penalty imposed by the  
26 commission under IC 8-1-22.5 in addition to a penalty or fine  
27 imposed under this chapter.**

28 SECTION 22. IC 8-1-26-26 IS ADDED TO THE INDIANA CODE  
29 AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY  
30 1, 2009]: **Sec. 26. The commission shall adopt rules under IC 4-22-2  
31 to carry out its responsibilities under this chapter.**

32 SECTION 23. IC 8-1-26-15.5 IS REPEALED [EFFECTIVE JULY  
33 1, 2009].

C  
o  
p  
y



## COMMITTEE REPORT

Madam President: The Senate Committee on Utilities and Technology, to which was referred Senate Bill No. 487, has had the same under consideration and begs leave to report the same back to the Senate with the recommendation that said bill be AMENDED as follows:

Page 1, delete lines 1 through 7, begin a new paragraph and insert:

"SECTION 1. IC 8-1-26-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 1. (a) Except as provided by this section, this chapter does not apply to the following:

(1) Excavation ~~using only nonpowered hand tools:~~ **that is performed:**

**(A) only with a hand tool;**

**(B) on property owned or controlled by the person performing the excavation; and**

**(C) to a depth not greater than twelve (12) inches.**

(2) Excavation using only animals.

(3) Tilling of soil for agricultural purposes, such as plowing, planting, and combining.

(4) Surface coal mining and reclamation operations conducted under a permit issued by the natural resources commission under IC 14-34.

(5) Railroad right-of-way maintenance or operations.

**(6) Underground probing to determine the extent of gas migration.**

(b) This chapter does apply to blasting, setting drainage tile, subsoiling, and other subsurface activities.

(c) Sections 16, 19, 20, and 22 of this chapter apply to the construction and installation of railroad signal facilities and drainage facilities at public grade crossings.

SECTION 2. IC 8-1-26-1.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 1.3. As used in this chapter, "account" refers to the underground plant protection account established by section 24 of this chapter.**

SECTION 4. IC 8-1-26-1.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 1.5. As used in this chapter, "advisory committee" refers to the underground plant protection advisory committee established by section 23 of this chapter.**

SECTION 4. IC 8-1-26-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 3. As used in this chapter,

ES 487—LS 7598/DI 103+

C  
O  
P  
Y



"association" means an organization **that is:**

- (1) formed in Indiana to provide for mutual receipt of notice of excavation or demolition for the organization's **members; member operators that have underground facilities in Indiana;**
- (2) **known as the Indiana Underground Plant Protection Service (or its successor organization); and**
- (3) **accessed by dialing the abbreviated dialing code 811, as designated by the Federal Communications Commission as the nationwide toll free number to be used by state One Call systems.**

SECTION 5. IC 8-1-26-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 6. As used in this chapter, "excavate" means an operation for the movement, placement, or removal of earth, rock, or other materials in or on the ground by use of **tools or** mechanized equipment or by discharge of explosives, including augering, backfilling, **boring**, digging, ditching, drilling, **driving**, grading, **jacking**, plowing in, pulling in, ripping, scraping, trenching, and tunneling.

SECTION 5. IC 8-1-26-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 7. As used in this chapter, "facility" means a line or system used for producing, storing, conveying, transmitting, or distributing communication, information, electricity, gas, petroleum, petroleum products, hazardous liquids, **carbon dioxide fluids**, water, steam, or sewerage. **The term includes pipelines and pipeline facilities."**

Page 2, between lines 3 and 4, begin a new paragraph and insert:

"SECTION 8. IC 8-1-26-11.2 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11.2. As used in this chapter, "pipeline facilities" has the meaning set forth in IC 8-1-22.5-1(d).**

SECTION 9. IC 8-1-26-11.4 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11.4. As used in this chapter, "pipeline" has the meaning set forth in IC 8-1-22.5-1(c).**

SECTION 10. IC 8-1-26-11.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 11.6. As used in this chapter, "white lining" means the act of marking the route or boundary of a proposed excavation or demolition with white paint, flags, or stakes, or a combination of white paint, flags, and stakes."**

Page 2, line 19, strike "written or".

Page 2, line 20, strike "telephonic".

C  
o  
p  
y



Page 2, delete lines 34 through 42, begin a new paragraph and insert:

**"(c) A person other than an operator may be a member of the association.**

**(d) A person that is required, but fails, to maintain membership in the association after December 31, 2009, may be subject to a fine in an amount recommended by the advisory committee and approved by the commission, not to exceed one hundred dollars (\$100). Each day that a person that is required, but fails, to maintain membership in the association constitutes a separate violation for purposes of imposing a fine under this subsection.**

SECTION 12. IC 8-1-26-16 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: Sec. 16. (a) Except as provided in section 19 of this chapter, before commencing an excavation or demolition operation described in section 14 of this chapter each person responsible for the excavation or demolition must shall:

- (1) serve written or telephonic notice on the association of the person's intent to excavate or demolish; and**
- (2) perform white lining at the site of the excavation or demolition if the association is unable to adequately identify the site on the locate ticket.**

The notice **required under subdivision (1)** must be received at least two (2) full working days but not more than twenty (20) calendar days before the commencement of the work. **A notice expires twenty (20) days after the date on which the notice is served. Upon receiving the notice, the association immediately shall notify each operator that has underground facilities located in the proposed area of excavation or demolition. However,** A person responsible for excavation or demolition may commence work before the elapse of two (2) full working days if all affected operators have notified the person that the location of all the affected operators' facilities have been marked or that the affected operators have no facilities in the location of the proposed excavation or demolition.

~~(b) For a notice served under this section before September 1, 2004, the notice must be served on each operator, or each operator's association, who has recorded a list required by section 15 of this chapter indicating that the operator has underground facilities located in the proposed area of excavation or demolition.~~

~~(c) After August 31, 2004, a notice under this section must be served on the association described in section 17(c) of this chapter. (b) A county recorder who receives an inquiry from a person seeking to~~

C  
O  
P  
Y



provide notice of an excavation or a demolition under this section shall refer the person to the association. ~~described in section 17(c) of this chapter.~~ After receiving a notice under this section, the association shall

~~(1)~~ **determine whether one (1) or more of the association's members have underground facilities located in the proposed area of excavation or demolition; based on recordings made under section 15 or 15.5 of this chapter; and**

~~(2)~~ **provide notice of the proposed excavation or demolition to any member identified under subdivision (1) as having each member operator that has underground facilities located in the proposed area of excavation or demolition.**

~~(d)~~ **(c)** A person responsible for demolition must give an operator a reasonable amount of time, as mutually determined by the operator, the person responsible for demolition, and the project owner, to remove or protect the operator's facilities before demolition of the structure is commenced.

~~(e)~~ **(d)** The ~~written or telephonic~~ notice required by subsection (a) must contain the following information:

(1) The name, address, and telephone number of the person serving the notice, and, if different, the person responsible for the excavation or demolition.

(2) The starting date, anticipated duration, and type of excavation or demolition operation to be conducted.

(3) The location of the proposed excavation or demolition.

(4) Whether or not explosives or blasting are to be used.

(5) The approximate depth of excavation.

**(6) Whether the person responsible for the proposed excavation or demolition intends to perform white lining at the site of the proposed excavation or demolition.**

**(e) The person responsible for the excavation or demolition shall submit a separate locate request along with the notice provided under subsection (d)(3) to the association as follows:**

**(1) Within an incorporated area, for each one thousand five hundred (1,500) linear feet of proposed excavation or demolition.**

**(2) In an unincorporated area, for each two thousand five hundred (2,500) linear feet of proposed excavation or demolition.**

(f) If the notice required by this section is by telephone, the ~~operator~~ or association shall maintain an adequate record of the notice for ~~three~~ **(3) seven (7)** years to document compliance with this chapter. A copy

C  
O  
P  
Y



of the record shall be furnished to the person giving notice to excavate or demolish upon written request. For a notice given by telephone after August 31, 2004, the association described in section 17(c) of this chapter is responsible for maintaining the record of notice required by this subsection.

**(g) A person that:**

- (1) causes damage to a pipeline or pipeline facility located in an area of excavation or demolition;**
- (2) is required to provide notice under this section for the excavation or demolition; and**
- (3) fails to provide the notice;**

**is subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed ten thousand dollars (\$10,000).**

**(h) A person that:**

- (1) is required to perform white lining under subsection (a)(2); and**
- (2) fails to perform white lining before an operator arrives at the site of the proposed excavation or demolition to mark the operator's facilities;**

**is subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed ten thousand dollars (\$10,000)."**

Delete page 3.

Page 4, delete lines 1 through 26.

Page 5, line 42, strike "grid" and insert "base".

Page 6, between lines 3 and 4, begin a new paragraph and insert:

**"(d) The association shall develop and implement guidelines to provide that, for purposes of providing notice to an operator under section 16 of this chapter, the time of receipt of a notice of an intent to excavate or demolish is determined as follows:**

- (1) For a notice that is received between the hours of 7:00 a.m. and 6:00 p.m. on a working day, at the time of receipt.**
- (2) For a notice that is received after 6:00 p.m. on a working day and before 7:00 a.m. on the following working day, at 7:00 a.m. on the following working day."**

Page 6, line 8, after "chapter" insert ",".

Page 6, line 8, strike "(unless a shorter period".

Page 6, strike line 9.

Page 6, line 10, strike "excavation or demolition and the operator),".

Page 7, line 15, after "chapter," insert "**make a reasonable attempt to**".

**C  
O  
P  
Y**



Page 7, between lines 20 and 21, begin a new paragraph and insert:

**"(f) This subsection applies only to an operator of a pipeline or pipeline facility. An operator that:**

- (1) is required to supply information, including facility locate markings, under subsection (a) to a person responsible for an excavation or demolition;**
- (2) fails to supply the information or provide the facility locate markings; and**
- (3) has not entered into an agreement with another party that allocates liability, including financial liability, between the operator and the other party for damages to the operator's underground facilities as a result of a failure to supply information or provide facility locate markings described in subdivision (2);**

**is subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed one thousand dollars (\$1,000).**

**(g) Subsection (f) does not apply to an operator that:**

- (1) is repairing its own underground facilities; or**
- (2) fails to supply required information or provide facility locate markings due to factors beyond the control of the operator.**

**(h) A person that knowingly moves, removes, damages, or otherwise alters a facility locate marking supplied under this section is subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed ten thousand dollars (\$10,000)."**

Page 7, between lines 38 and 39, begin a new paragraph and insert:

**"(c) A person that knowingly provides false notice of an emergency excavation or demolition to the association under subsection (a) is subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed one thousand dollars (\$1,000)."**

Page 8, line 19, delete "knowingly" and insert "**operates a pipeline or pipeline facility;**

**(2)".**

Page 8, line 20, delete "(2)" and insert "**(3)".**

Page 8, delete line 22, begin a new line blocked left and insert:

**"is subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed one thousand dollars (\$1,000)."**

Page 9, between lines 2 and 3, begin a new paragraph and insert:

**C  
O  
P  
Y**



"SECTION 18. IC 8-1-26-23 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 23. (a) The underground plant protection advisory committee is established.**

**(b) The advisory committee consists of the following nine (9) members appointed by the governor:**

- (1) One (1) member representing the commission.**
- (2) One (1) member representing the association.**
- (3) One (1) member representing investor owned gas utilities.**
- (4) One (1) member representing operators of pipeline facilities or pipelines.**
- (5) One (1) member representing municipal gas utilities.**
- (6) One (1) member representing commercial excavators.**
- (7) One (1) member representing providers of facility locate marking services.**
- (8) Two (2) members representing the general public. A member appointed under this subdivision must have expertise in and knowledge of the requirements of this chapter.**

**(c) The term of a member is four (4) years. A member of the advisory committee serves at the pleasure of the governor. The governor shall fill a vacancy in the membership of the advisory committee for the unexpired term of the vacating member.**

**(d) The association and the commission shall provide staff support and meeting space to the advisory committee.**

**(e) The members of the advisory committee shall elect a chairperson. The advisory committee shall meet at the call of the chairperson.**

**(f) The affirmative vote of a majority of members appointed under subsection (b) is required to take action.**

**(g) The advisory committee shall act in an advisory capacity to the commission concerning the implementation and enforcement of this chapter. If the advisory committee determines that a person has violated this chapter, the advisory committee shall recommend a civil penalty to the commission. The advisory committee shall hold hearings under IC 4-21.5 to administer its responsibilities under this subsection.**

**(h) Upon receiving a recommendation under subsection (g), the commission shall:**

- (1) approve the penalty;**
- (2) collect the penalty; and**
- (3) deposit the penalty in the underground plant protection account.**

**C  
O  
P  
Y**





SECTION 19. IC 8-1-26-24 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 24. (a) The underground plant protection account is established to provide funding for the following programs established and administered by the commission:**

**(1) Public awareness programs concerning underground plant protection.**

**(2) Training and educational programs for contractors, excavators, locators, operators, and other persons involved in underground plant protection.**

**(3) Incentive programs for contractors, excavators, locators, operators, and other persons involved in underground plant protection to reduce the number of violations of this chapter.**

**(b) The commission shall administer the account.**

**(c) The treasurer of state shall invest money in the account not currently needed to meet the obligations of the account in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the account.**

**(d) Money in the account at the end of a state fiscal year does not revert to the state general fund.**

**(e) The expenses of administering the account shall be paid from money in the account.**

**(f) The account consists of penalties deposited under section 23(h) of this chapter."**

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 487 as introduced.)

MERRITT, Chairperson

Committee Vote: Yeas 10, Nays 0.

---

SENATE MOTION

Madam President: I move that Senate Bill 487 be amended to read as follows:

Page 2, line 42, delete "pipelines and".

Page 3, delete lines 19 through 22.

Page 3, line 25, delete "11.6." and insert "**11.5.**".

Page 4, line 35, delete "association" and insert "**person responsible for the excavation or demolition**".

ES 487—LS 7598/DI 103+



C  
O  
P  
Y

Page 4, line 36, after "site" insert "**of the proposed excavation or demolition to the association for inclusion**".

Page 6, line 12, strike "If the notice required by this section is by telephone,".

Page 6, line 12, after "telephone," delete "the" and insert "The".

Page 6, line 13, after "notice" insert "**required by this section**".

Page 6, line 21, delete "pipeline or".

Page 6, line 26, delete "is" and insert "**may be**".

Page 6, line 35, delete "is" and insert "**may be**".

Page 8, line 19, delete "7:00" and insert "7".

Page 8, line 20, delete "6:00" and insert "6".

Page 8, line 21, delete "6:00" and insert "6".

Page 8, line 22, delete "7:00" and insert "7".

Page 8, line 23, delete "7:00" and insert "7".

Page 8, line 26, reset in roman "in two (2)".

Page 8, line 27, delete "not more than three (3)".

Page 9, delete lines 41 through 42, begin a new paragraph and insert:

**"(f) This subsection applies if all of the following occur:**

**(1) An operator of a pipeline facility is required to supply information, including facility locate markings, under subsection (a) to a person responsible for an excavation or demolition.**

**(2) The operator of the pipeline facility fails to supply the information described in subdivision (1).**

**(3) The operator's pipeline facility is damaged during the excavation or demolition for which the operator was required to supply the information described in subdivision (1).**

**The operator of the pipeline facility may be subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed one thousand dollars (\$1,000)."**

Page 10, delete lines 1 through 14.

Page 10, line 22, delete "is" and insert "**may be**".

Page 10, line 24, after "(\$10,000)." insert "**This subsection does not apply to a person that moves, removes, damages, or otherwise alters a facility locate marking as part of the excavation or demolition for which the facility locate markings were supplied.**".

Page 11, line 3, delete "is" and insert "**may be**".

Page 11, delete line 28.

Page 11, line 29, delete "(2)" and insert "**(1)**".

Page 11, line 30, delete "(3)" and insert "**(2)**".

**C  
O  
P  
Y**



- Page 11, line 30, delete "an underground" and insert "**a pipeline**".
  - Page 11, line 32, delete "is" and insert "**may be**".
  - Page 11, line 34, delete "one" and insert "**ten**".
  - Page 11, line 34, delete "(\$1,000)." and insert "**(\$10,000).**".
  - Page 11, line 40, reset in roman "operator".
  - Page 11, line 41, reset in roman "of the facility".
  - Page 11, line 41, after "facility" insert "**and the**".
  - Page 12, line 8, reset in roman "operator".
  - Page 12, line 8, after "operator" insert "**and the**".
  - Page 12, line 11, delete ", **consistent with industry practice,**".
  - Page 13, line 5, delete "shall recommend" and insert "**may do the following:**"
    - (1) Require the person to participate in an education or training program.**
    - (2) Recommend".**
  - Page 13, line 6, after "penalty" insert "**for the violation**".
  - Page 13, line 6, beginning with "The" begin a new line blocked left.
  - Page 13, between lines 8 and 9, begin a new paragraph and insert: "**(h) The advisory committee shall develop and implement education and training programs for persons the advisory committee determines have violated this chapter. A program developed by the advisory committee under this subsection is subject to the review and approval of the commission.**".
  - Page 13, line 9, delete "(h)" and insert "**(i)**".
  - Page 13, line 9, after "recommendation" insert "**for a civil penalty**".
  - Renumber all SECTIONS consecutively.
- (Reference is to SB 487 as printed February 10, 2009.)

C  
O  
P  
Y

CHARBONNEAU

---

COMMITTEE REPORT

Mr. Speaker: Your Committee on Commerce, Energy, Technology and Utilities, to which was referred Senate Bill 487, has had the same under consideration and begs leave to report the same back to the House with the recommendation that said bill be amended as follows:

Page 1, between the enacting clause and line 1, begin a new paragraph and insert:

"SECTION 1. IC 8-1-2.6-4, AS AMENDED BY P.L.27-2006, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE



JULY 1, 2009]: Sec. 4. (a) A regulatory flexibility committee is established to monitor competition in the telecommunications industry.

(b) The committee is composed of the members of a house standing committee selected by the speaker of the house of representatives and a senate standing committee selected by the president pro tempore of the senate. In selecting standing committees under this subsection, the speaker and president pro tempore shall determine which standing committee of the house of representatives and the senate, respectively, has subject matter jurisdiction that most closely relates to the electricity, gas, energy policy, and telecommunications jurisdiction of the regulatory flexibility committee. The chairpersons of the standing committees selected under this subsection shall co-chair the regulatory flexibility committee.

(c) The commission shall, by July 1 of each year, prepare for presentation to the regulatory flexibility committee a report that includes the following:

(1) An analysis of the effects of competition and technological change on universal service and on pricing of all telecommunications services offered in Indiana.

(2) An analysis of the status of competition and technological change in the provision of video service (as defined in IC 8-1-34-14) to Indiana customers, as determined by the commission in carrying out its duties under IC 8-1-34. The commission's analysis under this subdivision must include a description of:

(A) the number of multichannel video programming distributors offering video service to Indiana customers;

(B) the technologies used to provide video service to Indiana customers; and

(C) the effects of competition on the pricing and availability of video service in Indiana.

(3) Beginning with the report due July 1, 2007, and in each report due in an odd-numbered year after July 1, 2007:

(A) an identification of all telecommunications rules and policies that are eliminated by the commission under section 4.1 of this chapter during the two (2) most recent state fiscal years; and

(B) an explanation why the telecommunications rules and policies identified under clause (A) are no longer in the public interest or necessary to protect consumers.

**(4) Beginning with the report due July 1, 2010, best practices concerning vertical location of underground facilities for**

C  
O  
P  
Y



**purposes of IC 8-1-26. A report under this subdivision must address the viability and economic feasibility of technologies used to vertically locate underground facilities.**

(d) In addition to reviewing the commission report prepared under subsection (c), the regulatory flexibility committee shall also issue a report and recommendations to the legislative council by November 1 of each year that is based on a review of the following issues:

- (1) The effects of competition and technological change in the telecommunications industry and impact of competition on available subsidies used to maintain universal service.
- (2) The status of modernization of the publicly available telecommunications infrastructure in Indiana and the incentives required to further enhance this infrastructure.
- (3) The effects on economic development and educational opportunities of the modernization described in subdivision (2).
- (4) The current methods of regulating providers, at both the federal and state levels, and the effectiveness of the methods.
- (5) The economic and social effectiveness of current telecommunications service pricing.
- (6) All other telecommunications issues the committee deems appropriate.

The report and recommendations issued under this subsection to the legislative council must be in an electronic format under IC 5-14-6.

(e) The regulatory flexibility committee shall meet on the call of the co-chairpersons to study telecommunications issues described in subsection (d). The committee shall, with the approval of the commission, retain the independent consultants the committee considers appropriate to assist the committee in the review and study. The expenses for the consultants shall be paid by the commission."

Page 4, line 16, delete "fine" and insert "**civil penalty**".

Page 4, line 32, delete "adequately identify the site of the" and insert "**provide to the association the physical location of the proposed excavation or demolition by one (1) of the following means:**

- (A) A street address.**
- (B) A legal description of the location.**
- (C) A highway location using highway mile markers or cross streets."**

Page 4, delete lines 33 through 34.

Page 4, line 37, delete "A notice expires twenty (20)".

Page 4, line 38, delete "days after the date on which the notice is served."

Page 6, delete lines 27 through 35, begin a new paragraph and

C  
O  
P  
Y



insert:

**"(h) A person that:**

- (1) causes damage to a pipeline facility located in an area of excavation or demolition;**
- (2) is required to perform white lining under subsection (a)(2); and**
- (3) fails to perform white lining before an operator of a pipeline facility arrives at the site of the proposed excavation or demolition to mark the operator's pipeline facilities;**

**may be subject to a civil penalty in an amount recommended by the advisory committee and approved by the commission, not to exceed ten thousand dollars (\$10,000)."**

Page 10, line 3, delete "." and insert **"or provides incorrect facility locate markings."**

Page 11, line 23, delete "underground" and insert **"pipeline"**.

Page 12, line 17, delete "nine (9)" and insert **"seven (7)"**.

Page 12, delete lines 19 through 30, begin a new line block indented and insert:

- "(1) One (1) member representing the association.**
- (2) One (1) member representing investor owned gas utilities.**
- (3) One (1) member representing operators of pipeline facilities or pipelines.**
- (4) One (1) member representing municipal gas utilities.**
- (5) Two (2) members representing commercial excavators.**
- (6) One (1) member representing providers of facility locate marking services."**

Page 12, delete line 42, begin a new paragraph and insert:

**"(g) The pipeline safety division shall investigate alleged violations of this chapter. If the pipeline safety division finds that a person has violated this chapter, the pipeline safety division shall forward its finding to the advisory committee.**

**(h) The advisory committee shall act in an advisory capacity to the commission concerning the implementation and enforcement of this chapter. In this capacity, the advisory committee may recommend the following penalties with respect to persons that the pipeline safety division has found to violate this chapter:**

- (1) Civil penalties consistent with this chapter.**
- (2) Participation in education or training programs developed and implemented by the commission.**
- (3) Warning letters.**
- (4) Development of a plan to avoid future violations of this chapter.**

**C  
O  
P  
Y**



Before making a recommendation under this subsection, the advisory committee shall provide notice to the person found to be in violation of this chapter of an opportunity to appear before the advisory committee with respect to the violation.

(i) Upon receiving a recommendation from the advisory committee under subsection (h), and after notice and opportunity for a public hearing, the commission shall do the following as applicable:

(1) Uphold or reverse the finding of a violation by the pipeline safety division under subsection (g).

(2) Approve or disapprove each recommendation of the advisory committee.

(3) Collect any civil penalties and deposit the penalties in the underground plant protection account."

Page 13, delete lines 1 through 21.

Page 14, line 3, delete "23(h)" and insert "23(i)".

Page 14, between lines 3 and 4, begin a new paragraph and insert: "SECTION 21. IC 8-1-26-25 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 25. An operator of a pipeline facility that violates this chapter may be subject to a civil penalty imposed by the commission under IC 8-1-22.5 in addition to a penalty or fine imposed under this chapter.**

SECTION 22. IC 8-1-26-26 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2009]: **Sec. 26. The commission shall adopt rules under IC 4-22-2 to carry out its responsibilities under this chapter.**"

Renumber all SECTIONS consecutively.

and when so amended that said bill do pass.

(Reference is to SB 487 as reprinted February 18, 2009.)

MOSES, Chair

Committee Vote: yeas 10, nays 0.

HOUSE MOTION

Mr. Speaker: I move that Engrossed Senate Bill 487 be amended to read as follows:

Page 14, line 39, after "capacity," insert "**and subject to subsections (i) and (j),**".

ES 487—LS 7598/DI 103+

COPY



Page 15, line 10, after "(i)" insert "**The advisory board may consider the following when making a recommendation under subsection (h):**

**(1) Whether the person found to be in violation of this chapter is a first time or repeat violator.**

**(2) Whether the person found to be in violation of this chapter is:**

**(A) a homeowner or tenant performing excavation or demolition:**

**(i) on the homeowner's or tenant's residential property; and**

**(ii) outside an operator's easement or right of way; or**

**(B) a business entity.**

**(3) The severity of the violation.**

**(j) If the advisory committee determines that:**

**(1) the person found to be in violation of this chapter is a first time violator described in subsection (i)(2)(A); and**

**(2) the violation did not result in physical harm to a person; the advisory committee may not recommend a penalty described in subsection (h)(1) or (h)(4).**

**(k)".**

(Reference is to ESB 487 as printed March 31, 2009.)

AUSTIN

**C  
O  
P  
Y**

