

NEW YORK CITY NATURAL GAS SUPPLY
ENHANCEMENT ACT

JANUARY 23, 2012.—Committed to the Committee of the Whole House on the State
of the Union and ordered to be printed

Mr. HASTINGS of Washington, from the Committee on Natural
Resources, submitted the following

R E P O R T

[To accompany H.R. 2606]

[Including cost estimate of the Congressional Budget Office]

The Committee on Natural Resources, to whom was referred the bill (H.R. 2606) to authorize the Secretary of the Interior to allow the construction and operation of natural gas pipeline facilities in the Gateway National Recreation Area, and for other purposes, having considered the same, report favorably thereon with an amendment and recommend that the bill as amended do pass.

The amendment is as follows:

Strike all after the enacting clause and insert the following:

SECTION 1. SHORT TITLE.

This Act may be cited as the “New York City Natural Gas Supply Enhancement Act”.

SEC. 2. DEFINITIONS.

In this Act:

(1) ENTITY.—The term “entity” means an entity holding a permit issued under this Act.

(2) LEASE.—The term “lease” means an agreement that authorizes the occupancy and use of certain designated premises for facilities associated with the project, particularly a meter and regulating station.

(3) NATURAL GAS PIPELINE FACILITIES.—The term “natural gas pipeline facilities” means pipeline and related equipment necessary for the transmission and distribution of natural gas, such as meters and heating and pressure-regulating devices used in the transportation of natural gas.

(4) PERMIT.—The term “permit” means any permits, rights-of-way, or any other authorizations necessary for the Secretary to authorize the construction, operation, and maintenance of natural gas pipeline facilities in the Gateway National Recreation Area.

(5) PROJECT.—The term “project” means the natural gas pipeline facilities within Gateway National Recreation Area, including the meter and regulating station to be located at Floyd Bennett Field, that are part of the Rockaway De-

livery Lateral/Brooklyn Queens Interconnect Project, as further described in Federal Energy Regulatory Commission (FERC) Docket No. PF09-8, and including authorized revisions to the project.

(6) RENT.—The term “rent” means any payment to the Secretary pursuant to a lease for occupancy and use of designated premises to be made in such a manner and at such intervals as determined by the Secretary.

(7) SECRETARY.—The term “Secretary” means the Secretary of the Interior, acting through the Director of the National Park Service.

SEC. 3. PERMITTING INSTRUMENTS FOR NATURAL GAS PIPELINE FACILITIES.

(a) IN GENERAL.—The Secretary may issue permits to authorize the construction, operation, and maintenance of natural gas pipeline facilities, as provided by the project, within Gateway National Recreation Area.

(b) TERMS AND CONDITIONS.—

(1) Any rights-of-way or other permits issued for the natural gas pipeline facilities under this section shall be consistent with the laws and regulations generally applicable to utility rights-of-way within units of the National Park System.

(2) Any permits issued under this section for the natural gas pipeline facilities shall be subject to such terms and conditions the Secretary deems appropriate.

(3) The Secretary shall charge a fee for any permits issued under this section. The fees shall be based on fair market value and shall also include costs incurred by the National Park Service in processing a request for a permit; issuing a permit, if appropriate; and monitoring the permitted activities.

(4) Any permits issued under this section shall be for a term of 10 years, subject to renewal with any changes to its terms and conditions mutually agreed upon.

(c) ENFORCEMENT.—Failure to comply with, or a violation of, any term or condition of a permit may result in a citation, or fine, or the suspension or revocation of authorization to conduct the permitted activity.

SEC. 4. LEASE OF BUILDINGS.

The Secretary may enter into a non-competitive lease with any entity to allow the occupancy and use of buildings and associated properties on Floyd Bennett Field to house facilities associated with the project, particularly a meter and regulating station. Such lease shall—

(1) otherwise be subject to National Park Service leasing regulations;

(2) provide for the restoration and maintenance of the buildings and associated properties in accordance with the Secretary of the Interior’s Treatment Standards for Historic Property (36 CFR Part 68), Section 106 of the National Historic Preservation Act (36 CFR 800), and any programmatic agreements;

(3) provide for appropriate rent for occupancy and use of the property representing, at minimum but not limited to, fair market value; and

(4) provide for monetary penalties for violations of the lease.

SEC. 5. FEES.

Any fees and rent collected pursuant to this Act shall be deposited in the Treasury of the United States.

PURPOSE OF THE BILL

The purpose of H.R. 2606, as ordered reported, is to authorize the Secretary of the Interior to allow the construction and operation of natural gas pipeline facilities in the Gateway National Recreation Area.

BACKGROUND AND NEED FOR LEGISLATION

Due to increased demand for natural gas in New York City, New York, additional pipeline capacity is needed. To remedy this problem, New York City is working to place a pipeline through Gateway National Recreation Area. H.R. 2606 provides the National Park Service (NPS) with the authority to approve a pipeline through its jurisdiction. As part of an agreement reached with NPS, in exchange for permitting the pipeline, the Williams Company will restore and maintain abandoned aircraft hangers in Floyd Bennett Field which is part of the Gateway National Recreation Area. One

hanger will house the pipeline meter station and the others will be for park purposes.

During markup, the Natural Resources Committee adopted an amendment offered by Congressman Rob Bishop (R-UT) to make technical corrections to the bill.

COMMITTEE ACTION

H.R. 2606 was introduced on July 21, 2011, by Congressman Michael G. Grimm (R-NY). The bill was referred to the Committee on Natural Resources, and within the Committee to the Subcommittee on National Parks, Forests and Public Lands. On September 15, 2011, the Subcommittee held a hearing on the bill. On November 17, 2011, the Natural Resources Committee met to consider the bill. The Subcommittee on National Parks, Forests and Public Lands was discharged by unanimous consent. Congressman Rob Bishop (R-UT) offered amendment designated .989 to the bill; the amendment was adopted by unanimous consent. The bill, as amended, was then ordered favorably reported to the House of Representatives by unanimous consent.

COMMITTEE OVERSIGHT FINDINGS AND RECOMMENDATIONS

Regarding clause 2(b)(1) of rule X and clause 3(c)(1) of rule XIII of the Rules of the House of Representatives, the Committee on Natural Resources' oversight findings and recommendations are reflected in the body of this report.

COMPLIANCE WITH HOUSE RULE XIII

1. Cost of Legislation. Clause 3(d)(1) of rule XIII of the Rules of the House of Representatives requires an estimate and a comparison by the Committee of the costs which would be incurred in carrying out this bill. However, clause 3(d)(2)(B) of that rule provides that this requirement does not apply when the Committee has included in its report a timely submitted cost estimate of the bill prepared by the Director of the Congressional Budget Office under section 402 of the Congressional Budget Act of 1974. Under clause 3(c)(3) of rule XIII of the Rules of the House of Representatives and section 403 of the Congressional Budget Act of 1974, the Committee has received the following cost estimate for this bill from the Director of the Congressional Budget Office:

H.R. 2606—New York City Natural Gas Supply Enhancement Act

H.R. 2606 would authorize the Secretary of the Interior to issue permits to construct a natural gas pipeline in Gateway National Recreation Area of New York. The bill also would authorize the Secretary to collect rent from leases of any National Park Service (NPS) land or buildings associated with the pipeline. Any amounts collected would be deposited in the U.S. Treasury as offsetting receipts (a credit against direct spending); therefore, pay-as-you-go procedures apply. Enacting H.R. 2606 would not affect revenues.

Based on information provided by the agency regarding proceeds from similar activities, CBO estimates that any offsetting receipts from leasing NPS land or buildings associated with a pipeline in the Gateway National Area would total less than \$150,000 a year.

H.R. 2606 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act and would impose no costs on state, local, or tribal governments.

The CBO staff contact for this estimate is Jeff LaFave. The estimate was approved by Theresa Gullo, Deputy Assistant Director for Budget Analysis.

2. Section 308(a) of Congressional Budget Act. As required by clause 3(c)(2) of rule XIII of the Rules of the House of Representatives and section 308(a) of the Congressional Budget Act of 1974, this bill does not contain any new budget authority, spending authority, credit authority, or an increase or decrease in revenues or tax expenditures. Based on information provided by the agency regarding proceeds from similar activities, CBO estimates that any offsetting receipts from leasing National Park Service land or buildings associated with a pipeline in the Gateway National Recreation Area would total less than \$150,000 a year.

3. General Performance Goals and Objectives. As required by clause 3(c)(4) of rule XIII, the general performance goal or objective of this bill, as ordered reported, is to authorize the Secretary of the Interior to allow the construction and operation of natural gas pipeline facilities in the Gateway National Recreation Area.

EARMARK STATEMENT

This bill does not contain any Congressional earmarks, limited tax benefits, or limited tariff benefits as defined under clause 9(e), 9(f), and 9(g) of rule XXI of the Rules of the House of Representatives.

COMPLIANCE WITH PUBLIC LAW 104-4

This bill contains no unfunded mandates.

PREEMPTION OF STATE, LOCAL OR TRIBAL LAW

This bill is not intended to preempt any State, local or tribal law.

CHANGES IN EXISTING LAW

If enacted, this bill would make no changes in existing law.