

AN ACT

ENTITLED, An Act to protect certain easement holders and rural customers from shutoffs by certain energy companies.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF SOUTH DAKOTA:

Section 1. That the code be amended by adding a NEW SECTION to read:

Terms used in this Act mean:

- (1) "Farm tap," a natural gas piping connection to an interstate or intrastate transmission pipeline, that is made available to a farm tap customer;
- (2) "Farm tap customer," a person who receives natural gas through a farm tap distribution system;
- (3) "Farm tap distribution system," a customer owned pipeline system that extends from an interstate or intrastate transmission pipeline to deliver natural gas to a farm tap customer; and
- (4) "Farm tap service provider," any third party provider of farm tap distribution system services to:
 - (a) A farm tap customer; or
 - (b) An interstate or intrastate natural gas transmission pipeline holding one or more farm tap easements.

Section 2. That chapter 43-13 be amended by adding a NEW SECTION to read:

A farm tap easement is an easement for the location, construction, operation or maintenance of a pipeline which includes, as part of the consideration for the easement, the provision of natural gas to and for the use of the grantor through a direct connection to the pipeline. In any court action seeking enforcement of a farm tap easement, a prevailing grantor or successor to a grantor of a farm tap easement may receive specific performance as a portion of the remedy from the farm tap

easement grantee or its successor.

Section 3. That the code be amended by adding a NEW SECTION to read:

The farm tap customer is responsible for the safety and reliability of the farm tap distribution system, unless the farm tap customer has contracted with or transferred ownership of his farm tap distribution system to a farm tap service provider pursuant to a written agreement which expressly transfers the responsibility for the safety and reliability of the farm tap distribution system to the farm tap service provider.

Section 4. That the code be amended by adding a NEW SECTION to read:

The farm tap service provider is not liable for damages related to or arising out of a farm tap or a farm tap distribution system, unless the damages are solely caused by the negligence of the farm tap service provider.

Section 5. That § 49-7A-15 be amended to read:

49-7A-15. Any person owning or operating underground facilities, including a farm tap customer owning a farm tap distribution system, which serves third parties or which crosses a property line or is located in a public highway shall register with the one call notification system as an operator pursuant to chapter 49-7A.

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I certify that the attached Act originated in the

SENATE as Bill No. 104

Secretary of the Senate

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President of the Senate

Attest:

Secretary of the Senate

Speaker of the House

Attest:

Chief Clerk

Senate Bill No. 104
File No. _____
Chapter No. _____

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Received at this Executive Office this ____ day of _____ ,

20____ at _____ M.

By _____
for the Governor

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The attached Act is hereby approved this _____ day of _____ , A.D., 20____

Governor

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STATE OF SOUTH DAKOTA,
ss.

Office of the Secretary of State

Filed _____ , 20____
at _____ o'clock __ M.

Secretary of State

By _____
Asst. Secretary of State