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SUBSTITUTE HOUSE BILL 1611

State of Washington 65th Legislature 2017 Regular Session

By House Environment (originally sponsored by Representatives Farrell, Fitzgibbon, Fey, Peterson, Slatter, Tharinger, Pollet, Stonier, Senn, Appleton, Chapman, Goodman, Robinson, Pettigrew, Bergquist, Hudgins, McBride, Cody, Macri, Doglio, Stanford, Jinkins, Tarleton, and Kagi)

READ FIRST TIME 02/17/17.

AN ACT Relating to oil transportation safety; amending RCW 1 2 88.16.190, 90.56.370, 82.23B.020, 82.23B.030, 90.56.200, 3 90.56.510, 90.56.565, 90.56.210, 90.56.220, 90.56.230, and 80.50.060; reenacting and amending RCW 82.23B.010, 80.50.020, and 90.56.010; 4 5 adding a new section to chapter 90.56 RCW; creating new sections; 82.23B.040; prescribing penalties; 6 repealing RCW providing effective date; providing an expiration date; and declaring 7 an 8 emergency.

9 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:

NEW SECTION. Sec. 1. (1) The legislature finds that the system of crude oil transportation by boat, rail, and pipeline in Washington has experienced significant changes in recent years. By enacting chapter 274, Laws of 2015 (the oil transportation safety act), the legislature took significant steps to address the risks of oil transportation. However, because that legislation primarily focused on the risks of crude oil transportation by rail, and did not address the growing risks of oil shipped through state waters, additional attention to this issue is warranted and the additional steps taken in this act will help continue to improve oil transportation safety.

(2) In light of recent events since the passage of the oil transportation safety act, oil transportation patterns are expected

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to continue to further change in coming years. With these changes, additional and changing risks are also expected:

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- (a) One important contextual change driving oil transportation risks in Washington was the recent decision by the United States congress in December 2015 to remove the longstanding prohibition on the export of crude oil from the United States. This reversal of federal law presents a significant prospective change to the patterns of oil shipment through the state and may bring additional environmental and public safety risks that are not adequately addressed by existing plans and safety regulations.
- (b) A second change on the horizon, which will have huge ramifications for the transport of oil through the boundary waters and the Strait of Juan de Fuca, stems from the recently approved expansion of the Trans Mountain pipeline from Alberta to British Columbia, Canada. The expanded pipeline is anticipated to increase tanker traffic in the already busy United States-Canadian boundary water shipping lanes from five tankers per month to up to thirty-four oil laden tankers per month. Because the precipitating event for this increase in traffic is the construction of a facility in Canada, the environmental impacts of this traffic in Washington waters will not otherwise be mitigated under chapter 43.21C RCW, the state environmental policy act. Therefore, it is urgent imperative that the legislature act now to enhance its marine oil transport risk reduction framework in order for the state to be even minimally prepared for the tectonic shift in oil transportation that is likely to occur in our ecologically fragile northern waters.
 - (3) Therefore, in light of these changes, it is the intent of the legislature to enhance a variety of safety measures that protect against the risk of oil spills occurring on land and on water, to provide a sustainable source of funding for the state's oil spill preparedness and response program, and to ensure the state's ability to recover from the full scope of economic harms that would result from a large oil spill.
- 34 **Sec. 2.** RCW 88.16.190 and 1994 c 52 s 1 are each amended to read as follows:
- 36 (1) Any oil tanker, whether enrolled or registered, of greater 37 than one hundred and twenty-five thousand deadweight tons shall be 38 prohibited from proceeding beyond a point east of a line extending 39 from Discovery Island light south to New Dungeness light.

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- (2) ((An oil tanker, whether enrolled or registered, of forty to one hundred and twenty-five thousand deadweight tons may proceed beyond the points enumerated in subsection (1) if such tanker possesses all of the following standard safety features:
- (a) Shaft horsepower in the ratio of one horsepower to each two and one-half deadweight tons; and
 - (b) Twin screws; and

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- 8 (c) Double bottoms, underneath all oil and liquid cargo 9 compartments; and
- 10 (d) Two radars in working order and operating, one of which must
 11 be collision avoidance radar; and
 - (e) Such other navigational position location systems as may be prescribed from time to time by the board of pilotage commissioners:

PROVIDED, That, if such forty to one hundred and twenty-five thousand deadweight ton tanker is in ballast or is under escort of a tug or tugs with an aggregate shaft horsepower equivalent to five percent of the deadweight tons of that tanker, subsection (2) of this section shall not apply: PROVIDED FURTHER, That additional tug shaft horsepower equivalencies may be required under certain conditions as established by rule and regulation of the Washington utilities and transportation commission pursuant to chapter 34.05 RCW: PROVIDED FURTHER, That)) (a) Except as provided in subsection (3) of this section, an oil tanker of forty to one hundred twenty-five thousand deadweight tons may operate in the waters east of a line extending from Discovery Island light south to New Dungeness light and all points in the Puget Sound area, including but not limited to the San Juan archipelago and connected waterways and the waters south of Admiralty Inlet, to the extent that these waters are within the territorial boundaries of Washington, only if the oil tanker is under the escort of a tug or tugs in compliance with the requirements of subsection (4) of this section.

(b) The board of pilotage commissioners, in consultation with and assisted by the department of ecology and considering the results of the most recently completed vessel traffic risk assessments, shall adopt rules by December 31, 2018, to implement this subsection (2)(b). The board of pilotage commissioners may enter into an interagency agreement with the department of ecology to develop the rules. The rules must include tug escort requirements and may include pilotage requirements, requirements that the owner or operator of oil-laden vessels establish and fund an emergency response system

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- 1 that provides for an emergency towing vessel to be stationed in or near the narrow channels of the San Juan Islands that meets the 2 criteria of RCW 88.46.135 other than the stationing location of the 3 response vessel, and other safety measures. The rules may apply to 4 oil tankers of less than forty thousand deadweight tons and 5 6 articulated tug barges and waterborne vessels or barges of greater 7 than five thousand deadweight tons. The geographic scope of the rules is the entirety of the Puget Sound and must address the narrow 8 channels of the San Juan archipelago, including Rosario Strait, Haro 9 Strait, Boundary Pass, and connected waterways. 10
 - (c) The board of pilotage commissioners must consult with the United States coast quard, the Puget Sound harbor safety committee, tribes, ports, local governments, and other appropriate entities before adopting tug escort requirements, pilotage requirements, and other safety measures for Puget Sound.
- 16 (3) If an oil tanker, articulated tug barge, or other towed 17 waterborne vessel or barge is in ballast, the tug escort requirements 18 of subsection (2)(a) of this section and any tug escort rules adopted 19 pursuant to subsection (2)(b) of this section do not apply.
 - (4)(a) Oil tankers, articulated tug barges, and other towed waterborne vessels or barges must ensure that any escort tugs they use have an aggregate shaft horsepower equivalent to at least five percent of the deadweight tons of the escorted oil tanker or articulated tug barge.
 - (b) The board of pilotage commissioners may adopt rules to ensure that escort tugs have sufficient mechanical capabilities to provide for safe escort.
- (c) In order to adopt best achievable protection as defined under RCW 88.46.010, rules adopted under this subsection must be informed by:
 - (i) Accident records in British Columbia and Washington waters;
 - (ii) Propulsion and design of tank vessels; and
- 33 (iii) The characteristics of the waterways.

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- (5) A tanker assigned a deadweight of equal to or less than forty thousand deadweight tons at the time of construction or reconstruction as reported in Lloyd's Register of Ships is not subject to the provisions of this section and RCW 88.16.170 ((through 88.16.190)) and 88.16.180.
- 39 <u>(6) The definitions in this subsection apply throughout this</u> 40 section unless the context clearly requires otherwise.

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1 (a) "Articulated tug barge" means a tank barge and a towing
2 vessel joined by hinged or articulated fixed mechanical equipment
3 affixed or connecting to the stern of the tank barge.

- (b) "Oil tanker" means a self-propelled deep draft tank vessel designed to transport oil in bulk. "Oil tanker" does not include an articulated tug barge tank vessel.
- (c) "Waterborne vessel or barge" means any ship, barge, or other watercraft capable of traveling on the navigable waters of this state and capable of transporting any crude oil or petroleum product in quantities of ten thousand gallons or more for purposes other than providing fuel for its motor or engine.
- **Sec. 3.** RCW 90.56.370 and 2011 c 122 s 10 are each amended to 13 read as follows:
 - (1) Any person owning oil or having control over oil that enters the waters of the state in violation of RCW 90.56.320 shall be strictly liable, without regard to fault, for the damages to persons or property, public or private, caused by such entry.
 - (2) Damages for which responsible parties are liable under this section include loss of income, <u>such as lost fishing income or lost lodging income due to reduced tourism</u>, net revenue, the <u>loss of means of producing income or revenue directly or indirectly attributable to oil entering waters of the state, lost real property value when it is <u>demonstrated to be a direct result of an oil spill</u>, or an economic benefit resulting from an injury to or loss of real or personal property or natural resources.</u>
 - (3) Damages for which responsible parties are liable under this section include damages provided in subsections (1) and (2) of this section resulting from: (a) The use and deployment of chemical dispersants or from in situ burning in response to a violation of RCW 90.56.320; and (b) any action conducted in response to a violation of RCW 90.56.320, including actions to collect, investigate, perform surveillance over, remove, contain, treat, or disperse oil discharged into waters of the state.
- 34 (4) In any action to recover damages resulting from the discharge 35 of oil in violation of RCW 90.56.320, the owner or person having 36 control over the oil shall be relieved from strict liability, without 37 regard to fault, if that person can prove that the discharge was 38 caused solely by:
 - (a) An act of war or sabotage;

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1 (b) An act of God;

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- (c) Negligence on the part of the United States government; or
- (d) Negligence on the part of the state of Washington.
- 4 (5) The liability established in this section shall in no way 5 affect the rights which: (a) The owner or other person having control 6 over the oil may have against any person whose acts may in any way 7 have caused or contributed to the discharge of oil, or (b) the state 8 of Washington may have against any person whose actions may have 9 caused or contributed to the discharge of oil.
- Sec. 4. RCW 82.23B.010 and 2015 c 274 s 13 are each reenacted and amended to read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 14 (1) "Barrel" means a unit of measurement of volume equal to forty-two United States gallons of crude oil or petroleum product.
 - (2) "Bulk oil terminal" means a facility of any kind, other than a waterborne vessel, that is used for transferring crude oil or petroleum products from a tank car or pipeline.
 - (3) "Crude oil" means any naturally occurring hydrocarbons coming from the earth that are liquid at twenty-five degrees Celsius and one atmosphere of pressure including, but not limited to, crude oil, bitumen and diluted bitumen, synthetic crude oil, and natural gas well condensate.
 - (4) "Department" means the department of revenue.
 - (5) "Marine terminal" means a facility of any kind, other than a waterborne vessel, that is used for transferring crude oil or petroleum products to or from a waterborne vessel or barge.
 - (6) "Navigable waters" means those waters of the state and their adjoining shorelines that are subject to the ebb and flow of the tide, including the Columbia and Snake rivers.
 - (7) "Person" has the meaning provided in RCW 82.04.030.
 - (8) "Petroleum product" means any liquid hydrocarbons at atmospheric temperature and pressure that are the product of the fractionation, distillation, or other refining or processing of crude oil, and that are used as, useable as, or may be refined as a fuel or fuel blendstock, including but not limited to, gasoline, diesel fuel, aviation fuel, bunker fuel, and fuels containing a blend of alcohol and petroleum.

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(9) "Pipeline" means an interstate or intrastate pipeline subject to regulation by the United States department of transportation under 49 C.F.R. Part 195 in effect on the effective date of this section, through which oil moves in transportation, including line pipes, valves, and other appurtenances connected to line pipes, pumping units, and fabricated assemblies associated with pumping units.

- 7 (10) "Tank car" means a rail car, the body of which consists of a tank for transporting liquids.
 - $((\frac{10}{10}))$ (11) "Taxpayer" means the person owning crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal in this state and who is liable for the taxes imposed by this chapter.
 - (((11))) <u>(12)</u> "Waterborne vessel or barge" means any ship, barge, or other watercraft capable of traveling on the navigable waters of this state and capable of transporting any crude oil or petroleum product in quantities of ten thousand gallons or more for purposes other than providing fuel for its motor or engine.
- **Sec. 5.** RCW 82.23B.020 and 2015 c 274 s 14 are each amended to 19 read as follows:
 - (1) An oil spill response tax is imposed on the privilege of receiving: (a) Crude oil or petroleum products at a marine terminal within this state from a waterborne vessel or barge operating on the navigable waters of this state; ((ex)) (b) crude oil or petroleum products at a bulk oil terminal within this state from a tank car; or (c) crude oil or petroleum products at a bulk oil terminal within this state from a pipeline. The tax imposed in this section is levied upon the owner of the crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal from a tank car, pipeline, or waterborne vessel or barge at the rate of one cent per barrel of crude oil or petroleum product received.
 - (2) In addition to the tax imposed in subsection (1) of this section, an oil spill administration tax is imposed on the privilege of receiving: (a) Crude oil or petroleum products at a marine terminal within this state from a waterborne vessel or barge operating on the navigable waters of this state; $((\Theta r))$ (b) crude oil or petroleum products at a bulk oil terminal within this state from a tank car; or (c) crude oil or petroleum products at a bulk oil terminal within this state from a pipeline. The tax imposed in this

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section is levied upon the owner of the crude oil or petroleum products immediately after receipt of the same into the storage tanks of a marine or bulk oil terminal from a tank car, pipeline, or waterborne vessel or barge at the rate of four cents per barrel of crude oil or petroleum product.

- (3) The taxes imposed by this chapter must be collected by the marine or bulk oil terminal operator from the taxpayer. If any person charged with collecting the taxes fails to bill the taxpayer for the taxes, or in the alternative has not notified the taxpayer in writing of the taxes imposed, or having collected the taxes, fails to pay them to the department in the manner prescribed by this chapter, whether such failure is the result of the person's own acts or the result of acts or conditions beyond the person's control, he or she, nevertheless, is personally liable to the state for the amount of the taxes. Payment of the taxes by the owner to a marine or bulk oil terminal operator relieves the owner from further liability for the taxes.
- (4) Taxes collected under this chapter must be held in trust until paid to the department. Any person collecting the taxes who appropriates or converts the taxes collected is guilty of a gross misdemeanor if the money required to be collected is not available for payment on the date payment is due. The taxes required by this chapter to be collected must be stated separately from other charges made by the marine or bulk oil terminal operator in any invoice or other statement of account provided to the taxpayer.
- (5) If a taxpayer fails to pay the taxes imposed by this chapter to the person charged with collection of the taxes and the person charged with collection fails to pay the taxes to the department, the department may, in its discretion, proceed directly against the taxpayer for collection of the taxes.
- (6) The taxes are due from the marine or bulk oil terminal operator, along with reports and returns on forms prescribed by the department, within twenty-five days after the end of the month in which the taxable activity occurs.
- (7) The amount of taxes, until paid by the taxpayer to the marine or bulk oil terminal operator or to the department, constitutes a debt from the taxpayer to the marine or bulk oil terminal operator. Any person required to collect the taxes under this chapter who, with intent to violate the provisions of this chapter, fails or refuses to do so as required and any taxpayer who refuses to pay any taxes due

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under this chapter, is guilty of a misdemeanor as provided in chapter 9A.20 RCW.

- (8) Upon prior approval of the department, the taxpayer may pay the taxes imposed by this chapter directly to the department. The department must give its approval for direct payment under this section whenever it appears, in the department's judgment, that direct payment will enhance the administration of the taxes imposed under this chapter. The department must provide by rule for the issuance of a direct payment certificate to any taxpayer qualifying for direct payment of the taxes. Good faith acceptance of a direct payment certificate by a terminal operator relieves the marine or bulk oil terminal operator from any liability for the collection or payment of the taxes imposed under this chapter.
- (9) All receipts from the tax imposed in subsection (1) of this section must be deposited into the state oil spill response account created in RCW 90.56.500. All receipts from the tax imposed in subsection (2) of this section shall be deposited into the oil spill prevention account created in RCW 90.56.510.
- (10) Within forty-five days after the end of each calendar quarter, the office of financial management must determine the balance of the oil spill response account as of the last day of that calendar quarter. Balance determinations by the office of financial management under this section are final and may not be used to challenge the validity of any tax imposed under this chapter. The office of financial management must promptly notify the departments of revenue and ecology of the account balance once a determination is made. For each subsequent calendar quarter, the tax imposed by subsection (1) of this section shall be imposed during the entire calendar quarter unless:
- 30 (a) Tax was imposed under subsection (1) of this section during 31 the immediately preceding calendar quarter, and the most recent 32 quarterly balance is more than nine million dollars; or
- 33 (b) Tax was not imposed under subsection (1) of this section 34 during the immediately preceding calendar quarter, and the most 35 recent quarterly balance is more than eight million dollars.
- **Sec. 6.** RCW 82.23B.030 and 2015 c 274 s 15 are each amended to read as follows:
- 38 <u>(1)</u> The taxes imposed under this chapter only apply to the first receipt of crude oil or petroleum products at a marine or bulk oil

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- 1 terminal in this state and not to the later transporting and 2 subsequent receipt of the same oil or petroleum product, whether in
- 3 the form originally received at a marine or bulk oil terminal in this
- 4 state or after refining or other processing.

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- 5 (2) The taxes imposed under this chapter do not apply to the
- 6 receipt of crude oil or petroleum products that the state is
- 7 prohibited from taxing under the United States Constitution.
- 8 <u>NEW SECTION.</u> **Sec. 7.** A new section is added to chapter 90.56 9 RCW to read as follows:
- 10 (1) Each onshore and offshore oil refinery facility handling 11 crude oil for export must revise the following items to specifically 12 address all types of crude oil planned or anticipated to be handled 13 at the facility, including crude oil from the Bakken oil fields and 14 diluted bitumen crude from Canada:
- 15 (a) The facility oil spill prevention plan required under RCW 16 90.56.200;
- 17 (b) The facility oil spill contingency plan required under RCW 18 90.56.210;
- 19 (c) The training and certification program required under RCW 20 90.56.220; and
 - (d) The operations manual required under RCW 90.56.230.
- (2) By September 1, 2018, the department must adopt by rule the required components of these plans addressing handling of crude oil for export and must require that the plans demonstrate best achievable protection from damages caused by the discharge of oil into the waters of the state or other casualty from the release, explosion, or ignition of the oil.
 - (3) Prior to the adoption of rules under this section, the department may require an oil refinery facility to notify the department if it is handling crude oil for export and to revise its contingency plan, prevention plan, and operating manual to include a description of the crude oil export handling activities, including but not limited to the volumes and types of crude oil being handled, or proposed to be handled, for export by the facility.
- 35 **Sec. 8.** RCW 90.56.200 and 2015 c 274 s 4 are each amended to 36 read as follows:
- 37 (1) The owner or operator for each onshore and offshore facility, 38 except as determined in subsection (3) of this section, shall prepare

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- and submit to the department an oil spill prevention plan 1 conformance with the requirements of this chapter. The plans shall be 2 submitted to the department in the time and manner directed by the 3 department. The spill prevention plan may be consolidated with a 4 spill contingency plan submitted pursuant to RCW 90.56.210. The 5 6 department may accept plans prepared to comply with other state or 7 federal law as spill prevention plans to the extent those plans comply with the requirements of this chapter. The department, by 8 9 rule, shall establish standards for spill prevention plans.
- 10 (2) The spill prevention plan for an onshore or offshore facility 11 shall:
- 12 (a) Establish compliance with the federal oil pollution act of 13 1990, if applicable, and financial responsibility requirements under 14 federal and state law;
- 15 (b) Certify that supervisory and other key personnel in charge of 16 transfer, storage, and handling of oil have received certification 17 pursuant to RCW 90.56.220;
- 18 (c) Certify that the facility has an operations manual required 19 by RCW 90.56.230;
- 20 (d) Certify the implementation of alcohol and drug use awareness 21 programs;

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- (e) Describe the facility's maintenance and inspection program and contain a current maintenance and inspection record of the storage and transfer facilities and related equipment;
 - (f) Describe the facility's alcohol and drug treatment programs;
- (g) Describe spill prevention technology that has been installed, including overflow alarms, automatic overflow cut-off switches, secondary containment facilities, and storm water retention, treatment, and discharge systems;
- 30 (h) Describe any discharges of oil to the land or the water of 31 more than twenty-five barrels in the prior five years and the 32 measures taken to prevent a reoccurrence;
 - (i) Describe the procedures followed by the facility to contain and recover any oil that spills during the transfer of oil to or from the facility;
- (j) Provide for the incorporation into the facility during the period covered by the plan of those measures that will provide the best achievable protection for the public health and the environment; and

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(k) Include any other information reasonably necessary to carry out the purposes of this chapter required by rules adopted by the department.

- (3) Plan requirements in subsection (2) of this section are not applicable to railroad facility operators while transporting oil over rail lines of this state.
- (4) The department shall only approve a prevention plan if it provides the best achievable protection from damages caused by the discharge of oil into the waters of the state and if it determines that the plan meets the requirements of this section and rules adopted by the department.
- (5) Upon approval of a prevention plan, the department shall provide to the person submitting the plan a statement indicating that the plan has been approved, the facilities covered by the plan, and other information the department determines should be included.
- (6) The approval of a prevention plan shall be valid for five years. An owner or operator of a facility shall notify the department in writing immediately of any significant change of which it is aware affecting its prevention plan, including changes in any factor set forth in this section or in rules adopted by the department. The department may require the owner or operator to update a prevention plan as a result of these changes. Consistent with section 7 of this act, a facility engaged in the refining of petroleum must be required by the department to update its prevention plan prior to exporting crude oil from the facility. The department shall provide notice of the crude oil export proposal to interested parties, including local and tribal governments, and shall make the prevention plan updates available for public review and comment.
- (7) The department by rule shall require prevention plans to be reviewed, updated, if necessary, and resubmitted to the department at least once every five years.
- 32 (8) Approval of a prevention plan by the department does not 33 constitute an express assurance regarding the adequacy of the plan 34 nor constitute a defense to liability imposed under this chapter or 35 other state law.
- 36 (9) This section does not authorize the department to modify the 37 terms of a collective bargaining agreement.
- **Sec. 9.** RCW 90.56.240 and 1990 c 116 s 4 are each amended to 39 read as follows:

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1 The department shall by rule establish standards for persons who contract to provide spill management, cleanup, and containment 2 3 services under contingency plans approved under RCW 90.56.210.

Sec. 10. RCW 90.56.510 and 2015 c 274 s 7 are each amended to read as follows:

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- (1) The oil spill prevention account is created in the state 6 7 treasury. All receipts from RCW 82.23B.020(2) shall be deposited in the account. Moneys from the account may be spent only after 8 9 appropriation. The account is subject to allotment procedures under chapter 43.88 RCW. ((If, on the first day of any calendar month, the 10 11 balance of the oil spill response account is greater than nine million dollars and the balance of the oil spill prevention account 12 exceeds the unexpended appropriation for the current biennium, then 13 the tax under RCW 82.23B.020(2) shall be suspended on the first day 14 15 of the next calendar month until the beginning of the following 16 biennium, provided that the tax shall not be suspended during the last six months of the biennium. If the tax imposed under RCW 17 82.23B.020(2) is suspended during two consecutive biennia, the 18 department shall by November 1st after the end of the second 19 20 biennium, recommend to the appropriate standing committees an adjustment in the tax rate. For the biennium ending June 30, 1999, 21 22 and the biennium ending June 30, 2001, the state treasurer may transfer a total of up to one million dollars from the oil spill 23 24 response account to the oil spill prevention account to support appropriations made from the oil spill prevention account in the 25 omnibus appropriations act adopted not later than June 30, 1999.)) 26
 - (2) Expenditures from the oil spill prevention account shall be used exclusively for the administrative costs related to the purposes of this chapter, and chapters 90.48, 88.40, and 88.46 RCW. addition, until June 30, 2019, expenditures from the oil spill prevention account may be used, subject to amounts appropriated specifically for this purpose, for the development and annual review of local emergency planning committee emergency response plans in RCW 38.52.040(3). Starting with the 1995-1997 biennium, the legislature shall give activities of state agencies related to prevention of oil spills priority in funding from the oil spill prevention account.
 - Costs of prevention include the costs of:
 - (a) Routine responses not covered under RCW 90.56.500;
 - (b) Management and staff development activities;

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- 1 (c) Development of rules and policies and the statewide plan provided for in RCW 90.56.060;
- 3 (d) Facility and vessel plan review and approval, drills, 4 inspections, investigations, enforcement, and litigation;
 - (e) Interagency coordination and public outreach and education;
- 6 (f) Collection and administration of the tax provided for in 7 chapter 82.23B RCW; and

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- 8 (g) Appropriate travel, goods and services, contracts, and 9 equipment.
- 10 (3) Before expending moneys from the account for a response under subsection (2)(a) of this section, but without delaying response activities, the director shall make reasonable efforts to obtain funding for response costs under this section from the person responsible for the spill and from other sources, including the federal government.
- 16 **Sec. 11.** RCW 90.56.565 and 2015 c 274 s 8 are each amended to read as follows:
- (1)(a) A facility that receives crude oil from a railroad car 18 must provide advance notice to the department that the facility will 19 20 receive crude oil from a railroad car, as provided in this section. The advance notice must include the route taken to the facility 21 within the state, if known, and the scheduled time, location, volume, 22 region per bill of lading, and gravity as measured by standards 23 24 developed by the American petroleum institute, of crude oil received. 25 Each week, a facility that provides advance notice under this section must provide the required information regarding the scheduled arrival 26 27 of railroad cars carrying crude oil to be received by the facility in 28 the succeeding seven-day period. A facility is not required to provide advance notice when there is no receipt of crude oil from a 29 30 railroad car scheduled for a seven-day period.
 - (b) Twice per year, pipelines that transport crude oil must report to the department the following information about the crude oil transported by the pipeline through the state: The volume of crude oil and the state or province of origin of the crude oil. This report must be submitted each year by July 31st for the period January 1st through June 30th and by January 31st for the period July 1st through December 31st.
 - (2) The department may share information provided by a facility through the advance notice system established in this section with

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- the state emergency management division and any county, city, tribal, port, ((ex)) local government emergency response agency, or the legislative bodies of local governments that oversee community first response agencies upon request.
- (3) The department must publish information collected under this 5 6 section on a quarterly basis on the department's internet web site. With respect to the information reported under subsection (1)(a) of 7 this section, the information published by the department must be 8 aggregated on a statewide basis by route through the state, by week, 9 and by type of crude oil. The report may also include other 10 11 information available to the department including, but not limited 12 to, place of origin, modes of transport, number of railroad cars delivering crude oil, and number and volume of spills during 13 14 transport and delivery.
 - (4) A facility providing advance notice under this section is not responsible for meeting advance notice time frame requirements under subsection (1) of this section in the event that the schedule of arrivals of railroad cars carrying crude oil changes during a sevenday period.

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- (5) Consistent with the requirements of chapter 42.56 RCW, the department and any state, local, tribal, or public agency that receives information provided under this section may not disclose any such information to the public or to nongovernmental entities that contains proprietary, commercial, or financial information unless that information is aggregated. The requirement for aggregating information does not apply when information is shared by the department with emergency response agencies as provided in subsection (2) of this section.
- 29 (6) The department shall adopt rules to implement this section. 30 The advance notice system required in this section must be consistent 31 with the oil transfer reporting system adopted by the department 32 pursuant to RCW 88.46.165.
- 33 **Sec. 12.** RCW 90.56.210 and 2015 c 274 s 5 are each amended to 34 read as follows:
 - (1) Each onshore and offshore facility shall have a contingency plan for the containment and cleanup of oil spills from the facility into the waters of the state and for the protection of fisheries and wildlife, shellfish beds, natural resources, and public and private property from such spills. The department shall by rule adopt and

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periodically revise standards for the preparation of contingency plans. The department shall require contingency plans, at a minimum, to meet the following standards:

- (a) Include full details of the method of response to spills of various sizes from any facility which is covered by the plan;
- (b) Be designed to be capable in terms of personnel, materials, and equipment, of promptly and properly, to the maximum extent practicable, as defined by the department removing oil and minimizing any damage to the environment resulting from a worst case spill;
- 10 (c) Provide a clear, precise, and detailed description of how the 11 plan relates to and is integrated into relevant contingency plans 12 which have been prepared by cooperatives, ports, regional entities, 13 the state, and the federal government;
 - (d) Provide procedures for early detection of oil spills and timely notification of such spills to appropriate federal, state, and local authorities under applicable state and federal law;
 - (e) State the number, training preparedness, and fitness of all dedicated, prepositioned personnel assigned to direct and implement the plan;
 - (f) Incorporate periodic training and drill programs to evaluate whether personnel and equipment provided under the plan are in a state of operational readiness at all times;
 - (g) Describe important features of the surrounding environment, including fish and wildlife habitat, shellfish beds, environmentally and archaeologically sensitive areas, and public facilities. The departments of ecology, fish and wildlife, and natural resources, and the department of archaeology and historic preservation, upon request, shall provide information that they have available to assist in preparing this description. The description of archaeologically sensitive areas shall not be required to be included in a contingency plan until it is reviewed and updated pursuant to subsection (9) of this section;
 - (h) State the means of protecting and mitigating effects on the environment, including fish, shellfish, marine mammals, and other wildlife, and ensure that implementation of the plan does not pose unacceptable risks to the public or the environment;
 - (i) Provide arrangements for the prepositioning of oil spill containment and cleanup equipment and trained personnel at strategic locations from which they can be deployed to the spill site to promptly and properly remove the spilled oil;

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- 1 (j) Provide arrangements for enlisting the use of qualified and trained cleanup personnel to implement the plan; 2
- (k) Provide for disposal of recovered spilled oil in accordance 3 with local, state, and federal laws; 4
- (1) Until a spill prevention plan has been submitted pursuant to 5 6 RCW 90.56.200, state the measures that have been taken to reduce the likelihood that a spill will occur, including but not limited to, 7 design and operation of a facility, training of personnel, number of 8 9 personnel, and backup systems designed to prevent a spill;
- (m) State the amount and type of equipment available to respond 10 11 to a spill, where the equipment is located, and the extent to which 12 other contingency plans rely on the same equipment; and
- (n) If the department has adopted rules permitting the use of 13 dispersants, the circumstances, if any, and the manner for the 14 application of the dispersants in conformance with the department's 15 16 rules.
- 17 (2)(a) The following shall submit contingency plans to the department within six months after the department adopts rules 18 establishing standards for contingency plans under subsection (1) of 19 this section: 20
- 21 (i) Onshore facilities capable of storing one million gallons or more of oil; and 22
 - (ii) Offshore facilities.

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- (b) Contingency plans for all other onshore and offshore facilities shall be submitted to the department within eighteen months after the department has adopted rules under subsection (1) of this section. The department may adopt a schedule for submission of plans within the eighteen-month period.
- (3) The department by rule shall determine the contingency plan requirements for railroads transporting oil in bulk. Federal oil spill response plans created pursuant to 33 U.S.C. Sec. 1321 may be submitted in lieu of contingency plans until state rules are adopted.
- (4)(a) The owner or operator of a facility shall submit the contingency plan for the facility.
- (b) Consistent with section 7 of this act, the owner or operator 35 of a facility shall update its contingency plan prior to exporting crude oil from the facility. The department shall provide notice of 37 the crude oil export proposal to interested parties, including local and tribal governments, and shall make the contingency plan updates available for public review and comment.

p. 17 SHB 1611 (c) A person who has contracted with a facility to provide containment and cleanup services and who meets the standards established pursuant to RCW 90.56.240, may submit the plan for any facility for which the person is contractually obligated to provide services. Subject to conditions imposed by the department, the person may submit a single plan for more than one facility.

- (5) A contingency plan prepared for an agency of the federal government or another state that satisfies the requirements of this section and rules adopted by the department may be accepted by the department as a contingency plan under this section. The department shall ensure that to the greatest extent possible, requirements for contingency plans under this section are consistent with the requirements for contingency plans under federal law.
- (6) In reviewing the contingency plans required by this section, the department shall consider at least the following factors:
 - (a) The adequacy of containment and cleanup equipment, personnel, communications equipment, notification procedures and call down lists, response time, and logistical arrangements for coordination and implementation of response efforts to remove oil spills promptly and properly and to protect the environment;
- 21 (b) The nature and amount of vessel traffic within the area 22 covered by the plan;
- 23 (c) The volume and type of oil being transported within the area 24 covered by the plan;
 - (d) The existence of navigational hazards within the area covered by the plan;
 - (e) The history and circumstances surrounding prior spills of oil within the area covered by the plan;
 - (f) The sensitivity of fisheries, shellfish beds, and wildlife and other natural resources within the area covered by the plan;
- 31 (g) Relevant information on previous spills contained in on-scene 32 coordinator reports prepared by the department; and
 - (h) The extent to which reasonable, cost-effective measures to prevent a likelihood that a spill will occur have been incorporated into the plan.
 - (7) The department shall approve a contingency plan only if it determines that the plan meets the requirements of this section and that, if implemented, the plan is capable, in terms of personnel, materials, and equipment, of removing oil promptly and properly and minimizing any damage to the environment.

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(8) The approval of the contingency plan shall be valid for five years. Upon approval of a contingency plan, the department shall provide to the person submitting the plan a statement indicating that the plan has been approved, the facilities or vessels covered by the plan, and other information the department determines should be included.

- (9) An owner or operator of a facility shall notify the department in writing immediately of any significant change of which it is aware affecting its contingency plan, including changes in any factor set forth in this section or in rules adopted by the department. The department may require the owner or operator to update a contingency plan as a result of these changes.
- 13 (10) The department by rule shall require contingency plans to be 14 reviewed, updated, if necessary, and resubmitted to the department at 15 least once every five years.
 - (11) Approval of a contingency plan by the department does not constitute an express assurance regarding the adequacy of the plan nor constitute a defense to liability imposed under this chapter or other state law.
- **Sec. 13.** RCW 90.56.220 and 1991 c 200 s 203 are each amended to 21 read as follows:
 - (1) The department by rule shall adopt standards for onshore and offshore facilities regarding the equipment and operation of the facilities with respect to the transfer, storage, and handling of oil to ensure that the best achievable protection of the public health and the environment is employed at all times. The department shall implement a program to provide for the inspection of all onshore and offshore facilities on a regular schedule to ensure that each facility is in compliance with the standards.
 - (2) The department shall adopt rules for certification of supervisory and other key personnel in charge of the transfer, storage, and handling of oil at onshore and offshore facilities. The rules shall include, but are not limited to:
 - (a) Minimum training requirements for all facility workers involved in the transfer, storage, and handling of oil at a facility;
- 36 (b) Provisions for periodic renewal of certificates for 37 supervisory and other key personnel involved in the transfer, 38 storage, and handling of oil at the facility; and
 - (c) Continuing education requirements.

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- 1 (3) The rules adopted by the department shall not conflict with 2 or modify standards imposed pursuant to federal or state laws 3 regulating worker safety.
- 4 (4) Consistent with section 7 of this act, an owner or operator
 5 of a facility must update its training and certification program
 6 prior to exporting crude oil. The department shall provide notice of
 7 the proposal to export crude oil to interested parties, including
 8 local and tribal governments, and shall make the training and
 9 certification program updates available for public review and
 10 comment.
- **Sec. 14.** RCW 90.56.230 and 1991 c 200 s 204 are each amended to 12 read as follows:

- (1)(a) Each owner or operator of an onshore or offshore facility shall prepare an operations manual describing equipment and procedures involving the transfer, storage, and handling of oil that the operator employs or will employ for best achievable protection for the public health and the environment and to prevent oil spills in the navigable waters.
- (b) Consistent with section 7 of this act, an owner or operator of a facility must update its operations manual prior to exporting crude oil. The department shall provide notice of the proposal to export crude oil to interested parties, including local and tribal governments, and shall make the operations manual updates available for public review and comment.
- (c) The operations manual shall also describe equipment and procedures required for all vessels to or from which oil is transferred through use of the facility. The operations manual shall be submitted to the department for approval.
- (2) Every existing onshore and offshore facility shall prepare and submit to the department its operations manual within eighteen months after the department has adopted rules governing the content of the manual.
- (3) The department shall approve an operations manual for an onshore or offshore facility if the manual complies with the rules adopted by the department. If the department determines a manual does not comply with the rules, it shall provide written reasons for the decision. The owner or operator shall resubmit the manual within ninety days of notification of the reasons for noncompliance,

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1 responding to the reasons and incorporating any suggested 2 modifications.

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- (4) The approval of an operations manual shall be valid for five years. The owner or operator of the facility shall notify the department in writing immediately of any significant change in its operations affecting its operations manual. The department may require the owner or operator to modify its operations manual as a result of these changes.
- 9 (5) All equipment and operations of an operator's onshore or 10 offshore facility shall be maintained and carried out in accordance 11 with the facility's operations manual. The owner or operator of the 12 facility shall ensure that all covered vessels docked at an onshore 13 or offshore facility comply with the terms of the operations manual 14 for the facility.
- 15 NEW SECTION. Sec. 15. (1) The department of ecology shall 16 contract with an eligible independent third party to update the 17 October 2006 report to the state emergency response commission regarding statewide response to chemical, biological, radiological, 18 nuclear, and explosive materials. The updated report must also 19 20 include an update to appendix A of that report, which addresses the 21 state's current hazardous materials response capabilities and that reviews the emergency response programs of other states. The contract 22 for the updated report must give special emphasis to addressing 23 24 recent changes to patterns of hazardous material transportation, including crude oil transportation, and the availability of resources 25 to respond to incidents resulting from the transport of hazardous 26 27 materials. The contract must require the updated report to be 28 completed by June 30, 2018.
 - (2) This section expires June 30, 2020.
- 30 **Sec. 16.** RCW 80.50.020 and 2010 c 152 s 1 are each reenacted and 31 amended to read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- (1) "Alternative energy resource" includes energy facilities of the following types: (a) Wind; (b) solar energy; (c) geothermal energy; (d) landfill gas; (e) wave or tidal action; or (f) biomass energy based on solid organic fuels from wood, forest, or field residues, or dedicated energy crops that do not include wood pieces

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that have been treated with chemical preservatives such as creosote, pentachlorophenol, or copper-chrome-arsenic.

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- (2) "Applicant" means any person who makes application for a site certification pursuant to the provisions of this chapter.
- (3) "Application" means any request for approval of a particular site or sites filed in accordance with the procedures established pursuant to this chapter, unless the context otherwise requires.
- "Associated facilities" means 8 storage, transmission, handling, or other related and supporting facilities connecting an 9 energy plant with the existing energy supply, processing, 10 11 distribution system, including, but not limited to, communications, 12 controls, mobilizing or maintenance equipment, instrumentation, and other types of ancillary transmission equipment, off-line storage or 13 14 venting required for efficient operation or safety of transmission system and overhead, and surface or subsurface lines of 15 physical access for the inspection, maintenance, and safe operations 16 17 of the transmission facility and new transmission lines constructed to operate at nominal voltages of at least 115,000 volts to connect a 18 19 thermal power plant or alternative energy facilities to the northwest power grid. However, common carrier railroads or motor vehicles shall 20 21 not be included.
 - (5) "Biofuel" has the same meaning as defined in RCW 43.325.010.
 - (6) "Certification" means a binding agreement between an applicant and the state which shall embody compliance to the siting guidelines, in effect as of the date of certification, which have been adopted pursuant to RCW 80.50.040 as now or hereafter amended as conditions to be met prior to or concurrent with the construction or operation of any energy facility.
- 29 (7) "Construction" means on-site improvements, excluding 30 exploratory work, which cost in excess of two hundred fifty thousand 31 dollars.
- 32 (8) "Council" means the energy facility site evaluation council 33 created by RCW 80.50.030.
 - (9) "Counsel for the environment" means an assistant attorney general or a special assistant attorney general who shall represent the public in accordance with RCW 80.50.080.
- 37 (10) "Electrical transmission facilities" means electrical power 38 lines and related equipment.

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- 1 (11) "Energy facility" means an energy plant or transmission 2 facilities: PROVIDED, That the following are excluded from the 3 provisions of this chapter:
- 4 (a) Facilities for the extraction, conversion, transmission or 5 storage of water, other than water specifically consumed or 6 discharged by energy production or conversion for energy purposes; 7 and
- 8 (b) Facilities operated by and for the armed services for 9 military purposes or by other federal authority for the national 10 defense.
- 11 (12) "Energy plant" means the following facilities together with 12 their associated facilities:

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- (a) Any nuclear power facility where the primary purpose is to produce and sell electricity;
- (b) Any nonnuclear stationary thermal power plant with generating capacity of three hundred fifty thousand kilowatts or more, measured using maximum continuous electric generating capacity, less minimum auxiliary load, at average ambient temperature and pressure, and floating thermal power plants of one hundred thousand kilowatts or more suspended on the surface of water by means of a barge, vessel, or other floating platform;
- (c) Facilities which will have the capacity to receive liquefied natural gas in the equivalent of more than one hundred million standard cubic feet of natural gas per day, which has been transported over marine waters;
- (d) Facilities which will have the capacity to receive more than an average of fifty thousand barrels per day of crude or refined petroleum or liquefied petroleum gas which has been or will be transported over marine waters, except that the provisions of this chapter shall not apply to storage facilities unless occasioned by such new facility construction;
- (e) Any underground reservoir for receipt and storage of natural gas as defined in RCW 80.40.010 capable of delivering an average of more than one hundred million standard cubic feet of natural gas per day; and
- (f) Facilities capable of processing more than twenty-five thousand barrels per day of petroleum or biofuel into refined products except where such biofuel production is undertaken at existing industrial facilities.

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- 1 (13) "Independent consultants" means those persons who have no 2 financial interest in the applicant's proposals and who are retained 3 by the council to evaluate the applicant's proposals, supporting 4 studies, or to conduct additional studies.
- 5 (14) "Land use plan" means a comprehensive plan or land use 6 element thereof adopted by a unit of local government pursuant to 7 chapter 35.63, 35A.63, 36.70, or 36.70A RCW, or as otherwise 8 designated by chapter 325, Laws of 2007.
- 9 (15) "Person" means an individual, partnership, joint venture, 10 private or public corporation, association, firm, public service 11 company, political subdivision, municipal corporation, government 12 agency, public utility district, or any other entity, public or 13 private, however organized.
- 14 (16) "Preapplicant" means a person considering applying for a 15 site certificate agreement for any transmission facility.

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- (17) "Preapplication process" means the process which is initiated by written correspondence from the preapplicant to the council, and includes the process adopted by the council for consulting with the preapplicant and with cities, towns, and counties prior to accepting applications for all transmission facilities.
- 21 (18) "Secretary" means the secretary of the United States 22 department of energy.
- (19) "Site" means any proposed or approved location of an energy facility, alternative energy resource, or electrical transmission facility.
 - (20) "Thermal power plant" means, for the purpose of certification, any electrical generating facility using any fuel for distribution of electricity by electric utilities.
- 29 (21) "Transmission facility" means any of the following together 30 with their associated facilities:
- 31 (a) Crude ((or)) <u>oil transmission pipelines of the following</u>
 32 <u>dimensions: A pipeline larger than six inches minimum inside diameter</u>
 33 <u>between valves for the transmission of these products with a total</u>
 34 length of at least five miles; or
- 35 <u>(b)</u> Refined petroleum or liquid petroleum product transmission 36 pipeline of the following dimensions: A pipeline larger than six 37 inches minimum inside diameter between valves for the transmission of 38 these products with a total length of at least fifteen miles;
- 39 $((\frac{b}{b}))$ <u>(c)</u> Natural gas, synthetic fuel gas, or liquefied 40 petroleum gas transmission pipeline of the following dimensions: A

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- pipeline larger than fourteen inches minimum inside diameter between valves, for the transmission of these products, with a total length of at least fifteen miles for the purpose of delivering gas to a distribution facility, except an interstate natural gas pipeline regulated by the United States federal power commission.
- 6 (22) "Zoning ordinance" means an ordinance of a unit of local government regulating the use of land and adopted pursuant to chapter 35.63, 35A.63, 36.70, or 36.70A RCW or Article XI of the state 9 Constitution, or as otherwise designated by chapter 325, Laws of 2007.
- 11 **Sec. 17.** RCW 80.50.060 and 2007 c 325 s 2 are each amended to 12 read as follows:

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- (1) The provisions of this chapter apply to the construction of energy facilities which includes the new construction of energy facilities and the reconstruction or enlargement of existing energy facilities where:
- (a) The net increase in physical capacity or dimensions resulting from such reconstruction or enlargement meets or exceeds those capacities or dimensions set forth in RCW 80.50.020 $((\frac{7}{(15)}))$ and $(\frac{15}{(15)})$ (21) (b) and (c); or
- (b) The total physical capacity or dimensions resulting from such a reconstruction or enlargement meets or exceeds those capacities or dimensions set forth in RCW 80.50.020(21)(a). No construction of such energy facilities may be undertaken, except as otherwise provided in this chapter, after July 15, 1977, without first obtaining certification in the manner provided in this chapter.
- (2) The provisions of this chapter apply to the construction, reconstruction, or enlargement of a new or existing energy facility that exclusively uses alternative energy resources and chooses to receive certification under this chapter, regardless of the generating capacity of the project.
- 32 (3)(a) The provisions of this chapter apply to the construction, 33 reconstruction, or modification of electrical transmission facilities 34 when:
- 35 (i) The facilities are located in a national interest electric 36 transmission corridor as specified in RCW 80.50.045;
- (ii) An applicant chooses to receive certification under this chapter, and the facilities are: (A) Of a nominal voltage of at least one hundred fifteen thousand volts and are located in a completely

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new corridor, except for the terminus of the new facility or interconnection of the new facility with the existing grid, and the corridor is not otherwise used for electrical transmission facilities; and (B) located in more than one jurisdiction that has promulgated land use plans or zoning ordinances; or

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- (iii) An applicant chooses to receive certification under this chapter, and the facilities are: (A) Of a nominal voltage in excess of one hundred fifteen thousand volts; and (B) located outside an electrical transmission corridor identified in (a)(i) and (ii) of this subsection (3).
- (b) For the purposes of this subsection, "modify" means a 11 12 significant change to an electrical transmission facility and does not include the following: (i) Minor improvements such as the 13 replacement of existing transmission line facilities or supporting 14 structures with equivalent facilities or structures; (ii) 15 16 relocation of existing electrical transmission line facilities; (iii) 17 the conversion of existing overhead lines to underground; or (iv) the 18 placing of new or additional conductors, supporting structures, 19 insulators, or their accessories on or replacement of supporting structures already built. 20
- 21 (4) The provisions of this chapter shall not apply to normal 22 maintenance and repairs which do not increase the capacity or 23 dimensions beyond those set forth in RCW 80.50.020 $((\frac{(7)}{(15)}))$ (21) (b) and (c).
 - (5) Applications for certification of energy facilities made prior to July 15, 1977, shall continue to be governed by the applicable provisions of law in effect on the day immediately preceding July 15, 1977, with the exceptions of RCW 80.50.190 and 80.50.071 which shall apply to such prior applications and to site certifications prospectively from July 15, 1977.
- 31 (6) Applications for certification shall be upon forms prescribed 32 by the council and shall be supported by such information and 33 technical studies as the council may require.
- 34 **Sec. 18.** RCW 90.56.010 and 2015 c 274 s 3 are each reenacted and 35 amended to read as follows:
- The definitions in this section apply throughout this chapter unless the context clearly requires otherwise.
- 38 (1) "Best achievable protection" means the highest level of 39 protection that can be achieved through the use of the best

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achievable technology and those staffing levels, training procedures, and operational methods that provide the greatest degree of protection achievable. The director's determination of best achievable protection shall be guided by the critical need to protect the state's natural resources and waters, while considering (a) the additional protection provided by the measures; (b) the technological achievability of the measures; and (c) the cost of the measures.

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- (2) "Best achievable technology" means the technology that provides the greatest degree of protection taking into consideration (a) processes that are being developed, or could feasibly be developed, given overall reasonable expenditures on research and development, and (b) processes that are currently in use. In determining what is best achievable technology, the director shall consider the effectiveness, engineering feasibility, and commercial availability of the technology.
 - (3) "Board" means the pollution control hearings board.
- (4) "Bulk" means material that is stored or transported in a loose, unpackaged liquid, powder, or granular form capable of being conveyed by a pipe, bucket, chute, or belt system.
- (5) "Cargo vessel" means a self-propelled ship in commerce, other than a tank vessel or a passenger vessel, three hundred or more gross tons, including but not limited to, commercial fish processing vessels and freighters.
- 24 (6) "Committee" means the preassessment screening committee 25 established under RCW 90.48.368.
- 26 (7) "Covered vessel" means a tank vessel, cargo vessel, or 27 passenger vessel.
 - (8) "Crude oil" means any naturally occurring hydrocarbons coming from the earth that are liquid at twenty-five degrees Celsius and one atmosphere of pressure including, but not limited to, crude oil, bitumen and diluted bitumen, synthetic crude oil, and natural gas well condensate.
 - (9) "Department" means the department of ecology.
 - (10) "Director" means the director of the department of ecology.
- 35 (11) "Discharge" means any spilling, leaking, pumping, pouring, 36 emitting, emptying, or dumping.
- (12)(a) "Facility" means any structure, group of structures, equipment, pipeline, or device, other than a vessel, located on or near the navigable waters of the state that transfers oil in bulk to or from a tank vessel or pipeline, that is used for producing,

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storing, handling, transferring, processing, or transporting oil in bulk.

- (b) For the purposes of oil spill contingency planning in RCW 90.56.210, facility also means a railroad that is not owned by the state that transports oil as bulk cargo.
- (c) Except as provided in (b) of this subsection, a facility does not include any: (i) Railroad car, motor vehicle, or other rolling stock while transporting oil over the highways or rail lines of this state; (ii) underground storage tank regulated by the department or a local government under chapter 90.76 RCW; (iii) motor vehicle motor fuel outlet; (iv) facility that is operated as part of an exempt agricultural activity as provided in RCW 82.04.330; or (v) marine fuel outlet that does not dispense more than three thousand gallons of fuel to a ship that is not a covered vessel, in a single transaction.
- 16 (13) "Fund" means the state coastal protection fund as provided 17 in RCW 90.48.390 and 90.48.400.
 - (14) "Having control over oil" shall include but not be limited to any person using, storing, or transporting oil immediately prior to entry of such oil into the waters of the state, and shall specifically include carriers and bailees of such oil.
 - (15) "Marine facility" means any facility used for tank vessel wharfage or anchorage, including any equipment used for the purpose of handling or transferring oil in bulk to or from a tank vessel.
 - (16) "Navigable waters of the state" means those waters of the state, and their adjoining shorelines, that are subject to the ebb and flow of the tide and/or are presently used, have been used in the past, or may be susceptible for use to transport intrastate, interstate, or foreign commerce.
 - (17) "Necessary expenses" means the expenses incurred by the department and assisting state agencies for (a) investigating the source of the discharge; (b) investigating the extent of the environmental damage caused by the discharge; (c) conducting actions necessary to clean up the discharge; (d) conducting predamage and damage assessment studies; and (e) enforcing the provisions of this chapter and collecting for damages caused by a discharge.
 - (18) "Offshore facility" means any facility located in, on, or under any of the navigable waters of the state, but does not include a facility any part of which is located in, on, or under any land of the state, other than submerged land.

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- (19) "Oil" or "oils" means oil of any kind that is liquid at 1 twenty-five degrees Celsius and one atmosphere of pressure and any 2 fractionation thereof, including, but not limited to, crude oil, 3 bitumen, synthetic crude oil, natural gas well condensate, petroleum, 4 gasoline, fuel oil, diesel oil, biological oils and blends, oil 5 6 sludge, oil refuse, and oil mixed with wastes other than dredged 7 spoil. Oil does not include any substance listed in Table 302.4 of 40 C.F.R. Part 302 adopted August 14, 1989, under section 102(a) of the 8 federal comprehensive environmental response, compensation, 9 liability act of 1980, as amended by P.L. 99-499. 10
 - (20) "Onshore facility" means any facility any part of which is located in, on, or under any land of the state, other than submerged land, that because of its location, could reasonably be expected to cause substantial harm to the environment by discharging oil into or on the navigable waters of the state or the adjoining shorelines.

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- (21)(a) "Owner or operator" means (i) in the case of a vessel, any person owning, operating, or chartering by demise, the vessel; (ii) in the case of an onshore or offshore facility, any person owning or operating the facility; and (iii) in the case of an abandoned vessel or onshore or offshore facility, the person who owned or operated the vessel or facility immediately before its abandonment.
- (b) "Operator" does not include any person who owns the land underlying a facility if the person is not involved in the operations of the facility.
 - (22) "Passenger vessel" means a ship of three hundred or more gross tons with a fuel capacity of at least six thousand gallons carrying passengers for compensation.
 - (23) "Person" means any political subdivision, government agency, municipality, industry, public or private corporation, copartnership, association, firm, individual, or any other entity whatsoever.
- 32 (24) "Ship" means any boat, ship, vessel, barge, or other 33 floating craft of any kind.
- 34 (25) "Spill" means an unauthorized discharge of oil or hazardous 35 substances into the waters of the state.
- 36 (26) "Tank vessel" means a ship that is constructed or adapted to carry, or that carries, oil in bulk as cargo or cargo residue, and that:
 - (a) Operates on the waters of the state; or

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- 1 (b) Transfers oil in a port or place subject to the jurisdiction 2 of this state.
- 3 (27) "Waters of the state" includes lakes, rivers, ponds, 4 streams, inland waters, underground water, salt waters, estuaries, 5 tidal flats, beaches and lands adjoining the seacoast of the state, 6 sewers, and all other surface waters and watercourses within the 7 jurisdiction of the state of Washington.
- 8 (28) "Worst case spill" means: (a) In the case of a vessel, a 9 spill of the entire cargo and fuel of the vessel complicated by 10 adverse weather conditions; and (b) in the case of an onshore or 11 offshore facility, the largest foreseeable spill in adverse weather 12 conditions.
- 13 (29) "Export" means the transfer of oil from an onshore facility
 14 to a vessel that passes through state waters in transit to an
 15 international destination or a domestic destination in another state.
- NEW SECTION. Sec. 19. RCW 82.23B.040 (Credit—Crude oil or petroleum exported or sold for export) and 2015 c 274 s 16, 1992 c 73 s 10, & 1991 c 200 s 804 are each repealed.
- NEW SECTION. Sec. 20. If any provision of this act or its application to any person or circumstance is held invalid, the remainder of the act or the application of the provision to other persons or circumstances is not affected.
- NEW SECTION. Sec. 21. This act is necessary for the immediate preservation of the public peace, health, or safety, or support of the state government and its existing public institutions, and takes effect July 1, 2017.

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