Washington State House of Representatives Office of Program Research

BILL ANALYSIS

Technology, Energy & Communications Committee

SB 6107

Brief Description: Reviewing pipeline capacity and distribution in southwest Washington.

Sponsors: Senators Zarelli, Hatfield and Rasmussen.

Brief Summary of Bill

• Requires the Energy Facility Site Evaluation Council to study pipeline utility corridor capacity in southwest Washington.

Hearing Date: 3/21/07

Staff: Kara Durbin (786-7133).

Background:

Olympic Pipe Line System

The Olympic Pipe Line Company operates an interstate pipeline that runs along a 229-mile corridor from Blaine, Washington to Portland, Oregon. The Olympic Pipe Line system consists of two parallel lines, a 16-inch and a 20-inch pipeline, starting near the refineries in Skagit and Whatcom counties and running south to Renton, Washington. After delivering fuel to Seattle and Sea-Tac International Airport, the two pipelines combine into one 14-inch line that proceeds south to Portland, Oregon. This system transports gasoline, diesel, and jet fuel. The fuel originates at four Puget Sound refineries, two in Whatcom County and two in Skagit County, and is delivered to bulk terminals at Seattle's Harbor Island, Sea-Tac International Airport, Olympia, and Vancouver, Washington, as well as Portland, Oregon. This pipeline system delivers approximately 12,300,000 gallons of fuel a day.

The capacity of the Olympic Pipe Line system has not increased since the pipeline was built in sections between 1965 and 1970.

Energy Facility Site Evaluation Council

House Bill Analysis - 1 - SB 6107

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Energy Facility Site Evaluation Council (EFSEC) was created in 1970 to provide one-stop licensing for large energy projects. The EFSEC's jurisdiction includes the siting of large intrastate natural gas and petroleum pipelines, electric power plants above 350 megawatts, new oil refineries, large expansions of existing facilities, and underground natural gas storage fields. For intrastate petroleum pipelines, the EFSEC has jurisdiction over the siting of those intrastate petroleum pipelines that transport crude or refined liquid petroleum products through a pipeline larger than six inches in diameter with a total length of at least 15 miles.

Summary of Bill:

The Energy Facility Site Evaluation Council (EFSEC) must review the status of pipeline utility corridor capacity and distribution for natural gas, petroleum, and biofuels in southwest Washington. The EFSEC must review the following issues:

- whether pipeline utility corridor capacity constraints exist, and if so, to what extent;
- whether there is adequate pipeline utility corridor capacity in the state to meet existing demand; and
- whether the current pipeline utility corridor system is expected to meet projected demand growth in southwest Washington.

The EFSEC may also examine capacity and distribution of pipelines in other areas of the state to the extent that those pipelines may have an impact on supply to southwest Washington.

By December 1, 2007, the EFSEC must identify needed improvements in pipeline capacity and make findings and recommendations to the Legislature.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.