
SENATE BILL 5426

State of Washington

64th Legislature

2015 Regular Session

By Senators Ericksen and Benton

Read first time 01/21/15. Referred to Committee on Transportation.

1 AN ACT Relating to using liquefied natural gas as fuel in the
2 ferry system; adding new sections to chapter 47.60 RCW; and providing
3 an expiration date.

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

5 NEW SECTION. **Sec. 1.** A new section is added to chapter 47.60
6 RCW to read as follows:

7 (1) By the effective date of this section, the department must
8 issue a request for proposals consistent with RCW 47.20.780 for a
9 design-build finance contract to fully convert the existing diesel-
10 powered Issaquah class fleet to vessels capable of being powered by
11 liquefied natural gas. To encourage cost saving ideas, the department
12 must limit prescribing design elements in the proposal to those
13 approved or required by the United States coast guard or those
14 otherwise essential to provide clear direction to bidders.

15 (2) The successful bidder must be able to: Offer detailed design
16 services, attain coast guard approval regarding vessel safety and any
17 other requirements pertaining to design, acquire engines with
18 liquefied natural gas as a fuel source, provide public outreach and
19 education regarding the conversion of vessels to liquefied natural
20 gas, perform all conversion work, and supply dependable and suitable
21 quantities of liquefied natural gas.

1 (3) Consistent with RCW 47.56.030(2)(c), the legislature finds
2 that the performance needs of the department in converting to
3 liquefied natural gas are for engines with the lowest life-cycle
4 costs, and the department must weigh this criteria as a priority when
5 evaluating the proposals. The evaluation process must also provide
6 additional credit for proposals that include alternative financing
7 arrangements, such as a delayed payment plan based on fuel savings.

8 (4) To the extent allowable under current law, the bidder awarded
9 the design-build finance contract for converting the Issaquah fleet
10 to liquefied natural gas must be given bidding preferences in any
11 future liquefied natural gas-related ferry proposals or projects.

12 (5) The department must continue all necessary work with
13 appropriate agencies of the state and federal government to (a) amend
14 the state's current alternative security plan to account for the use
15 of liquefied natural gas as a propulsion fuel in the ferry fleet and
16 (b) continue public outreach efforts.

17 NEW SECTION. **Sec. 2.** A new section is added to chapter 47.60
18 RCW to read as follows:

19 (1) To the greatest extent practicable, the department must use
20 liquefied natural gas that is sourced from biogas including, but not
21 limited to, waste gases derived from landfills, wastewater treatment
22 plants, and dairy and farm waste, to fuel ferries that are powered by
23 liquefied natural gas.

24 (2) If at any time the cost of liquefied natural gas that is
25 sourced from biogas exceeds the cost of nonrenewable liquefied
26 natural gas, the added cost may not be borne by ferry fares and must
27 be reimbursed by the general fund.

28 (3)(a) On November 25th of each year, the department must notify
29 the state treasurer of the difference between the total cost paid for
30 liquefied natural gas that is sourced from biogas that was used to
31 power ferries and the cost that would have been paid for nonrenewable
32 liquefied natural gas during the preceding fiscal year.

33 (b) On the last day of December of each year, the state treasurer
34 must transfer a sum equal to the dollar amount provided by the
35 department in (a) of this subsection from the general fund to the
36 Puget Sound ferry operations account.

1 NEW SECTION. **Sec. 3.** Section 2 of this act expires ten years
2 after the effective date of this section.

--- END ---