ESHB 1578 - S COMM AMD

By Committee on Ways & Means

ADOPTED AS AMENDED 04/12/2019

1 Strike everything after the enacting clause and insert the 2 following:

"NEW SECTION. Sec. 1. The legislature finds that a variety of 3 existing policies designed to reduce the risk of oil spills have 4 helped contribute to a relatively strong safety record for oil moved 5 by water, pipeline, and train in recent years in Washington state. 6 7 Nevertheless, gaps exist in our safety regimen, especially deriving from shifts in the modes of overwater transportation of oil and the 8 increased transport of oils that may submerge or sink, contributing 9 to an unacceptable threat to Washington waters, where a catastrophic 10 11 spill would inflict potentially irreversible damage on the endangered 12 southern resident killer whales. In addition to the unique marine and 13 cultural resources in Puget Sound that would be damaged by an oil 14 the geographic, bathometric, and other environmental spill, peculiarities of Puget Sound present navigational challenges that 15 heighten the risk of an oil spill incident occurring. Therefore, it 16 17 is the intent of the legislature to enact certain new safety requirements designed to reduce the current, acute risk from existing 18 infrastructure and activities of an oil spill that could eradicate 19 20 our whales, violate the treaty interests and fishing rights of 21 potentially affected federally recognized Indian tribes, damage 22 commercial fishing prospects, undercut many aspects of the economy that depend on the Salish Sea, and otherwise harm the health and 23 24 well-being of Washington residents. In enacting such measures, 25 however, it is not the intent of the legislature to mitigate, offset, 26 or otherwise encourage additional projects or activities that would 27 increase the frequency or severity of oil spills in the Salish Sea. 28 Furthermore, it is the intent of the legislature for this act to 29 assist in coordinating enhanced international discussions among federal, state, provincial, first nation, federally recognized Indian 30 tribe, and industry leaders in the United States and Canada to 31 develop an agreement for an additional emergency rescue tug available 32

- 1 to vessels in distress in the narrow Straits of the San Juan Islands
- 2 and other boundary waters, which would lessen oil spill risks to the
- 3 marine environment in both the United States and Canada.
- **Sec. 2.** RCW 88.16.190 and 1994 c 52 s 1 are each amended to read 5 as follows:
- (1) Any oil tanker, whether enrolled or registered, of greater than one hundred ((and)) twenty-five thousand deadweight tons shall be prohibited from proceeding beyond a point east of a line extending from Discovery Island light south to New Dungeness light, unless authorized by the United States coast guard, pursuant to 33 C.F.R. Sec. 165.1303.
 - (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

- 19 (c) Double bottoms, underneath all oil and liquid cargo compartments; and
 - (d) Two radars in working order and operating, one of which must 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) (i) 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 Islands 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 that have an aggregate

 shaft horsepower equivalent to at least five percent of the

 deadweight tons of the escorted oil tanker.
- (ii) Effective September 1, 2020, the following may operate in 4 Rosario Strait and connected waterways to the east only if under the 5 6 escort of a tug or tugs that have an aggregate shaft horsepower 7 equivalent to at least five percent of the deadweight tons of a forty thousand deadweight ton oil tanker: (A) Oil tankers of between five 8 thousand and forty thousand deadweight tons; and (B) both articulated 9 10 tug barges and towed waterborne vessels or barges that are: (I) Designed to transport oil in bulk internal to the hull; and (II) 11 12 greater than five thousand deadweight tons.
 - (iii) The requirements of (a) (ii) of this subsection: (A) Do not apply to vessels providing bunkering or refueling services; (B) do not apply to a towed general cargo deck barge; and (C) may be adjusted or suspended by rule by the board of pilotage commissioners, consistent with section 3(1)(c) of this act.

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- 18 <u>(b) An oil tanker, articulated tug barge, or towed waterborne</u>
 19 <u>vessel or barge in ballast or when unladen is not required to be</u>
 20 <u>under the escort of a tug.</u>
 - (c) A tanker assigned a deadweight of 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 RCW 88.16.170 ((through 88.16.190)) and 88.16.180.
 - (3) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
 - (a) "Articulated tug barge" means a tank barge and a towing vessel joined by hinged or articulated fixed mechanical equipment affixed or connecting to the stern of the tank barge.
- 30 <u>(b) "Oil tanker" means a self-propelled deep draft tank vessel</u>
 31 <u>designed to transport oil in bulk. "Oil tanker" does not include an</u>
 32 <u>articulated tug barge tank vessel.</u>
 - (c) "Towed general cargo deck barge" means a waterborne vessel or barge designed to carry cargo on deck.
- 35 (d) "Waterborne vessel or barge" means any ship, barge, or other 36 watercraft capable of traveling on the navigable waters of this state 37 and capable of transporting any crude oil or petroleum product in 38 quantities of ten thousand gallons or more for purposes other than 39 providing fuel for its motor or engine.

- NEW SECTION. Sec. 3. A new section is added to chapter 88.16 RCW to read as follows:
 - (1) (a) By December 31, 2025, the board of pilotage commissioners, in consultation with the department of ecology, must adopt rules regarding tug escorts to address the peculiarities of Puget Sound for the following:
 - (i) Oil tankers of between five thousand and forty thousand deadweight tons; and
 - (ii) Both articulated tug barges and towed waterborne vessels or barges that are: (A) Designed to transport oil in bulk internal to the hull; and (B) greater than five thousand deadweight tons.
 - (b) The requirements of this section do not apply to:
 - (i) A towed general cargo deck barge; or

- (ii) A vessel providing bunkering or refueling services.
- (c) The rule making pursuant to (a) of this subsection must be for operating in the waters east of the line extending from Discovery Island light south to New Dungeness light and all points in the Puget Sound area. This rule making must address the tug escort requirements applicable to Rosario Strait and connected waterways to the east established in RCW 88.16.190(2)(a)(ii), and may adjust or suspend those requirements based on expertise developed under subsection (5) of this section.
- (d) To achieve the rule adoption deadline in (a) of this subsection, the board of pilotage commissioners must adhere to the following interim milestones:
- (i) By September 1, 2020, identify and define the zones, specified in subsection (3)(a) of this section, to inform the analysis required under subsection (5) of this section;
- 29 (ii) By December 31, 2021, complete a synopsis of changing vessel 30 traffic trends; and
 - (iii) By September 1, 2023, consult with potentially affected federally recognized Indian treaty fishing tribes, other federally recognized treaty tribes with potentially affected interests, and stakeholders as required under subsection (6) of this section and complete the analysis required under subsection (5) of this section. By September 1, 2023, the department of ecology must submit a summary of the results of the analysis required under subsection (5) of this section to the legislature consistent with RCW 43.01.036.
- 39 (2) When developing rules, the board of pilotage commissioners 40 must consider recommendations from potentially affected federally Code Rev/ML:akl 4 S-3929.1/19

- recognized Indian treaty fishing tribes, other federally recognized treaty tribes with potentially affected interests, and:
- 3 (a) The results of the most recently completed vessel traffic 4 risk assessments;

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- (b) The report developed by the department of ecology as required under section 206, chapter 262, Laws of 2018;
- (c) The recommendations included in the southern resident orca task force report, November 2018, and any subsequent research or reports on related topics;
- 10 (d) Changing vessel traffic trends, including the synopsis 11 required under subsection (1)(d)(ii) of this section; and
- 12 (e) For any formally proposed draft rules or adopted rules, 13 identified estimates of expected costs and benefits of the rule to:
- 14 (i) State government agencies to administer and enforce the rule; 15 and
- 16 (ii) Private persons or businesses, by category of type of person or business affected.
- 18 (3) In the rules adopted under this section, the board of 19 pilotage commissioners must:
 - (a) Base decisions for risk protection on geographic zones in the waters specified in subsection (1)(c) of this section. As the initial foci of the rules, the board of pilotage commissioners must equally prioritize geographic zones encompassing: (i) Rosario Strait and connected waterways to the east; and (ii) Haro Strait and Boundary Pass;
 - (b) Specify operational requirements, such as tethering, for tug escorts;
 - (c) Include functionality requirements for tug escorts, such as aggregate shaft horsepower for tethered tug escorts;
- 30 (d) Be designed to achieve best achievable protection, as defined 31 in RCW 88.46.010, as informed by consideration of:
 - (i) Accident records in British Columbia and Washington waters;
- 33 (ii) Existing propulsion and design standards for covered tank 34 vessels; and
 - (iii) The characteristics of the waterways; and
- 36 (e) Publish a document that identifies the sources of information 37 that it relied upon in developing the rules, including any sources of 38 peer-reviewed science and information submitted by tribes.
- 39 (4) The rules adopted under this section may not require oil 40 tankers, articulated tug barges, or towed waterborne vessels or Code Rev/ML:akl 5 S-3929.1/19

1 barges to be under the escort of a tug when these vessels are in 2 ballast or are unladen.

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- (5) To inform rule making, the board of pilotage commissioners must conduct an analysis of tug escorts using the model developed by the department of ecology under section 4 of this act. The board of pilotage commissioners may:
- (a) Develop scenarios and subsets of oil tankers, articulated tug barges, and towed waterborne vessels or barges that could preclude requirements from being imposed under the rule making for a given zone or vessel;
- (b) Consider the benefits of vessel safety measures that are newly in effect on or after July 1, 2019, and prior to the adoption of rules under this section; and
- (c) Enter into an interagency agreement with the department of ecology to assist with conducting the analysis and developing the rules, subject to each of the requirements of this section.
- (6) The board of pilotage commissioners must consult with the United States coast guard, the Puget Sound harbor safety committee, potentially affected federally recognized Indian treaty fishing tribes, other federally recognized treaty tribes with potentially affected interests, ports, local governments, state agencies, and escort rules other appropriate entities before adopting tug applicable to any portion of Puget Sound. Considering relevant information elicited during the consultations required under this subsection, the board of pilotage commissioners must also design the rules with a goal of avoiding or minimizing additional underwater noise from vessels in the Salish Sea, focusing vessel traffic into established shipping lanes, protecting and minimizing vessel traffic impacts to established treaty fishing areas, and respecting and preserving the treaty-protected interests and fishing rights of potentially affected federally recognized Indian tribes.
- (7) Rules adopted under this section must be periodically updated consistent with section 5 of this act.
- (8) The definitions in this subsection apply throughout this section unless the context clearly requires otherwise.
- 36 (a) "Articulated tug barge" means a tank barge and a towing 37 vessel joined by hinged or articulated fixed mechanical equipment 38 affixed or connecting to the stern of the tank barge.

1 (b) "Oil tanker" means a self-propelled deep draft tank vessel 2 designed to transport oil in bulk. "Oil tanker" does not include an 3 articulated tug barge tank vessel.

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- (c) "Towed general cargo deck barge" means a waterborne vessel or barge designed to carry cargo on deck.
- (d) "Waterborne vessels or barges" 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.
- NEW SECTION. Sec. 4. A new section is added to chapter 88.46
 RCW to read as follows:
 - (1) The department must develop and maintain a model to quantitatively assess current and potential future risks of oil spills from covered vessels in Washington waters, as it conducts ongoing oil spill risk assessments. The department must consult with the United States coast guard, potentially affected federally recognized Indian treaty fishing tribes, other federally recognized treaty tribes with potentially affected interests, and stakeholders to: Determine model assumptions; develop scenarios to show the likely impacts of changes to model assumptions, including potential changes in vessel traffic, commodities transported, and vessel safety and risk reduction measures; and update the model periodically.
- 24 (2) Utilizing the model pursuant to subsection (1) of this section, the department must quantitatively assess whether an emergency response towing vessel serving Haro Strait, Boundary Pass, Rosario Strait, and connected navigable waterways will reduce oil spill risk. The department must report its findings to the legislature by September 1, 2023.
- NEW SECTION. Sec. 5. A new section is added to chapter 88.46 RCW to read as follows:
- 32 (1) By October 1, 2028, and no less often than every ten years 33 thereafter, the board of pilotage commissioners and the department 34 must together consider:
- 35 (a) The effects of rules established under RCW 88.16.190 and section 3 of this act on vessel traffic patterns and oil spill risks in the Salish Sea. Factors considered must include modeling developed by the department under section 4 of this act and may include: (i) Code Rev/ML:akl

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- 1 Vessel traffic data; (ii) vessel accident and incident data, such as
- 2 incidents where tug escorts or an emergency response towing vessel
- 3 acted to reduce spill risks; and (iii) consultation with the United
- 4 States coast guard, potentially affected federally recognized Indian
- 5 treaty fishing tribes, other federally recognized treaty tribes with
- 6 potentially affected interests, and stakeholders; and
 - (b) Whether experienced or forecasted changes to vessel traffic patterns or oil spill risk in the Salish Sea necessitate an update to the tug escort rules adopted under section 3 of this act.
- 10 (2) In the event that the board of pilotage commissioners 11 determines that updates are merited to the rules, the board must 12 notify the appropriate standing committees of the house of 13 representatives and the senate, and must thereafter adopt rules 14 consistent with the requirements of section 3 of this act, including 15 the consultation process outlined in section 3(6) of this act.
- 16 **Sec. 6.** RCW 88.46.240 and 2018 c 262 s 204 are each amended to read as follows:
 - (1) The department must establish the Salish Sea shared waters forum to address common issues in the cross-boundary waterways between Washington state and British Columbia such as: Enhancing efforts to reduce oil spill risk; addressing navigational safety; and promoting data sharing.
 - (2) The department must:

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- (a) Coordinate with provincial and federal Canadian agencies when establishing the Salish Sea shared waters forum; and
- (b) Seek participation from <u>each potentially affected federally recognized Indian treaty fishing tribe</u>, other federally recognized treaty tribes with potentially affected interests, first nations, and stakeholders that, at minimum, includes representatives of the following: State, provincial, and federal governmental entities, regulated entities, <u>and</u> environmental organizations((, tribes, and first nations)).
- 33 (3) The Salish Sea shared waters forum must meet at least once 34 per year to consider the following:
- 35 (a) Gaps and conflicts in oil spill policies, regulations, and 36 laws;
- 37 (b) Opportunities to reduce oil spill risk, including requiring 38 tug escorts for oil tankers, articulated tug barges, and ((other)) 39 towed waterborne vessels or barges;

- 1 (c) Enhancing oil spill prevention, preparedness, and response 2 capacity; ((and))
- (d) Beginning in 2019, whether an emergency response system in 3 Haro Strait, Boundary Pass, and Rosario Strait((, similar to the 4 system implemented by the maritime industry pursuant to RCW 6 88.46.130,)) will decrease oil spill risk ((and how to fund such a shared system)). In advance of the 2019 meeting, the department must 7 discuss the options of an emergency response system with 8 organizations such as, but not limited to, the coast Salish gathering, which provides a transboundary natural resource policy 10 dialogue of elected officials representing federal, state, 11 provincial, first nations, and tribal governments within the Salish 12 13 Sea; and
 - (e) The impacts of vessel traffic on treaty-protected fishing.
- (4) The definitions in this subsection apply throughout this 15 16 section unless the context clearly requires otherwise.
 - (a) "Articulated tug barge" means a tank barge and a towing vessel joined by hinged or articulated fixed mechanical equipment affixed or connecting to the stern of the tank barge.
 - (b) "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.
 - (5) This section expires July 1, 2021.

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- **Sec. 7.** RCW 90.56.565 and 2015 c 274 s 8 are each amended to 26 27 read as follows:
 - (1)(a) A facility that receives crude oil from a railroad car must provide advance notice to the department that the facility will receive crude oil from a railroad car, as provided in this section. The advance notice must include the route taken to the facility within the state, if known, and the scheduled time, location, volume, region per bill of lading, type, and gravity as measured by standards developed by the American petroleum institute, of crude oil received. Each week, a facility that provides advance notice under this section must provide the required information regarding the scheduled arrival of railroad cars carrying crude oil to be received by the facility in the succeeding seven-day period. A facility is not required to

provide advance notice when there is no receipt of crude oil from a 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, gravity of the crude oil as measured by standards developed by the American petroleum institute, type 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 the state emergency management division and any county, city, tribal, port, or local government emergency response agency upon request.
- (3) The department must publish information collected under this section on a quarterly basis on the department's internet web site. With respect to the information reported under subsection (1)(a) of this section, the information published by the department must be aggregated on a statewide basis by route through the state, by week, and by type of crude oil. The report may also include other information available to the department including, but not limited to, place of origin, modes of transport, number of railroad cars delivering crude oil, and number and volume of spills during 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.
- (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.

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- 1 (6) The department shall adopt rules to implement this section. 2 The advance notice system required in this section must be consistent 3 with the oil transfer reporting system adopted by the department 4 pursuant to RCW 88.46.165.
- 5 **Sec. 8.** RCW 88.46.165 and 2006 c 316 s 1 are each amended to 6 read as follows:

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- (1) The department's rules authorized under RCW 88.46.160 and this section shall be scaled to the risk posed to people and to the environment, and be categorized by type of transfer, volume of oil, frequency of transfers, and such other risk factors as identified by the department.
- (2) The rules may require prior notice be provided before an oil transfer, regulated under this chapter, occurs in situations defined by the department as posing a higher risk. The notice may include the time, location, and volume of the oil transfer, as well as the region per bill of lading, gravity as measured by standards developed by the American petroleum institute, and type of crude oil. The rules may not require prior notice when marine fuel outlets are transferring less than three thousand gallons of oil in a single transaction to a ship that is not a covered vessel and the transfers are scheduled less than four hours in advance.
- 22 (3) The department may require semiannual reporting of volumes of 23 oil transferred to ships by a marine fuel outlet.
- 24 (4) The rules may require additional measures to be taken in 25 conjunction with the deployment of containment equipment or with the 26 alternatives to deploying containment equipment. However, these 27 measures must be scaled appropriately to the risks posed by the oil 28 transfer.
- 29 (5) The rules shall include regulations to enhance the safety of 30 oil transfers over water originating from vehicles transporting oil 31 over private roads or highways of the state.
- NEW SECTION. Sec. 9. 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."

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On page 1, line 2 of the title, after "transportation;" strike the remainder of the title and insert "amending RCW 88.16.190, 88.46.240, 90.56.565, and 88.46.165; adding a new section to chapter 88.16 RCW; adding new sections to chapter 88.46 RCW; and creating a new section."

<u>EFFECT:</u> Includes tug escort requirements for Rosario Strait may be suspended through rules based on expertise gained after consideration of information during rule review; adds clarifying language regarding the definition of ATBs and towed waterborne vessels and impacted federally recognized Indian tribes.

--- END ---