SENATE BILL REPORT

SB 5676

AS REPORTED BY COMMITTEE ON ENVIRONMENT & NATURAL RESOURCES, MARCH 6, 1991

Brief Description: Regulating oil transmission lines.

SPONSORS: Senators Metcalf and A. Smith.

SENATE COMMITTEE ON ENVIRONMENT & NATURAL RESOURCES

Majority Report: That Substitute Senate Bill No. 5676 be substituted therefor, and the substitute bill do pass.

Signed by Senators Metcalf, Chairman; Oke, Vice Chairman; Barr, Conner, Owen, Patterson.

Staff: Gabrielle Horner (786-7717)

Hearing Dates: February 27, 1991; March 6, 1991

BACKGROUND:

The primary authority to regulate and draft permits for the location, construction and operation of an energy facility, including oil transmission lines, is delegated to the state Energy Facility Site Evaluation Council (EFSEC). The final approval for an energy facility site rests with the Governor.

EFSEC prepares a written report to the Governor which includes an evaluation of the project, a recommendation for approval or rejection of an energy facility application, and a draft certification agreement. If approved, the Governor executes the certification agreement—a binding agreement between the applicant and the state containing conditions for the construction and operation of the energy facility.

In the process of evaluating an application for the siting of an energy facility, EFSEC is required to involve the proposed site's local governments, and to conduct public hearings. The council must determine at the initial public hearing whether or not the proposed site is consistent and in compliance with county or regional land use plans or zoning ordinances.

If, at the initial hearing, EFSEC determines a project currently conforms to local land use plans or zoning ordinances, a local government cannot change land use plans or zoning ordinances to affect the project. If a proposed site does not conform with local land use plans or zoning ordinances, the applicant must make all reasonable efforts to resolve the noncompliance.

If an applicant fails to resolve noncompliance issues and wishes to continue with the siting process, an applicant can

request state preemption of local land use plans or zoning ordinances.

Some local governments are concerned that their authority to protect public welfare and the environment can be overruled by the state.

SUMMARY:

Oil transmission lines must conform to all city, town, municipal and county zoning and environmental codes.

EFFECT OF PROPOSED SUBSTITUTE:

A finding is made that oil pipelines can be harmful to the public welfare, and it is in the best interest of the state for oil pipelines to conform to local zoning and environmental codes.

The Energy Facility Site Evaluation Council (council) shall not recommend approving, and the Governor shall not approve, an energy facility site application that proposes constructing a petroleum pipeline in a county that has enacted laws prohibiting oil pipelines in order to protect a federally designated sole source aquifer.

When an application to site an energy facility concerns a petroleum pipeline in Puget Sound, Admiralty Inlet, Deception Pass, or adjacent marine waters, the council shall prepare and submit a report evaluating and making recommendations on that application to the Governor and the Legislature.

The Legislature may approve the application, or direct the council to reconsider certain aspects. If the Legislature approves an application, the Governor can then approve or reject the application as in current law. If the Legislature rejects the application, no further action may be taken on that application.

Persons who apply to site an energy facility shall pay all costs incurred by a city or county for the application process. The city or county shall submit a statement of expenses to the applicant.

Appropriation: none

Revenue: none

Fiscal Note: none requested

TESTIMONY FOR:

Laws have been passed in local governments to protect groundwater resources from contamination by oil pipelines. The local laws must be protected.

TESTIMONY AGAINST:

The pipeline would significantly reduce oil spills in the Strait of Juan de Fuca and Puget Sound.

The EFSEC process was created to ensure that the environmental impacts of an energy facility site would be carefully considered. This bill would destroy the EFSEC process.

TESTIFIED: PRO: Dwain Colby, Island County; Fred Felleman; CON: Linda Christophersen, Grayden Hayward, Chuck Blumenfeld, Bagle and Gates/Transmountain Pipeline Co.