

SENATE BILL REPORT

SB 6358

As Reported By Senate Committee On:
Energy & Utilities, February 5, 1998

Title: An act relating to utilities and transportation commission intrastate pipeline safety jurisdiction and penalties.

Brief Description: Providing the utilities and transportation commission authority to regulate certain pipeline facilities.

Sponsors: Senators Rossi, Finkbeiner, Brown and Jacobsen; by request of Utilities & Transportation Commission.

Brief History:

Committee Activity: Energy & Utilities: 1/19/98, 2/5/98 [DPS].

SENATE COMMITTEE ON ENERGY & UTILITIES

Majority Report: That Substitute Senate Bill No. 6358 be substituted therefor, and the substitute bill do pass.

Signed by Senators Finkbeiner, Chair; Hochstatter, Vice Chair; Brown, Jacobsen, Rossi, T. Sheldon and Strannigan.

Staff: Andrea McNamara (786-7483)

Background: The Washington Utilities and Transportation Commission (WUTC) operates under an interagency agreement with the U.S. Department of Transportation, Office of Pipeline Safety (OPS) to administer the federal pipeline safety program. The federal law includes authority to enforce pipeline safety standards through injunctions and civil penalties, including civil penalties of up to \$25,000 per violation, for each day that a violation persists, up to a maximum of \$500,000.

Currently, OPS exercises regulatory jurisdiction over the enforcement of pipeline safety regulations for intrastate hazardous liquid private pipeline companies, and WUTC exercises jurisdiction over similar public service companies or common carriers.

WUTC is requesting this legislation to clarify its safety jurisdiction over certain types of pipelines that are not otherwise regulated by the commission as public service companies or common carriers.

Summary of Substitute Bill: The Washington Utilities and Transportation Commission (WUTC) is directed to adopt rules relating to safety standards for pipeline companies.

Violations of the act or WUTC rules are punishable by criminal and civil penalties. Civil penalties may not exceed the penalties specified in federal pipeline safety laws. The commission determines the amount of penalties after considering specified circumstances.

The amount of the penalty may be recovered in a civil action and credited to the public service revolving fund.

Substitute Bill Compared to Original Bill: The substitute adds definitions of "pipeline company" and "hazardous liquid." It clarifies that the WUTC's jurisdiction does not extend to excavation contractors or other contractors who contract with pipeline companies. Other technical and clarifying changes are made.

Appropriation: None.

Fiscal Note: Available.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: This bill is necessary to bring WUTC authority in conformity with federal standards so that the WUTC may exercise concurrent jurisdiction over private pipeline companies. The federal office charged with oversight of these issues is significantly underfunded and understaffed, and allowing the WUTC to exercise concurrent jurisdiction will result in safer pipeline construction and operation.

Testimony Against (Original Bill): It is unclear whether this bill extends WUTC jurisdiction over excavators and others who contract with pipeline companies. WUTC jurisdiction should be limited to just the pipeline companies.

Testified: Teresa Osinski, Dixie Linnenbrink, WUTC; Mary Anne Tagney Jones, Susan Harper, Cascade Columbia Alliance (pro); Dick Ducharme, Building Industries, Association of Washington Utility Contractors (con).