S-4592.1			

SUBSTITUTE SENATE BILL 6358

State of Washington 55th Legislature 1998 Regular Session

By Senate Committee on Energy & Utilities (originally sponsored by Senators Rossi, Finkbeiner, Brown and Jacobsen; by request of Utilities & Transportation Commission)

Read first time 02/06/98.

- 1 AN ACT Relating to utilities and transportation commission
- 2 intrastate pipeline safety jurisdiction and penalties; adding a new
- 3 section to chapter 81.88 RCW; and prescribing penalties.
- 4 BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF WASHINGTON:
- 5 <u>NEW SECTION.</u> **Sec. 1.** A new section is added to chapter 81.88 RCW 6 to read as follows:
- 7 (1) The definitions in this subsection apply throughout this 8 section unless the context clearly requires otherwise.
- 9 (a) "Pipeline company" means a person or entity constructing,
- 10 owning, or operating a pipeline for transporting hazardous liquid,
- 11 whether or not such a person or entity is a public service company
- 12 otherwise regulated by the commission. For the purposes of this
- 13 section, a pipeline company does not include: (i) Distribution systems
- 14 owned and operated under franchise for the sale, delivery, or
- 15 distribution of natural gas at retail; or (ii) excavation contractors
- 16 or other contractors that contract with a pipeline company.
- 17 (b) "Hazardous liquid" has the same meaning as defined in 49 U.S.C.
- 18 Sec. 6010(a)(4), and includes those substances, including carbon

p. 1 SSB 6358

- 1 dioxide and anhydrous ammonia, designated by the secretary of 2 transportation under that section as of February 1, 1998.
- 3 (2) The commission shall adopt by rule safety standards for 4 pipeline transportation and pipeline facilities that: (a) Apply to 5 pipeline companies transporting hazardous liquids; (b) cover the 6 design, construction, and operation of pipelines transporting hazardous 7 liquids; and (c) require pipeline companies to design, construct, and 8 maintain their pipeline facilities so they are safe and efficient.
- 9 (3) A person, officer, agent, or employee of a pipeline company 10 who, as an individual or acting as an officer, agent, or employee of 11 such a company, violates or fails to comply with this section or a rule 12 adopted under this section, or who procures, aids, or abets another 13 person or entity in the violation of or noncompliance with this section 14 or a rule adopted under this section, is guilty of a gross misdemeanor.
- (4)(a) A pipeline company, or any person, officer, agent, or 6 employee of a pipeline company that violates a provision of this 7 section, or a rule adopted under this section, is subject to a civil 18 penalty to be assessed by the commission.
- (b) The commission shall adopt rules: (i) Setting penalty amounts, but may not exceed the penalties specified in the federal pipeline safety laws, 49 U.S.C. Sec. 60101 et seq.; and (ii) establishing procedures for mitigating penalties assessed.
- (c) In determining the amount of the penalty, the commission shall consider: (i) The appropriateness of the penalty in relation to the position of the person charged with the violation; (ii) the gravity of the violation; and (iii) the good faith of the person or company charged in attempting to achieve compliance after notification of the violation.
- (d) The amount of the penalty may be recovered in a civil action in the superior court of Thurston county or of some other county in which the violator may do business. In all actions for recovery, the rules of evidence shall be the same as in ordinary civil actions. All penalties recovered under this section must be paid into the state treasury and credited to the public service revolving fund.

--- END ---