

SENATE BILL REPORT

SB 6243

As Reported by Senate Committee On:
Energy, Environment & Telecommunications, January 29, 2014

Title: An act relating to modifying the definition of "oil" or "oils".

Brief Description: Modifying the definition of "oil" or "oils."

Sponsors: Senators Ericksen, McCoy and Schoesler; by request of Department of Ecology.

Brief History:

Committee Activity: Energy, Environment & Telecommunications: 1/23/14, 1/29/14 [DP].

SENATE COMMITTEE ON ENERGY, ENVIRONMENT & TELECOMMUNICATIONS

Majority Report: Do pass.

Signed by Senators Ericksen, Chair; Sheldon, Vice Chair; McCoy, Ranking Member; Billig, Brown, Chase and Litzow.

Staff: Jan Odano (786-7486)

Background: Washington State statutes require vessels transporting petroleum products to have oil spill prevention and contingency plans and provide evidence of financial responsibility. The Department of Ecology is responsible for state spill prevention and response activities. The definition of oil under these statutes means oil of any kind that is liquid at atmospheric temperature and fractionation, which is the use of heat to separate hydrocarbons to refine the oil. Those oils explicitly listed are, but are not limited to: crude oil, petroleum, gasoline, fuel oil, diesel oil, biological oils and blends, oil sludge, oil refuse, and oil mixed with wastes other than dredged spoil.

Bitumen is an extra heavy, dense, and highly viscous oil that is found in deposits such as oil sands and the La Brea Tar Pits. Synthetic crude oil is the result of refining bitumen and is considered an intermediate product for the purposes of transportation. Natural gas well condensate is a liquid hydrocarbon mixture that is separated from the natural gas during processing and recovered at the wellhead. This liquid condensate, also known as drip gas or natural gasoline, is often used to denature fuel alcohol.

Summary of Bill: For the purposes of financial responsibility of the transport of petroleum products, vessel oil spill and response, and oil and hazardous substance spill prevention and

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response, the definition of oil or oils is revised to mean any oil that is liquid at 25 degrees Celsius and one atmosphere of pressure, and to include bitumen, synthetic crude oil, and natural gas well condensate.

A technical correction is made to a reference to the federal Comprehensive Environmental Response, Compensation, and Liability Act hazardous substance list.

Appropriation: None.

Fiscal Note: Not requested.

Committee/Commission/Task Force Created: No.

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

Staff Summary of Public Testimony: PRO: This is a clean-up bill to clarify that bitumen oil coming into the state from Canada is included in the list of oils that are under the statutory and regulatory framework for spill prevention and response. We are seeing many more shipments of that type of oil coming through our state. We want to make sure that there is no confusion that bitumen is included.

Persons Testifying: PRO: Denise Clifford, WA State Dept. of Ecology.