

BEFORE THE WASHINGTON UTILITIES AND TRANSPORTATION
COMMISSION

In the Matter of Adopting:)
) DOCKET NO. TO-000712
WAC 480-75-390)
Valve spacing rapid shutdown) GENERAL ORDER NO. R-508
)
Relating to Hazardous Liquid, Gas,)
Oil and Petroleum Pipeline) ORDER ADOPTING RULE
Companies - Safety.) PERMANENTLY
)
.....)

1 **STATUTORY OR OTHER AUTHORITY:** The Washington Utilities and
Transportation Commission takes this action under Notice WSR # 02-12-132, filed
with the Code Reviser on June 5, 2002. The Commission brings this proceeding
pursuant to RCW 80.01.040 and RCW 80.04.160.

2 **STATEMENT OF COMPLIANCE:** This proceeding complies with the Open
Public Meetings Act (chapter 42.30 RCW), the Administrative Procedure Act
(chapter 34.05 RCW), the State Register Act (chapter 34.08 RCW), the State
Environmental Policy Act of 1971 (chapter 43.21C RCW), and the Regulatory
Fairness Act (chapter 19.85 RCW).

3 **DATE OF ADOPTION:** The Commission adopts this rule on the date that this
Order is entered.

4 **CONCISE STATEMENT OF PURPOSE AND EFFECT OF THE RULE:** RCW
34.05.325 requires that the Commission prepare and provide to commenters a
concise explanatory statement about an adopted rule. The statement must
include the identification of the reasons for adopting the rule, a summary of the
comments received regarding the proposed rule, and responses reflecting the
Commission's consideration of the comments.

5 The Commission often includes a discussion of those matters in its rule adoption order. In addition, most rulemaking proceedings involve extensive work by Commission Staff that includes summaries in memoranda of stakeholder comments, Commission decisions, and Staff recommendations in each of those areas.

6 In this docket, to avoid unnecessary duplication, the Commission designates the discussion in this order as its concise explanatory statement, supplemented where not inconsistent by the Staff memoranda presented at the adoption hearing and at the open meetings where the Commission considered whether to begin a rulemaking and whether to propose adoption of specific language. Together, the documents provide a complete but concise explanation of the agency actions and its reasons for taking those actions.

7 **REFERENCE TO AFFECTED RULE:** This Order adopts the following section of the Washington Administrative Code:

WAC 480-75-390 Valve spacing rapid shutdown

8 **PREPROPOSAL STATEMENT OF INQUIRY AND ACTIONS**

THEREUNDER: The Commission filed a Preproposal Statement of Inquiry (CR-101) on August 21, 2000, at WSR # 00-17-134.

9 **ADDITIONAL NOTICE AND ACTIVITY PURSUANT TO PREPROPOSAL STATEMENT:** The statement advised interested persons that the Commission was considering entering a rulemaking to amend or adopt rules for intrastate hazardous liquid pipeline companies as required by Section 5, Chapter 191, Laws of 2000, and to review chapter 480-75 WAC in light of standards set forth in Executive Order No. 97-02 regarding regulatory improvement.

10 The Commission also informed persons of the inquiry into this matter by providing notice of the subject and the CR-101 to all persons on the Commission's list of persons requesting such information pursuant to RCW 34.05.320(3) and by sending notice to all regulated intrastate hazardous liquid pipeline companies and the Commission's list of interested persons of hazardous liquid pipeline related rulemakings. The Commission posted the relevant rulemaking information on its internet web site at www.wutc.wa.gov.

- 11 The Commission solicited written comments and held workshops relating to the content of the rules. After considering and incorporating many of the suggestions made by stakeholders, the Commission offered the draft proposed rules for comment.
- 12 **MEETINGS OR WORKSHOPS; ORAL COMMENTS:** The Commission held three workshops to discuss draft rule language chapter 480-75 WAC. Representatives from the following companies, organizations, agencies and municipalities attended some or all of the workshops: Olympic Pipeline Company –BP Pipelines North America, Inc., McChord Pipeline Company, Tidewater Terminal Company, Kaneb Pipeline Company, Agrium US., Inc., Accufacts, Inc., Adsistor Tech., Washington State Department of Emergency Management, King County Department of Natural Resources, Tumwater Fire Department, Port of Seattle, City of Bellingham, City of SeaTac, City of Spokane, City of Kent, City of Auburn, City of Seattle, City of Redmond. Sarah Spence commented as an individual interested person.
- 13 All rules were discussed at the workshops. Items of greatest interest included discussions relating to design, construction and repair, and operation and maintenance of new and repaired pipelines, as well as reporting requirements for pipeline companies. Agreement was reached on all issues raised by various stakeholders.
- 14 **NOTICE OF PROPOSED RULEMAKING:** The Commission filed a notice of Proposed Rulemaking (CR-102) on June 5, 2002, at WSR #02-12-132. The Commission scheduled this matter for oral comment and adoption under Notice WSR #02-12-132 at 9:30 a.m., Wednesday, July 10, 2002, in the Commission's Hearing Room, Second Floor, Chandler Plaza Building, 1300 S. Evergreen Park Drive S.W., Olympia, Washington. The Notice also provided interested persons the opportunity to submit written comments to the Commission.
- 15 **COMMENTERS (WRITTEN COMMENTS):** During the rulemaking process, the Commission called for seven rounds of comments on discussion drafts of rules. Following the notice of Proposed Rulemaking (CR-102), the Commission received written comments from the following companies and agencies: Olympic Pipeline Company –BP Pipelines North America, Inc., (Olympic), McChord Pipeline Company, (McChord), Energy Facility Site Evaluation Council

(EFSEC), and Washington State Department of Ecology (DOE). Agreement was reached on all major issues raised by participating stakeholders.

- 16 **RULEMAKING HEARING:** The Commission originally scheduled this matter for oral comment and adoption under notice #02-12-132, at a rulemaking hearing scheduled during the Commission's regularly scheduled open public meeting on July 10, 2002, at the Commission's offices in Olympia, Washington. The Commission continued the rule adoption hearing on July 10, 2002, to July 26, 2002. On July 26, 2002, Chairwoman Marilyn Showalter, Commissioner Richard Hemstad, and Commissioner Patrick J. Oshie considered the rule proposal for adoption, pursuant to notice during the Commission's regularly scheduled open public meeting.
- 17 **COMMISSION ACTION:** After considering all of the information regarding the proposal, the Commission approved the proposed rules for chapter 480-75 WAC set forth in the CR-102 at WSR #02-12-132, with the exception of WAC 480-75-390, Valve spacing rapid shutdown.¹ The Commission determined that the language in WAC 480-75-390 warranted further discussion and clarification by stakeholders. Accordingly, the Commission continued the adoption hearing for WAC 480-75-390 to November 15, 2002.
- 18 **ADDITIONAL WORKSHOP AND COMMENTS:** The Commission held one workshop to discuss draft rule language for WAC 480-75-390. Representatives from the following companies and agency attended the workshop and/or offered additional comments: Olympic Pipeline Company –BP Pipelines North America, Inc., McChord Pipeline Company, Kaneb Pipeline Company, Accufacts, Inc., and the Washington State Department of Ecology.
- 19 Workshop participants and commenters offered suggestions for clarifying and simplifying the language in WAC 480-75-390. Items of greatest interest included drafting language to clarify company procedures to rapidly locate and isolate reportable releases from pipelines. The various stakeholders reached agreement on the clarification of the draft rule language.

¹ On August 26, 2002, the Commission filed an Order with the Code Reviser at WSR #02-18-032, amending, adopting, and repealing rules permanently for Chapter 480-75 WAC, with the exception of WAC 480-75-390.

- 20 **CONTINUED RULEMAKING HEARING:** On November 15, 2002, Chairwoman Marilyn Showalter, Commissioner Richard Hemstad, and Commissioner Patrick J. Oshie considered the rule proposal for adoption during the Commission's regularly scheduled open public meeting. The Commission heard oral comments from Sondra Walsh, representing Commission Staff.
- 21 **SUGGESTIONS FOR CHANGE THAT ARE REJECTED:** The Commission rejected Olympic's proposal that the word "procedures" in sentence one of the proposed rule be replaced with the phrase " the ability to." The Commission believes that companies need written procedures in their Operation and Maintenance manuals that describe how a company will rapidly shutdown and isolate a leak.
- 22 **COMMISSION ACTION:** After considering all of the information regarding this proposal, the Commission approved the rule in the CR-102 at WSR #02-12-132 with the changes described below.
- 23 **CHANGES FROM PROPOSAL:** The Commission adopted the proposal without any substantive changes to the text noticed at WSR #02-12-132. The adopted language merely reorganizes, simplifies, and clarifies the text noticed at WSR #02-12-132.
- 24 **STATEMENT OF ACTION; STATEMENT OF EFFECTIVE DATE:**
The Commission determines that WAC 480-75-390 should be adopted to read as set forth in Appendix A, as a rule of the Washington Utilities and Transportation Commission, to take effect pursuant to RCW 34.05.380 (2) on the thirty-first day after filing with the Code Reviser.

ORDER

- 25 THE COMMISSION ORDERS That:
- 26 WAC 480-75-390 is adopted to read as set forth in Appendix A, as a rule of the Washington Utilities and Transportation Commission, to take effect pursuant to RCW 34.05.380 (2) on the thirty-first day after filing with the Code Reviser.
- 27 This Order and the rule set out below, after being recorded in the register of the Washington Utilities and Transportation Commission, shall be forwarded to the

Code Reviser for filing pursuant to chapters 80.01 and 34.05 RCW and chapter 1-21 WAC.

DATED at Olympia, Washington, this ____ day of December, 2002.

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

MARILYN SHOWALTER, Chairwoman

RICHARD HEMSTAD, Commissioner

PATRICK J. OSHIE, Commissioner

Note: The following is added at Code Reviser request for statistical purposes:

Number of Sections Adopted in Order to Comply with Federal Statute: New 0, amended 0, repealed 0; Federal Rules or Standards: New 0, amended 0, repealed 0; or Recently Enacted State Statutes: New 0, amended 0, repealed 0.

Number of Sections Adopted at Request of a Nongovernmental Entity: New 0, amended 0, repealed 0.

Number of Sections Adopted on the Agency's own Initiative: New 1, amended 0, repealed 0.

Number of Sections Adopted in Order to Clarify, Streamline, or Reform Agency Procedures: New 1, amended 0, repealed 0.

Number of Sections Adopted using Negotiated Rule Making: New 0, amended 0, repealed 0; Pilot Rule Making: New 0, amended 0, repealed 0; or Other Alternative Rule Making: New 0, amended 0, repealed 0.