



STATE OF WASHINGTON

WASHINGTON UTILITIES AND TRANSPORTATION COMMISSION

1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

March 14, 2003

Dear Intrastate Pipeline Operator:

Subject: Notification of State Hazardous Liquids Pipeline Safety Rule

The Washington State Utilities and Transportation Commission adopted new pipeline safety rules for hazardous liquids pipeline operators under WAC 480-75. The rule became effective September 26, 2002. Valve spacing and emergency shutdown requirements have an effective date of January 12, 2003. The rule may be retrieved from the WUTC website located at www.wutc.wa.gov/pipeline. Under the heading "Authority/Rules" click on the link "Hazardous Liquid WAC".

Staff will look for compliance with this rule (and the Federal requirements) during this years inspection. The rule will most likely require a modification to your operations and maintenance manual. Also, there are other requirements that may require considerable effort to implement, such as leak detection. In these situations, staff will work with the operator to establish a schedule for coming into compliance on a case-by-case basis.

Also note that Operations Safety Plans, found in WAC 480-75-660, require submittal to the Commission by September 26, 2003.

Should you have questions or comments please contact Joe Subsits, Pipeline Safety Engineer, at (360) 664-1322.

Sincerely,

Steve King
Acting Pipeline Safety Director



Sent to:

Leroy Anderson
Kaneb Pipeline Company

Alan J. Cabodi
McChord Pipeline Company

Ignacio Cabilan
Doss Aviation Inc. NAS Whidbey Island

Captain Stephen Black
NAS Whidbey Island

Bobby Talley
BP Olympic Pipe Line

Dennis Bays
BP Cherry Point Refinery

Jeff Waytashek
Agrium, US Inc.

Dennis McVicker
Tidewater Barge Lines, Inc.

Dale rec'd the
letter on 7/25



STATE OF WASHINGTON

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1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 753-6423 • TTY (360) 586-8203

July 24, 2002

Dale Jensen, Program Manager
Spills, Prevention, Preparedness & Response
Washington State Department of Ecology
PO Box 47600
Lacey, Washington 98504-7600

Dear Mr. Jensen:

Subject: Docket No. TO-000712 Hazardous Liquids Rulemaking

This letter calls your attention to the rulemaking adoption hearing on Friday, July 26, 2002, at 9:30 a.m. in the Commission's headquarters, room 206.

The Department of Ecology is a valued regulatory partner and the Commission would like you to know that Ecology is invited to appear and offer any comments on the proposed rules.

Sincerely,

Carole J. Washburn
Executive Director



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1300 S. Evergreen Park Dr. S.W., P.O. Box 47250 • Olympia, Washington 98504-7250
(360) 664-1160 • TTY (360) 586-8203

Ref. No. Docket TO-000712

July 5, 2002

Jerry Derker
1720 Bigelow Street NE
Olympia, WA 98506

Dear Mr. Derker:

Thank you for your comments related to the Washington Utilities and Transportation Commission's (Commission) hazardous liquid rulemaking under Docket No. TO-000712.

As mentioned on the phone, the Commission has completed its environmental checklist and other elements of WAC 197-11 as required under the State Environmental Policy Act. Attached, as you requested, is a copy of the checklist completed for this rulemaking and the determination of non-significance (DNS) signed by the Commission's responsible official.

The Commission has tentatively rescheduled its adoption proceeding to its regularly scheduled open public meeting to be held on July 26, 2000, here at the Commission's headquarters. If you have any questions, please contact me at (360) 664-1154.

Thank you.

Sincerely,

Douglas Kilpatrick, P.E.
Pipeline Safety Director

Enclosures



**HAZARDOUS LIQUIDS RULEMAKING
TEAM MEETING MINUTES
HELD ON AUGUST 23, 2000, 8:30 A.M
AT CONFERENCE ROOM 122 & 125**

PRESENT:

Dennis Lloyd - Pipeline Safety
Joe Subsits - Pipeline Safety
Sondra Walsh - UT
Karen Caille - ALD
Bob Cedarbaum - AG
Marina Wayman – Pipeline Safety

ABSENT:

Kim West – Pipeline Safety
Deborah Stephens – PR
Penny Hansen – IR-PA

C.C:

Pipeline Safety Staff
Carole J. Washburn

AGENDA :

1. Agenda Review
2. Rule Development Status and Review
3. Discussion Database
4. Workshop Preparation and Strategy
5. Schedule Next Meeting

1. **Agenda Review**

Joe Subsits overviewed the agenda items for today's meeting.

2. **Rule Development Status and Review**

Joe Subsits reported that the Commission approved the CR-101 on August 9, 2000, and it was filed with the Code Revisor on August 21, 2000. He explained that the written comments in response to the CR-101 are due by

September 13, 2000. Comments will be discussed at a team meeting following the September 13, 2000, CR-101 comment deadline. Joe Subsits also reported that a Workshop will be held on October 19, 2000. Sondra Walsh suggested that we consult with Sharyn Bate about rulemaking analyst duties. Marina will assume the role of rulemaking analyst and will discuss those responsibilities with Sondra and Sharyn. She will work with ALD support to keep track of the rulemaking process to make sure that appropriate records are filed. Sondra also suggested scheduling a time to work with Marina for the rulemaking procedure.

Karen mentioned that team members should document comments that come in by phone. They should then be placed in the official file. Sondra suggested that comments should be e-mailed to our Commission instead of taking comments over the phone, so that we have an accurate record of the question or comments. Dennis asked if we file the comments received. Karen explained that all comments must be placed in the official file in Records Center.

Sondra asked if there are any existing Pipeline Safety rules. Joe indicated that the agency has existing rules, however, this rulemaking will be update and expand those rules.

3. **Discussion Database**

Joe reported that he contacted Paige Aston to set up a discussion Database. Joe asked team members if the Database has been useful for the Commission in the past. Bob Cederbaum noted that he has been using the database for Natural Gas & Electric rules, and it has been particularly useful for him.

Sondra suggested that IS show the team how the Database works, then the team could decide whether to try it. Sondra suggested the Database might be useful for engineers in the field since they can just log on and find the information when out of the office. Karen Caille also suggested trying the database. Joe suggested database training for team members and will schedule it with Information Services (IS).

It was also concluded that the rules need to be updated at all times and the current version need to be online. Marina should hold the Master copy in a special place.

4. **Workshop Preparation and Strategy**

Joe Subsits distributed the Proposed Agenda for the Workshop scheduled for October 19, 2000.

a) **Rule Development Procedures**

Joe noted that statutory requirements should be presented at the workshop along with rule development procedures.

It was noted that an issue paper should be sent to the public two weeks prior to the workshop so the public can be better prepared to participate at the workshop. Joe proposed that interested persons should submit written comments 3 weeks after the workshop.

Joe Subsits asked if team members agree on the draft agenda. Sondra suggested that some changes and affiliation should be made to the format. Sondra will give Marina an example of a workshop agenda for reference.

b) **Accident Data**

Joe mentioned that he would like to present studies on accident data to show the causes of pipeline accidents and spills.

c) **Other Approaches**

Joe indicated that he would like to see what other states/agencies are doing when regulating pipelines.

d) **Possible Workshop Topics**

Joe suggested making a list of potential topics to present at the Workshop. After topics are determined, workgroups will be formed to develop rule language. The team considered whether to use the workgroup to develop language from scratch or whether Commission staff should develop draft language to discuss with the workgroup. The latter option would put the Commission in greater control and would be more efficient.

Tasks for next meeting:

Karen Caille:

Rule process.

Deborah Stephens:

Summarize statutory requirements.

Joe Subits:

Schedule date for database training.

Marina Wayman:

Meet with Sondra Walsh & Sharyn Bate for rulemaking procedures.

Dennis Lloyd & Joe Subits:

Spill Studies & Prevention Measures.

5. **Schedule Next Meeting**

The meeting adjourned at 9:40 a.m. The next meeting will be held on September 7, 2000.

Prepared by:

Marina Wayman

Date: September 12, 2000

Approved by:

Joe Subits

Date: September 12, 2000

**Proposed Workshop Agenda
October 19, 2000
WUTC
Draft**

I. Agenda Review

II. Statute Review

III. Rule Development Procedures

IV. Accident Data

V. Other Approaches

VI. Possible Workshop Topics ← *consider
ideas - to develop rules*

VII. The Next Step

Hazardous Liquids Rulemaking Team Meeting

8/23/00

8:30 am –10:30 am

Room 122 & 125

Draft Agenda

- I. Agenda Review
- II. Rule Development Status and Review
- III. Discussion Database
- IV. Workshop preparation and strategy
- V. Schedule Next Meeting

Close window

About Discussion

What does this database do?

A workgroup can use this database to share their thoughts and ideas. Almost any group that has information to share among its members can use a discussion database. An engineering group can discuss the products they are designing. An advertising agency can discuss the ad campaigns they are developing. A special interest group can share ideas and opinions on their common interests.

To get started, a user can simply browse through discussion topics and responses that others have contributed. This is particularly useful for new workgroup members who need to come up to speed on important issues that the group is working on. The history of discussion about these issues is preserved in the group's discussion database.

A user can also take a more active role in the discussion by composing his/her own responses to others' comments and by proposing new main topics for discussion.

A discussion database is an informal meeting place, where the members of a workgroup can share ideas and comments. Like a physical meeting, each member of the workgroup listens to what others have to say and can voice his/her own opinions. However, unlike a physical meeting, the participants do not have to be in the same room at the same time to share information. People can participate when it is convenient for them to do so, and because it is easy for them to share information, they will do so.

Who will use this database?

All the members of a workgroup should use the group's discussion database. Some users will just follow the main topics and responses that other members have contributed. More active users will compose their own main topics and responses.

This template is designed for users accessing the information either from a Notes client or a web browser. Most features are available to both types of users. See the Database Using document for more information on how to use the discussion features from a web browser.

When to use this database?

Use the database when you have time: a free moment between meetings, after hours, while traveling.

Where to find more information?

More information can be found in the R5 help database, HELP5.NSF and in the Using document for this database. Refer to the following documentation database on <http://www.notes.net> Best Practices: Templates and Sample Databases (BPTEMP.NSF).

Access Control:

The default access of a database created with this template is "Author".

**HAZARDOUS LIQUIDS RULEMAKING
TEAM MEETING MINUTES
HELD ON SEPTEMBER 18, 2000, 2:00 P.M.
AT CONFERENCE ROOM 122 & 125**

PRESENT:

Joe Subsits - Pipeline Safety
Sondra Walsh - UT
Penny Hansen - IR-PA
Marina Wayman - Pipeline Safety

ABSENT:

Kim West - Pipeline Safety
Deborah Stephens - PR
Dennis Lloyd - Pipeline Safety
Karen Caille - ALD
Bob Cedarbaum - AG

C.C:

Pipeline Safety Staff
Carole J. Washburn

AGENDA :

1. Agenda Review
2. Discussion Database
3. Notice of Workshop
4. Workshop
5. Comments Received
6. Rule Review
7. Schedule Next Meeting

1. **Agenda Review**

Joe Subsits overviewed the agenda items for today's meeting.

2. **Discussion Database**

Joe Subsits asked the team members if they are familiar with the discussion database. Penny Hansen indicated that there is a new version that was introduced

which is almost similar to the current version. Joe reported that the database training was held last week on Friday, September 15, 2000, and the next training will be held on Tuesday, September 26, 2000. The training was held so that the members could try it on and know the basic of the database. Joe mentioned that when there is a posting on the database, this could be a method of alerting people about the information. Sondra explained that if there is no way of checking the notification everyday, we would lose track of the accountability of the information posted. Joe suggested by posting the notification or information on the database is the best way in alerting people. However, Sondra noted that based on her experiences, it would not be the best method if some discrepancies occurred. Penny suggested going with the flow.

Joe suggested creating categories on the Rulemaking discussion database. Joe asked for general view of the kind of categories that usually posted in the discussion database. Penny gave examples of the categories, which are: meeting notes, meeting agenda and notes from the meeting. Other categories are copies of a current WAC that is written down so we can comment under the WAC whether it is useful or not, any new rules, chapters and comments received from industry. She also explained that any comments received will automatically be placed in the database. Penny also suggested that when we do some draft, to label it according to the number of draft, for example, first draft or second draft, so it would be easier to maintain and more organized in the database.

Penny asked the list of the members for this rulemaking team. Joe mentioned that Dennis Lloyd, Kim West, Deborah Stephens, Karen Caille, Joe Subsits, Penny Hansen, Sondra Walsh, Bob Cedarbaum and Marina Wayman are the members, however, Deborah Stephens will no longer be part of the team since will be leaving the Commission. Carole Washburn is not officially a team member, but she has been very helpful in helping the pipeline safety rulemaking team.

Sondra asked when the Commission received comments, if they are distributed to the team members because all team members should get the hard copy of comments received. Joe will check with Record Center for the internal distribution list. Penny suggested taking Carole Washburn's name off the list and suggested Joe asking Carole if she would like to be on the internal distribution list or she has two options of receiving information, either from the discussion database or through distribution of hard copy from Record Center.

3. **Notice of Workshop**

Joe reported that the workshop that was scheduled on October 19, 2000 has been rescheduled to November 16, 2000 and the notice of filing for the written comments has been extended to October 13, 2000.

Joe then explained that on the workshop, some general questions based on the statute would be introduced. For example, requirements for pipeline company in operating, maintaining, designing and constructing to make it safe and efficient. Then, when we get comments from the public, strategies can be planned for the next step. Sondra asked whether the notice had been sent out. Joe reported that Record Center received the notice on Friday, September 15, 2000 and would be sent out by today, September 18, 2000. Sondra suggested reminding Record Center, when distributing documents externally, they also need to distribute internally to the team members. Marina will check with the Record Center for the internal distribution list and remind them about that matter.

4. **Workshop**

Joe noted that team member needed to plan what need to be done now and figure out what is going to be on the workshop, for example, discuss about the rules procedures and answer questions. The other part was deciding the responses on the comments. Sondra suggested the planning on the workshop would be easier after receiving the comments on the October 13, 2000.

5. **Comments Received**

Joe reported that Commission received some comments and he would like to know the best way on managing the comments and responses. Sondra reminded Marina to schedule a time with her and Sharyn Bate for the rulemaking procedures and comments summary training because the comments received need to be summarized. In term of developing responses of the comments received, Joe asked for the normal process. Sondra noted that the group format has not been a very productive way for a large group, however, by assigning the tasks to the members has been very productive based on her experiences.

Joe suggested scheduling another team meeting to discuss about the comments summary. Sondra also suggested to do the comments summary based on CR-101 comments.

6. **Rule Review**

Joe indicated that it was his understanding that there was a rule review process when we go through the rulemaking process. Sondra agreed that it was an internal review process. Joe asked what need to be counted on to incorporate that process. Sondra explained that review drafting of the rules, and management review depending on which avenue the commission want to go on were the two issues that need to be looked at.

Sondra and Penny requested to have a copy of Statute, RCW Title 80, WAC 480-75, comments received and IP List for the use of rulemaking process. Marina will

get the copies requested from Record Center. Penny asked Joe about the source of mailing list. Joe explained that he obtained those mailing list from the city official form, city government people, people on advisory code, Bellingham form and etc.

6. **Schedule Next Meeting**

Sondra suggested scheduling the next meeting after all comments are summarized. Since the date to file the written comments will be on October 13, 2000, she suggested to schedule the meeting next week.

The meeting adjourned at 2:30 p.m. The team members will be notified the date and time of the next meeting.

**Prepared by,
Marina Wayman
September xx, 2000**

**Approved by,
Joe Subsits
September xx, 2000**

Hazardous Liquids Rulemaking Team Meeting

9/18/00

2:00 pm –4:00 pm

Room 122 & 125

Agenda

- I. Agenda Review
- II. Discussion Database
- III. Notice of Workshop
- IV. ~~Workshop~~
- V. Comments Received
- VI. Rule Review
- VII. Schedule Next Meeting

DISCUSSION QUESTIONS

We invite comments to the following questions. The questions were derived from the Year 2000 Washington Pipeline Safety Act.

Based on the results of comments received, future stakeholder meetings will be conducted. It is our hope that the comments received will provide an understanding of stakeholder concerns, an awareness of subject matter that may require additional research, and eventually provide a basis for developing draft rule language.

Comments will be summarized and presented at the November 16, 2000 workshop. A strategy for future direction in the rule development and public input process will be presented at that time.

Design

1. What is needed to require companies to design pipeline facilities, so they are safe and efficient?

Construction

2. What is needed to require companies to construct pipeline facilities, so they are safe and efficient?

Operations

3. What is needed to require companies to operate pipeline facilities, so they are safe and efficient?

Maintenance

4. What is needed to require companies to maintain pipeline facilities, so they are safe and efficient?

Accident Minimization

5. What is required to require companies to rapidly locate and isolate all reportable releases?
6. How should companies rapidly locate and isolate reportable releases?

7. What are the pros and cons of remote control shut-off valve and remote pressure gauges and meters?

Training and Certification

8. How can training and certification of personnel requirements be improved?

Reporting

9. How do we improve reporting of emergency situations?

Operations and Maintenance Manuals

10. What elements should be required to effectively require and review operations manuals?
11. What should the operations manuals contain? Are there gaps in the statutory requirements?

Coordination

12. How should the Commission coordinate information related to pipeline safety to local planning and siting authorities?

General

13. What recommendations of NTSB, OPS, other organizations should be considered in rulemaking related to methods and technologies for testing the integrity of pipeline structure, leak defectives and other elements of pipeline operation?

Rulemaking Analysis

CONSIDERATIONS REGARDING AGENCY DECISIONS DURING THE RULEMAKING PROCESS¹

Docket number TO-000712

Date: 8/24/00

Staff lead Joe Subsits

Division/Section Pipeline Safety

Exempt manager authorizing this review: DOUG KILPATRICK

Approved for Rulemaking Proceeding: (mgr's Init/date) DJK. 11/8/2000

Subject of rule Hazardous Liquid Pipeline Safety

Rule title: Hazardous Liquid Pipeline Safety

Expected schedule Firm Target Expected

CR 101 public meeting 8/9/00

CR 102 public meeting 7/2001

Adoption hearing 10/2001

Filing with code reviser (effective 30 days later): _____

1. What persons or industries will be affected by this proposal? What agency rulemaking lists identify such persons? Who are significant interests not on these lists?

The proposal impacts intrastate hazardous liquids pipeline operators.

A list of persons who may be interested has been provided to Records Center.

¹NOTE: Most of the information in this form is required to be contained in the agency's rulemaking file or in one or more of the rulemaking notices (CR-101 and CR-102) for permanent rules. The information is encouraged (in one case required) for emergency rules. *Some of the information called for in this form may not be available when the topic of a rule is first discussed. That information is generally required no later than the time a CR-102 is filed. Please provide all information now available, indicate when other information will be available, and update the information as it becomes available.* This form can be made available on a shared drive and then printed at the conclusion of a proceeding for inclusion in the file.

2. Why is this rulemaking being proposed?

Chapter 191 Laws of 2000 requires the WUTC to adopt pipeline safety standards for hazardous liquids transportation.

The following information is required for a statement to be included in the rulemaking file no later than the CR-102 filing date; it must be updated based on additional information received by the agency during the rule making process.

3. What is the objective of this rule?

To aid in protecting the health and safety of the citizens of the state of Washington.

4. Would changes to other rules or statutes achieve the same objective? [*What rules? statutes? Why is this approach preferable?*]

No.

5. What are the anticipated environmental and financial consequences of adopting and not adopting the proposal, recognizing the difficulty of quantifying some consequences?

A. Environmental consequences.

Additional measures could reduce accidents leading to less spills

B. Financial consequences.

Additional measures will require pipeline operators to invest in pipeline safety technologies.

6. Why is this a reasonable, cost-effective manner to achieve the regulatory objective, in light of available alternatives including no rulemaking?

Safety of the public is held in high regard and can be improved with added measures.

7. Will the proposed changes overlap or conflict with local, state, or federal law or the rules of this or any other state or federal agency? How will the proposal be coordinated with other governments? *Is an Agency Rules Coordinating Committee needed under EO 93-06?*

The rule is intended to compliment existing federal rules.

8. (a) Could alternative forms of regulation achieve the same goals?

No.

(b) Does the proposed rule include performance standards? Could performance standards be used in lieu of behavior standards or manner of compliance?

This will be discussed in future stakeholder workshops.

9. Is this proposal made only to comply with federal law? **No.** If so, does it contain significant differences from comparable federal rules or standards, or does it propose differences in application to public and private entities? _____ If so, provide a written analysis explaining the differences, evaluating their consequences, and stating the reasons for adopting the rule as drafted as opposed to a rule consistent with federal regulation.

Is a CR-101 required? **Yes.** [See, RCW 34.05.010(3)(c) --exemptions for emergency rules; Internal rules not submitting an outsider to sanctions; rules merely adopting or incorporating federal laws or rules or Washington law or rules; rules whose content is required by statute; rules setting fees that are explicitly and specifically dictated by statute; and rules that adopt, amend or repeal practices or procedures for agency hearings or a process for applying to an agency for a license or permit]. NOTE: to assure constituent involvement and support it may often be better to file a CR-101 and engage in prerulemaking discussions even if not required.

The following information is required for a statement to be included in the preproposal notice (CR-101):

10. What is the specific statutory authority for the rule?

Chapter 191, Laws of 2000.

11. List specific reasons why the rule is needed:

To protect public health and safety.

12. What are the goals of the proposal? Why are rules on the topic needed and what might they accomplish?

To reduce the risk of pipeline incidents.

13. (a) What process will be used for developing the rule?
 Negotiated rulemaking Pilot rulemaking
 Agency study, consisting of [*check as many as apply*]:
 Workshops and dialogue Public meetings
 Written comment Other _____
 Other _____

- (b) What is the process by which interested persons can participate in developing the rule? NOTE: *If the selected process fails to provide an opportunity for interested persons to "participate" in the rulemaking process prior to publication in the CR-102, the agency must place a written justification for failing to do so in the rulemaking file. "Participate" means the opportunity to do more than the statutory minimum of offering written and oral comments. State the justification here and in your staff support memorandum for the request for Commissioner authorization to file the CR-102.*

Workshops and public meetings to be conducted. There will also be opportunity for written comments.

- (c) What other federal and state agencies have jurisdiction over this subject? What process will be used to coordinate with that/those agencies?

Federal Office of Pipeline Safety and the Washington State Department of Ecology.

The following information will guide rule drafting and approach and help assure that the rulemaking file contains sufficient evidence to support the eventual decision:

14. Does the rule promote voluntary compliance through technical assistance?

Yes. There will be training and technical assistance for companies who will be impacted after the rulemaking is complete.

15. List specific evidence (facts) that supports the reasons why the rule is needed:

Increase in hazardous liquid pipeline incidents throughout the country.

For an emergency rule --

16. Answer either (a) or (b):

- a. Why is the immediate adoption, amendment or repeal necessary for the preservation of the public health, safety, or general welfare, to the extent that observing the time requirements for notice and opportunity to comment upon adoption of a permanent rule would be contrary to the public interest?
- b. What state or federal law, or federal rule, or federal deadline for receipt of federal funds, requires the immediate adoption of this rule?

Preliminary Small Business Economic Impact Statement (SBEIS) analysis:

Small Business Economic Impact Statements are governed by chapter 19.85 RCW. Sec. 030 requires that the agency prepare an SBEIS if the proposed rule will impose more than minor costs on “businesses in an industry relative to compliance costs under existing rules.” Sec. 020 defines “industry” as “all of the businesses in this state in any one four-digit standard industrial classification”. We believe, and the Asst. A.G.s advise, that if a proposed measure may impose “more than minor” costs within a “substantial” segment of an industry it is to the agency’s advantage to make the effort to prepare an SBEIS. While it is a valuable preemptive way to avoid a legal challenge for failure to do one, it is also a valuable means to gather relevant information, to check the costs and benefits of a rule, to gauge whether changes are worthwhile, and to gain credibility from industry.

17. What industry is (industries are) affected by the proposal (4-digit Standard Industrial Classification[s])?

[Does the rule affect all businesses within any one (4-digit) industry? If not, should the agency prepare an SBEIS anyway?]

18. What elements of the rule may impose a cost on business?
19. What are the costs of compliance?
20. Are the costs more than minor [that is, tiny]? *[If they are larger, an SBEIS is required].*

NOTE: If an SBEIS is required, special notice requirements exist under RCW 19.85.070. The agency must either notify affected small businesses and trade associations of the proposed rulemaking or notify media likely to serve such small businesses of the proposal.

RCW 19.85.040 and .030 state steps that the agency must take in preparing and using an SBEIS. Loosely paraphrased, they include: Obtain detailed information from businesses regarding the impact of the proposed rule on costs and revenues; Conduct a detailed economic analysis to determine the economic impact on small and large businesses and develop cost ratios.

Does the rule impose a proportionately higher economic burden on small business? *If so, the agency should modify the proposal to mitigate the impact on small business.*

Confer with your LAPD adviser and the assistant attorney general if an SBEIS is needed to define the scope of the statement and the process by which you will accomplish it.

SEPA Requirements:

21. Consult SEPA rules to determine whether the proposed action is exempt from SEPA. With minor exceptions, *programs* administered by the agency in 1978 are exempt. If the proposal is not exempt, prepare a SEPA checklist and, as needed, an environmental impact statement.

POST-ADOPTION Requirements:

22. List the commenters at the adoption meeting, state the suggestions they made, identify those that were rejected by the Commission, and state the Commission's reasons for rejecting the suggestions.
23. List any changes that were made in the text of the rule between filing the CR-102 and adopting the rule, and state the Commission's reasons for making those changes.