

Agenda Date: September 26, 2001
Item Number: 2A

Docket: **UG-010522**
Pipeline Safety Fee Methodology
WAC 480-93-240 and WAC 480-75-240

Staff: Sondra Walsh, Policy Research Specialist
Doug Kilpatrick, Director Pipeline Safety
Karen Caille, Administrative Law Judge

Recommendation:

Direct the Secretary to file a Notice of Proposed Rulemaking (CR-102) in Docket UG-010522 with the Office of the Code Reviser, to consider proposed rule language in WAC 480-93-240 and WAC 480-75-240 that will establish the methodology for collecting pipeline safety fees.

Discussion:

In April 2001, the House and Senate passed Substitute Senate Bill 5182 (SSB5182, Chapter 238, Laws of 2001). The Governor approved the bill on May 11, 2001, and the law became effective July 1, 2001. Section 2, chapter 238, Laws of 2001 require the Washington Utilities and Transportation Commission (Commission) to establish by rule the methodology for setting the regulatory fee for each jurisdictional pipeline company to fund the pipeline safety program. Accordingly, the Commission initiated an emergency rulemaking to determine a pipeline fee methodology, and adopted emergency rules that became effective June 14, 2001.

On April 26, 2001, the Commission filed a CR-101 with the Code Reviser to initiate a permanent rulemaking on the subject of a pipeline fee methodology. The Commission requested comments from stakeholders by May 10, 2001, and held a stakeholder meeting on May 17, 2001. During the stakeholder meeting, participants discussed written and oral comments, and many of the comments were incorporated into the proposed rules.

The Commission requested a second round of comments from stakeholders by July 25, 2001, and held a second stakeholder workshop on August 2, 2001. Two sets of written comments were received addressing the same issue. Both comments asked that the rule language clarify that all funds received for the pipeline safety program be deposited in the pipeline safety account. This suggested change would make the proposed rule language consistent with the statute. Staff does agree with the change. The proposed language in section (4) now reads:

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“All funds received by the Commission for the pipeline safety program will be deposited to the pipeline safety account.”

No additional comments have been received since the August 2, 2001, workshop.

Written comments on this Notice of Proposed Rulemaking will be due by October 24, 2001. The scheduled date for an adoption hearing in this rulemaking is November 16, 2001.

Commission Staff recommends that the Commission direct the Secretary to file a Notice of Proposed Rulemaking (CR-102) in Docket UG-010522 with the Office of the Code Reviser, to consider proposed rule language in WAC 480-93-240 and WAC 480-75-240 that will establish the methodology for collecting pipeline safety fees.

Attachment