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September 21, 2015

Steven V. King Executive Director and Secretary Washington Utilities and Transportation Commission 1300 S. Evergreen Park Drive S.W. P.O. Box 47250 Olympia, WA 98504-7250

RE: King County Comments Draft Oil Transport Safety Rule - Docket 151079

Dear Mr. King:

Thank you for the opportunity to submit comments on the Washington Utilities and Transportation Commission's (UTC) draft rule to strengthen oil transport safety protections.

I appreciate the work by you and your staff in drafting this rule while navigating a complex federal and state regulatory and administrative framework. The proposal provides a reasonable definition of a likely worse-case oil spill and includes consideration for a balanced list of risk factors for establishing safety standards at private crossings. However, I strongly urge you to reconsider the cost estimate associated with a reasonable worst case spill.

As chair of the Safe Energy Leadership Alliance (SELA), I work with a coalition of more than 160 local, tribal, and state leaders from across Washington, Oregon, Idaho, Montana, California, and British Columbia to raise awareness of the health, safety, environmental, and economic risks of oil transport and coal export. SELA represents a broad range of urban and rural areas with different interests, but a shared mission—to protect the health and safety of our communities.

The proposed cost estimate is dramatically lower than what Washington's communities can reasonably anticipate needing for cleanup. Based on the explanation for how the UTC arrived at the \$400 per gallon clean-up cost amount, it seems that this amount represents only the cost of labor (Table C1: dollar Per Gallon Estimates by Study) for clean-up cost. However, the question posed by the UTC was "what is a reasonable per-barrel cleanup <u>and damage</u> cost of spilled oil?"

Railroad companies must be prepared to account for the total reasonably anticipated costs, including the damages associated with the oil spill. The cost of clean-up and damage include

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loss of life, damages to property, damages to the environment, compensation for loss of tribal access to treaty resources, and potential lawsuits. With these factors included, the cost estimate will likely be significantly higher, and more accurate, than what is currently proposed by the UTC.

A per-barrel cleanup and damage cost of an oil spill is difficult to determine given the Puget Sound region's varied land uses and public and private infrastructure located adjacent to the rail lines. As stated in my July 16, 2015 comments to the UTC on oil transport safety rules update, I encourage the state to use Canada's Lac-Mégantic oil spill disaster as a baseline, in which the cleanup costs and damages were estimated to be \$1,880 per gallon of oil.

Thank you again for the opportunity to comment on the UTC's rulemaking to strengthen oil transport safety regulations in Washington State.

Sincerely,

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