

March 4, 2023

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Department of Ecology
Spill Prevention, Preparedness, and Response Program

Submitted via public comment form: https://sppr.ecology.commentinput.com/?id=6Mx2s

Dear Ms. Flittner,

Thank you for the opportunity to submit comments on Ecology's draft <u>rule</u> to amend <u>Chapter 173-180 WAC</u>, <u>Facility Oil Handling Standards</u> and <u>Chapter 173-184 WAC</u>, <u>Vessel Oil Transfer Advance Notice and Containment Requirements</u>. These comments are in addition to the comments from 15 non-governmental organizations that included Friends of the San Juans.

The distinction between the requirements for 'Rate A' and 'Rate B' oil transfer operations were based on the transfer amounts, times and rates reported to Ecology by deliverers and facilities during the 2006 rulemaking process. No such analysis was provided during the current rulemaking process. See the CONCISE EXPLANTORY STATEMENT AND RESPONSIVENESS SUMMARY FOR THE ADOPTION OF Chapter 173-184 WAC, Vessel Oil Transfer Advanced Notice and Containment Requirements (09/25/2006, Publication: 06-08-026 – received via public records request P014513-021923). Response to comments, page 64 of 151:

It is actually a combination of the flow rate and the reaction time which defines these requirements. A spill from a transfer occurring at 500 gallons per minute will mean potentially 5000 gallons of oil in the water in 10 minutes. The quicker the reaction time to the spill the less the spill amount, but this is exponential to the transfer rate. So, essentially, Ecology took these two things into account when looking at risk: the time required to stop the oil pumping and the amount of oil flowing through the hoses or piping.

The amount was set at 500 gallons per minute based on Ecology's determination that this is an approximate cut off limit for higher volume oil deliverers. Based on the transfer amounts, times and rates reported to Ecology by deliverers and facilities during the rule writing process, Ecology calculated that 500 gallons per minute would fulfill the legislative mandate to require prebooming at the majority of oil transfers conducted in the state while providing a [sic] economic relief from these requirements for smaller businesses.

Ecology should document whether "the legislative mandate to require prebooming at the majority of oil transfers conducted in the state while providing a [sic] economic relief from these requirements for smaller businesses" is being achieved with the current regulations and/or the draft rule. Revisions to the draft rule should be made to comply with the legislative mandate.

Regarding the <u>Preliminary Regulatory Analyses</u>, Section 4.2.1.6.1 *Quantified benefits*, subsection, *Avoided property value impacts*, the surveyed property values of properties near Class 1 facilities omitted counties that could be impacted by major oil spills from Class 1 facilities. For example, in the subsection, *Population-wide values for avoiding spills*, this report addresses the impacts an oil spill would have to San Juan County's \$156 million dollar per year tourism industry. San Juan County's property value impacts, and those of other counties in proximity to Class 1 facilities, should be addressed in the subsection, *Avoided property value impacts*.

Finally, in conducting the cost benefit analysis of the seismic upgrade requirements for Class 1 facilities, and in considering the economic impacts and whether the requirements would impose an additional burden on facilities, the profits of the Class 1 facilities should be addressed. For example, 2022 profits for BP were \$28 billion (see Reuters <u>BP makes record profit in 2022, slows shift from oil</u>); Phillips 66: \$8.9 billion; and Marathon: \$16 billion (see Accountable.US <u>Price Gouging Payout: Exxon, Marathon & Phillips 66 Posts \$82.5B in Profits After Record High Gas Prices, Vows to Give \$54B to Wealthy Shareholders).</u>

Thank you for your attention to these comments. I look forward to Ecology's responses.

Sincerely,

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Marine Protection and Policy Director