

HOUSE BILL REPORT

HB 1015

As Reported by House Committee On:
Agriculture & Ecology

Title: An act relating to the use of gasoline additives.

Brief Description: Prohibiting methyl tertiary-butyl ether as a gasoline additive.

Sponsors: Representatives Pennington, Mielke, Schindler, Ogden, Esser, Ruderman, Linville, Pearson, Ericksen, Morell and Talcott.

Brief History:

Committee Activity:

Agriculture & Ecology: 1/25/01, 1/30/01 [DPA].

Brief Summary of Amended Bill

- Prohibits the intentional addition of methyl tertiary-butyl ether (MTBE) to fuel after December 31, 2003.

HOUSE COMMITTEE ON AGRICULTURE & ECOLOGY

Majority Report: Do pass as amended. Signed by 14 members: Representatives G. Chandler, Republican Co-Chair; Linville, Democratic Co-Chair; Cooper, Democratic Vice Chair; Mielke, Republican Vice Chair; B. Chandler, Delvin, Dunshee, Grant, Hunt, Kirby, Quall, Roach, Schoesler and Sump.

Staff: Jason Callahan (786-7117).

Background:

The Clean Air Act is a federal law enacted in 1970 to create a nationwide framework for controlling air pollution. In 1990, Congress added significant amendments to the Clean Air Act aimed at improving air quality in metropolitan areas that currently violate health-based standards. The 1990 amendments set acceptable standard levels for various air pollutants, called National Ambient Air Quality Standards. Pollutants with established national standards include ozone, carbon monoxide (CO), and toxins. If the presence of a pollutant exceeds the acceptable level in a metropolitan area, the United States Environmental Protection Agency (US EPA) designates that area a nonattainment area.

Nonattainment areas are subject to federal, state, and local regulations aimed at reducing the amount of the pollutant in the air. Nonattainment status has been applied to metropolitan areas nationwide, including New York City, Los Angeles, Cleveland, and Spokane.

The Clean Air Act Amendments require that gasoline sold in CO nonattainment areas contain at least 2.7 percent oxygen. CO pollution results from the incomplete combustion of fuel, and eighty percent of CO pollution is generated from motor vehicles. Higher oxygen contents in gasoline, which helps the fuel burn with fewer harmful emissions, can be achieved by the addition of oxygenates such as ethanol or methyl tertiary-butyl ether (MTBE). Refiners make the decision as to which oxygenate is used to produce cleaner burning gasoline. Some refineries in the United States have increased octane levels and engine efficiency by adding MTBE, a derivative of natural gas, to their gasoline.

The US EPA has issued a health advisory regarding oral consumption of MTBE. Although no data regarding the health effects of MTBE on humans is available, the California Environmental Protection Agency (CAL/EPA) has shown that long term exposure to the chemical causes cancer in laboratory rats and mice. The US EPA lists MTBE as a possible human carcinogen. MTBE has been found in public drinking water supplies in California, Colorado, Iowa, Illinois, New Jersey, and Texas. The CAL/EPA reports that MTBE may invade drinking water wells and reservoirs through leaking underground storage tanks and pipelines.

After discovering MTBE in its drinking water, California began phasing the chemical out of that state's gasoline. California has prohibited the sale of any gasoline produced with the use of MTBE by December 31, 2002, and prohibits the sale of any gasoline containing more than 0.05 volume percent MTBE by December 31, 2004.

In Washington, Spokane is the only serious CO nonattainment area listed by the US EPA. Thus, only Spokane is mandated to use oxygenated fuels. The Washington Department of Ecology (WDOE) reports that Washington refiners have used ethanol, not MTBE, as an oxygenate in the Spokane area. The WDOE has no evidence that MTBE is being added as part of Washington's oxygenated fuel program; however, they cannot report that MTBE is absent from Washington's gasoline in the form of an octane booster for premium grades. WDOE samples at oil spill sites have detected the presence of MTBE.

Current Washington law contains no prohibitions or restrictions on MTBE.

Summary of Amended Bill:

After December 31, 2003, the intentional addition of methyl tertiary-butyl ether (MTBE) to gasoline, motor fuel, or clean fuel for sale or use is prohibited. MTBE may in no

event be present in gasoline above six-tenths of one percent by volume.

Amended Bill Compared to Original Bill:

The amended bill removes the provision making the intentional addition of methyl tertiary-butyl ether to fuel after December 31, 2003, a misdemeanor. Under the amended bill, a violation of the section receives the same penalties as a violation of the other sections of the Motor Fuels Quality Act. This includes prosecution as a misdemeanor and the assessment of a civil penalty payable to the motor vehicle fund.

Appropriation: None.

Fiscal Note: Not Requested.

Effective Date of Amended Bill: Ninety days after adjournment of session in which bill is passed.

Testimony For: Methyl Tertiary-Butyl Ether (MTBE) is a highly soluble liquid that decomposes very slowly and moves quickly through the environment. Extremely low concentrations of MTBE in water create a negative odor and taste. The Department of Ecology has reported that a potential risk exists in regards to MTBE. MTBE has been detected in the ground water in both eastern and western Washington. In a study of the how widespread groundwater contamination is, it was reported that 48 percent of gas stations in Washington have detectable amounts of MTBE in the adjacent ground water. The United States Environmental Protection Agency has not promulgated rules regulating MTBE. California is in the process of banning MTBE, and as a result, Washington and Oregon are at risk of becoming the target market for MTBE manufactures. Prohibiting MTBE will promote the use of other oxygenates, such as Ethanol. Ethanol is a better additive to use, because it decomposes quickly. Ethanol is made from grain, so an MTBE ban that encourages ethanol's use creates markets for grain producing agriculture.

Testimony Against: None.

Testified: (In support) Pete Kmet, Department of Ecology, Toxics Cleanup Program; Leslie Emerica, Washington State Department of Agriculture; Linda Johnson, Farm Bureau; Mike Ryherd, Puget Sound Clean Air Agency; Greg Hanon, Communico, Governmental Affairs; and Nick Federici, Government Relations Consulting, The American Lung Association of Washington.