$\mathbf{B}\mathbf{y}$ the Committee on Environmental Preservation; and Senator Wise

592-2272-06

1	A bill to be entitled
2	An act relating to the exploration, production,
3	and storage of petroleum and natural gas;
4	directing the Department of Environmental
5	Protection to contract for a study of exposure
6	risks and potential adverse effects of
7	hurricane wind and storm surge on
8	field-erected, aboveground storage tank systems
9	at bulk product facilities; providing
10	requirements for the scope of the study;
11	providing an appropriation from the Inland
12	Protection Trust Fund for the cost of the
13	study; directing the department to compile and
14	review existing data and information relating
15	to environmental risks associated with oil and
16	natural gas exploration and production in the
17	eastern Gulf of Mexico; providing requirements
18	and criteria for the evaluation of such risks;
19	requiring the department to submit a report to
20	the Governor and the Legislature; providing an
21	effective date.
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23	Be It Enacted by the Legislature of the State of Florida:
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25	Section 1. Study of exposure risks and potential
26	adverse effects of hurricane wind and storm surge on
27	field-erected, aboveground storage tank systems at bulk
28	product facilities
29	(1) The Department of Environmental Protection shall
30	contract for a study to evaluate the exposure risks and
31	potential adverse effects of hurricane wind and storm surge on

1	field-erected, aboveground storage tank systems, including
2	tanks, piping, pumps, and related components, at bulk product
3	facilities as defined in s. 376.031(3), Florida Statutes. The
4	study's scope shall include, but need not be limited to:
5	(a) Evaluating the frequency, strength, and
6	probability estimates for hurricane winds and storm surge on
7	the coastal areas of the state where existing bulk product
8	facilities are located and where new bulk product facilities
9	are likely to be constructed.
10	(b) Evaluating the need and timing for requirements
11	for the establishment of minimum ballast levels for
12	field-erected, aboveground storage tanks at bulk product
13	facilities based on the frequency, strength, and probability
14	estimates for hurricane winds and storm surge, and based on
15	levels calculated by a professional engineer specific to each
16	individual field-erected, aboveground storage tank, taking
17	into account the type of tank, the type of product stored,
18	tank diameter, tank height, and other relevant factors.
19	(c) Evaluating the need and feasibility for
20	requirements for:
21	1. Professionally engineered permanent anchoring
22	systems for field-erected, aboveground storage tanks in
23	high-risk surge zones.
24	2. Professionally engineered temporary cable tie-down
25	systems, which could be preconstructed or prefabricated and
26	retained in storage until needed, that would not interfere
27	with normal daily operations and that could be set up in
28	advance of an approaching storm.
29	(d) Evaluating the need for potential siting
30	considerations or engineering mitigation that would prevent or
31	limit the installation of new field-erected, aboveground

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storage tank systems at bulk product facilities in areas that are potentially high-risk areas for hurricane winds and storm surge unless the systems are designed and engineered to withstand hurricane winds and storm surge.

- (e) Identifying all current and proposed industry standards for professionally engineered dike fields surrounding field-erected, aboveground storage tanks at bulk product facilities, including standards for materials and designs that will withstand hurricane winds and storm surges yet allow access for emergency firefighting vehicles in accordance with industry reference standards contained in National Fire Protection Association publication NFPA No. 30.
- (2) The study must include recommendations for changes, if needed, to aboveground storage tank system laws and agency rules in order to decrease damage from hurricanes and improve recovery of field-erected, aboveground storage tank systems after storm damage. All recommendations must be accompanied by a cost-benefit analysis, which shall include an analysis of:
- (a) The costs for modifying existing field-erected, aboveground storage tank systems and dike fields, and the costs associated with new construction of field-erected, aboveground storage tank systems and dike fields, to meet any proposed new requirements.
- (b) The potential adverse effect on petroleum inventory capacity in the state resulting from any proposed new requirements. All industry segments with field-erected, aboveground storage tanks, including, but not limited to, those used for petroleum and electric utility, must be included in the petroleum inventory capacity analysis.

1	(3) The department shall report the findings and
2	recommendations of the study to the Governor, the President of
3	the Senate, and the Speaker of the House of Representatives by
4	March 1, 2008.
5	(4) The Department of Environmental Protection may use
6	up to \$250,000 from the Inland Protection Trust Fund for the
7	2006-2007 and 2007-2008 fiscal years for the cost of the study
8	set forth in this section.
9	Section 2. Compilation and review of existing data and
10	information relating to environmental risks associated with
11	oil and natural gas exploration and production in the eastern
12	Gulf of Mexico
13	(1) The Department of Environmental Protection shall
14	compile and review existing data and information to evaluate
15	the environmental risks from all activities associated with
16	the possible future exploration for and production of oil and
17	natural gas in the eastern Gulf of Mexico currently subject to
18	federal moratoria. The department shall immediately request
19	from the appropriate state agencies and private research
20	institutes all available data and information necessary to
21	complete this task. The appropriate state agencies shall
22	submit the data and information to the department at the
23	earliest possible date, and private research institutes are
24	encouraged to submit relevant data and information to the
25	maximum extent practicable. The department's effort shall
26	include data and information available through appropriate
27	federal executive branch agencies. To the maximum extent
28	practicable, the department's efforts shall take into
29	consideration current technologies for controlling discharges
30	from oil and gas exploration rigs and production platforms and
31	shall include, but need not be limited to:

1	(a) Evaluating the probability of a discharge from oil
2	and gas exploration rigs and production platforms.
3	(b) Evaluating the magnitude of any probable discharge
4	from oil and gas exploration rigs and production platforms.
5	(c) Evaluating the Gulf of Mexico currents and
6	circulation patterns and the likelihood of any probable
7	discharge's reaching the coastal waters and shorelines of the
8	state.
9	(d) Evaluating the environmental impacts of any
10	probable discharge on the fish and wildlife resources in the
11	coastal waters of the state.
12	(2) The department shall report the findings of the
13	evaluation to the Governor, the President of the Senate, and
14	the Speaker of the House of Representatives within 120 days
15	after the effective date of this act.
16	Section 3. This act shall take effect upon becoming a
17	law.
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1 2	STATEMENT OF SUBSTANTIAL CHANGES CONTAINED IN COMMITTEE SUBSTITUTE FOR Senate Bill 2708
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4	The committee substitute provides for a study of exposure
risks and potential adverse effects of hurricane wind a storm surge on field-erected, aboveground storage tank at bulk product facilities by the Department of Environ	risks and potential adverse effects of hurricane wind and
	at bulk product facilities by the Department of Environmental Protection(DEP). Specifies the scope of the study. Requires
7	the DEP to report to the Governor, the President of the Senate, and the Speaker of the House of Representatives by
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9	study.
10	The committee substitute also requires the DEP shall compile and review existing data and information to evaluate the environmental risks from all activities associated with the
11	possible future exploration for and production of oil and natural gas in the eastern Gulf of Mexico currently subject to
12	federal moratoria. The DEP shall immediately request from the appropriate state agencies and private research institutes all
13	available data and information be submitted to the department at the earliest possible date, and private research institutes
14	are encouraged to submit relevant data and information available to the maximum extent practicable. The DEP's effort
15	shall include data and information available through appropriate federal executive branch agencies. The DEP shall
16 17	report the findings of the evaluation to the Governor, the President of the Senate, and the Speaker of the House of Representatives within 120 days after the effective date of
18	the act.
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