CHAMBER ACTION

The Water & Natural Resources Committee recommends the following:

Council/Committee Substitute

Remove the entire bill and insert:

A bill to be entitled

An act relating to the exploration, production, and storage of petroleum and natural gas; directing the Department of Environmental Protection to contract for a study of exposure risks and potential adverse effects of hurricane wind and storm surge on field-erected aboveground storage tank systems at bulk product facilities; providing requirements for the scope of the study; providing an appropriation from the Inland Protection Trust Fund for the cost of the study; directing the department to compile and review existing data and information relating to environmental risks associated with oil and natural gas exploration and production in the eastern Gulf of Mexico; providing requirements and criteria for the evaluation of such risks; requiring the department to submit a report to the Governor and the Legislature; providing an effective date.

Be It Enacted by the Legislature of the State of Florida:

Section 1. Study of exposure risks and potential adverse effects of hurricane wind and storm surge on field-erected aboveground storage tank systems at bulk product facilities.--

(1) The Department of Environmental Protection shall contract for a study to evaluate the exposure risks and potential adverse effects of hurricane wind and storm surge on field-erected aboveground storage tank systems, including tanks, piping, pumps, and related components, at bulk product facilities as defined in s. 376.031(3), Florida Statutes. The study's scope shall include, but need not be limited to:

(a) Evaluating the frequency, strength, and probability estimates for hurricane winds and storm surge on the coastal areas of the state where existing bulk product facilities are located and where new bulk product facilities are likely to be constructed.

(b) Evaluating the need and timing for requirements for the establishment of minimum ballast levels for field-erected aboveground storage tanks at bulk product facilities based on the frequency, strength, and probability estimates for hurricane winds and storm surge, and based on levels calculated by a professional engineer specific to each individual field-erected aboveground storage tank, taking into account the type of tank, the type of product stored, tank diameter, tank height, and other relevant factors.

(c) Evaluating the need and feasibility for requirements for:

1. Professionally engineered permanent anchoring systems for field-erected aboveground storage tanks in high-risk surge zones.

2. Professionally engineered temporary cable tie-down systems, which could be preconstructed or prefabricated and retained in storage until needed, that would not interfere with normal daily operations and that could be set up in advance of an approaching storm.

(d) Evaluating the need for potential siting considerations or engineering mitigation that would prevent or limit the installation of new field-erected aboveground 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 shall 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 shall 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, shall be included in the petroleum inventory capacity analysis.

(3) The department shall report the findings and recommendations of the study to the Governor, the President of the Senate, and the Speaker of the House of Representatives by March 1, 2008.

(4) The Department of Environmental Protection is authorized to use up to $250,000 from the Inland Protection Trust Fund for the 2006-2007 and 2007-2008 fiscal years for the cost of the study set forth in this section.

Section 2. Compilation and review of existing data and information relating to environmental risks associated with oil and natural gas exploration and production in the eastern Gulf of Mexico.--

(1) The Department of Environmental Protection shall compile and review existing data and information to evaluate the environmental risks from all activities associated with the

possible future exploration for and production of oil and natural gas in the eastern Gulf of Mexico currently subject to federal moratoria. The department shall immediately request from the appropriate state agencies and private research institutes all available data and information necessary to complete this task. The appropriate state agencies must submit the data and information to the department at the earliest possible date, and private research institutes are encouraged to submit relevant data and information to the maximum extent practicable. The department's effort shall include data and information available through appropriate federal executive branch agencies. To the maximum extent practicable, the department's efforts shall take into consideration current technologies for controlling discharges from oil and gas exploration rigs and production platforms and shall include, but need not be limited to:

(a) Evaluating the probability of a discharge from oil and gas exploration rigs and production platforms.

(b) Evaluating the magnitude of any probable discharge from oil and gas exploration rigs and production platforms.

(c) Evaluating the Gulf of Mexico currents and circulation patterns and the likelihood of any probable discharge's reaching the coastal waters and shorelines of the state.

(d) Evaluating the environmental impacts of any probable discharge on the fish and wildlife resources in the coastal waters of the state.

(2) The department shall 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 this act.

Section 3. This act shall take effect upon becoming a law.