



Underground Storage Tank Program Rulemaking Advisory Committee

Meeting Notes and Committee Recommendations
May 31, 2016

Overview and purpose

Oregon operates an Underground Storage Tank regulation program under the U.S. Environmental Protection Agency's approval. EPA revised their rules effective in 2015 and Oregon must align its rules with the EPA revisions. The current rulemaking will bring Oregon's rules into compliance with the federal rules and will raise the annual UST permit fee.

DEQ is convening an advisory committee to inform this rulemaking. Committee meetings will be held through spring of 2017 to review and provide input about the draft rules. DEQ will finalize the draft rules and present them for public comment once the advisory committee meetings are complete.

The objective of the advisory committee is to provide stakeholders with an opportunity to provide input on technical issues as well as on the fiscal and economic impact of the proposed rules. The committee will discuss and provide input on key program requirements needed to implement the program.

The committee met on May 31, 2016, from 9 a.m. to 2 p.m. in DEQ's Portland Headquarters office. DEQ gave a presentation including program background information, the need for a fee increase and two fee increase options for consideration.

This document includes a summary of the committee's recommendations. The public notice of this proposed rulemaking will also include those recommendations. A summary of the key decisions and recommendations is provided at the end of this document.

Committee members

All committee members attended the meeting in person except where noted:

Name	Affiliation
Paul Romain	Oregon Fuels Association
Brian Doherty	Miller Nash Graham
Jeff Stephens	SME Solutions
Mark Fitz	StarOilco
Donald Goddard	Goddard Energy Company
Greg Toran	Greg Toran LLC
Marjorie MartzEmerson	Pacific NW Pollution Prevention Resource Center
Katie Griffith	Environmental Protection Agency, Region 10
Dennis Bock	Costco (attended via web meeting)

Non-committee members at the meeting

DEQ staff:

Name	Title
Mitch Scheel	UST Policy Analyst
Abby Boudouris	Senior Legislative Analyst
Sandra James	Fiscal Analyst
David Livengood	Hazardous Waste and Tanks Manager

Stakeholders and interested parties:

Name	Affiliation
Trevor Beltz	Northwest Grocery Association
Angie Tomlinson	Oregon Health and Science University

Background of the proposed rules

The Environmental Protection Agency approved Oregon's Underground Storage Tank (UST) program on September 16, 2011. EPA approval of a state program means that requirements in the state's laws and regulations are in effect rather than the federal requirements.

Oregon tank owners and permittees benefit from state program approval (SPA) by having a single set of requirements (Oregon's) enforced in the state, thus eliminating duplication and confusion that can result from having separate state and federal requirements. Oregon's UST Program now operates under an agreement with EPA that clearly delineates EPA's limited role and assures Oregon the lead role in administering and enforcing the program.

EPA's revised UST rules became effective on Oct. 13, 2015 and Oregon has 3 years from that date to comply and reapply for SPA. In this rulemaking, DEQ proposes to align its underground storage tank rules with the federal rules. These changes will enable Oregon to reapply for SPA and continue the lead role in administering and enforcing the program. This rulemaking also includes a proposal to raise the annual UST permit fee.

We are convening an Underground Storage Tank Compliance Rulemaking Advisory Committee to inform this rulemaking. Committee meetings will be held through spring of 2017 to review and provide input about the draft rules.

DEQ will finalize the draft rules and present them for public comment once the advisory committee meetings are complete. We will seek public comment on the list of rules considered for incorporation during the formal public comment period. We will consider all comments before preparing a final rule proposal package the Environmental Quality Commission will consider in late 2017.

Discussion summary

At the beginning of the meeting, DEQ staff explained the need for the advisory committee and gave a presentation on the need and options for a fee increase.

The second part of the discussion summary included other inspection options considered. The following are the main highlights of the committee members' roundtable discussion.

Tank Fee Options:

Option 1 - Flat fee (all UST owners pay same per tank fee)

- The flat fee option would increase the current \$135/tank/year to an adequate amount to maintain the program.
- Committee members expressed concern regarding the burden a fee increase in excess of 100% would place on tank owners, particularly small "Mom and Pop" owners.

Option 2 – Tiered fee based on product throughput

- The tiered fee option creates categories based on a facility's throughput, which is the amount of fuel pumped in gallons annually.

- What will it cost to implement Option 2?
 - How much will it cost to update our current UST Database and Information Technology (IT) services to incorporate Option 2?
 - Committee members agreed this was the best option and promoted equity between tank owners.
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Other Inspection Options Considered:

3rd Party Inspection Program

- Certifying 3rd party inspectors to conduct on-site compliance inspections where inspectors are hired directly by tank owners.
- Committee members did not express a desire for DEQ to further explore this option.

Partner with other State Agencies

- DEQ could partner with other state agencies, such as the Office of State Fire Marshal, which inspects USTs primarily at installation for fire safety issues and the Department of Agriculture Weights and Measures section, which inspects UST facilities to verify the accuracy of their fueling meters.
- Some committee members expressed a desire for DEQ to further explore this option.

The committee had no additional questions for DEQ to address outside this meeting.