



Underground Storage Tank Program Rulemaking Advisory Committee

Meeting Notes and Committee Recommendations
July 13, 2016

Overview and purpose

Oregon operates an Underground Storage Tank regulation program under the U.S. Environmental Protection Agency's approval. In 2015, EPA their final revised rules effective. 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. We will hold committee meetings 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 impacts (e.g. fiscal) of the proposed rules. The committee will discuss and provide input on program requirements needed to implement the program.

The second committee meeting took place on July 13, 2016, from 9:00 a.m. to 11:00 a.m. in DEQ's Portland Headquarters office. We reviewed program background information and the need for a fee increase. Clarification of a previously proposed fee option was given and a new fee option introduced.

This document includes a summary of the committee's recommendations. The public notice of this proposed rulemaking will also include those recommendations. This summary concludes with the committee's decisions and recommendations.

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
Amanda Dalton	Northwest Grocers

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 requirements in the state's laws and regulations are in effect rather than the federal requirements and adequate enforcement of compliance. Oregon tank owners and permittees benefit from state program approval 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 state program approval (SPA). In this rulemaking, we propose 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. We will hold committee meetings 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. Also, we will consider all comments before preparing a final rule proposal package for the Environmental Quality Commission to consider in late 2017.

Discussion summary

At the beginning of the meeting, DEQ staff provided a follow up to a question from the first committee meeting of May 31, 2016 (*See Follow-up question below*). We also reviewed program background, need and options for a fee increase, including a throughput option noted as the preferred option at the May 31, 2016 committee meeting.

The second part of the discussion summary included information on Option 2 (*Tiered fee based on product throughput*) in addition to newly presented material on another proposed tank fee increase.

The following are the main highlights of the committee members' roundtable discussion.

Option 2: Tiered fee based on product throughput

Follow-up questions

Questions pending from the first advisory committee meeting of May 31, 2016:

- How much will it cost to update our current UST database and for Information Technology (IT) services to incorporate Option 2? *DEQ estimates a cost of approximately \$20,000 to update the current UST database and IT services to incorporate Option 2 invoicing modifications.*

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

Option 2: Tiered fee based on product throughput – Throughput a gas tax?

- Oregon Department of Justice advised DEQ that this option may be considered a gas tax, which means any revenue collected could only be used for road construction and maintenance in Oregon.

Fee Option: Fee based on capacity.

- Fee calculated on total capacity of all regulated underground storage tanks (UST) at a UST facility.
- Capacity categories based on known tank sizes in the UST database.
- Committee members agreed this was the best option and promoted equity between tank owners.

DEQ thanked the committee for participating in the meeting.

Meeting was adjourned.