

# **News from the Oklahoma Corporation Commission**

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## **A BALANCED APPROACH**

*Commission approves new fuel equipment rules for Oklahoma's marinas*

(Oklahoma City) Calling them a balanced approach, the Corporation Commission has approved new fuel equipment rules for Oklahoma's marinas. The approval came about four months after the Commission imposed a moratorium on the imposition of other, controversial marina fuel equipment rules.

Commission Chairman Jeff Cloud said the moratorium was needed to give the Commission time to study the need for the rules, and the projected economic impact of such rules on marina operators.

"In April, the Commission imposed the moratorium because disturbing data had come to light suggesting the new rules that were to take effect on July 15th of this year might do more harm than good. The Commission's Petroleum Storage Tanks Division (PST) staff was instructed to move quickly to initiate and complete new economic and environmental studies of the potential impact of those rules," explained Cloud.

"What they found, and what they didn't find, was very disturbing. Not only would the new rules have forced many marinas out of business because of the high cost of compliance, PST staff was unable to find sufficient evidence to justify imposition of many of the rules. In other words, the perceived threats upon which many of the new rules were based simply weren't real. What was real was the devastating economic impact the rules would needlessly have had on Oklahoma's \$617 million dollar lake recreation industry. At the same time, the new rules could actually have caused a greater threat to the environment, by forcing boat owners left without a marina to engage in risky practices in order to transport fuel and fuel their water craft.

"By contrast, the revised rules approved by the Commission are a balanced approach that adequately address the issues of public safety, the environment and economic development," Cloud concluded.

Commission Vice Chair Denise Bode said the process that resulted in the approved rules is the way the regulatory process is supposed to work.

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"Rules shouldn't be formulated in or exist in a vacuum," said Bode. "The PST staff is to be congratulated for taking a 'hands on' approach to the problem. Rather than simply sit in an office and study the matter, staff traveled across the state to get a first hand look at the issue, visiting and inspecting dozens of marinas. They spoke with marina owners

**and others, and encouraged feedback at every step of the way.**

**“I have often been a customer of the marinas,” continued Bode. “They are vital for the public’s use and enjoyment of Oklahoma’s waters. If marinas were forced to close because of onerous and needless rules, we would all lose.**

**“The rules we have approved, unlike the original package, are not based on anecdotal evidence, but rather upon a study of the economic impact resulting from any upgrade of fuel facilities, versus the need to protect Oklahoma’s waters against environmental harm,” continued Bode. “At the same time, the study considered the need to promote Oklahoma’s tourism industry and the job opportunities provided to Oklahomans.”**

**Commissioner Bob Anthony said the issue illustrates the Commission’s mission.**

**“The Commission takes its regulatory responsibility very seriously,” Anthony said. “In this matter, we are charged with ensuring that the fuel sold by marinas is stored and dispensed in such a way so as to protect both public safety and the delicate environment of Oklahoma’s beautiful lakes. But the responsibility doesn’t end there. The Commission must also be extremely careful in all its varied areas of jurisdiction that there is a real, valid need for a given proposed regulation, and that it doesn’t cause more problems than it solves.”**

**The Oklahoma legislature and the Governor must now approve the rules.**

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