Pursuant to 75 O.S. § 303(D) of the Oklahoma Administrative Procedures Act, the Petroleum Storage Tank Division ("PSTD") of the Oklahoma Corporation Commission ("Commission") submits the following Rule Impact Statement for its proposed rules regarding Title 165, Chapter 15 of the Oklahoma Administrative Code ("OAC").

I. **Brief description of the purpose of the proposed rules:**

The purpose of the proposed rules is to make certain definitions consistent with those in other chapters; to add definitions for maintenance and observation well; to strike definitions defined in statute or not otherwise used in the rules; to clarify that a retail facility with aboveground storage tanks must provide a safe means of returning motor fuel used for calibrating dispensers back to the storage tank; and to designate the color of storage tanks that contain E15 motor fuel.

The purpose of the proposed rules is also to clarify that the price of fuel advertised on the store marquee and the price at the dispenser must be the same; to clarify which violations can be immediately turned over to the Commission's Judicial and Legislative Services Division for Formal Enforcement Action; to clarify a storage tank system can be shut down pending correction of a violation or a hearing; and to correct a grammatical error.

Further, the purpose of the proposed rules is to clarify that if an owner disagrees with the fine, the Field Citation instructs the owner regarding appearing at a hearing; to clarify terminology related to a violation of PSTD rules; to strike unnecessary language; to clarify terminology related to a tank system shutdown; and to add language consistent with OAC 165.5.

II. **Description of the classes of persons who most likely will be affected by the proposed rules, including classes that will bear the costs of the proposed rules, and any information on cost impacts received by the agency from any private or public entities:**

The persons most likely to be affected by the proposed rules are owners and operators of storage tanks and regulated entities. The classes affected will bear the cost, if any, of these proposed rules. The proposed rules change operating procedures, practices and requirements.

The PSTD, in its Notice of Proposed Rulemaking, has requested that business entities that are expected to see a cost increase as a result of compliance with the proposed rulemaking provide written comments stating cost impact information to the Commission. All registered storage tank
owners were advised of the Notice of Proposed Rulemaking through GovDelivery subscription. As of the date of preparation of this Rule Impact Statement, the PSTD has received no cost impact statements from any private or public entity. If any such comments are received by the PSTD, they will be considered by Staff.

III. Classes of persons who will benefit from the proposed rules:

The persons benefiting from the proposed rules are members of the public purchasing PSTD regulated substances, regulated entities and owners and operators of storage tank systems doing business within the State.

IV. Description of the probable economic impact of the proposed rules upon affected classes of persons or political subdivisions, including a listing of all fee changes and, whenever possible, a separate justification for each fee change:

PSTD does not believe there will be any economic impact upon affected classes of persons or political subdivisions. The proposed rules do not propose any fee changes.

V. Probable costs and benefits to the agency and to any other agency of the implementation and enforcement of the proposed rules, the source of revenue to be used for implementation and enforcement of the proposed rules, and any anticipated effect on state revenues, including a projected net loss or gain in such revenues if it can be projected by the agency:

There is no expected extra cost for the Commission or any other agency to implement and enforce the proposed rules. The benefit to the agency of these proposed rules will be regulatory efficiency. The source of revenue to be used for implementation and enforcement of the proposed rules will be the Petroleum Storage Tank Indemnity Fund, which is the current source of revenue for compliance. The PSTD receives no appropriated funds for the administration of the petroleum storage tank program. The proposed rules contain no fee changes. There is no anticipated effect on state revenue.

VI. Determination of whether implementation of the proposed rules will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rule:

It is not anticipated that implementation and enforcement of the proposed rules will have an economic impact on any political subdivisions or require their cooperation in implementing or enforcing the rules.
VII. **Determination of whether implementation of the proposed rules may have an adverse economic effect on small business as provided by the Oklahoma Small Business Regulatory Flexibility Act:**

PSTD has considered the possible and potential economic impact of the proposed rules, and it is not anticipated that the proposed rules will have an adverse economic effect on small businesses.

VIII. **Explanation of the measures the agency has taken to minimize compliance costs and a determination of whether there are less costly or nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rules:**

The proposed rules do not increase compliance costs, and there are no nonregulatory methods or less intrusive methods for achieving the purpose of the proposed rules.

IX. **Determination of the effect of the proposed rules on the public health, safety and environment and, if the proposed rules are designed to reduce significant risks to the public health, safety and environment, an explanation of the nature of the risk and to what extent the proposed rules will reduce the risk:**

It is anticipated that the proposed rules will not have an adverse effect on the public health, safety, and environment.

X. **Determination of any detrimental effect on the public health, safety and environment if the proposed rules are not implemented:**

It is anticipated that there will be no detrimental effect on the public health, safety, and environment if the proposed rules are not implemented.

XI. **Date of preparation of Rule Impact Statement:**

This Rule Impact Statement was prepared on the 4th day of October, 2019.

Prepared by:

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