

FILED
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BEFORE THE CORPORATION COMMISSION OF OKLAHOMA

COURT CLERK'S OFFICE - OKC
CORPORATION COMMISSION
OF OKLAHOMA

IN THE MATTER OF A PERMANENT)
RULEMAKING OF THE OKLAHOMA)
CORPORATION COMMISSION) CAUSE NO. RM 201600010
AMENDING OAC 165:16, ANTIFREEZE)

RULE IMPACT STATEMENT

This Rule Impact Statement addresses proposed rule amendments to the Oklahoma Corporation Commission's ("Commission") OAC 165:16 *et seq.*, rules for selling Antifreeze in Oklahoma. This Rule Impact Statement has been prepared in substantial compliance to 75 O.S. 2013, Section 303 (D).

I. PURPOSE OF RULE PROPOSALS

The proposed changes, amendments, additions and revocations include: changes to correct punctuation on a statutory cite; definitional changes to include language requested by the Office of Administrative Rules ("OAR") whenever there are definitions listed in the rules; definitional changes to update and clarify, and to match the language used in OAC Chapters 15, 25, and 26; revisions to applicability of this chapter to include all entities subject to the requirements of Chapter 16 rules; revisions to outline and detail the authority of the Petroleum Storage Tank Division ("PSTD") pertaining to enforcing antifreeze rules; amending the rules to set forth the specific requirements for an application to sell antifreeze in Oklahoma, correcting rule citations, and outlining the guidelines for obtaining antifreeze permits; striking the rule on cancellation of permit because it is already in the statute; amending rules to include the current edition of the standards incorporated within the rules as provided in 75 Okla. Stat. § 251; corrections of the department name responsible for antifreeze rule enforcement; certain grammatical corrections for clarification; revisions to include all entities subject to the rule; revisions to require a copy be provided to PSTD when an antifreeze label changes; revision to clarify what constitutes an offense.

II. CLASSES OF PERSONS WHO WILL MOST LIKELY BE AFFECTED BY THE PROPOSED RULES, INCLUDING CLASSES WHICH WILL BEAR THE COST OF THE PROPOSED RULES, AND INFORMATION ON COST IMPACTS RECEIVED BY THE AGENCY FROM ANY PRIVATE OR PUBLIC ENTITIES

The classes of those affected include manufacturers, packers, sellers, and distributors of antifreeze for sale within the State of Oklahoma.

The Commission in its Notice of Proposed Rulemaking has requested that business entities that are expected to incur an increase in the level of costs as a result of compliance with the proposed rulemaking provide written comments stating cost impact information to the Commission. All permitted sellers of antifreeze within the state

were mailed a postcard advising of the Notice of Proposed Rulemaking. However, as of the date of preparation of this Rule Impact Statement, the Commission has received no cost impact statements from any private or public entity. If any such comments are received by the Commission, they will be considered by Staff at the technical conferences on October 25, 2016, and November 22, 2016, and by the Commission *en banc* at the public hearing on January 24, 2017.

III. CLASSES OF PERSONS BENEFITING FROM THE PROPOSED RULES

The classes benefiting from the amendments include all purchasers of antifreeze for sale within the state. Also, these rule amendments will benefit all manufacturers, packers, sellers, and distributors of antifreeze for sale within the state.

IV. PROBABLE ECONOMIC IMPACT ON AFFECTED CLASSES OF PERSONS, INCLUDING ALL FEE CHANGES WITH JUSTIFICATION

It is anticipated that there will be no adverse economic impact upon the affected parties. The proposed amendments will not adversely impact other political subdivisions of the state.

V. IMPACT ON SMALL BUSINESS

Pursuant to 75 O.S. 2002 Supp., Section 303(D)(2)(g), the Commission has reviewed the possible and potential economic impact of the proposed rule amendments according to the requirements of the Oklahoma Small Business Regulatory Flexibility Act of 2002, 75 O.S. 2002 Supp., Section 501 *et seq.* There should be no adverse impact on small businesses in the State of Oklahoma.

VI. PROBABLE COSTS AND BENEFITS TO THE AGENCY AND TO ANY OTHER AGENCY TO IMPLEMENT AND ENFORCE 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 NET LOSS OR GAIN IN SUCH REVENUES IF IT CAN BE PROJECTED BY THE AGENCY

The Commission anticipated that its current staff is adequate in both number and training to implement the proposed rules, and that there will be no immediate increase in agency expenses as a result of the amendments. There are no other known governmental entities that regulate antifreeze.

VII. ECONOMIC IMPACT ON ANY POLITICAL SUBDIVISIONS OR COOPERATION OF ANY POLITICAL SUBDIVISIONS REQUIRED TO IMPLEMENT OR ENFORCE THE RULES

Political subdivisions (as defined in 75 O.S. 1998 Supp., Section 250.3) that sell antifreeze within the state will have to comply with the proposed rules.

No cooperation of any political subdivision is required to enforce or implement the proposed rules.

VIII. MEASURES THE AGENCY HAS TAKEN TO MINIMIZE COMPLIANCE AND LESS COSTLY OR LESS INTRUSIVE METHODS FOR ACHIEVING THE PURPOSES OF THE PROPOSED RULES

There are no less costly or less intrusive methods for achieving the purpose of the proposed rules.

IX. EFFECT OF THE PROPOSED RULES ON THE PUBLIC HEALTH AND SAFETY AND THE ENVIRONMENT AND, IF THE PROPOSED RULES ARE DESIGNED TO REDUCE SIGNIFICANT RISKS TO THE PUBLIC HEALTH AND SAFETY AND THE ENVIRONMENT, AN EXPLANATION OF THE NATURE OF THE RISK AND TO WHAT EXTENT THE PROPOSED RULES WILL REDUCE THE RISK

The proposed rules will protect the general public from unregulated antifreeze.

X. CONFORMANCE WITH FEDERAL STANDARDS

PSTD is not aware of any federal rules governing the sale of antifreeze.

XI. RISK IF NOT IMPLEMENTED

If the proposed rules are not implemented, the citizens of the state would be less protected from adulterated or misbranded antifreeze.

XII. DATE

This Rule Impact Statement was prepared on the 26th day of September, 2016.

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