

CONFIDENTIAL
LEGISLATIVE BILL REVIEW FORM: 2016

Bill Number: H.531 Name of Bill: Conservation & Development; aboveground storage tanks; inspection; design

Agency/Dept: ANR Author of Bill Review: Joe Benard- Deputy Director

Date of Bill Review: January 12, 2016 Related Bills and Key Players: _____

Status of Bill: (check one)

☒ Upon Introduction ☐ As passed by 1st body ☐ As passed by both bodies

Recommended Position:

☐ Support ☐ Oppose ☒ Remain Neutral ☐ Support with modifications identified in # 8 below

Analysis of Bill

1. **Summary of bill and issue it addresses.** This bill proposes to require the inspection of aboveground storage tanks every 3 years. New fuel oil tanks installed in structures would have to be provided with a drip pan or other secondary containment. If a building owner converts the type of fuel used for home heating purposes the fuel oil tank would have to be removed.
2. **Is there a need for this bill?** Mitigating a Fuel oil leak inside a building is costly and tank inspections by qualified inspectors would likely reduce the number of oil spills. As written on Page 2 (Line 20 and 21) of the Bill "A tank inspector shall be certified under 1.13 of the Vermont Fire & Building Safety Code." Section 1:13 (Certificate of Fitness) Subsections (4)(i) and (4)(j) are both certificates of fitness for the installation, inspection and service of oil burning equipment. A Silver or Gold Certificate from the National Oil Heat Research Alliance (NORA) must be obtained by an individual who engages in the installation, inspection and service of oil burning equipment. NORA certification does not provide education on fuel oil tank inspection. A training/education program would need to be established/administered to ensure the tank inspectors met some standard. *Please explain why or why not.*
3. **What are likely to be the fiscal and programmatic implications of this bill for this Department?**
We do not regulate single family owner occupied homes or farms and this bill seeks to enforce this on home owner. Not sure about the legal authority of imposing this requirement on home owners. There would be minimal programmatic implications on Fire Safety. We would most likely review the rules promulgated by ANR to make sure they are consistent with NFPA Standards which we enforce. NFPA 31, 2012 edition "**Installation of Fuel Burning Equipment**" provides standards for fuel oil tank installations and specifically section 7.12 "**Abandonment and removal from Service of Tanks and Related Equipment** provides an exemption to **allow existing fuel tanks** in buildings provided the existing tank is emptied and vapors purged, the vent pipe remains open and intact, the outside fill pipe capped and filled with concrete, and all other remaining piping , other than the vent pipe capped or sealed. This is just one example where there could exist a conflict between the adopted standards used by industry throughout Vermont. The Division of Fire Safety is currently enforcing the 2011 edition of NFPA 31 and

this bill references the 2004 edition. There are not enough certified fuel oil heating technicians to inspect all the fuel oil tanks and many delivery companies do not hire certified technicians they simply deliver oil.

4. **What might be the fiscal and programmatic implications of this bill for other departments in state government, and what is likely to be their perspective on it?** Not aware of other agencies who would be impacted.
5. **What might be the fiscal and programmatic implications of this bill for others, and what is likely to be their perspective on it?** Although there is a grant program to assist in the removal of tanks if an owner does not qualify or receive a grant the cost to remove the tank could be expensive. Fuel service companies would certainly have a financial stake in this. Tracking the inspections would also be a logistical challenge when considering there are thousands of oil tanks.
6. *(for example, public, municipalities, organizations, business, regulated entities, etc)*
7. **Other Stakeholders:**
 - 6.1 **Who else is likely to support the proposal and why?**
 - 6.2 **Who else is likely to oppose the proposal and why?** May find opposition from the fuel oil companies who just deliver oil.
8. **Rationale for recommendation:** *Justify recommendation stated above.* This bill has little impact on us and if implemented oil spills will likely be reduced. There are a number of logistical issues and questions regarding who is going to enforce this, penalties for noncompliance, how to receive tank inspection certification, and how do you track the inspections.
9. **Specific modifications that would be needed to recommend support of this bill:** *Not meant to rewrite bill, but rather, an opportunity to identify simple modifications that would change recommended position.* The Division of Fire Safety is primarily concerned with making sure the rules/standards are consistent between Fire Safety and ANR so the business community is not receiving mixed messages on how to properly install a fuel oil tank.
9. **Will this bill create a new board or commission AND/OR add or remove appointees to an existing one? If so, which one and how many?** Not aware

Secretary/Commissioner has reviewed this document



Date: 1/29/16