EXHIBIT 2
DATE 3-11-13
HB SB70

Department of Environmental Quality Written Testimony in Support of SB 70

Mr. HALL: Mr. Chairman, members of the Committee, for the record, my name is Mark Hall (that's spelled H-a-l-l), and I'm the supervisor of the Hazardous Materials Section with the Department of Environmental Quality. We oversee the management and cleanup of hazardous waste at facilities subject to the Montana Hazardous Waste Act. We came across this issue as part of the regular review of our statutes and felt it was important to clarify one of the laws that refineries are subject to.

The issue concerns a specific exemption for underground piping connected to aboveground storage tanks at petroleum refineries in Montana. Underground piping connected to aboveground storage tanks are exempt from requirements of the Underground Storage Tank Act if the refinery is engaged in clean up under a Hazardous Waste Management *Permit*. In 1999 the Legislature amended the Montana Hazardous Waste Act to include Section 75-10-425, MCA which allowed DEQ to use another mechanism to accomplish the cleanup of releases: a *Corrective Action Order*. The practical effect of the amendment gives the Hazardous Waste Program the option of using either a permit issued under the authority of 75-10-406, MCA or a Corrective Action order when requiring cleanup at certain hazardous waste facilities.

When the 1999 amendment was made to the hazardous waste statute, a conforming change to Section 75-11-503, MCA should have been made to the exemption for refineries in the underground Storage Tank Act. To date, this matter has not been an issue; however, we want to make sure it does not become one in the future.

We think it is in the interest of the regulated community, the department, and other stakeholders to provide certainty about the scope of regulation. The proposed change to the Tank law is very narrow. It does not create a new regulatory function and does not draw a previously unregulated entity into the mix. The purpose of the bill is to eliminate dual regulation of underground piping connected to above-ground storage tanks at operating

petroleum refineries. The bill does not address active or proposed crude oil pipelines regulated by the state Major Facility Siting Act or the federal Pipeline Hazardous Material Safety Act.

The Department would appreciate a do pass on this bill. I'm happy to answer any questions you have or provide any additional background information you need. I have written testimony that I would like to provide to the Committee Secretary.

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