

## **REGULATORY FLEXIBILITY ANALYSIS** **(FORMERLY SMALL BUSINESS IMPACT STATEMENT)**

### **SECTION A**

**Date: December 21, 2023**

**Agency Submitting Proposed Regulation: Department of Energy and Environmental Protection**

**Proposed Regulation Title: Underground Storage Tank Regulations**

Prior to or concomitant with the posting of a notice pursuant to C.G.S. § 4-168a, as amended by Public Act 16-32, each agency shall prepare a regulatory flexibility analysis. Agencies must complete this document and upload it into the eRegulations System prior to posting the Notice of Intent described in C.G.S. § 4-168(a)(1). This document will automatically publish to [eregulations.ct.gov](http://eregulations.ct.gov) at the time the filing agency posts the Notice of Intent.

Reminder: Pursuant to C.G.S. § 4-168a(c), prior to the adoption of any proposed regulation that may have an adverse impact on small businesses, each agency shall notify the Department of Economic and Community Development and the joint standing committee of the General Assembly having cognizance of matters relating to commerce of its intent to adopt the proposed regulation.

### **Scope and Objectives of the Proposed Regulation (mandatory for all filers):**

The existing Underground Storage Tank (UST) regulations, R.C.S.A. sections 22a-449(d)-1 and 22a-449(d)-101 to 22a-449(d)-113, inclusive, authorized by C.G.S. section 22a-449(d), identify the performance standards for owners and operators of state regulated and federally regulated UST systems. The proposed amendments to the UST regulations seek to modernize and update the UST regulations by adding clarity, consistency, and flexibility for certain existing requirements. These updates are consistent with current technologies and will eliminate outdated standards. Of particular benefit to owners and operators of UST systems is the extension of life expectancy for new tanks and certain existing tanks. Additionally, a new section is being added as a centralized location for notification and recordkeeping requirements and a new administrative civil penalties schedule is being added to R.C.S.A. section 22a-6b-8.

**Please check the appropriate box:**

- ☐ The regulatory action will not have an effect on small businesses. *If you check this box, do not complete SECTION B.*
- ☒ The regulatory action will have an effect on small businesses, but will not have an adverse effect on such small businesses. *If you check this box, complete SECTION B.*
- ☐ The regulatory action may have an adverse effect on small businesses, but no alternatives considered would be both as effective in achieving the purpose of the action and less burdensome to potentially effected small business. *Note: alternatives considered may include those listed in C.G.S. § 4-168a(b)(6). If you check this box, complete SECTION B.*
- ☐ The regulatory action will have an adverse effect on small businesses that cannot be minimized in a manner that is consistent with public health, safety and welfare. *If you check this box, complete SECTION B.*

**SECTION B**

For regulatory actions which affect or may affect small businesses, please provide responses to the following:

**Types of Businesses Potentially Affected by the Proposed Regulation:**

The proposed revisions to the regulations are not intended to adversely impact Connecticut businesses; however, there are revisions to the regulation that may potentially affect certain businesses that have installed certain USTs at certain timeframes in the past or will install certain types of USTs in the future. In general, USTs are installed in a variety of Connecticut businesses, including but not limited to, manufactures, retailers, machine shops, gas stations, print shops, automotive repair shops, cleaners, body shops, heating fuel dealers and trucking/delivery companies.

**Total Number of Small Businesses Potentially Subject to the Proposed Regulation:**

DEEP roughly estimates the universe of small businesses potentially subject to the proposed regulation is approximately 1,417 Connecticut businesses with 3,641 UST facilities and 6,687 USTs subject to Connecticut's UST program.

**Will small businesses, in order to comply with the proposed regulation, have additional requirements as listed in C.G.S. § 4-168a(b)(4)? If so, identify the requirements and provide an explanation for each.**

Under the proposed regulations, all businesses, including small businesses, will have certain requirements in addition to what is currently required under the regulations. UST system owners and operators will be required to conduct an annual inspection to ensure UST system components are in good operating condition in order to prevent spills and releases. Certain UST system components must also be upgraded within specific timeframes provided within the regulations in order to prevent spills and releases. Some of these costs, for example, inspections, will be spread out over time, but more importantly, DEEP expects that these preventative measures will decrease the chances for significant releases with aging USTs, thereby actually saving the UST owners and operators significant costs associated with repairing leaking UST systems, remediating and restoring property.

**Has the agency communicated with small businesses or small business organizations in developing the proposed regulation and the regulatory flexibility analysis, if applicable? If so, to what extent?**

Yes, the Department held a stakeholder outreach presentation on June 30, 2023 and accepted comments and questions about changes the regulated community would like to see included in the amendments to the UST Regulations.

DEEP staff, on a regular basis during inspections, provides compliance assistance to trained Operators of UST systems. DEEP is obligated to interface/inspect all USTs once every 3 years in order to maintain federal funding by USEPA for Connecticut's UST program. DEEP also plans to provide basic information about the proposed revisions and solicit feedback from the public, including but not limited to, small businesses and small business organizations during the public comment period.

**Does the proposed regulation provide alternative compliance methods for small businesses that will accomplish the objectives of applicable statutes while minimizing the adverse impact on small businesses? If so, to what extent?**

The proposed regulation does not provide alternative compliance methods for small businesses. The proposed regulation will apply in the same way to small businesses as it would to all entities affected by the proposed regulation. The federal rules, on which the Department's program is based, does not provide for alternative compliance methods for small businesses.