



MEMO

Coralville, IA

TO: Interested Parties

DATE: August 28, 2002

FROM: Becky Svatos/Stanley Environmental

SUBJECT: New SPCC Regulations

EPA published revisions to the SPCC rules (40 CFR 112) in the Federal Register on July 17, 2002, that became effective on August 16, 2002. These revisions are based on proposals published by EPA in 1991, 1993, 1997, and 1999. The revisions to the rule almost became final at the end of the Clinton administration, but did not make it through. The Bush administration has now decided to issue the final rule. The following summarizes the changes in the rule as well as pertinent information from the Federal Register notice. I have not included all changes in this memo, but have only summarized those changes that I think impact most facilities.

Reorganization of the Rule

Previously, 112.7 required that SPCC Plans follow the order of the requirements in the rule. The revised rule allows you to use other formats (such as an Integrated Contingency Plan) or deviate from the order in the rule as long as you include a cross-reference table in your Plan. The order of the requirements in the revised rule has changed so a plan following the old sequence will have to be cross-referenced to the new sequence. EPA has included a cross-reference table between the old and new rules in the Federal Register (page 47050).

EPA has also divided the SPCC requirements into general requirements applicable to everyone and specific requirements for two classes of oils; animal/fish/vegetable oils and petroleum/non-petroleum oils. At this time, the two requirements for the two classes of oils are identical, but EPA is seeking comment on differing SPCC requirements for the two different classes of oils.

Applicability

The threshold for applicability of the SPCC rules now is aboveground storage of over 1,320 gallons of oil or underground storage of over 42,000 gallons of oil. The threshold of a single aboveground storage container over 660 gallons has been removed. Underground storage tanks that are regulated under 40 CFR 280 or a state program under 40 CFR 281 are now exempt from the SPCC rules.

A minimum container size of 55 gallons has been established. Oil storage in containers less than 55 gallons does not have to be considered when determining the applicability of the SPCC rules. The previous rules applied to oil storage in any size container.

EPA has clarified that oil-filled electrical, operating or manufacturing equipment (such as transformers and hydraulic equipment) with oil capacities of 55 gallons or more must be included when determining the applicability of the SPCC rules. However, these pieces of equipment are excluded from the definition of a bulk storage container. This means you must have some form of secondary containment for them (containment within a building, drainage controls, containment berms, etc.), but do not have to comply with the integrity testing, alarm, and inspection requirements for bulk storage containers.

Wastewater treatment tanks used exclusively for wastewater treatment (purifying water) are now exempt from the SPCC rules although oily wastewater is still included in the definition of an oil. However, oil/water separators with a specific oil storage capacity are still covered by the rules. Any type of treatment tanks used to recover oil or produce oil are also still covered by the SPCC rules.

Definition of an Oil

There were no major changes here although the Federal Register does point out that oil includes all forms – solid or liquid. EPA also clarifies that highly volatile liquids that volatilize on contact with air or water (such as LP gas) are not considered to be oils.

Permanently Closed Tanks

Specific information is provided on what constitutes permanent closure of a tank such that the SPCC rules no longer apply. These requirements include emptying the tank and connecting lines of all oil as well as disconnecting and blanking off connecting lines. EPA said it is allowable to leave a ventilation valve to avoid the buildup of explosive vapors. A sign noting the date of closure must be put on the tank or State documentation of closure inspection must be posted.

Schedule for Implementation

Facilities subject to the new rule must amend their plan, if necessary, within 6 months to comply with the new rules. Another 6 months is allowed to come into compliance with the amended plan. New facilities that become operational more than one year after the effective date of the rule must prepare and implement an SPCC Plan before the facility becomes operational.

PE Certification

The new rule continues to require that SPCC Plans be certified by a licensed professional engineer although they clarify that the PE does not have to be licensed in the state in which the Plan is prepared. As before, the PE does not have to be independent of the facility. A change has been added that allows a technical subordinate to the PE to conduct the required site visit rather than requiring the PE to conduct the site visit. The PE is required to review the work of the subordinate and certify the plan.

SPCC Plan Review and Amendment

The new rules only require review of the SPCC Plan by the owner every 5 years as compared to the current requirement that the plan be reviewed every 3 years. If your Plan had been reviewed in accordance with the previous 3-year requirement, you can wait until 5 years from the last review to conduct another SPCC Plan review. If you were out of compliance with the previous 3-year requirement before the new rule passed, you should review your Plan now and the next review would be in 5 years. The plan must include documentation of the review and suggested language is included in the Federal Register. If there have been no changes at the facility that impact its potential to discharge oil, no PE certification is required at that time. Examples of changes that do not require PE certification are adding the required cross-reference table, telephone numbers, names on lists, and ownership changes. Any time there are changes at your facility that impact its potential to discharge oil, you must amend the SPCC Plan and have a PE certify the amended plan. The rule now states you have 6 months from the date of the review to prepare the amendment and another 6 months to implement the amended plan.

Secondary Containment

The secondary containment requirements are largely unchanged. EPA has clarified that earthen containment floors and dikes may be adequate if there is no potential for oil to migrate through them to groundwater or surface water before the oil is cleaned up. EPA has also stated that they consider sufficient freeboard for precipitation to be the amount of precipitation in a 25-year, 24-hour storm. This is different than the 110% of storage capacity guideline that was previously widely used. However, this freeboard amount has not been added to the rule as a requirement and the SPCC Plan can document why other freeboard capacities are adequate.

Facility Diagram

Although most SPCC Plans previously included a facility diagram, it is now a requirement. This diagram must show the locations of all fixed containers with capacities of 55 gallons or more, including information on their contents. Areas where mobile containers are used must also be shown. Underground storage tanks and other containers, even if they are exempt from SPCC requirements, must also be shown on the diagram.

Method of Disposal

The method of disposal to be used for materials recovered from a spill must now be given in the SPCC Plan. If you have an agreement with a cleanup contractor, that must be mentioned in the Plan as well as information on whether you have a formal contractual arrangement with them.

Spill Reporting Information

SPCC Plans must now include spill reporting procedures, names and numbers of who to call, and a list of the information that must be reported.

Integrity Testing

EPA has tightened this requirement. The previous rule listed a number of methods that could be used, including visual inspection. EPA is now requiring that; in addition to visual inspection; hydrostatic, radiographic, ultrasonic, acoustic emissions or other non-destructive testing be conducted on a regular basis and whenever repairs are made to the tank. In addition to integrity testing, frequent observation of the outside of the container for signs of deterioration, leaks, or accumulation of oil in secondary containment is required. Integrity testing is required even if the container is inside a building. EPA references API Standard 653 in the Federal Register as appropriate to meet this requirement. This requirement only applies to bulk storage containers so oil-filled electrical, operating, or manufacturing equipment are excluded from this requirement.

Overfill Protection

EPA has made it a requirement to have some type of device to prevent tank overfilling. The previous rules said these devices should be 'considered', but it is now required. You must provide at least a high liquid level alarm, high liquid level pump cutoff, direct audible or code signal between the tank and pumping station, or a fast response system for determining the liquid level (digital computer, telepulse, or direct vision gauge). If you use a fast response system, a person must be present to monitor gauges and filling of the containers. This requirement only applies to bulk storage containers so oil-filled electrical, operating, or manufacturing equipment are excluded from this requirement.

Recordkeeping

Records required by the SPCC Plan are no longer required to be kept 'in' the Plan, but can be kept 'with' the Plan. Usual and customary business records covering inspections, tests, etc. are adequate to fulfill the recordkeeping requirements. If your SPCC Plan is available to employees electronically, you must keep a hard copy available in case of a power outage. SPCC records must be retained for at least 3 years.

Training

EPA has clarified training requirements. All oil-handling personnel (not all employees) must be trained at least annually. SPCC training can be combined with other required training. Documentation of the training must be retained for at least 3 years.

Security

EPA is now requiring that facilities handling, processing, or storing oil must be fully fenced. When the facility is not in production or is unattended, the fence must be locked or the entrance gates guarded.

Loading/Unloading

EPA has reiterated that containment is required for the entire contents of the largest compartment of a tank car or tank truck that is loading or unloading oil at a facility covered by the SPCC rules. If you cannot comply with this requirement, you must prepare a contingency plan. A vehicle brake interlock system or wheel chocks have been added to the list of appropriate warning systems for loading/unloading areas.

Brittle Fracture Evaluation

Because of the catastrophic failure of Ashland Oil's 4-million-gallon tank in 1988, EPA has added a requirement that all field-constructed aboveground containers be evaluated for brittle fracture if they undergo repairs, alterations, or changes in service. The Federal Register references API Standard 653 as appropriate in this case.