

HOUSE COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Testimony on House Bill No. 2743, Relating to Underground Storage Tanks

Hearing Date and Time: February 4, 2015, 8:00 a.m.

**Testimony by Captain Dean Tufts, CEC, USN, on behalf of Navy Region Hawaii,
Regional Engineer, at Joint Base Pearl Harbor-Hickam**

Chair Lee, Vice-Chair Lowen, and Representatives:

Good morning and thank you for the opportunity to testify. My name is Captain Dean Tufts and I am the Regional Engineer for Navy Region Hawaii. Although we support the intent of this bill to protect underground sources of drinking water, the Navy opposes certain parts of the bill and encourages this committee to either defer action on the matter, or in the alternative, to revise certain provisions of the bill.

As many of you know, most of the large underground storage tanks in the State are part of the Red Hill Bulk Fuel Storage Facility. The Red Hill Facility is owned and operated by the U.S. Navy near Pearl Harbor. In coordination with the State Department of Health (DOH) and the U.S. Environmental Protection Agency (EPA), the Navy and the Defense Logistics Agency (DLA) entered into an Administrative Order on Consent and associated Statement of Work (Order) in September of 2015. The Order calls for improvements to the Red Hill Facility and addresses additional measures to protect groundwater resources near the Facility. The Order also includes an inclusive process to study and implement new technologies for the Red Hill tanks. The Order recognizes that the Red Hill tanks are unique. For that reason, a careful and deliberate process was established to ensure that any new technologies for leak detection and corrosion protection would be evaluated and implemented in a manner that was both effective and protective of human health and the environment.

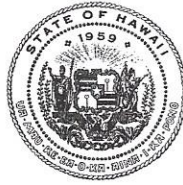
While we recognize and support the goals of the State Legislature to prevent the release of petroleum into the environment, portions of this bill, if enacted, could undermine the efforts of the Navy and DLA to accomplish the tasks that were agreed upon with the EPA and DOH and made enforceable under the Order. In particular, Section 2 of the bill requires DOH to adopt rules “requiring the installation of release prevention systems in all metal underground storage tanks.” That Section further states: “Release prevention systems include but are not limited to low level leak detection, corrosion prevention of metal surfaces, and any other methods designed to prevent releases from existing underground storage tank or tank systems in a manner consistent with the protection of human health and the environment.”

Our concern is that a requirement mandating the installation of a particular release prevention system or technology may not be effective or feasible for the Red Hill tanks, and could interfere with or delay the process established in the Order. While certain leak detection technologies or corrosion prevention measures might work for typical underground storage tanks at a gas station, those same measures might not work for much larger tanks, such as those at the Red Hill Facility. For example, some technologies such as cathodic protection are not practicable for the Red Hill tanks due

to their construction features. Because of this, the parties to the Order have created a comprehensive process to evaluate and implement release detection technologies that will be reviewed and approved by EPA and DOH as part of an enforceable Administrative Order. The process under the Order goes beyond what is currently required under federal law, and it ensures that final requirements are achievable at the Red Hill Facility.

Ultimately, the Navy supports the adoption of the federal rules for underground storage tanks as State regulation. However, we oppose any new State rules that might be inconsistent with, or contrary to, the goals and processes that were agreed to by the parties, and made enforceable by EPA and DOH, under the Order,. We therefore encourage this committee to defer action on this matter, or in the alternative, allow us to propose amendments in the coming days or weeks that would ensure consistency with the negotiated Order for Red Hill that was signed in September of 2015.

Thank you for the opportunity to testify on this bill.



STATE OF HAWAII
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**Testimony in OPPOSITION to H.B. 2743
Relating to Underground Storage Tanks**

REPRESENTATIVE CHRIS LEE, CHAIR
COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Hearing Date: February 4, 2016
Time: 8:00 am

Room Number: 325

1 **Fiscal Implications:** None

2 **Department Testimony:** The Department opposes this measure as it is unnecessary.

3 Currently, the Department rules require tank owners and operators to have 1) release
4 detection, 2) spill and overfill equipment, and 3) corrosion protection for all new and existing
5 tanks. It also requires installation of secondary containment with interstitial monitoring for new
6 and replaced tanks and piping, under dispenser containment and annual testing of spill buckets.
7 The latest Environmental Protection Agency's rules that were amended in July 2015 require 1)
8 overfill prevention equipment inspection, 2) walk through inspections, and 3) demonstration of
9 fuel compatibility.

10 The Department will incorporate these federal changes into their rules in the next round
11 of rulemaking. The Department has until 2018 to submit a revised State Program Approval
12 package.

13 Thank you for the opportunity to testify on this measure.

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BOARD OF WATER SUPPLY

CITY AND COUNTY OF HONOLULU
630 SOUTH BERETANIA STREET
HONOLULU, HI 96843



February 4, 2016

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ELLEN E. KITAMURA, P.E.
Deputy Manager and Chief Engineer

The Honorable Chris Lee, Chair
and Members
Committee on Energy and Environmental Protection
House of Representatives
Hawaii State Capitol, Room 325
Honolulu, Hawaii 96813

Dear Chair and Members:

Subject: House Bill 2743: Relating to Underground Storage Tanks

We strongly support House Bill 2743. This bill strengthens Hawaii statutes by specifying the installation, operation, maintenance and inspection of fuel release prevention systems for all underground fuel storage tanks. It also requires state rule consistency with federal standards and the implementation of those rules for all underground tanks regardless of type, size and condition. We feel the bill provides clarity and specificity to state rules that will help protect our drinking water aquifers from the impacts of leaking underground fuel tanks.

The Board of Water Supply is very concerned about the threats of leaking underground fuel tank releases on Oahu's irreplaceable Manager and Chief Engineer on the Red Hill Fuel Storage Facility indicate past fuel releases have already contaminated the groundwater and soil underneath the Facility with petroleum hydrocarbons. Strong state regulations governing underground fuel tanks is in the best interest of our state and will help protect our most precious resource – the groundwater aquifer – now and into the future.

Thank you for the opportunity to testify.

Very truly yours,

ERNEST Y. W. LAU, P.E.
Manager and Chief Engineer



**Conservation Council
for Hawai'i**

Hawai'i's voice for wildlife

Kō Hawai'i leo no nā holoholona lōhiu



Testimony Submitted to the House Committee on Energy and Environmental Protection
Hearing: Thursday, February 4, 2016 8 am
Conference Room 325

In Support of HB 2743 Relating to Underground Storage Tanks

Chair Lee, Vice Chair Lowen, and Members of the Committee.

Aloha. Conservation Council for Hawai'i supports HB 2743 provided the federal regulations are as stringent as possible and based on the best technology available. HB 2743 requires the state Department of Health to implement standards consistent with federal regulations for the installation, operation, maintenance, and inspection of release prevention systems for all metal underground storage tanks and tank systems.

The Navy should be paying the full cost of monitoring and mitigating the effects of the fuel storage facility by independent objective parties. We question why the State did not include such funding requirements in the Administrative Order on Consent in 2015.

Furthermore, the State and the EPA gave the Navy 20 years to fix the leaking fuel storage tanks, so this will be an ongoing and enormous cost to the citizens of Hawai'i. The Navy clearly has the funding to monitor and mitigate the effects of its fuel storage tanks and replace the tanks using the best technology available, but it refuses to do so. Something is not right here.

The Navy cannot be trusted to ensure its operations do not harm our land, waters, and natural resources. The Navy has a terrible stewardship record in Hawai'i, including Kaho'olawe (it never paid for its contamination of the island and thorough clean-up), wildlife interactions and conflicts at the Pacific Missile Range Facility on Kaua'i, its continued strafing of Ka'ula Islet to the southwest of Ni'ihau, and its failure to protect seabirds, monk seals, and other native wildlife on Ka'ula, including predator control of rodents. The failure to prevent contamination of our groundwater by leaking fuel at Red Hill is just the most recent example of the Navy's poor stewardship and failure its failure to protect the environment.

Please support HB 2743 and keep our groundwater resources safe.

Mahalo nui loa for the opportunity to testify.

Marjorie Ziegler

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SIERRA CLUB OF HAWAI'I

MĀLAMA I KA HONUA. *Cherish the Earth.*

LATE

House COMMITTEE ON ENERGY AND ENVIRONMENTAL PROTECTION

Thursday February 4, 2016 8AM Room 325

In Support HB2743 Relating to Underground Storage Tanks

Aloha Chairman Lee and members of the House EEP Committee,

On behalf of our 12,000 members and supporters, the Sierra Club of Hawai'i **strongly supports** HB2743 to minimize the risk of saltwater inundation to underground storage tanks.

The Sierra Club supports the bill's findings that underground storage tanks without adequate leak prevention systems are a risk to our groundwater resources.

The Sierra Club urges this Committee to move this measure forward. Thank you for the opportunity to testify on this measure.

Mahalo,

Martha Townsend
Director