

Storage Tank Registration Project Proposal

PROBLEM STATEMENT

Registration is mandatory for businesses that use fuel tanks and it is vital to allow them to conduct regular day to day activities. The registration of storage tanks within the Province of Alberta was administered by Petroleum Tank Management Association of Alberta; they discontinued the service on August 31, 2020. All accredited municipalities are now responsible for carrying out this requirement of the National Fire Code 2019 – (Alberta Edition). The City of Edmonton is an accredited municipality and therefore responsible for creating and maintaining a registration process for storage tanks within its jurisdiction.

This will require an amendment to Schedule B of City of Edmonton Bylaw 15309 Fire Rescue Services Bylaw, to allow fees for the registration to be administered.

BACKGROUND INFORMATION

As per the National Fire Code, Alberta Edition, all storage tanks 2500L or greater, must obtain an annual operating permit to remove, install or alter fuel tanks, including receiving or dispensing fuel. Most common products such as gasoline and diesel fuel fall within this classification system. The majority of these tanks are owned by large oil companies and they are responsible for the permit application and fees. (The large oil companies lease the sites out to the operator.)

Under the National Fire Code – Alberta Edition (NFC (AE)) 4.3.1.9(2.):

- Except for storage tanks being withdrawn from service in accordance with Subsection 4.3.15. and 4.3.16., no person shall deliver or remove flammable liquids or combustible liquids to or from a storage tank, unless (a) the storage tank is registered in accordance with Article 2.2.5.2. of Division C, and (b) the registration certificate is displayed as required by Sentence 2.2.5.2.(5) of Division C.
- Division C 2.2.5.2.(1) No person shall use a storage tank unless the tank is registered under this article.

GOAL

Implement Storage Tank registration as required by the National Fire Code, Alberta Edition 4.3.1.9(2) within the City of Edmonton.

ENVIRONMENTAL CONSIDERATIONS

Considerations must be made in regards to the potential environmental impacts pertaining to the storage and transferring of fuel. These potential impacts include contamination to soil, groundwater, surface water and infrastructure including drainage systems and adverse repercussions on public and environmental health. Controls such as inspections are implemented for multiple purposes including environmental compliance, pollution prevention and to ensure the integrity and maintenance of storage tanks. The owners of fuel tanks are responsible for reporting spills and preparing an emergency preparedness plan to contain and clean up the release.

The City's Environmental Management Systems referred to as Enviso, manages the risk and opportunities generated by activities, products and services performed by city staff. Potential spill and releases of petroleum products have been evaluated as a significant environmental aspect that requires operational controls to mitigate the risk. A clause of the Environmental Policy C512 referred to as compliance obligation is to ensure all legal requirements as stipulated in federal, provincial and municipal approvals, licenses and permits are achieved. A fuel tank permit has many requirements that adhere in accordance with the National Fire Code – 2019 Alberta Edition to ensure compliance and reduce the risk of environmental liability.

VIABLE OPTIONS

Recommended option:

1. Yearly storage tank registration, as per National Fire Code – 2019 Alberta Edition
 - a. \$75 registration fee (aligns with past provincial fees)
 - b. Quality Management Plan scheduled inspections, as per risk matrix

Alternative option:

2. Yearly storage tank registration, as per National Fire Code – 2019 Alberta Edition
 - a. \$75 registration fee (aligns with past provincial fees)
 - b. Yearly inspection with an additional fee (as per Schedule A, 1, i), which would fall out of the regular Quality Management Plan inspections

BENEFITS AND DISADVANTAGES OF EACH OPTION

1. Yearly storage tank registration, as per National Fire Code – 2019 Alberta Edition
 - a. \$75 registration fee (aligns with past provincial fees)
 - b. Quality Management Plan scheduled inspections, as per risk matrix

Benefits

- No increase in fees to the operator; fees are consistent with past provincial fees.
- Program can be administered within the current Fire Rescue Services capacity.
- Revenue source for Fire Rescue Services, up to \$145,000.00
- Additional enforcement authorities.
- All changes to the use of the tanks will be updated yearly, to ensure environmental regulation compliance. (Unused or improperly registered tanks must be removed as per National Fire Code – 2019 Alberta Edition)
- Fire Rescue Services ensure operators meet the requirements of the National Fire Code.

Disadvantages

- Tanks will only be inspected as per an inspection matrix which would mean periods of two or more years between inspections.
2. Yearly storage tank registration, as per National Fire Code – 2019 Alberta Edition
 - a. \$75 registration fee (aligns with past provincial fees)
 - b. Yearly inspection with an additional fee (as per Schedule A, 1, i), which would fall out of the regular Quality Management Plan inspections.

Benefits

- All changes to the use of the tanks will be updated yearly, to ensure environmental regulation compliance. (Unused or improperly registered tanks must be removed as per National Fire Code – 2019 Alberta Edition)
- Revenue source for Fire Rescue Services, up to \$145,000.00
- Additional enforcement authorities.
- Storage tank sites will be visited every year compared to the current Quality Management Plan which allows two or more years between inspections.
- Fire Rescue Services ensure operators meet the requirements of the National Fire Code – 2019 Alberta Edition.

Disadvantages

- Additional fee for inspection.
- Program cannot be administered within current Fire Rescue Services capacity; additional staffing would be required to do yearly inspections.

FEES

It is recommended that the registration fee remain at \$75 per tank, which includes registration and Quality Management Plan schedule inspection fee, as per the past Alberta Safety Codes Authority fee schedule. It is recommended that after the first year of administering the program, fees be re-examined, depending on the services delivery capacity of Fire Rescue Services.

ASSUMPTIONS AND CONSTRAINTS

- There will be minimal stakeholder impact as businesses are accustomed to this fee.
- Most tank owners are large corporations so the fee will not be an undue burden.
- Potential yearly revenue of \$145,000.00
- The fees charged will reflect the additional and reprioritization of work that the provincial entity is no longer doing and will offset program costs.
- If POSSE cannot be updated internally, the record system may need to be updated by a third party to better track and support the process which will incur a cost.

SCHEDULE

Approval is preferred as soon as possible. The previous program has expired and Fire Rescue Services has issued a letter which allows fuel tanks registered before June of 2020 to use the existing registration until the end of 2020. Another letter will be issued to extend to June 1, 2021.