

Exhibit G

QUESTIONNAIRE FOR FILING PROPOSED RULES AND REGULATIONS WITH THE ARKANSAS LEGISLATIVE COUNCIL AND JOINT INTERIM COMMITTEE

DEPARTMENT/AGENCY Arkansas Department of Environmental Quality
DIVISION Regulated Storage Tanks
DIVISION DIRECTOR Joe Hoover
CONTACT PERSON Lorielle Gutting
ADDRESS 5301 Northshore Drive, North Little Rock, AR 72118-5317
PHONE NO. 501-682-0884 FAX NO. 501-682-0891 E-MAIL gutting@adeq.state.ar.us
NAME OF PRESENTER AT COMMITTEE MEETING Teresa Marks
PRESENTER E-MAIL marks@adeq.state.ar.us

INSTRUCTIONS

- A. Please make copies of this form for future use.
- B. Please answer each question completely using layman terms. You may use additional sheets, if necessary.
- C. If you have a method of indexing your rules, please give the proposed citation after "Short Title of this Rule" below.
- D. Submit two (2) copies of this questionnaire and financial impact statement attached to the front of two (2) copies of the proposed rule and required documents. Mail or deliver to:

Donna K. Davis
Administrative Rules Review Section
Arkansas Legislative Council
Bureau of Legislative Research
One Capitol Mall, 5th Floor
Little Rock, AR 72201

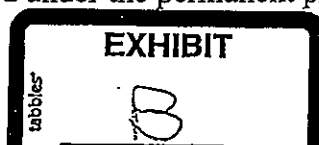
Arkansas Pollution Control and Ecology Commission Regulation

1. What is the short title of this rule? Number 12: Storage Tanks
2. What is the subject of the proposed rule? Regulated Storage Tanks
3. Is this rule required to comply with a federal statute, rule, or regulation? Yes No
If yes, please provide the federal rule, regulation, and/or statute citation. N/A
4. Was this rule filed under the emergency provisions of the Administrative Procedure Act? Yes No
If yes, what is the effective date of the emergency rule? N/A

When does the emergency rule expire? N/A

Will this emergency rule be promulgated under the permanent provisions of the Administrative Procedure Act?

Yes No



5. Is this a new rule? Yes No
If yes, please provide a brief summary explaining the regulation. N/A

Does this repeal an existing rule? Yes No
If yes, a copy of the repealed rule is to be included with your completed questionnaire. If it is being replaced with a new rule, please provide a summary of the rule giving an explanation of what the rule does. N/A

Is this an amendment to an existing rule? Yes No
If yes, please attach a mark-up showing the changes in the existing rule and a summary of the substantive changes. **Note: The summary should explain what the amendment does, and the mark-up copy should be clearly labeled "mark-up."**

6. Cite the state law that grants the authority for this proposed rule? If codified, please give the Arkansas Code citation. Act 809 of 2011 and Act 406 of 2013. Codified at Ark. Code Ann. §§8-7-907 and 8-7-908

7. What is the purpose of this proposed rule? Why is it necessary? To implement Act 809 of 2011 and Act 406 of 2013.

8. Please provide the address where this rule is publicly accessible in electronic form via the Internet as required by Arkansas Code § 25-19-108(b). http://www.adeq.state.ar.us/regs/drafts/draft_regs.htm

9. Will a public hearing be held on this proposed rule? Yes No

If yes, please complete the following:

Date: Monday, March 10, 2014

Time: 2:00 p.m.

Commission Room,
Arkansas Department of Environmental
Quality

5301 Northshore Drive

Place: North Little Rock, AR 72118

10. When does the public comment period expire for permanent promulgation? (Must provide a date.)

March 24, 2014 at 4:30 p.m.

11. What is the proposed effective date of this proposed rule? (Must provide a date.)

May 5, 2014

12. Do you expect this rule to be controversial? Yes No

If yes, please explain. N/A

13. Please give the names of persons, groups, or organizations that you expect to comment on these rules?
Please provide their position (for or against) if known.

Arkansas Oil Marketers Association (for); Arkansas Environmental Federation (for).

FINANCIAL IMPACT STATEMENT

PLEASE ANSWER ALL QUESTIONS COMPLETELY

DEPARTMENT Arkansas Department of Environmental Quality
DIVISION Regulated Storage Tanks
PERSON COMPLETING THIS STATEMENT Lorielle Gutting
TELEPHONE NO. 501-682-0884 **FAX NO.** 501-682-0891 **EMAIL:** gutting@adeq.state.ar.us

To comply with Ark. Code Ann. § 25-15-204(e), please complete the following Financial Impact Statement and file two copies with the questionnaire and proposed rules.

SHORT TITLE OF THIS RULE Arkansas Pollution Control and Ecology Commission Regulation Number 12: Storage Tanks

- 1. Does this proposed, amended, or repealed rule have a financial impact? Yes No
- 2. Is the rule based on the best reasonably obtainable scientific, technical, economic, or other evidence and information available concerning the need for, consequences of, and alternatives to the rule? Yes No
- 3. In consideration of the alternatives to this rule, was this rule determined by the agency to be the least costly rule considered? Yes No

If an agency is proposing a more costly rule, please state the following:

- (a) How the additional benefits of the more costly rule justify its additional cost;
N/A
- (b) The reason for adoption of the more costly rule;
N/A
- (c) Whether the more costly rule is based on the interests of public health, safety, or welfare, and if so, please explain; and;
N/A
- (d) Whether the reason is within the scope of the agency's statutory authority; and if so, please explain.
N/A

4. If the purpose of this rule is to implement a federal rule or regulation, please state the following:

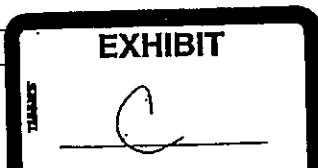
(a) What is the cost to implement the federal rule or regulation?

Current Fiscal Year

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____



Total 0

Total 0

(b) What is the additional cost of the state rule?

Current Fiscal Year

Next Fiscal Year

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

General Revenue _____
Federal Funds _____
Cash Funds _____
Special Revenue _____
Other (Identify) _____

Total 0

Total 0

5. What is the total estimated cost by fiscal year to any private individual, entity and business subject to the proposed, amended, or repealed rule? Identify the entity(ies) subject to the proposed rule and explain how they are affected.

Current Fiscal Year

Next Fiscal Year

\$ 0

\$ 0

Owners and operators of regulated storage tanks are not required to take any additional actions to comply with these changes, but may elect to take advantage of the additional flexibility that is provided to them.

6. What is the total estimated cost by fiscal year to state, county, and municipal government to implement this rule? Is this the cost of the program or grant? Please explain how the government is affected.

Current Fiscal Year

Next Fiscal Year

\$ 0

\$ 0

N/A. ADEQ intends to use its existing staff and resources to implement the proposed changes to the rule.

7. With respect to the agency's answers to Questions #5 and #6 above, is there a new or increased cost or obligation of at least one hundred thousand dollars (\$100,000) per year to a private individual, private entity, private business, state government, county government, municipal government, or to two (2) or more of those entities combined?

Yes No

If YES, the agency is required by Ark. Code Ann. § 25-15-204(e)(4) to file written findings at the time of filing the financial impact statement. The written findings shall be filed simultaneously with the financial impact statement and shall include, without limitation, the following:

(1) a statement of the rule's basis and purpose;

(2) the problem the agency seeks to address with the proposed rule, including a statement of whether a rule is required by statute;

(3) a description of the factual evidence that:

- (a) justifies the agency's need for the proposed rule; and
 - (b) describes how the benefits of the rule meet the relevant statutory objectives and justify the rule's costs;
- (4) a list of less costly alternatives to the proposed rule and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (5) a list of alternatives to the proposed rule that were suggested as a result of public comment and the reasons why the alternatives do not adequately address the problem to be solved by the proposed rule;
- (6) a statement of whether existing rules have created or contributed to the problem the agency seeks to address with the proposed rule and, if existing rules have created or contributed to the problem, an explanation of why amendment or repeal of the rule creating or contributing to the problem is not a sufficient response; and
- (7) an agency plan for review of the rule no less than every ten (10) years to determine whether, based upon the evidence, there remains a need for the rule including, without limitation, whether:
- (a) the rule is achieving the statutory objectives;
 - (b) the benefits of the rule continue to justify its costs; and
 - (c) the rule can be amended or repealed to reduce costs while continuing to achieve the statutory objectives.

**ECONOMIC IMPACT STATEMENT
OF PROPOSED RULES OR REGULATIONS
EO 05-04 and Act 143 of 2007: Regulatory Flexibility**

Department Arkansas Department of Environmental Quality

Divisions Regulated Storage Tanks Division

Contact Person Joe Hoover Date January 24, 2014

Contact Phone 501.682.0988

Contact Email: hoover@adeq.state.ar.us

Title or Subject: Arkansas Pollution Control and Ecology Commission Regulation No. 12: Storage Tanks.

Benefits of the Proposed Rule or Regulation

1. Explain the need for the proposed change(s). Did any complaints motivate you to pursue regulatory action? If so, Please explain the nature of such complaints.
The proposed amendments incorporate changes in state law based on Act 809 of 2011 and Act 406 of 2013. No complaints were involved.
2. What are the top three benefits of the proposed rule or regulation?
The top benefits of the proposed changes allow for transfers of eligibility for Petroleum Storage Tank Trust Fund reimbursement from an owner or operator to a subsequent owner or operator, allow lenders and secured creditors to receive payments for corrective action in certain circumstances, and establish procedures for payment of corrective action equipment costs.
3. What, in your estimation, would be the consequence of taking no action, thereby maintaining the status quo?
Storage tank regulations would no longer conform to and would possibly conflict with state law, causing confusion among entities that may be affected by the new laws.
4. Describe market-based alternatives or voluntary standards that were considered in place of the proposed regulation and state the reason(s) for not selecting those alternatives.
N/A

Impact of Proposed Rule or Regulation

5. Estimate the cost to state government of collecting information, completing paperwork, filing recordkeeping, auditing and inspecting associated with this new rule or regulation.
ADEQ intends to use its existing staff and resources to implement the proposed changes.
6. What types of small businesses will be required to comply with the proposed rule or regulation? Please estimate the number of small businesses affected.
Only small businesses owning or operating regulated storage tanks will be affected. The estimated number of small businesses affected is 1,500.
7. Does the proposed regulation create barriers to entry? If so, please describe those barriers and why those barriers are necessary.
No.

8. Explain the additional requirements with which small business owners will have to comply and estimate the costs associated with compliance.

The proposed requirements are generally permissive, providing less restrictive options than current requirements. Small businesses are not required to take any additional actions to comply with these changes, but may elect to take advantage of the additional flexibility that is provided to them. There are no required costs for small businesses.

9. State whether the proposed regulation contains different requirements for different sized entities, and explain why this is, or is not, necessary.

The requirements are the same for entities of all sizes.

10. Describe your understanding of the ability of small business owners to implement changes required by the proposed regulation.

The proposed changes do not add any additional requirements to small business owners.

11. How does this rule or regulation compare to similar rules and regulations in other states or the federal government?

The proposed requirements are generally not addressed in federal regulations. Other states have similar rules and regulations.

12. Provide a summary of the input your agency has received from small business or small business advocates about the proposed rule or regulation.

The department requested and received input regarding the proposed changes from various environmental, financial, and industry organizations representing both large and small businesses. Based on the input from these groups, the department believes most business entities of all sizes will support the proposed changes to regulation.

**ARKANSAS POLLUTION CONTROL & ECOLOGY
COMMISSION
ECONOMIC IMPACT/ENVIRONMENTAL BENEFIT
ANALYSIS**

Rule Number & Title: Regulation No. 12 – Storage Tanks

Petitioner: Arkansas Department of Environmental Quality,
Regulated Storage Tanks Division

Contact/Phone/Electronic mail: Joe Hoover
(501) 682-0988
hoover@adeq.state.ar.us

2A. ECONOMIC IMPACT

1. Who will be affected economically by this proposed rule? State: a) the specific public and/or private entities affected by this rulemaking, indicating for each category if it is a positive or negative economic effect; and b) provide the estimated number of entities affected by this proposed rule.

a) Owner and operators of regulated storage tanks which have experienced releases of regulated substances to the environment will have a neutral or positive economic impact as a result of the proposed rules.

b) An estimated two owners or operators of regulated storage tanks may be impacted annually by the proposed rule.

Sources and Assumptions: Act 806 of 2011 and Act 406 of 2013

2. What are the economic effects of the proposed rule? State: 1) the estimated increased or decreased cost for an average facility to implement the proposed rule; and 2) the estimated total cost to implement the rule. 1) None. 2) There is no cost to owners or operators to implement this rule.

Sources and Assumptions: The proposed changes are permissive and do not require mandatory efforts for affected entities to comply.

3. List any fee changes imposed by this proposal and justification for each. None

4. What is the probable cost to ADEQ in manpower and associated resources to implement and enforce this proposed change, and what is the source of revenue supporting this proposed rule?

ADEQ anticipates that it will use its existing manpower and associated resources to implement and enforce the proposed change.

Sources and Assumptions:

5. Is there a known beneficial or adverse impact to any other relevant state agency to implement or enforce this proposed rule? Is there any other relevant state agency's rule that could adequately address this issue, or is this proposed rulemaking in conflict with or have any nexus to any other relevant state agency's rule? Identify state agency and/or rule.

None.

Sources and Assumptions:

6. Are there any less costly, non-regulatory, or less intrusive methods that would achieve the same purpose of this proposed rule?

No.

Sources and Assumptions:

2B. ENVIRONMENTAL BENEFIT

1. What issues affecting the environment are addressed by this proposal?

The proposed changes are based on Act 809 of 2011 and Act 406 of 2013; other changes proposed are administrative in nature and do not change the current level of protection of the environment. The proposed changes regarding payments from the Petroleum Storage Tank Trust Fund may serve as an incentive to subsequent owners and operators for conducting corrective action at regulated substance release sites.

2. How does this proposed rule protect, enhance, or restore the natural environment for the well being of all Arkansans?

The proposed changes based on Act 809 of 2011 and Act 406 of 2013 and the other changes proposed are administrative in nature and do not change the current level of protection of the environment.

Sources and Assumptions: Act 809 of 2011 and Act 406 of 2013.

3. What detrimental effect will there be to the environment or to the public health and safety if this proposed rule is not implemented?

None.

Sources and Assumptions:

4. What risks are addressed by the proposal and to what extent are the risks anticipated to be reduced?

None.

Sources and assumptions:

APC&EC Regulation No. 12

Proposed Amendments – Executive Summary

The Arkansas Department of Environmental Quality proposes this rulemaking before the Arkansas Pollution Control and Ecology Commission to incorporate statutory changes passed by the General Assembly that amend various provisions of the Petroleum Storage Tank Trust Fund Act, Ark. Code Ann. § 8-7-901 *et seq.*, particularly Act 809 of 2011 and Act 406 of 2013.

The proposed rulemaking defines “de minimis concentration” as it relates to blended material contained within storage tanks and clarifies registration requirements for storage tanks. Further, the proposed rulemaking is to establish regulations for the reimbursement of equipment costs, the transfer of trust fund eligibility, and reimbursement to lenders or secured creditors under the Petroleum Storage Tank Trust Fund.

Remaining changes include minor stylistic revisions and formatting changes that will make the regulation consistent with the formatting guidelines of the Commission.

A public hearing was conducted Monday, March 10, 2014 in North Little Rock. The period for receiving all written comments concluded March 24, 2014. No oral or written comments were submitted. Therefore, no changes to the initiated rulemaking are proposed.

