Rule Summary and Fiscal Analysis Part A - General Questions

Rule Number:	1501:9-3-11		
Rule Type:	No Change		
Rule Title/Tagline:	Annular disposal.		
Agency Name:	Department of Natural Resources		
Division:	Division of Mineral Resources Management-Oil and Gas		
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I. <u>Rule Summary</u>

- 1. Is this a five year rule review? Yes
 - A. What is the rule's five year review date? 10/13/2020 and 10/13/2025
- 2. Is this rule the result of recent legislation? No
- 3. What statute is this rule being promulgated under? 119.03
- 4. What statute(s) grant rule writing authority? 119.03
- 5. What statute(s) does the rule implement or amplify? 1509.22
- 6. What are the reasons for proposing the rule?

To comply with Ohio's five-year-review requirement pursuant to Ohio Revised Code section 106.03.

7. Summarize the rule's content, and if this is an amended rule, also summarize the rule's changes.

The governs the annular disposal of saltwater.

8. Does the rule incorporate material by reference? No

9. If the rule incorporates material by reference and the agency claims the material is exempt pursuant to R.C. 121.75, please explain the basis for the exemption and how an individual can find the referenced material.

Not Applicable

10. If revising or re-filing the rule, please indicate the changes made in the revised or re-filed version of the rule.

Not Applicable

II. Fiscal Analysis

11. Please estimate the increase / decrease in the agency's revenues or expenditures in the current biennium due to this rule.

This will have no impact on revenues or expenditures.

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No change to this rule is proposed and therefore there will be no fiscal impact on the agency.

12. What are the estimated costs of compliance for all persons and/or organizations directly affected by the rule?

No change to this rule is proposed and therefore this rule will impose no additional cost of compliance upon any directly affected persons.

- 13. Does the rule increase local government costs? (If yes, you must complete an RSFA Part B). No
- 14. Does the rule regulate environmental protection? (If yes, you must complete an RSFA Part C). Yes
- 15. If the rule imposes a regulation fee, explain how the fee directly relates to your agency's cost in regulating the individual or business.

Not applicable.

III. Common Sense Initiative (CSI) Questions

16. Was this rule filed with the Common Sense Initiative Office? Yes

- **17.** Does this rule have an adverse impact on business? Yes
 - A. Does this rule require a license, permit, or any other prior authorization to engage in or operate a line of business? Yes

The rule requires authorization to dispose of saltwater through an annulus.

B. Does this rule impose a criminal penalty, a civil penalty, or another sanction, or create a cause of action, for failure to comply with its terms? No

The rule does not impose a penalty, but Ohio Revised Code 1509.04 defines enforcement action the Division may take, such as compliance notices, compliance agreements, or administrative orders.

C. Does this rule require specific expenditures or the report of information as a condition of compliance? Yes

Annual submission of information such as fluid volume is required.

D. Is it likely that the rule will directly reduce the revenue or increase the expenses of the lines of business of which it will apply or applies? No

No change to this rule is proposed and therefore this rule will impose no additional cost of compliance upon any directly affected persons.

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Rule Summary and Fiscal Analysis <u>Part C</u> - Environmental Rule Questions

Pursuant to Am. Sub. H.B. 106 of the 121st General Assembly, prior to adopting a rule or an amendment to a rule dealing with environmental protection, or containing a component dealing with environmental protection, a state agency shall:

- (1) Consult with organizations that represent political subdivisions, environmental interests, business interests, and other persons affected by the proposed rule or amendment.
- (2) Consider documentation relevant to the need for, the environmental benefits or consequences of, other benefits of, and the technological feasibility of the proposed rule or rule amendment.
- (3) Specifically identify whether the proposed rule or rule amendment is being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal environmental law or to participate in a federal environmental program, whether the proposed rule or rule amendment is more stringent than its federal counterpart, and, if the proposed rule or rule amendment is more stringent, the rationale for not incorporating its federal counterpart.
- (4) Include with the proposed rule or rule amendment and rule summary and fiscal analysis required to be filed with the Joint Committee on Agency Rule Review information relevant to the previously listed requirements.
- (A) Were organizations that represent political subdivisions, environmental interests, business interests, and other persons affected by the proposed rule or amendment consulted? Yes

Please list each contact.

The Agency notified representatives of the regulated industry of our intent to file this rule as a no-change. We also utilized our e-notification system to alert more than 200 individuals, organizations, and/or companies who have signed up that the rules will be filed as no-change.

(B) Was documentation that is relevant to the need for, the environmental benefits or consequences of, other benefits of, and the technological feasibility of the proposed rule or amendment considered? No

Please indicate the reasons for not providing the information.

No documentation that is relevant to the need for, the environmental benefits or consequences of, other benefits of, and the technological feasibility of the proposed rule or amendment was considered because no change to this rule is proposed.

(C) Is the proposed rule or rule amendment being adopted or amended to enable the state to obtain or maintain approval to administer and enforce a federal environmental law or to participate in a federal environmental program? Yes

Is the proposed rule or rule amendment more stringent than its federal counterpart? Yes

What is the rationale for not incorporating the federal counterpart?

The U.S. EPA delegated primary enforcement authority of certain types of underground injection control wells (Class II Disposal, Class II Enhanced Recovery and Class III Solution Mining) to Ohio in 1983 and the Agency has successfully regulated the program since that time. In brief, the U.S. EPA requires that Ohio's laws and rules be equal to or more stringent than federal code and implement the goals of the Safe Water Drinking Act, by protecting all Underground Sources of Drinking Water. Ohio's laws, rules, and program operation meet or exceed federal requirements and in certain areas exceed the federal counterpart due to circumstances and conditions unique to Ohio.

(D) If this is a rule amendment that is being adopted under a state statute that establishes standards with which the amendment is to comply, is the proposed rule amendment more stringent than the rule that it is proposing to amend? No