



NEW ENGLAND FUEL INSTITUTE

The Financial Benefits of a NEFI Membership

Compliance with federal regulatory requirements can be difficult and expensive. The New England Fuel Institute's legislative and regulatory advocacy saves the money, time and energy of its members. Here are just a few examples how NEFI has reduced regulatory burdens and costs for its members:

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HAZMAT REGISTRATION FEE:

All NEFI members involved in the shipment of petroleum products must register each year with the U.S. DOT and pay an annual hazardous material fee. Recently, the U.S. DOT proposed a change in regulations that would impose an increase in the annual fee from \$275 per year to \$2,600 per year for heating oil and propane dealers. Through our regulatory lobbying efforts, NEFI was able to defeat the fee increase for small business heating oil and propane dealers.

SAVINGS FOR NEFI-MEMBERS: \$2,325 per year.



SMALL BUSINESS ADMINISTRATION (SBA) CLASSIFICATION:

The U.S. Small Business Administration (SBA) establishes business size classifications which determine eligibility for SBA loans, set various federal fees and qualify small businesses for less stringent regulatory compliance requirements. NEFI members were losing their small business status over time as oil prices surged because the SBA determined business size based on annual gross receipts. NEFI successfully petitioned the SBA to change this antiquated and skewed method of determining business size in favor of one based on the number of employees in a company. As a result, most NEFI members retain their small business status and continue to qualify for:

- SBA 7(a) small business loans
- SBA Economic Disaster Loans
- Lower federal fees
- Less stringent federal regulatory requirements

SAVINGS FOR NEFI-MEMBERS: \$1,000's of dollars saved in federal regulatory compliance costs and access to low interest SBA loans.



SPILL PREVENTION, CONTROL & COUNTERMEASURE (SPCC):

NEFI stopped the EPA from enforcing a previously little known and rarely invoked SPCC regulation requiring sized secondary containment structures for cargo tank trucks containing product that are parked overnight. Regional EPA field officers began an enforcement effort to require these vehicles be parked within containment berms, drains and collection systems similar to those required for bulk tanks under SPCC. NEFI requested that



EPA headquarters in Washington D.C. provide a regulatory exemption from sized secondary containment requirements for parked cargo tanks. The exemption was granted. As a result, NEFI members are only required to use inexpensive drip pans under cargo tank trucks when parked over night instead of building elaborate containment systems with dykes, drains, oil water separators and other diversionary devices.

SAVINGS FOR NEFI-MEMBERS: \$75,000 or more in containment structure costs.



OSHA SAFETY REQUIREMENTS:

When OSHA field enforcement authorities began to fine NEFI members for not having drivers harnessed to loading racks at bulk plants, NEFI went to work. NEFI cited the lack of evidence that drivers were being injured at loading racks. NEFI then convinced OSHA that drivers were at greater risk from being tethered to a loading rack than from the danger of falling a few feet to the ground. NEFI argued that building safety platforms as an alternative was too expensive as well. As a result, OSHA backed off their enforcement efforts and did not require safety tethering or construction of new loading platforms.

SAVINGS FOR NEFI-MEMBERS: \$2,000 or more.



DEFEATING PROPOSAL TO REQUIRE WET LINE RETROFIT FOR TRANSPORTS HAULING COMBUSTIBLES

NEFI convinced the U.S. DOT to drop a proposed requirement to retrofit cargo tank vehicles and transport trailers hauling distillates with wet line purge pumps. If finalized as written, the purge pump rule would have cost heating oil dealers between \$8,000 and \$10,000 per vehicle in retrofit costs. NEFI's efforts led directly to the elimination of provisions that would have imposed the retrofit requirement on cargo tank vehicles and transport trailers hauling diesel fuel and heating oil. The U.S. DOT is continuing to propose the retrofit requirement for cargo tank vehicles and transport trailers hauling flammables under the "1203" hazard classification. NEFI is continuing to fight against this portion of the proposal and is asking DOT to withdraw the rule altogether.

Savings for NEFI members: \$8,000 to \$10,000 in retrofit costs for heating oil and diesel transports.



DEFEATING PROPOSAL TO ELIMINATE NON-SPECIFICATION CARGO TANK VEHICLES

In a major victory for heating oil dealers, NEFI beat back efforts by the U.S. DOT to eliminate the "combustible 1993" classification in HAZMAT rules. The change would have banned the use of non-specification cargo tank vehicles and trailers and require re-placarding of all distillate shipments from "Combustible 1993" to "Flammable 1203". NEFI played a key role in the agency's decision to withdraw the proposal, convincing the U.S. DOT that small business heating oil dealers would suffer onerous compliance costs should the rule move forward.

Savings for NEFI members: Replacement of non-specification cargo tank vehicles and trailers.



FIGHTING AGAINST COSTLY CHANGES TO DRIVERS HOURS OF SERVICE REGULATIONS:

NEFI has been fighting against proposed changes to driver hours of service for the past ten years. Amendments to the driver HOS have been held up in court for years. This summer NEFI members won a partial victory in the fight against new HOS when a federal court ruled that the new 30-minute mandatory break provision for drivers does not apply to transporters who use the 100-air mile, 12-hour maximum on-duty exemption from keeping written driver hours of service log books. The court quoted NEFI written comments to the U.S. DOT to support the exemption in the ruling. As a result of NEFI's efforts, heating oil dealers will avoid complicated scheduling changes and loss of driver on-duty time.

Savings for NEFI members: \$3,500 to \$5,500 per year.



REGULATORY COMPLIANCE INFORMATION:

NEFI also provides members with free access to our expert in-house regulatory compliance attorney Mark S. Morgan, who can answer your federal regulatory questions and help troubleshoot compliance problems.

SAVINGS FOR NEFI-MEMBERS: \$1,000's in reduced compliance costs and penalty for non-compliance.



NEFI Membership has its privileges: Online Access To Compliance • Legislative & Regulatory News • Industry Programs • Membership In The Petroleum Marketers Association Of America (PMAA) • Weather Service Reports • Oil & Energy Magazine Monthly Subscription • New England Oilheat Online News (NEON) Weekly Subscription • Education & Training Seminars • The Visions Conference & Energy Expo Trade Show. Please visit the NEFI online at: www.nefi.com for membership information and additional industry networking.