

Testimony—HB 1058

House Energy and Natural Resources Committee

March 6, 2025

Chairman Patten and Senate Energy and Natural Resources Committee Members:

For the record, my name is Mike Rud. I am the President of the North Dakota Petroleum Marketers Association. Our Membership represents over 600 retail store fronts from across the state. These retailers do an outstanding job of providing the essential service of fueling the general public. Our Association urges a **“DO PASS” recommendation on HB 1058.**

The DEQ staff have done a great job of explaining why we are before you today. NDPMA fully support these efforts. In fact, NDPMA was the driving force behind this ask. Our Association appreciates how open the DEQ has been to industry input while formulating these rules.

I’m sure many of you are wondering why any business would seek further government regulation? It’s vital to all NDPMA members the State Tank Fund remain solvent. Recently, we have seen some large releases from ASTs feeding retail sites take a heavy toll on the fund. NDPMA feels a need to address this issue for the sake of all the fund’s stakeholders.

For regular bulk plants that aren't feeding retail, the new rules do not really add much of a burden. As previously stated, the solvency of the tank fund is the most important factor in smaller operators being able to stay in business. It's doubtful any private insurance company would insure AST's feeding retail without leak detection on the lines. They will not be able to buy affordable private cleanup insurance.

One way or another, industry will eventually need leak detection on fuel lines from AST's feeding a retail gas outlet. NDPMA would like to see that become a reality before the fund becomes insolvent.

Again, NDPMA Urges a **"DO PASS" recommendation on HB 1058.**