

Testimony
House Bill 1390
Senate Energy and Natural Resources Committee
March 20, 2015, 9:00 a.m.
North Dakota Department of Health

Good morning, Chairman Schaible and members of the Energy and Natural Resources Committee. My name is Scott Radig, and I am director of the Waste Management Division of the North Dakota Department of Health. I am here today to provide testimony on Reengrossed House Bill 1390, which relates to licensing of commercial oilfield waste recycling operations.

House Bill 1390 proposes that the Department of Health develop rules for a full recycling and beneficial use program for oilfield waste materials, which would include licensing of recyclers. The Department is in support of the general concept of recycling for oilfield waste. However, the Department does not support the bill, because, as written, it asks the Environmental Health Section to create a new program without providing us with the resources to do so. To add this program at this time would take away resources from other core functions of the Environmental Health Section. As you are aware, the Department has requested additional FTEs in the Environmental Health Section for energy impact, however none were designated for this purpose.

The Health Department would also like to note that these operations are currently required to be permitted by the North Dakota Industrial Commission, Oil and Gas Division, and this bill would result in dual permitting, inspections and financial assurance for these facilities.

Should the committee decide HB 1390 is needed, in addition to an appropriation of \$150,000 and one FTE, the Health Department suggests the following changes, which are summarized in the attachment to this testimony, for your consideration.

First, the Department recommends that the requirement to convert to beneficial use at least sixty-five percent of the oilfield special waste received as a condition for a recycler to obtain a permit from the Department be removed from the bill. The extremely high levels of salt and other constituents in oilfield waste present a number of management challenges. The Department is concerned that there is little information available regarding the need for this specific percentage, and feels such a limit may prevent new and beneficial technologies from receiving approval even if they were able to extract a smaller

percentage of a valuable resource or material. The Department recommends removing the sentence with the sixty-five percent volume requirement.

Second, the original bill contained a right-of-entry provision, but the bill was amended to move the proposed law into an entirely new section within Chapter 23-29, Solid Waste Management. Because it is now located within the Solid Waste law, subsection 1, relating to right-of-entry for inspections, examining records, corrective actions and investigations is not needed because these issues are already addressed in other sections of Chapter 23-29. The Department recommends that section 23-29-04.2(1) be deleted.

Third, the Department suggests some other minor wording changes to be consistent with other sections of Chapter 23-29. These suggested changes, which are also included on the attachment, do not change the intent of the bill.

This concludes my testimony. I am happy to answer any questions you may have.