



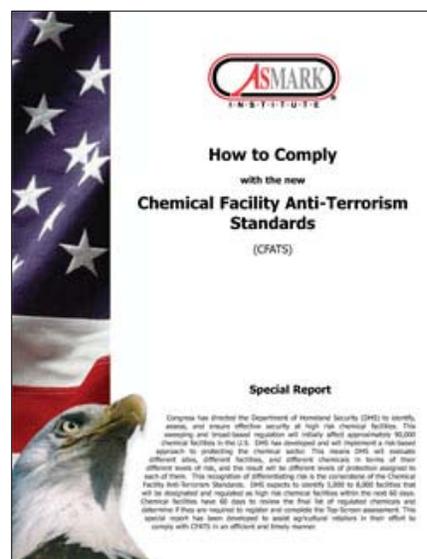
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DHS Releases Appendix A.....Clock Starts Week of November 19th

The Department of Homeland Security (DHS) announced today the final Appendix A list of regulated chemicals will be published in the Federal Register sometime the week of November 19, 2007. Chemical facilities will have 60 days to review Appendix A, register if required to, and submit their Top-Screen. The Asmark Institute has prepared, and started mailing today, a *"How to Comply"* guidance document for the new Chemical Facility Anti-Terrorism Standards (CFATS). The guidance document will provide step-by-step instructions and is designed to assist retailers with the CFATS process. This document is also available via our homepage under the Hot Button - Hot Topics icon.

We have performed a quick review of the information released just this morning from DHS on the final Appendix A. We believe DHS has exercised good judgment in what we see in the released information. Urea was removed from the list, propane remains on the list at a reasonable threshold, and the timing just simply could not be better for retailers. The official publication date being mid-November places the 60-day window to complete the requirements in the middle of the retailer's off-season.



SPECIAL NOTE: Watch for your *How to Comply* guidance document by mail or UPS. The entire mailing will be sent by Monday, November 5th. The information below is designed to supplement the *"How to Comply"* guidance document.

In preparation:

- Familiarize yourself with the DHS website.
- Familiarize yourself with the registration process.

Reason why:

Almost all your correspondence with DHS will be via their website, or electronically-based. Click here for the [DHS Website](#).

The registration process is easy but not user-friendly. It will require each facility to designate a Preparer, a Submitter, an Authorizer and one or more Reviewers (if applicable). Who you designate to these positions will determine who receives the correspondence for your facility or group of facilities. Click here for [Registration](#) info.

- Perform Chemical-terrorism Vulnerability Information (CVI) training for any person required by DHS to receive it. Practically all CFATS information will be protected by "CVI." Participating in this training early in the process will assist users in their responsibilities. Click here for [CVI Training](#).
- Download the Top-Screen questions and User's Manual to familiarize yourself with the program. Ag retailers need to be well informed in advance of providing the Top-Screen data. The data entered in the Top-Screen will determine the Tier (or the fact that you are not covered by this rule) for the facility. Wording (i.e. co-located, maximum amount on-site, area of highest quantity) may be tricky to the ag community and if not understood completely could be submitted incorrectly, possibly altering your Tier rating or even placing you in a Tier when you should not be regulated. Click here for Top-Screen [Questions](#) or [User's Manual](#).
- Download RMP*Comp and familiarize yourself with the program. You will be required to re-calculate your endpoints using RMP*Comp for entry into the Top-Screen. DEGADIS endpoints in the Risk Management Plan (RMP) for your facility cannot be used in the Top-Screen. Click here for [RMP*Comp](#).
- Your deadline will be 60 days from when Appendix A is published in the Federal Register in mid-November. DHS will publish the final list of regulated chemicals in the Federal Register the week of November 19. Once the list is published, you have 60 days to complete **both** your registration and Top-Screen. Note: It could take up to 30 days after you register to receive your user name and password to perform the Top-Screen, so plan ahead. Click here for the [Final List of Chemicals](#).

EPA Proposes to Streamline SPCC Requirements

On October 15, 2007 U.S. EPA proposed revisions that will streamline the requirements for small businesses and farms subject to the Spill Prevention, Control, and Countermeasure (SPCC) rule. EPA Administrator Stephen Johnson signed the proposed rule that would significantly reduce the complexity and simplify the requirements for small businesses that typically store and handle oil products primarily for use in their own equipment.

The proposed rule would also streamline requirements and allow the use of a SPCC plan template for facilities known as "Tier 1" qualified facilities, further reducing the need for plans prepared and stamped by Professional Engineers. Facilities with no individual oil storage container with a capacity greater than 5,000 gallons and an aggregate total of not more than 10,000, gallons may qualify for Tier 1 status. Small businesses, including farms that qualify as Tier 1 facilities, will receive additional relief under this new proposal. Small businesses, including farms with an individual oil storage container with a capacity of greater than 5,000 gallons, and an aggregate total of not more than 10,000 gallons, will also realize some additional benefits under the new proposal, in addition to the existing ability to utilize the self- certification feature announced in December 2006.

Farms are specifically defined and regulated by the proposed rule. Public comments on the proposed changes must be received on or before December 14, 2007. [Click here](#) to review a copy of the proposed rule.

New for 2008! The Asmark Institute was asked to partner with The Fertilizer Institute in December 2006 to

develop a state-of-the-art web-based tool to help facilities comply with the SPCC requirements. The new web-based tool has been named **mySPCC** and will be built with the same standard of quality and user-friendliness as the recent myRMP Suite of Retail Guidance Materials. Programming for the self-certification plan (for use with a tank greater than 5,000 gallons under the proposed rule) was completed just prior to the recent announcement by U.S. EPA of the revisions. Plans are now to program a second version of software for the Tier 1 facilities (for use with a tank 5,000 gallons or less) as an added feature to the **mySPCC Suite of Retail Guidance Materials**. A new tutorial and extensive online cache of resources will also be added to the suite of materials. The final outcome of the October 15th proposed rule and the new expanded mySPCC Suite of Retail Guidance Materials is expected to be introduced by November 1, 2008.

House Passes Bill Regulating Ammonium Nitrate

Washington, D.C. - On October 23, 2007, the U.S. House of Representatives approved the "Secure Handling of Ammonium Nitrate Act of 2007" (H.R. 1680). The bill, supported by The Fertilizer Institute (TFI) and the agricultural industry, creates a uniform, national regulatory system for securing ammonium nitrate. The bill would require the Department of Homeland Security (DHS) to create a regulatory system to help keep ammonium nitrate out of the hands of those with criminal intent by requiring all producers, sellers and purchasers who take custody to register with DHS. It would require DHS to check all registrations against the terrorist watch list and determine, within 72 hours, whether to assign registration numbers. Owners of ammonium nitrate facilities would be prohibited from transferring the chemical to any person not registered with the department. Fines of up to \$50,000 could be issued by DHS if someone sells the product without first registering. The bill would require ammonium nitrate producers and sellers to maintain a record of sales transactions for two years after the sales. Those records will include the producer's name, address, phone number and registration number, and the date and quantity sold. The bill, which preempts state law if inconsistent with federal provisions, requires all thefts or unexplained losses be reported to federal law enforcement within 24 hours. House Homeland Security Chairman **Bennie Thompson** (D-MS), said the bill ensures the legitimate use of the fertilizer. "TFI extends its sincere thanks to Rep. Thompson for his leadership in securing a common sense set of rules and regulations for the safe sale of ammonium nitrate," said TFI President **Ford B. West**. "With this important legislation, the focus on our industry's products remains on their beneficial role as a plant nutrient." Senator **Mark Pryor** (D-AR), has inserted the ammonium nitrate provisions in the Senate version of the Department of Homeland Security Appropriations bill which has not yet been scheduled for a House and Senate conference. Courtesy of The Fertilizer Institute

EPA Working on Internal Draft PRN on Labeling Requirements for Spray Drift

Anne Lindsey, EPA's Deputy Office Director, announced last week at the Pesticide Program Dialogue Committee (PPDC) that EPA is currently working on an internal draft Pesticide Registration Notice (PRN) on labeling requirements specifically for spray drift. This effort by the EPA stems from recommendations made by the Spray Drift Work Group, which submitted its final report to the Agency in May 2007. EPA expects to release the PRN for public comment in June 2008. Incorporation of verified drift reduction technologies into labels is planned for late 2008. The Agency also will follow up on other work group recommendations by developing water quality criteria for pesticides in coordination with the Office of Water; by developing guidance for states and tribes on how to conduct drift investigations; and by considering TMDL data from states during registration review. This information was provided by CropLife America and for more information, contact **Dee Ann Staats**, CLA Environmental Leader.

Agricultural Business Security Tax Credit Progresses

The Agricultural Retailers Association (ARA) commended the Senate Finance Committee, chaired by Senator Max Baucus (D-MT), for including the Agricultural Business Security Tax Credit in the Heartland, Habitat, Harvest, and Horticulture Act of 2007 by a vote of 17-4. ARA worked with Senator Pat Roberts (R-KS), a committee member, to sponsor this important amendment included in a final finance bill. Present law does not provide a credit for agricultural business security. This proposal will allow a retailer of agricultural products and chemicals or a manufacturer, formulator, or distributor of certain pesticides, a business tax credit for 30 percent of costs for the protection of such chemicals or pesticides, including employee security training and background checks, installation of security equipment, and computer network safeguards. The

proposal in the modification to the Chairman's mark sets a \$2 million annual limit on such credit and a per facility limitation of \$100,000 (reduced by credits received for the five prior taxable years). The cost is \$14 million over ten years. "With the issuance of new Department of Homeland Security regulations and the importance of securing agricultural fertilizers and pesticides storage facilities, this much-needed tax credit will assist our industry with implementation costs to improve security," said Jack Eberspacher, ARA president and CEO. "ARA is working with a broad coalition, including the National Agricultural Aviation Association, CropLife America, Chemical Producers and Distributors, The Fertilizer Institute and state and regional associations, such as Montana, Kansas, Nebraska, Far West, Michigan, New York and Iowa, to secure passage by contacting key committee members from their respective states." For more information, please contact Richard Gupton, ARA vice president of public policy and counsel.

More Fines for RMP Paperwork Violations

We continue to monitor regulatory activity from EPA Region 5 concerning alleged Risk Management Plan (RMP) violations. The latest round of fines center around paperwork violations associated with the release of ammonia. Failure to perform and document accident investigations, update emergency contacts, provide for routine administrative updates and timely Hazard Reviews or Compliance Audits top the list of violations.

EPA Announces First-Ever Agricultural Advisory Committee

Washington, D.C. - Continuing efforts to strengthen relations with the agriculture community, EPA has announced the establishment of the first-ever Farm, Ranch and Rural Communities Federal Advisory Committee. The committee is being formed under the guidelines of the National Strategy for Agriculture, and it will advise the administrator on environmental policy issues impacting farms, ranches and rural communities and operate under the rules of the Federal Advisory Committee Act (FACA). "We at EPA appreciate that agriculture isn't just the producer of the food, agriculture is the producer of environmental and economic solutions," said Administrator **Stephen L. Johnson**. "This committee provides an opportunity to improve dialogue between EPA and the farming community. By sitting down at the same table, together we can do what's good for agriculture and good for our environment."

The committee will meet approximately twice yearly and is intended to consist of approximately 25 members representing: (1) large and small farmers, ranchers and rural communities; (2) rural suppliers, marketers and processors; (3) academics and researchers who study environmental issues impacting agriculture; (4) tribal agricultural groups; and (5) environmental and conservation groups. EPA's request for member nominations will be posted in the Federal Register. The U.S. Department of Agriculture and other federal agencies will also be invited to nominate members.

OISC to Conduct Containment Integrity Inspections (Heads Up!)

Starting in October, the Office of the Indiana State Chemist (OISC) will begin conducting secondary containment integrity inspections. Citing the secondary containment rules have been around since 1991, OISC anticipates that most secondary containment structures that hold pesticide or fertilizers are well over a decade old, made of concrete and well....we all know what happens to concrete in Indiana, it cracks!

OISC will begin by inspecting facilities with outside secondary containment and for the time being will only be checking the sump areas in operational pads or pesticide secondary containment areas. The integrity test will require roughly one day and will require that your operational pad be out of service for the same amount of time. These inspections will not be conducted at a time when the loss of your operational pad would be burdensome to your business. The purpose of the inspections is to insure the continued integrity of secondary containment for your pesticides.

New Secretary of Agriculture Named

President Bush on October 31, 2007 nominated **Edward Schafer**, a former two-term Republican governor from North Dakota, to be his next secretary of agriculture. Schafer, who chose not to run again in North Dakota in 2000, replaces **Mike Johanns**, who resigned as U.S. agriculture secretary last month to launch a bid for a Nebraska Senate seat.

Fall back – to Standard Time

The switch back to standard time comes a week later this year, thanks to a new energy-saving policy initiated by President Bush. Be prepared for the change at 2:00 am on Sunday, November 4.

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