



Minnesota Department of Agriculture Permitting Efficiency and Goal Report

*Bulk Agricultural Chemical Storage,
Anhydrous Ammonia Storage and Chemigation Permits*

Jane Boerboom, 651-201-6540
625 Robert St. N., St. Paul, MN 55155
www.mda.state.mn.us

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Executive Summary

The Minnesota Department of Agriculture (MDA) issues three (3) permits that fall under the reporting requirements of Minnesota Statutes, Chapter 17.03, Subd. 11a. These are: 1) the bulk agricultural chemical (pesticide and fertilizer) storage, 2) anhydrous ammonia bulk storage, and 3) chemigation permits. Anhydrous ammonia is a nitrogen fertilizer, and is a liquid under pressure. Due to its hazardous properties and storage rule requirements, the anhydrous ammonia storage program is separate from the bulk agricultural chemical storage permitting process.

Statewide, in 2017, there were 669 bulk agricultural chemical storage permits, 258 bulk anhydrous ammonia storage permits, and 3,019 chemigation permits.

The one-time fee for a new bulk agricultural chemical storage, and a anhydrous ammonia permit is \$100. A permit is also issued when a firm substantially alters an existing permit. When this occurs, there is a \$50 fee. The one-time fee for chemigation permits is \$250 for application of pesticides, or pesticides and fertilizers, or \$50 for fertilizers only.

The average permit issuance times for the bulk pesticide and fertilizer storage, and anhydrous ammonia permits from January 1, 2017 to December 31, 2017 was four (4) days and meet the requirements of the authorizing statute and are consistent with past performance. The chemigation permit issuance time is immediate due to the permit-by-rule status. A chemigation permit is issued automatically when a complete chemigation permit application and fee are submitted to the MDA.

The MDA is the lead agency for protecting people and the environment by ensuring agricultural chemicals are managed responsibly. The safeguards each program provides are an important part of the MDA's mission to protect the environment and human health.

1) Bulk Agricultural Chemicals

Permits are required for the storage of bulk agricultural chemicals under M.S. Chapter 18B.14 and M.S. Chapter 18C.305. The MDA is required under 18B.14 (pesticides) to issue permits within 30 days after a completed application is received. A permit is not required for agricultural commodity producers who store 6,000 gallons or less of liquid commercial fertilizer on their own property for their own use.

From January 1, 2017 to December 31, 2017, the MDA received 34 new and 28 substantial alteration permit applications and issued 62 permits. Thirteen (13) of the newly issued permits were primarily due to ownership changes. The average time from receipt of a completed application to issuance was four (4) days. A substantial alteration permit must be submitted when a facility installs a larger tank or changes the size or structure of the secondary containment.

2) Anhydrous Ammonia

Permits are required for the storage of bulk agricultural chemicals under M.S. Chapter 18C.305.

From January 1, 2017 to December 31, 2017, the MDA received 27 new permit applications for change of ownership, and three (3) substantial alteration permit applications. Average time from receipt of a completed application to issuance was four (4) days. A new permit is required when a facility is built or if there is an ownership change. A substantial alteration permit is required when a bulk storage tank is moved, added, or if there is a new riser system installed or moved.

3) Chemigation

Permits are required for the application of agricultural chemicals through irrigation systems under M.S. Chapter 18B.08 (pesticides) and M.S. Chapter 18C.205 (fertilizers).

The MDA's chemigation permitting program operates under "permit-by-rule" which allows a person to apply fertilizer and pesticide through irrigation systems provided they submit a complete and accurate permit application, pay the required fee to the MDA, and certify by signature that they have complied with all rule requirements.

From January 1, 2017 to December 31, 2017, the MDA received 196 permit applications and issued 195 permits. One hundred and ninety (190) permits were permitted for fertilizers-only and five (5) were permitted for pesticides and fertilizers.

Several factors enable the MDA to provide prompt turn-around time on the three types of permits listed above. Experienced MDA staff offer substantial compliance assistance to applicants. The exchange of information with applicants and contractors prior to submission of their permit application makes the process more efficient. When completed permit applications are submitted with all required information, the MDA is able to complete the final review and issue the permit in an informed and timely manner.

Introduction

Protecting the environment from agricultural chemical contamination has been recognized by the Minnesota Legislature since the late 1970s. Rules for the storage of dry and liquid bulk fertilizer were adopted by the MDA in the 1970s. Significant amendments to the Minnesota Pesticide Control Law (M.S. 18B) and the Fertilizer, Soil Amendment and Plant Amendment (M.S. 18C) occurred in 1989 with the adoption of the Minnesota Groundwater Act and the subsequent rules that were adopted by the MDA in the early 1990s.

Statute requires a responsible person to obtain a permit from the MDA before storing agricultural chemicals or chemigation. Rules adopted under statute provide technical, performance-based requirements for compliance.

The MDA strives to issue permits in the least amount of time necessary while ensuring that environmental protections comply with the rules and statutory requirements.

Background

Bulk Agricultural Chemicals

The MDA operates the bulk agricultural chemical permitting program with 1.5 FTE and a 0.2 FTE administrative assistant. The MDA has standardized the permit application process to eliminate unnecessary and duplicative forms. Once a permit application is received with the required one-time fee, \$100 for a new site and \$50 for a substantial alteration of an existing site, the permit application is reviewed for completeness and the responsible person is informed of any deficiencies or additional information needed.

In some instances, construction drawings are either absent or lack sufficient detail to make an approval determination. These drawings are required to insure that construction will protect the environment if a release of agricultural chemicals occurs. There is no engineering requirement; however, in certain instances the MDA requires that a civil engineer be consulted to address complex structural and foundation issues.

A new permit application and fee must be submitted when a storage facility will be constructed, or changes ownership. A substantial alteration permit application must be submitted when a larger tank will be installed or the size of the containment area or load pad will change or is altered. The MDA reviews the old permit and the new permit and then informs the responsible person of any additional information necessary for permitting.

All application forms are available online but applicants must submit a hard copy to the MDA.

Anhydrous Ammonia

The operation of the MDA's anhydrous ammonia program utilizes a staff level of 2.5 FTE's. An applicant must submit a hard copy of a permit application with a one-time application fee of \$100 for a new facility, change in ownership, or \$50 application fee for a substantial alteration of an existing facility.

Applicants must submit a hard copy of the application along with the required application fee. MDA staff review all applications and will contact the applicant if additional information is needed. A permit will be issued once all necessary information is received and found acceptable.

Chemigation

The MDA operates its chemigation permitting program with a 0.2 FTE administrative assistant and a 0.2 program technical FTE.

Once a completed permit application is received, either online or as a hard copy, with the required one-time fee of \$250 (pesticides, fertilizer and pesticide) or \$50 (fertilizer only), a permit is granted. The MDA notifies the applicant by phone or letter when a permit application is incomplete. Common omissions include the location of the pivot or chemigation site, a Minnesota Department of Natural Resources water appropriation permit number, and the required fees.

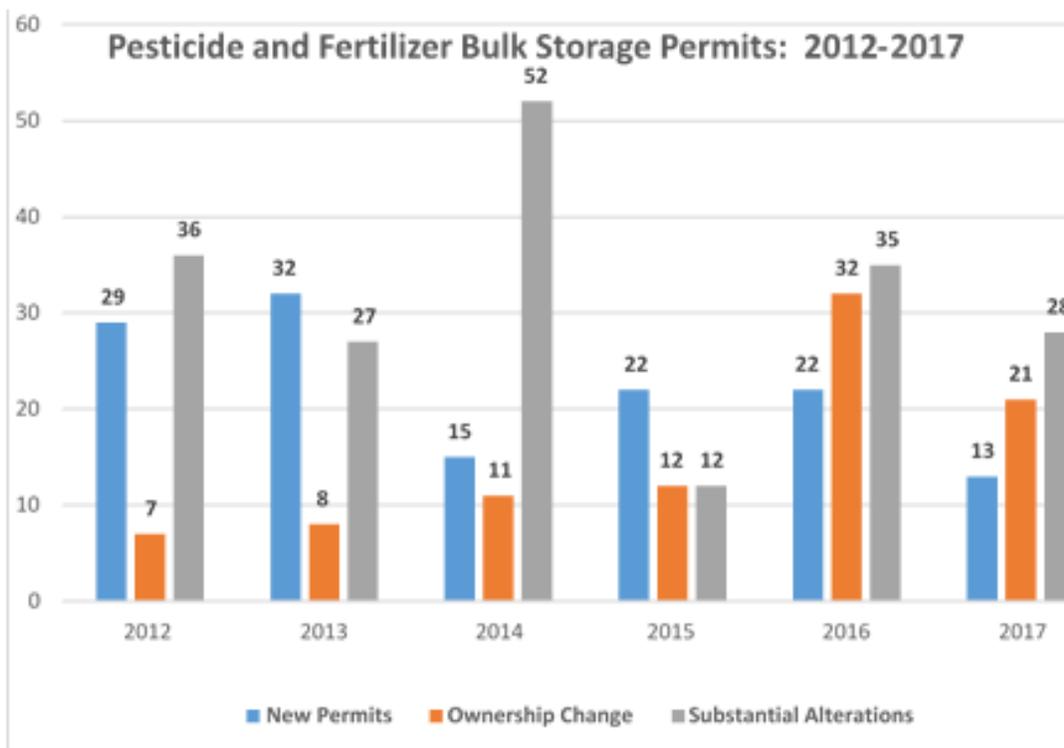
A new operator at an existing permitted location must obtain a new permit. The result is multiple permits for multiple operators at one physical location. The person operating the system is responsible for obtaining the permit and complying with all regulatory requirements.

Permit application, fee and certification can be applied for online at the MDA website, <http://www.mda.state.mn.us>, or by hard copy.

Trends

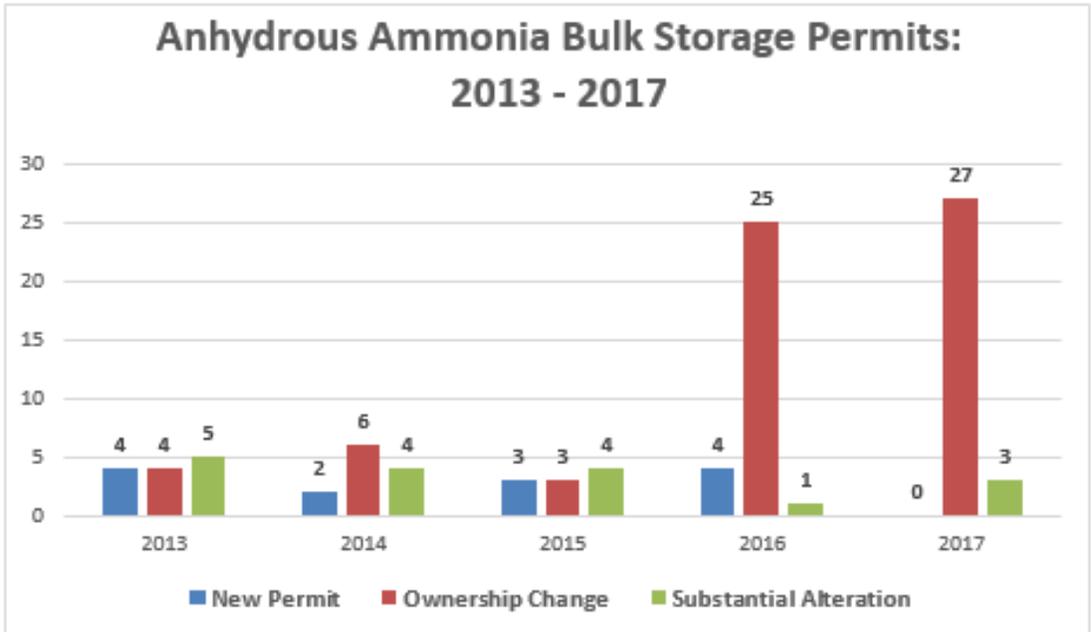
Bulk Agricultural Chemicals

The MDA continues to see larger facilities being built and existing facilities substantially altered to allow for increased storage capacity of both liquid and dry agricultural chemicals. These expanding facilities utilize increasingly complex mechanical equipment, technology and construction techniques. Industry consolidations and ownership changes have been trending higher as facilities become larger. The MDA anticipates fewer, but larger and more complex facilities in the future as firms merge and consolidate.



Anhydrous Ammonia

The MDA is aware of consolidations and contraction of the fertilizer supply industry. The trend to consolidate is likely in response to the cost of maintaining and purchasing equipment and bulk storage tank systems, the cost of anhydrous ammonia versus alternate sources of nitrogen, a limited labor force, and safety concerns relating to handling anhydrous ammonia. The MDA anticipates the continued consolidation of facilities as firms merge.



Chemigation

The MDA has received more chemigation permit applications in recent years. The graph below shows the number of chemigation permits issued per year from 2004 to 2017. The MDA anticipates an increase in chemigation permits based on the trend from previous years.

