

Latest Leaks



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Petroleum Storage Tank Insurance Fund

February 2005

Insurance On-Line!

A school, a city, a hospital, a federal agency and several convenience store owners are among the first to respond to the PSTIF's new Internet-based option for renewing their insurance coverage and paying their annual participation fees.

The web-based option became available on January 1, 2005, and in the first 30 days, tank owners responded by signing up to renew more than 30 insurance policies on-line! Anyone who is interested is welcome to call the PSTIF Underwriting Manager, Dorcee Lauen, at 1-800-765-2765 for more information.

Winter Warning for AST Owners

Freezing rain, sleet or snow can block tank vents, which creates hazardous conditions for fuel deliveries to the tanks. Due to recent incidents involving tank ruptures, fires and serious injuries, the Department of Agriculture's Division of Weights and Measures has issued the following warning to alert AST owners and petroleum distributors to these risks.

"During freezing precipitation, it is very important to be sure vents are operational prior to receiving or dispensing product. This may involve the assistance of several people but will be time well spent. If vents cannot be accessed to inspect for freezing, delivery should be postponed until such inspection can be made."

Please be careful out there.

RBCA Tip

Revised Tier 1 standards have been issued by the Department of Natural Resources (DNR). There are now three Tier 1 tables, applicable to three different soil types found in Missouri.

A memorandum from Ed Galbraith, dated December 29, 2004, discusses the changes and is available on our web

site, www.pstif.org, under "RBCA."

If you have already prepared a Risk Assessment report using the Tier 1 standards contained in the February 2004 Tanks Guidance Document, it will be accepted by the Department of Natural Resources and the PSTIF. However, if you are preparing a risk assessment report now or in the future, the new standards should be used.

You will be unable to use some of the standard DNR reporting forms until they are revised to reflect the new standards, but risk assessment reports can still be prepared without those forms.

Third RBCA Consultants' Forum

The third Internet Seminar for consultants focused on how one conducts a risk assessment for the "domestic groundwater use pathway." If you were not one of the estimated 116 people who participated "live," you may view the seminar at your leisure on the PSTIF web site under the "RBCA" tab.

Any consultant who wishes to receive email notifications of these seminars in advance may contact us and ask to be put on the email distribution list.

For St. Louis Only

Tank owners and consultants in the St. Louis area, (four counties and the City), are familiar with the requirement to obtain a "construction permit" from the air pollution regulatory agency when drilling, boring or cutting concrete at a tank site. We have recently learned that the permit requirement is waived for boring/drilling that is more than 10 feet from any part of the UST system, (including vapor recovery components), and for cutting concrete that is more than 15 feet away. Contractors who are certain they are outside these distances may proceed without contacting the regulatory agency.

This is important for environmental consultants who are doing cleanups at operating tank sites. There may be an occasional circumstance that requires subsurface exploration closer to the UST system, but in general, consultants doing site characterization or corrective action in the St. Louis area should make certain probes and/or borings are at least 10 feet away, if not 15, from any part of the UST or vapor recovery system. This will minimize the chances of puncturing a product line and will eliminate the need to obtain a "construction permit" from the air pollution agency.

AST Inspections

In July the PSTIF Board of Trustees hired a private company, Rounds & Associates, to conduct loss control inspections at about 300 insured AST locations. Those inspections have been completed and the contractor is preparing a report for the Board.

The inspections are not "regulatory." Rather, their purpose is to identify conditions which might cause you and us to have to spend money on a cleanup, and bring them to your attention so you can address them before they cost you "big money." We appreciate the excellent cooperation AST owners and operators have given our inspectors. Anyone with questions is invited to call the Inspection Manager, Brian Wiegert, at 515-987-0024.

And a Reminder for AST Owners

December 31, 2005, is the deadline set by the MO Division of Weights and Measures for taking riveted tanks out of service, and for installing fire suppression devices in sumps where there is non-metallic piping.

The PSTIF underwriting staff will be checking to make sure you meet this requirement when your AST insurance renews in 2006.

New Officers Elected

At its January 26 meeting, the PSTIF Board of Trustees elected Don McNutt to serve as chairman and Jim Ford as vice-chairman.

Mr. McNutt is President of Midwest Petroleum Company, headquartered in St. Louis. The company owns and operates 43 convenience stores. Mr. McNutt has been a trustee for the PSTIF since February 2001, and this month he is completing his term as president of the Missouri Petroleum Marketers and Convenience Store Association. Don and his wife, Shelly, have three sons.



For the last five years, Mr. Ford has represented the insurance industry on the PSTIF Board of Trustees, and he was reappointed last year to his second 4-year term. He is an agent with The Insurance Group, Inc., a full-line insurance brokerage in Columbia. Jim and his wife, Lindy, have two children.



The Board also expressed its appreciation to Bob Abernathy for his service as chairman of the Board during the last two years. This month marks the eighth year of Bob's service as a trustee on the Board, and he has

contributed countless hours to managing the PSTIF and communicating with tank owners and other trustees. Thanks, Bob, for your common sense and patient leadership!

Actuarial Study

Pinnacle Resources has initiated work on the biannual actuarial study commissioned by the PSTIF Board of Trustees. The study will analyze claim trends and project future liabilities, thereby assisting the Trustees in their management of the Fund.

The actuary's report will be presented to the Board at its May 25 meeting.

OSHA Proposes Fine

A Colorado convenience store owner has been cited for serious workplace safety violations with proposed penalties of \$92,500, after seven people were injured when a gas pump ignited and exploded. The incident occurred when a store employee opened the front of a fuel dispenser cabinet to change a filter. Gasoline spewed out and was ignited, causing a serious fire. Three people were burned, including the employee.

OSHA issued a notice to the store owner alleging willful violations of workplace rules, including a lack of training and protective equipment for employees.

**Check out our web site:
www.pstif.org.**

Latest Leaks is a newsletter of the Missouri Petroleum Storage Tank Insurance Fund.

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