

## Enforcement of FR

A four-year cooperative effort between the PSTIF, MDNR, Department of Agriculture, and the Attorney General's Office, (AGO), has culminated in nearly 100% compliance with the "Financial Responsibility," (FR), requirement for USTs. Those few owners who have never demonstrated compliance have received letters from the AGO setting a deadline and/or fining the owner. Legal action will follow this fall against any UST owners who are still operating tanks without an FR mechanism.

There are about 3,300 properties where USTs are in use; the PSTIF insures 2,750 of them, and a sizable portion of the others are self-insured. The FR requirement is one of the most vital components of state and federal UST regulations, as it assures that money will be available for cleanup if a leak occurs.

## New Requirement for Monitoring Wells

Effective November 1, 2005, Global Positioning System (GPS) coordinates will be required for all monitoring wells. The new rule was proposed by DNR's Wellhead Protection Section, part of the Geological Survey and Resource Assessment Division, and was adopted by the Well Installation Board at its June meeting.

The rule requires GPS data be provided with accuracy at least one place after the seconds decimal point, as is possible with handheld GPS receivers that are wide area augmentation system (WAAS) capable. After January 1, 2006, monitoring well registration forms that do not contain GPS locations will be returned to the sender.

## Actuarial Study

An actuarial analysis done by Pinnacle Resources and presented to the

Board of Trustees in May concluded the PSTIF has a long-term unfunded liability of \$20 million.

The PSTIF Trustees have asked their Advisory Committee to begin discussion of alternatives for dealing with the findings. There is no immediate problem, as the Trust Fund has a cash balance of \$57 million and annual revenues will likely exceed annual payments for several years. The challenge arises in 2011 and beyond, when the Fund will no longer have any revenues but will still be liable for continued payments to complete cleanups for claims filed by the Fund's sunset date, December 31, 2010.

Pinnacle's report is available on the PSTIF web site, [www.pstif.org](http://www.pstif.org), under "Facts and Finances."

## New Federal UST Law

Tucked into the 1,700-page "Energy Bill" recently passed by the U.S. Congress are several provisions relating to USTs. Space does not allow a full review of all the UST provisions, but here are a few:

- Requires EPA and states to develop a way of publicly identifying non-compliant USTs and prohibits delivery of fuel to such tanks;
- Requires EPA and states to establish training requirements for all personnel involved in UST operations;
- Requires states to *either* enact a law requiring manufacturers and installers of USTs to have insurance to pay for leaks caused by faulty work, *or* enact a law requiring new USTs within 1,000 feet of a drinking water well to be double-walled;
- Renews and extends the federal LUST tax of \$0.001 per gallon to September 11, 2011, and expands the allowable uses of the money; and
- Requires states to inspect operating USTs once every three years.

There are deadlines for these and other requirements, and in most cases, the U.S. EPA is required to publish guidelines or rules to implement the provisions. So watch for more information in the coming months!

## New Board Members

Two new Trustees were recently appointed by Governor Blunt to serve four-year terms on the PSTIF Board of Trustees. They are: Melvin Schebaum, Vice President, Supply and Distribution, for MFA Oil Company, representing owners of ASTs; and Bruce Work, retired, representing the general public.

Both gentlemen bring valuable experience to the Board, and we welcome them heartily. The Board of Trustees typically meets bimonthly; meeting dates are on the PSTIF web site, [www.pstif.org](http://www.pstif.org).

## Watch Those Lab Costs

In February 2004, the MDNR changed its requirements for analyzing soil and water samples. Owners and their consultants are now required to use Lab Methods 8260 and 8270. Since then, the PSTIF has seen its lab costs rise substantially.

We have discovered that some labs are charging PSTIF participants more for analysis of soil and water samples than they are charging other customers. Under the PSTIF rules, it is the tank owner's or operator's responsibility to make sure you are paying reasonable prices for environmental work. We understand most site owners delegate this task to their environmental consultant, but please do not be surprised if we ask you and your consultant to provide written bids for lab work, to be sure a competitive price is being paid.

## New AST Integrity Standard

The Steel Tank Institute has released the third edition of its Standard SP001, which establishes a risk-based inspection schedule for ASTs. It is aimed primarily at shop-fabricated tanks, like those at many retail locations in Missouri, although it also can be used for field-erected tanks up to 30 feet in diameter with a shell height of 50 feet.

The standard can be purchased via phone at 847-438-8265 or by visiting the STI web site, [www.steeltank.com](http://www.steeltank.com). It will assist AST owners who are preparing or revising their SPCC Plans.

## Sumps and Buckets

Inspections of PSTIF-insured locations often identify housekeeping and maintenance issues related to sumps and spill buckets. We like to make owners/operators aware of these problems BEFORE a major release occurs that costs you and us money.

Apparently, the U.S. EPA has the same idea and has published a helpful checklist, called "UST Systems: Inspecting And Maintaining Sumps And Spill Buckets – Practical Help And Checklist." A paper copy can be obtained free by calling 800-490-9198. An electronic copy is available at [www.epa.gov/OUST/pubs/](http://www.epa.gov/OUST/pubs/).

## Ultra Low Sulfur Diesel Fuel

A new standard for diesel fuel goes into effect next year. Beginning June 1, 2006, refiners must begin producing diesel fuel with a maximum sulfur content of 15 ppm. All 2007 and later model year diesel-fueled vehicles must be refueled with this "ultra-low sulfur diesel," (ULSD), fuel.

There will be a transition period between 2006 and 2012, during which diesel fuel containing more than the 15 ppm sulfur can still be sold. However, during this transition period, availability will depend on storage and distribution capabilities and may vary throughout the country.

The U.S. EPA estimates its new ULSD standard will cost petroleum suppliers and distributors \$1 billion for new tanks, valves, and manifolds, and/or changes to such equipment, at terminals, pipelines, and bulk plants.

## Refineries

The Petroleum Transportation & Storage Association reports that the number of U.S. refineries fell from 223 in 1985 to 148 in 2005, although the U.S. refining capacity is greater today than twenty years ago, due to technological improvements. No new refineries have been built in the U.S.A. since 1976.

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

[www.pstif.org](http://www.pstif.org)

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