
THE UST PIPELINE

News from the Petroleum UST Release Compensation Board

James R. Rocco, Chairman

Starr J. Richmond, Executive Director

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Board Votes to Not Increase Fees in 2010

At its November 18, 2009 meeting, the Board voted unanimously to maintain fees and deductible amounts at their current level for the upcoming 2010 program year. The per-tank fee for the 2010 program year will remain at \$600 for the standard deductible of \$55,000 and \$800 for the reduced deductible of \$11,000. (Continued on Page 3)

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Check out our new public inquiry web page!

On April 15th the Board will launch a new public inquiry web page at:
www.petroboard.com

This searchable website was developed in an effort to provide a convenient tool for the general public to obtain information regarding the processing of Certificates of Coverage, fee payments, eligibility applications and claims. Look up a facility using the Master or Facility Certificate number, BUSTR facility ID, facility address, or the Owner or Facility name.

New Web Search Provides:

- Certificate of Coverage Status
- Fee Payment Status
- Eligibility Applications Received and Determined
- Claim Applications Received

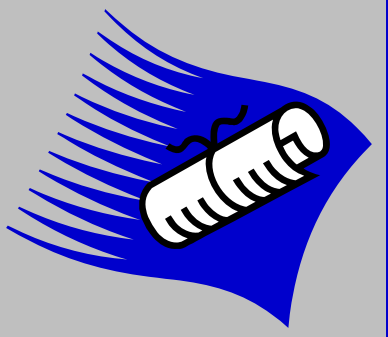
Users may check the status of a Certificate of Coverage as well as verify the receipt of Financial Assurance Fund fee payment. Information regarding eligibility applications received and determined is provided along with a summary of claim applications received and settled. If you require information that is not available on the web page, please contact the Board's office.



Board Offers Amnesty Program for Unpaid Fees

In an effort to resolve outstanding fees without escalating delinquent accounts to the Attorney General's office for collection, beginning May 1, 2010, the Board is offering its first ever amnesty program to owners with past due per-tank and late payment fees. If payment arrangements are established for all outstanding prior years' per-tank fees, any late payment fees will be reduced based upon a pre-determined formula applied to the total outstanding debt. This could mean a significant savings to any owner who settles a delinquent account with the Board before July 1, 2010. See page 3 for additional information about the amnesty program.

Rule Change to Speed the Issuance of Certificates



Effective November 30, 2009, the Board amended its rule governing the assessment of fees and the issuance of Certificates of Coverage. This change is expected to reduce the processing time between the receipt of payment and the issuance of a Certificate for those owners who received a Certificate for the program year ending on June 30, 2010. As a result, the Board expects to begin issuing program year 2010 Certificates in as early as May of this year.

Beginning in 2002 and continuing through the 2009 program year, before a Certificate was issued, each application for a Certificate was reviewed to ensure:

- all fees were paid;
- financial responsibility for the deductible was demonstrated;
- compliance with the State Fire Marshal's (SFM) rules was certified; and
- assurability was demonstrated.

Although the review for full payment, demonstration of financial responsibility, and certification of compliance will continue in 2010, the last item, assurability, was by far the most time intensive of the four. It included the verification of compliance with the SFM's rules regarding the operation and maintenance of petroleum USTs through a review of the Bureau of UST Regulations' registration data. When this data indicated an UST did not meet the SFM's requirements, owners and operators were contacted regarding the deficiency and requested to provide additional information. During this time, processing of the Certificate was temporarily placed on hold and ultimately, the effective date of coverage was delayed. Through the elimination of this assurability process, the number of requests for additional information will be reduced, thereby reducing the number of Certificates issued with a post-payment effective date of coverage.

Although this verification of compliance with the SFM's regulations will not be performed before the issuance of a 2010 Certificate, a similar review will be conducted when an application for eligibility or claim reimbursement is submitted to the Board. It is the owner's responsibility to understand and comply with the SFM's rules for the operation and maintenance of petroleum USTs. Failure to maintain compliance with those regulations may result in the denial or revocation of eligibility to claim under the Fund.

By Carla Winfrey, Assurability Analyst

Board Welcomes New Staff Member

Carla Winfrey joined the Board's staff in November 2009 as the Assurability Analyst. In this role, she is responsible for reviewing the Applications for Certificate of Coverage, recommending the issuance and denial of Certificates, and responding to owners' and operators' questions regarding coverage with the Fund. Prior to coming to the Board, Carla worked for nearly ten years at Nationwide Children's Hospital as a coordinator in the Quality Improvement Services department facilitating the patient survey project and ensuring accreditation status for the organization. Carla attended Kent State University, majoring in Elementary Education with a concentration in English Literature.

Amnesty Program

(Continued from Page 1)

The 2010 program year Applications for Certificates of Coverage and if applicable, an invoice for outstanding prior years' per-tank and late payment fees will be mailed to each address of record on April 28, 2010. If you receive an invoice for outstanding fees for the 1989 through 2009 program years, you must contact the Board's office at 614-752-8963 or 800-224-4659 (in Ohio only) on or before June 30, 2010 to take advantage of the amnesty program.

As a reminder, Certificates of Coverage will not be issued to owners with outstanding fees. In addition, accounts with unpaid per-tank and late fees are certified to the Attorney General's office for collection.

Once an account is placed with the Attorney General's office, a 10% collection cost is added to



the outstanding balance and interest accrues until the account is paid in full. If the Attorney General's office is unable to resolve the outstanding fees, the account may be forwarded to special counsel.

Special counsel is generally an attorney located within an owner's geographical area who seeks restitution through the court systems.

The assessment of late payment fees and the referral of accounts to the Attorney General's office for collection are actions the Board attempts to avoid. For a tank owner struggling to remit the per-tank fees, the addition of late payment fees, collection costs, and interest can be overwhelming and discouraging. However, by calling the Board's office, the unpaid late payment fees can often be reduced and if

necessary, an interest-free payment plan established.

By Krista Nichols, Accounts Receivable Specialist

Since its inception, the Fund has reimbursed tank owners more than \$193,000,000 to remediate petroleum releases from underground storage tank systems at more than 2,700 sites throughout Ohio!

2010 Program Year Fees

(Continued from Page 1)

Remember, if tanks are installed or removed during the program year, fees are not prorated based on the number of days the tank was underground during the year. Fees are assessed annually and are required for all petroleum storage tanks underground at any time between July 1 and June 30 of each year.

Payment of the annual fee does not guarantee you will be determined eligible to receive Fund reimbursement for corrective action and/or

third party costs if you discover a release from your USTs. In addition to the payment of all outstanding fees, the Board's rules require an owner to certify compliance with the State Fire Marshal's rules and demonstrate financial responsibility for the deductible amount of coverage in order to receive a Certificate of Coverage. To be granted eligibility to claim under the Fund, owners must be in compliance with the State Fire Marshal's rules for the operation and maintenance of USTs at the time a release is first suspected and/or confirmed.

By Ellen Mitton, Administrative Coordinator

No Certificate for Several Years? New Rule Amendment May Help

Owners who have not been issued a valid Certificate of Coverage for the prior two or more consecutive years for a given petroleum underground storage tank (UST) must reinstate coverage with the Fund. Ohio Administrative Code §3737-1-04.1, Coverage Reinstatement, requires an owner to demonstrate compliance with the State Fire Marshal's Bureau of UST Regulations' (BUSTR) rules before a Certificate will be issued. Effective November 30, 2009, this rule was amended and now allows for flexibility in the types of records that may be submitted to the Board for verification of compliance.

As in previous years, this rule continues to require an owner or operator to certify:

1. there has been no suspected or confirmed release required to be reported to the fire marshal from the subject tanks; or
2. any known release is in compliance with the corrective action requirements of the State Fire Marshal.

In addition, the owner must provide documentation to demonstrate the subject USTs are in compliance with BUSTR's rules. Typically, this demonstration can be satisfied by providing copies of monthly leak detection records, such as reports printed from an automatic tank gauging system, and product inventory reconciliation records, if required by BUSTR's rules.

However, if the UST system is out-of-service at the time payment is submitted to the Board, evidence that the system is in compliance with BUSTR's out-of-service requirements is required. In general, where the USTs have been out-of-service for more than:

- 90 days but less than 12 months, a copy of the out-of-service permit signed by a certified inspector is required; or
- 12 months, a copy of the letter issued by the State Fire Marshal granting an extension to the 12 month out-of-service period and, if applicable, a copy of the closure assessment report must be provided.

Additional or alternative documentation may be required before a Certificate of Coverage can be issued. Failure to provide sufficient documentation to reinstate coverage with the Fund when required will result in the denial of the Certificate. You are encouraged to contact the Board's office for more information or assistance with any issues affecting your Fund coverage.

By Nicole Johnson, Assurability Coordinator

Other Useful Contacts:

Bureau of Underground Storage Tank Regulations (BUSTR)

Phone: 614-752-7938 • Ohio Toll Free Phone: 800-686-2878

Website: www.com.ohio.gov/fire/bustmain.aspx

Bureau of Testing and Registration

Phone: 614-752-7126 • Ohio Toll Free Phone: 877-264-0023

Website: www.com.ohio.gov/fire/onestoptankshop.aspx