

PIPELINE BULLETIN BOARD

BUSTR TRANSITION DATES

(sites without BUSTR extension approvals will be automatically transitioned into new rules)

BUSTR's new 2005 corrective action rule became effective last March and the transition dates (September 1, 2005 for the 1992 rule and March 1, 2006 for the 1999 rule) have already passed. BUSTR approved approximately 50 responsible persons to remain in the 1992 corrective action rule. Those owners which were granted approval to stay in the 1992 rule must show significant reduction in levels of chemicals of concern within the amount of time granted by BUSTR or they too will be forced to switch to the new rule. The Fund's staff will closely monitor these sites. BUSTR is currently reviewing extension requests for the 1999 rule and expects to grant between 400 and 500 approvals to stay in the 1999 corrective rule when their reviews have been completed.

As a reminder, for sites that were required to transition to the 2005 corrective action rule, claims for costs incurred to conduct corrective action under the previous versions of the BUSTR corrective action rules must be submitted to the Fund within one year of the completion of a program task under the old rule, or within one year from the transition date where a program task has not been completed. In addition, the Fund will not reimburse costs for "old rule" work performed after the transition date.

ELIGIBILITY DETERMINATIONS

(file eligibility applications within one year from the release date)

While reimbursement claims continue to be received at a significant rate, the Board again experienced a decline in the number of eligibility applications received. For the 2004 program year, a total of 72 applications were received. During the same time frame, the Board reviewed 127 eligibility applications. It approved 79 and denied 48. Of the 79 approvals, 12 sites have already received NFA

status so there should be minimal or no costs associated with those approved eligibilities. For the first six months of the 2005 program year, the Board has received 53 eligibility applications and issued determinations for 57 applications, of which 33 were approved and 24 denied.

It is important to note the rather high percentage of eligibility denials (approximately 38% in the 2004 program year). Many of those denials are for late filing. Filing deadlines have been a major focus of the Board in our annual seminars and many of our periodic publications. The importance of ensuring that you and your contractors understand the filing requirements of the Fund and meet the filing deadlines cannot be emphasized enough. The Board cannot make exceptions to these deadlines.

Remember: Eligibility applications must be filed with the Board within one year from the date the release was required to be reported to BUSTR.

CLAIM REIMBURSEMENTS

(keeping the pace with incoming claims)

Ohio's tank owners have been reimbursed over \$156 million for the costs of performing corrective action at Fund eligible sites. During the past program year, the Board's claims staff settled a record 691 claims having a face value of over \$14 million. Unfortunately during this same time period we received 743 claims with a face value of just over \$14 million. The claims staff is working very hard to balance new claims with settled claims and has made a lot of progress over the past several years.

Over the past six months of the 2005 program year, the Board has received 424 claims and has settled 331, for approximately \$5.5 million in reimbursement.

Although the transition to BUSTR's new corrective action rule will bring extra investigation costs and therefore extra claims, in the long run it is expected that costs will decrease as owners are anticipated to more quickly obtain NFA status under the new rules.