

Owners to Receive 2001 Fee Statements By May 1st

The Board approved a rule amendment increasing the annual tank fee at its November 8, 2000 meeting and held a public hearing regarding the amendment on January 17, 2001. No change will be made to the deductible amounts. Upon completion of the rule review process, the annual tank fee will be increased by \$50 per tank. For the program year beginning July 1, 2001 the per tank fee will be \$450 for the \$55,000 deductible, and \$600 for the \$11,000 deductible. As a reminder, tank fees must be paid for non-compliant tanks, but no certificate of coverage will be issued for that tank. For example, owners with tanks still underground but out of use for over one year, without [BUSTR](#) approval, must pay fees for these USTs but will not receive a certificate of coverage. By law, the Board must set the Financial Assurance Fund (Fund) annual per tank fee and deductible amount of coverage for each program year. The Fund's only source of income is from annual fees paid by tank owners and operators and interest income on its investments.

In order to minimize the amount of the annual fees paid by the UST owners and operators and still ensure that there are available revenues to meet claim reimbursement needs, the Fund can issue revenue bonds. To issue these bonds the Fund essentially pledges future fees to cover the cost of repayment. Since all income for the Fund is from tank fees, all expenses of the Fund are reflected in the amount of the annual fee.

The objectives of these bond issuances were to make monies available to meet the current anticipated claim reimbursement needs while maintaining the annual fees at a reasonable and affordable level. As a result of these bond issuances, the Fund is obligated to use the revenues from the annual tank fees to meet the annual debt service for the bonds as well as other liabilities of the Fund before committing any of its income to claim reimbursement. Currently, the annual debt service for the bonds and other non-reimbursement liabilities account for over two-thirds of the income from annual tank fees. In order to meet bond interest and principle payments, satisfy bond covenants and maintain a solvent Fund, manageable fee increases are required.

U.S. EPA Warns About "Operational Compliance"

A U.S. EPA study has found that most UST owners are in "technical compliance" with leak detection requirements but many are in "operational non-compliance**". In other words, a leak detection system had been installed but it was not being properly operated and maintained. BUSTR's regulations require the proper operation and maintenance of leak detection systems. Failure to comply with these regulations can result in fines by [BUSTR](#) and **your coverage with the Financial Assurance Fund will be jeopardized**. If you are not properly operating and maintaining your leak detection system and a release occurs from your tank, eligibility to claim against the Fund may be denied. Protect your business investment by properly operating and maintaining your leak detection system.

The Board and [BUSTR](#) have developed a brochure "Getting the Most Out of Your Automatic Tank Gauging System". The brochure contains a checklist that can help avoid common problems and make sure your leak detection system is working as required. Contact the Board at 614-752-8963 for copies.

Make sure your leak detection installer trains you in the proper operation of the system, demonstrates the system has been properly installed and programmed, gives you an operation manual, schedules and documentation for calibration/maintenance, phone numbers for technical support and schedules maintenance with you as required by the manufacturer's instructions.

** Source of information: Ohio Petroleum Marketers Association Bulletin