

State of the UST Branch 2016

Division of Waste Management
Energy and Environment Cabinet

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Point of the UST Branch

KRS 224.60-110

1. Petroleum stored to meet citizens' needs, to foster economic growth and development, and quality of life
2. Releases have and will occur which threaten public safety and the environment
3. Difficult to obtain affordable pollution liability insurance
4. Need investigation and cleanup without delay
5. Minimize disputes over causation and responsibility

Structure and Staff

- Administrative Section: Tank Registration 6 to 4 employees
- Compliance Section: New Installations and issues associated with operations 6 (Supervisor Filled 11/1/15)
- Initial Evaluation & Closure → Corrective Action II 6
- Corrective Action 7 to 8
- Claims and Payments 6 to 7
- Manager's staff 4 to 3
- Total staff 34

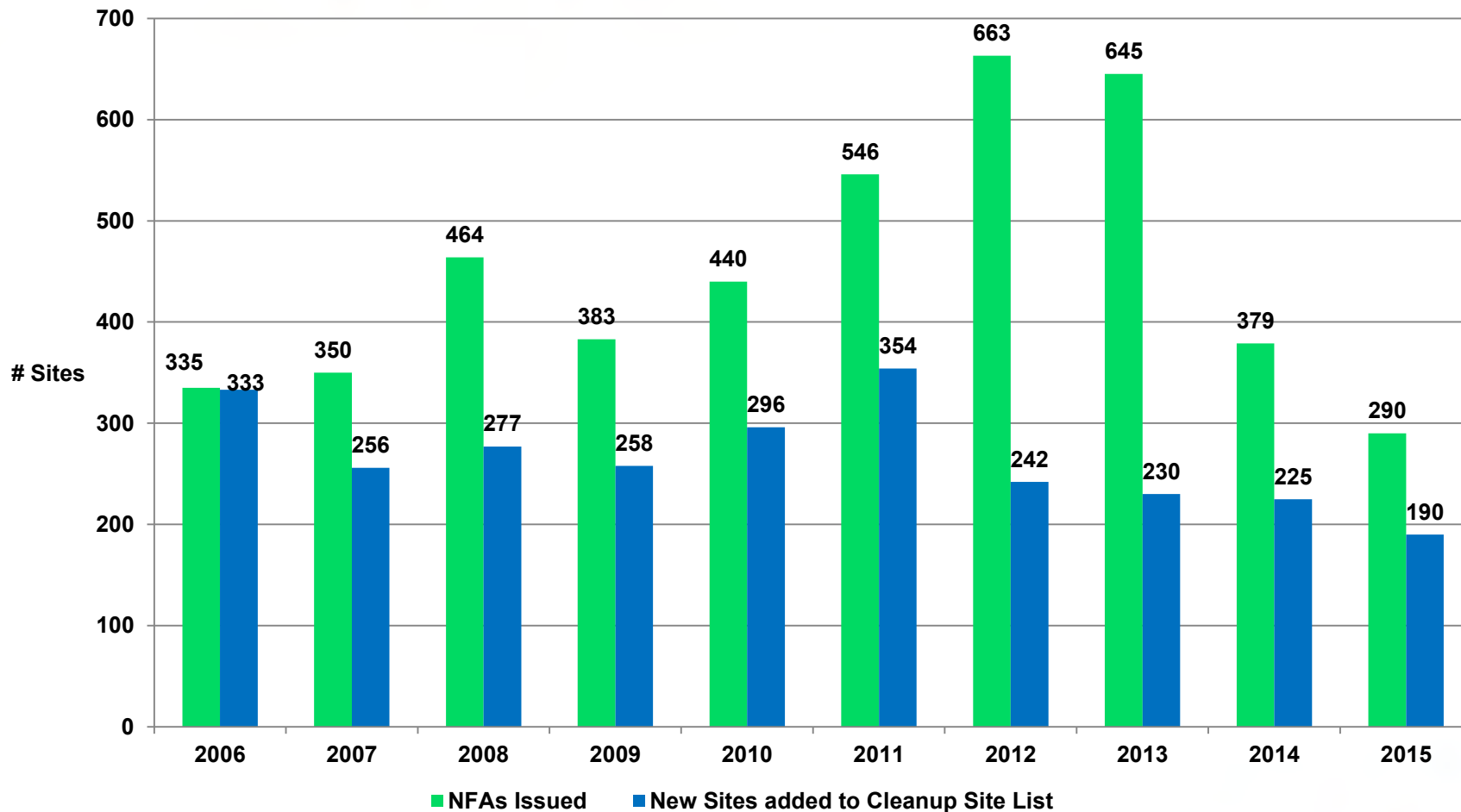
(Down from 54 November 2011)

Sites Processed or In Process since Program Inception

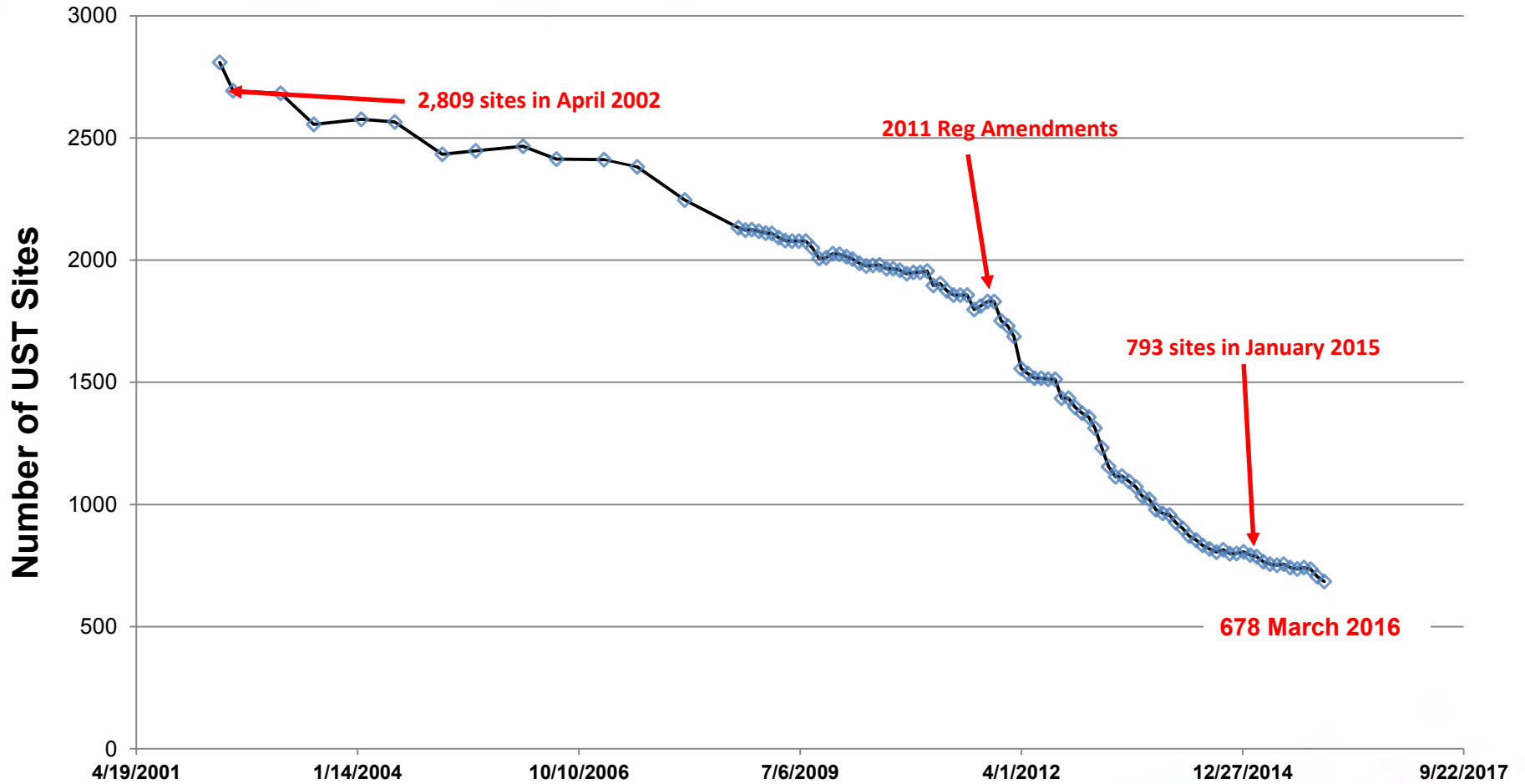
- 50,243 registered USTs since 1985
- 40,520 USTs permanently closed
- 15,838 total NFAs issued
- 579 Emergency Responses

- Permanent Closure 23 3rd Q
- Investigation 166 directives 3rd Q
- Corrective Action 489 directives 3rd Q

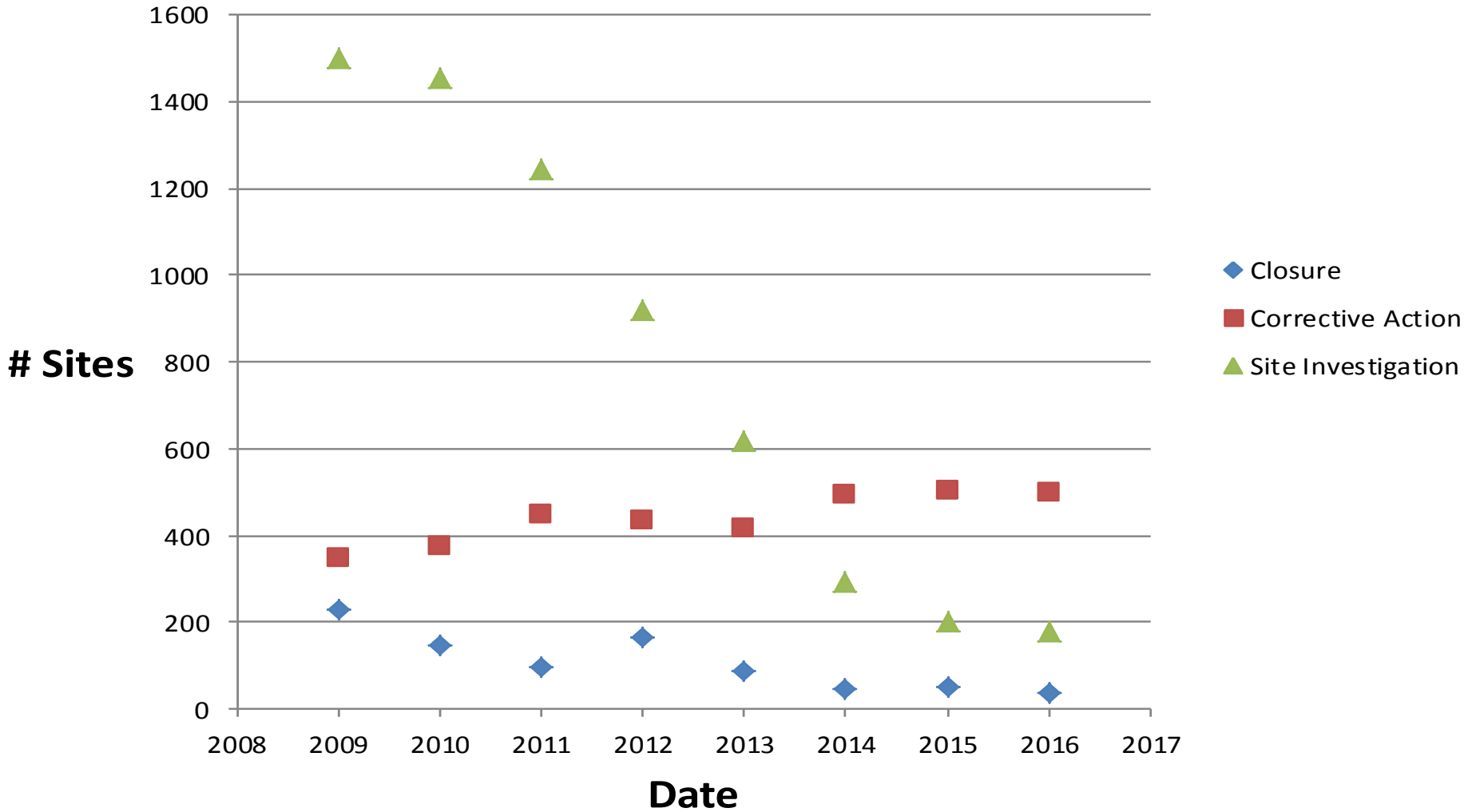
NFAs Increasing while New Sites are Decreasing



Decreasing Numbers of Sites Pending Cleanup



Site Spend Less Time in Investigation



Timely Site Characterization & Technology

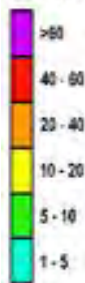


3D Visualization of LNAPL Plume
Southern Environmental - Key Oil Plant
Leitchfield, KY

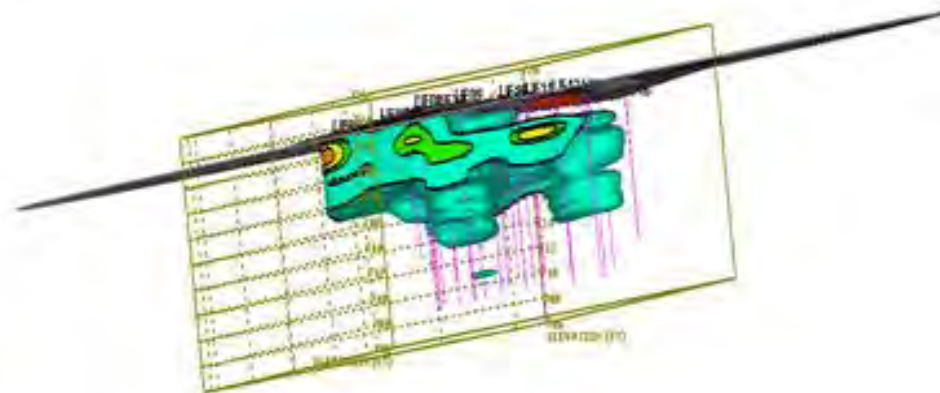
SIGNAL, above 1.0 %RE

LNAPL Impacted Soil ~2,410 cubic yards

SIGNAL %RE



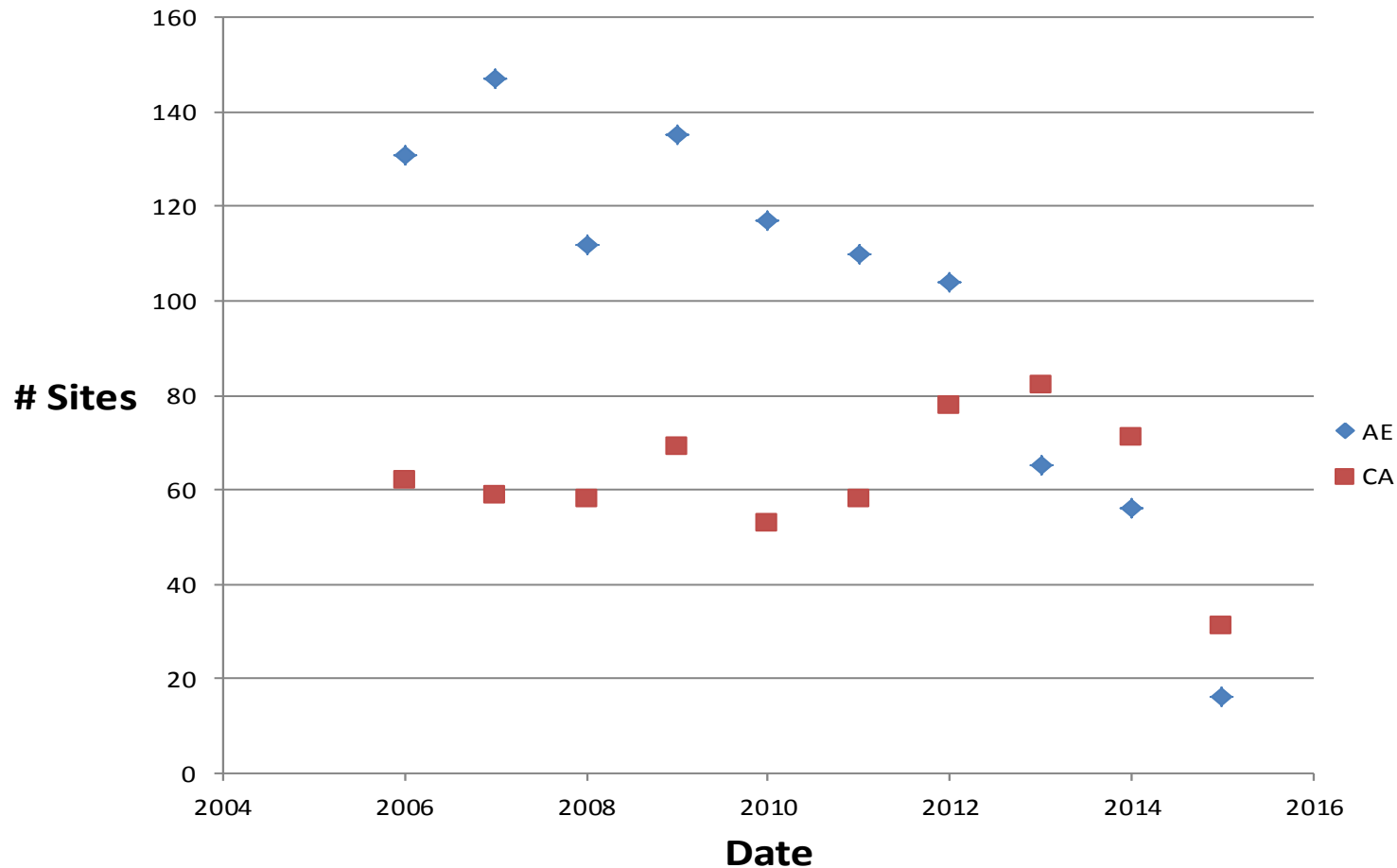
Vertical Exaggeration = 3:1



July 2015 Integrated Site Visualization (ISV)



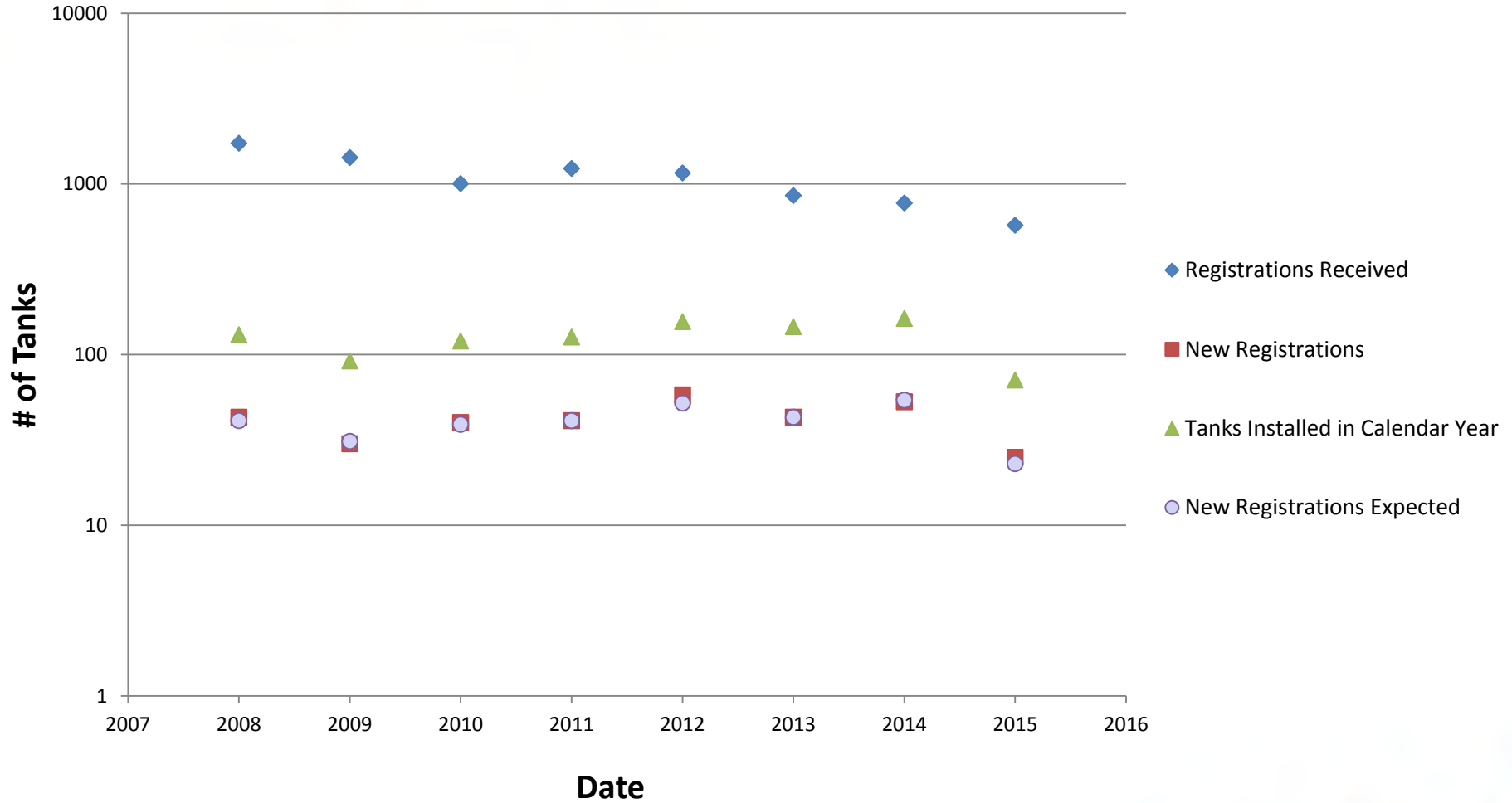
Workload per Project Manager \approx 50 Sites



Less time in Site Investigation while Corrective Action Workload increasing.
Sections merged in 2015.



Registration Workload Steady



Claims and Payments

1. C&P processing payments within one week verses 3 months prior to 2011.
2. Gaining contractors support in regards to project efficiency
3. Forms and documents through electronic submittal
4. Monthly notices to PM regarding \$ remaining per site.
5. Moving all records functions into a single database TEMPO.

Before Fixed Cost



Directive



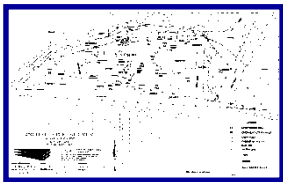
Cost Estimate



"Not to Exceed Amount"



Complete SOW



Project Manager reviews report



Claims and Payments reviews report



Adjusts payment ~~based on~~
~~receipts and timesheets~~



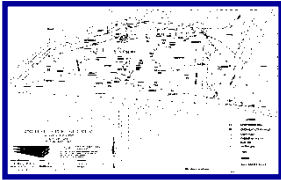
Fixed Cost



Directive and Worksheet



Complete SOW



Project Manager reviews report



Adjusts payment based on technical completeness



2011 Regulations and Management

- Provide for fixed cost reimbursement with each directive
- Timely, consistent payment
 - Contractor Cost Outline
 - Project manager communicates technical completeness
- Clarity in expectations between the eligible company and USTB
- Philosophy of Partnership working on behalf of the tank owner/operator!



Recent Legislative Session Affect USTB Fund

- Red Tag for failure to register Jan. 6th 2016
- Extension dates for PST and SOTRA HB 187
 - PST must register by July 15, 2021.
 - PST reimbursements until July 15, 2024.
 - SOTRA application received until July 15, 2021

(Strong Support from KPMA, tank
Owner/Operators & UST Contractors)

The FUTURE of the FUND is Up to You

The greatest risk to the fund is:

- Communicate Failure with
 - owners/operators
 - USTB
 - contractors
- **Unresponsive to Directives**
 - Outstanding Obligations
 - Failure to Execute Work
 - Angry tank owners/operators
 - Dated Characterization
- State Budget
 - Support



DCM Program & Relative Compliance

Compliance Rates:

- DCM compliance rate: 91%
- TOOLS, owners/DCMs like training online at their own pace & schedule
- New federal regulations in TOOLS update

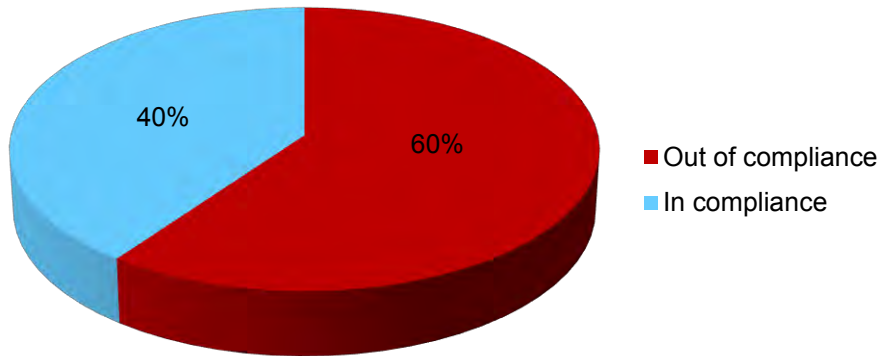
Improvements:

- Under the new Federal regulations owners/operators will be required to do monthly walk through. The clear intension of the fed. Reg. is to have the individuals involved in the daily operations knowledgeable and involved in compliance.
- Actual compliance in general is down. We don't know if there is any relationship with DCMs, but the fear is that some owners have abdicated responsibilities to DCMs who do little more than take the TOOLS test on the owner/operators behalf.

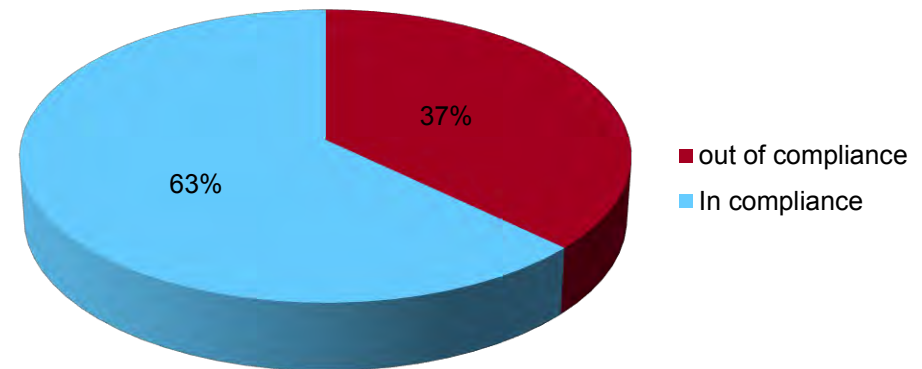


Understanding Tank Population

Small Owners Compliance Rate

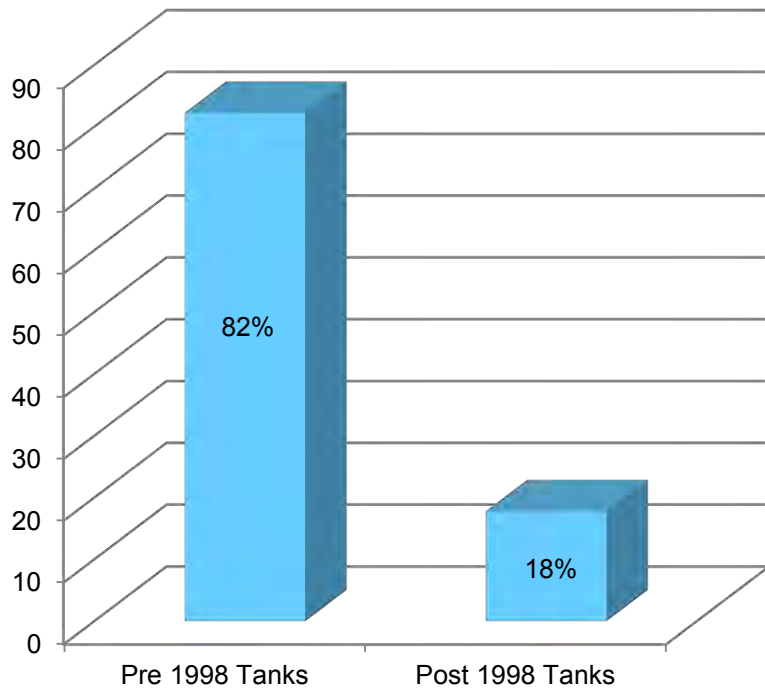


Large Owners Compliance Rate

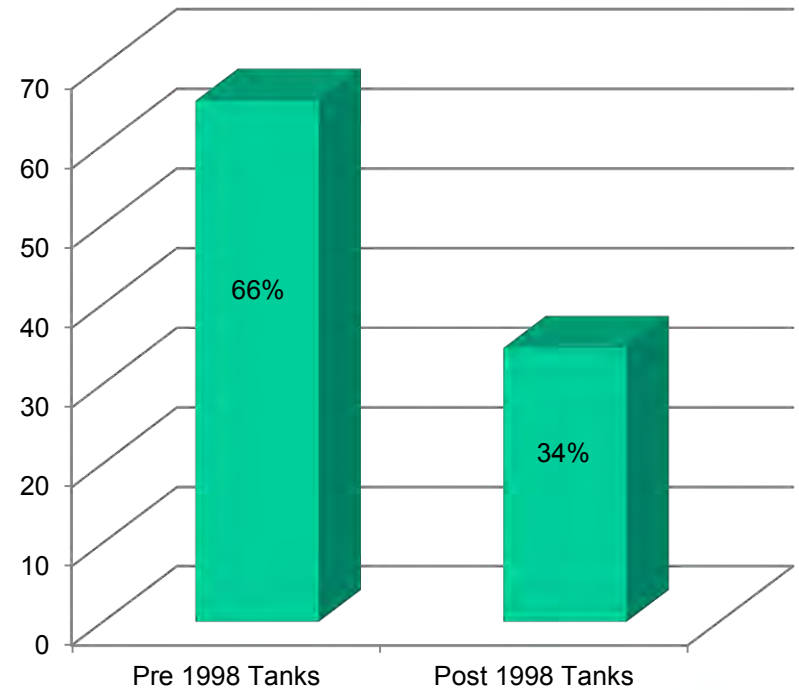


Tank Age to Violations

Facility Age and Percent of Violations for Small Operators



Facility's Age and Percent of Violations for a Large Corporate Operator



New Regulations (Federal Impetus)

Idealized EVENT DESCRIPTION: 2017 UST Regulations	TIME	DATE	UPDATED/ CONFIRMED
Announce start of regulation writing process		2/16/16	2/16/16
Distribute list of suggested reg. changes to UST sections		2/16/16	2/16/16
Initial reg. rewrites from sections to management		3/15/16	3/15/16
Collect comments from review group		3/17/16	3/17/16
Identify if statutory changes are needed		3/17/16	3/17/16
First regulatory change package from review group for internal review by UST Branch via supervisors		4/7/16	
Discussions with Fire Marshal's Office	Started	4/15/16	
Statutory proposals due		June 1, 2016	
Informal vetting with stakeholders		June 2, 2016	
Drafts sent to LRC for Pre-Review		7/15/16	
Finalize Regulation Proposal		7/24/16	
Request Formal Legal review		8/7/16	
Announce External Vetting Meeting		Open Date	
File regulation (including electronically).		10/14/16	
Public Comment Period begins (15 day period)		10/14/16	
Reg. published in Administrative Register (AR)	By Noon	11/1/16	
Hold Public Hearing—301D		Nov. 21, 2016	
Public Comment Period ends		Nov. 30, 2016	
Send Statement of Consideration (SOC) to commenters		15 th day following of month following AR publication	
Prepare Suggested Amendments response		N/A	
Referred to LRC (Standing Committees)		January 2017	
Regulations becomes effective		During Session (At close of House and Senate Natural Resources Committee hearings or 30 days if not place on agenda)	

