



Subject **UST Removal Reimbursement**
Adopted **October 11, 2019, March 18, 2019**

Since the adoption of Environmental Protection Agency's (EPA's) 1988 federal UST rule in Colorado, the Petroleum Storage Tank Committee (Committee) has continued to support the adoption of revisions to the Storage Tank Regulations incorporating UST provisions in the Energy Policy Act of 2005 and revisions to EPA's UST regulations in 2015. These revisions included new requirements focused on release prevention, including secondary containment, operator training, and periodic functionality testing of equipment. All UST systems installed in Colorado after August 2008 are secondarily contained and inherently pose a lower risk of a release to the environment. Releases from these newer secondarily contained tank systems are usually being detected earlier, and consequently easier and cheaper to cleanup.

Thirty-year warranties are beginning to expire on thousands of USTs across the country that were installed to comply with the EPA's 1988 UST rule. In Colorado, almost 30% of the more than 7,100 active USTs are over 30 years old. In an effort to reduce the environmental risk posed by an aging tank population, the Committee authorizes the use of moneys in the Petroleum Storage Tank Fund (Fund) to provide reimbursement of UST removal costs. The Committee believes this will enable tank owners or operators to proactively make decisions to replace or close aging UST systems.

UST removal reimbursement includes the following limitations and requirements:

- UST(s) must have been installed prior to August 2008.
- Reimbursement of \$2,000 is allowable for tank removal costs on tanks with a capacity up to 2,000 gallons.
- For tanks over 2,000 gallons, reimbursement is \$1 per gallon of UST volume removed, up to a maximum of \$30,000 per facility.
- The Division of Oil and Public Safety (OPS) will determine the total UST volume removed based on tank registration or other records.
- An owner or operator is limited to up to \$1,000,000 in UST removal reimbursement per fiscal year.
- The Committee will allocate no more than \$4,000,000 per year for UST removal reimbursement, subject to available funds.
- Reimbursement of costs that exceed the annual maximum for the owner or operator, or the maximum annual allocation by the Committee, will carry over to the next fiscal year, and will be subject to the Committee's annual allocation of funds for UST removal reimbursement.
- Reimbursement is only available to owners or operators of active UST systems, and property owners with abandoned or orphaned tanks, who are eligible to participate in the Fund.
- The entire UST system must be removed on or after January 1, 2019.
- The applicant must be in compliance with permanent tank closure requirements, including notification and assessment.
- Reimbursement of tank removal costs is not contingent on the presence or absence of contamination or precluded by the installation of new USTs on the property.
- Application with supporting documentation must be made using a UST Removal reimbursement application form, separate from the Petroleum Storage Tank Original and Supplemental reimbursement application forms, which will be provided on the OPS web page.
- Applications for UST Removal reimbursement must be submitted within 90 days of tank closure, or within 90 days of March 18, 2019, whichever is later.
- The Committee may terminate this policy with 90 days' notice, unless shorter termination is required due to Fund solvency concerns.

