

THE LEAKING PETROLEUM UNDERGROUND STORAGE TANK CLEANUP FUNDS

Purpose of the Funds:

The UST funds provide reimbursement for costs incurred during the cleanup of soil and groundwater contamination resulting from a release of petroleum from an underground storage tank. Two funds, the **Commercial Trust Fund** and the **Noncommercial Trust Fund**, have been established to reimburse tank owners, operators, and landowners for costs associated with cleanups.

Examples of commercial underground storage tanks:

- USTs containing petroleum products for resale.
- Farm or residential motor fuel tanks that hold more than 1,100 gallons.
- Heating oil tanks greater than 1,100 gallons (unless they serve four or fewer households).

Examples of Noncommercial underground storage tanks:

- Heating oil tanks with a capacity of 1,100 gallons or less.
- Heating oil tanks with a capacity greater than 1,100 gallons that serve one to four households.
- Farm or residential motor fuel tanks with a capacity of 1,100 gallons or less.

Eligibility for the Funds:

Owners, operators and landowners may be eligible for the funds. The following is a list of some of the criteria that must be met for fund eligibility:*

- All **commercial tanks** must be **registered** and annual operating **fees** must be paid.
- The tanks must be in **compliance with all applicable UST rules**.
- Reimbursement from the Commercial Fund only applies to releases or discharges discovered on or after June 30, 1988.

**This list is not inclusive. The only sure way to determine eligibility is to submit an application after a release is discovered.*

Amount the Funds will pay:

The funds will pay up to \$1.5 million for **reasonable and necessary costs directly related to the cleanup** of a release.*

However, there are deductibles, and there is a 20% co-payment for costs greater than \$1 million.

**Contact the UST Section Central Office State Trust Fund Group for Trust Fund Reasonable Rate information.*

Examples of what the Funds will not cover:

- Attorney fees.
- UST system replacement or removal.
- Work performed that is excessive or not necessary.
- Cleanup costs in excess of applicable deductibles that are covered by insurance policies.

Deductibles*:

Commercial Fund Deductibles:

- **\$50,000** for leaks discovered from **June 30, 1988, until December 31, 1991.**
- **\$20,000** for leaks discovered from **January 1, 1992, until December 31, 1993.**
- For leaks discovered **on or after** January 1, 1994.
 - a) **\$20,000** for **commercial heating oil USTs**** used on premises.
 - b) **\$20,000** for USTs that have installed leak detection, corrosion protection and spill/overflow prevention prior to the occurrence of a leak.
 - c) **\$20,000** for existing USTs (those installed before December 22, 1988) **if** the Department received notification before January 1, 1994, that upgrade or closure work will begin before July 1, 1994, be completed before January 1, 1995 and the release reported before January 1, 1995.
 - d) **Up to \$75,000** for all other commercial tanks (a \$20,000 deductible plus 40 percent of the costs between \$20,000 and \$157,500).
- **\$100,000** deductible for third-party liability.

Noncommercial Fund Deductibles:

- For leaks discovered or reported **prior to** August 1, 2013, no deductible or co-pay.
 - For leaks discovered or reported **on or after** August 1, 2013, **\$2,000 or \$1,000 plus a 10% co-payment**, whichever is less.
 - **\$100,000** deductible for third-party liability.
- * The deductible amounts listed assume that the release was reported immediately upon discovery as required by law.*
- ** Owner/operators of commercial heating oil tanks must pay annual operating fees as specified in 15A NCAC 2P, however, all heating oil tanks are exempt from the UST technical requirements in 15A NCAC 2N.*

How to apply:

- If a release is discovered, Trust Fund eligibility can be determined by submitting an **application form*** before submittal of the first reimbursement request.
 - The **reimbursement request** must be accompanied by specific forms* and documentation of costs incurred during cleanup
- * available from any DWM office*

For more information:

Contact your regional DWM office (see map),

or

Contact the DWM/UST Central Office at:

NCDENR

DIVISION OF WASTE MANAGEMENT

UST SECTION

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The purpose of this brochure is for general guidance. More specific information can be found in 15A NCAC 2P and G.S. 143-215.94A-N.