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# THE UST PIPELINE

News from the Petroleum UST Release Compensation Board

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James R. Rocco, Chairman

Starr J. Richmond, Executive Director

Volume 12 Issue 2

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## BOARD NAMES STARR J. RICHMOND EXECUTIVE DIRECTOR



At its November 14<sup>th</sup> meeting, the Petroleum Board named long time staff member, Starr Richmond, as its new Executive Director.

Starr joined the Board as a staff accountant in 1992 and was promoted to Chief Fiscal

Officer in 1994. As the Chief Fiscal Officer, Starr's primary duties included responsibility for all financial matters relating to the Board, and the administration and management of all computer hardware and software systems. Over time, her responsibilities expanded to a wide variety of administrative duties including participation in appeals, contract negotiations, administrative rule writing, and acting as the Board's public records, human resources, benefits and personnel officer.

When the Board planned to issue its second series of revenue bonds, Starr traveled with the Board Chairman and a former Executive Director to New York to meet with bond rating agencies, Standard & Poor's and FITCH Ratings. The bonds were awarded the highest rating of AAA. Starr was responsible for the management of the Board's total \$65 million of revenue bonds and acted as liaison with investors.

She was also responsible for the design and development of the Board's customized in-house database system, known as STARRS (Statistical

Tank and Reimbursement Records System). Starr was instrumental in the sharing of data between the Board and BUSTR, which reduced paperwork filing requirements and ultimately, increased the reliability of UST registration data.

Starr oversaw the Board's annual financial statement audit and performed actuarial estimates of the Fund's long-term claim reimbursement liability. She worked closely with risk assessment firms to develop the basis of this estimate, an amount that was most recently estimated at \$39.1 million.

In budgetary matters, Starr represented the Board before the Office of Budget and Management and the Legislative Service Commission. In addition, she has represented the Board at the Annual National Tanks Conference, State Fund Conferences, and Casualty Loss Reserve Seminars.

Starr received a Bachelor of Science in Business Administration from Ashland University in 1990. She is a CPA and a member of the Ohio Society of CPAs.

### **IN THIS ISSUE:**

Board proposes administrative rule changes

Governor re-appoints two Board members and names a new member

Eligibility Deadline, Claim Filing Deadline, and Accounts Referred to the Attorney General for Collection

Inserts: Unclaimed Funds and Claim Filing Deadline Table

## Board Sets 2008 Annual Fees and Proposes Administrative Rule Amendments

At its November 2007 meeting, the Board voted unanimously to not amend the rules regarding fees and deductibles. Consequently, the 2008 annual fees will remain at \$600 per tank for the standard \$55,000 deductible and at \$800 per tank for the reduced \$11,000 deductible.

Also at this meeting, the Board voted to amend the following rules of the Ohio Administrative Code:

3737-1-03 – The Board is proposing to delete the term “confirmed release” and in its place, proposes to define the term “release” to mirror the existing Bureau of Underground Storage Tank Regulations’ definition.

3737-1-04 – Changes are being proposed to clarify the requirements for the issuance or transference of a facility Certificate of Coverage to a new owner as a result of a sale of tanks. In addition, clarification regarding the issuance of an Order Pursuant to Law, which assesses a late fee for the non-payment of the annual fees, is proposed.

3737-1-04.1 and 3737-1-07 – As a result of changes to rule 3737-1-03, the Board proposes to remove the reference to a confirmed release and specify that the triggering date is the date the release or suspected release was required to be reported to the State Fire Marshal.

3737-1-08 – The proposed change clarifies that costs determined to be non-reimbursable shall not be applied toward a responsible person’s deductible or reduced deductible.

3737-1-09 – This change clarifies that when cost pre-approval is required and the Board does not grant the pre-approval, costs are reimbursed at 50% of the usual, customary and reasonable costs of the least expensive corrective action alternative.

3737-1-12 – The proposed changes will remove an unnecessary paragraph dealing with the maintenance of records. In addition, it clarifies certain program task completion dates as well as completion dates for tasks not specifically within defined program tasks.

3737-1-12.1 – Clarifies the annual free product recovery cost pre-approval requirements.

3737-1-22 – This change would clarify that a responsible person must provide written notification to the Board within 30 days of any action by another party that caused and/or contributed to an accidental release. In addition, where an eligibility application was previously submitted to or approved by the Board and previous notification has not been provided, written notification is required by July 1, 2008. Failure to comply with any portion of this rule will result in a reduction of 50% of corrective action costs or third-party claim costs.

There will be a public hearing held on these rule amendments on January 9, 2008 at 10:00 a.m. in the Board’s office located at 50 West Broad Street, Suite 1500, Columbus, OH 43215. Public testimony may be made at that time and written comment may be made any time prior to that date. The Board’s next regular meeting will begin immediately following the public hearing.

## GOVERNOR STRICKLAND RE-APPOINTS TWO BOARD MEMBERS AND NAMES NEW MEMBER



**James R. Rocco**, Chairman, is an original member of the Board, and serves as a representative of petroleum refiners. He is currently President of Sage Risk Solutions, Inc. Mr. Rocco previously was employed by BP Oil Company in various engineering and management positions related to construction, maintenance, and environmental activities at petroleum marketing facilities. He has extensive experience and involvement in the development, management, and implementation of environmental compliance programs related to the petroleum marketing industry.

Mr. Rocco has actively participated in the development of UST regulations and other environmentally related regulations at the federal and state levels. He received his Bachelor of Science in Civil Engineering from the New Jersey Institute of Technology in 1974.



**Thomas D. Kmiec** was appointed to the Board as a representative of professional engineers in August 1998. He received a Bachelor of Science in Chemistry from John Carroll University and a Juris Doctorate from Cleveland Marshall Law School. He is president of T. D. Kmiec and Associates and is registered as a professional engineer in the state of Ohio and the state of Illinois. Mr. Kmiec is also a Diplomate of Environmental Engineering in the American Academy of Environmental Engineers. He holds memberships in the City of Cleveland and the State of Ohio Bar Associations and the Air and Waste Management Association.

### Other Current Members:

**John H. Hull**  
**Thomas G. Stephenson**  
**Cheryl A. Hilvert**  
**Mayor Donald J. Kuchta**  
**Duane L. Cable**  
**Nancy Kister**  
**Richard Cordray**  
**Kimberly A. Zurz**  
**Chris Korleski**



**Brian K. Epperson** was appointed to the Board in August 2007 and represents UST owners. Mr. Epperson is the Manager of Remediation for Speedway SuperAmerica LLC (SSA). He holds a Bachelor of Science in EH&S Management and a Master's Degree in Business Administration, Organizational Leadership. He has greater than 16 years of experience in the environmental industry with the last seven years with Speedway SuperAmerica LLC. Mr. Epperson has actively participated in the rule making process in the states of Kentucky, Michigan, and Ohio. He is a participating member of the SSA Technical Standards Committee, SSA Waste Management Vendor Approval Team, SSA Contractor Vetting Subcommittee, and Enon Wellhead Protection Committee.

## **PIPELINE BULLETIN BOARD**

### **ONE-YEAR ELIGIBILITY FILING REMINDER**

An application for eligibility must be filed with the Board's office within one year of the date the release was required to be reported to the State Fire Marshal. In general, a release must be reported within 24 hours from the time it was suspected or confirmed. Please note that a suspected release, including physical discovery, is also required to be reported to the State Fire Marshal and is therefore, subject to this one-year filing deadline.

Don't jeopardize Fund reimbursement. In the past five years, untimely filed eligibility applications have accounted for more than 20% of all denied applications. Request an eligibility application even if you think you have a clean closure, and file it immediately after the release is reported to the Fire Marshal. Applications are now available on the Board's website at [www.petroboard.com/forms.htm](http://www.petroboard.com/forms.htm).

### **CLAIM FILING DEADLINES REMINDER**

Owners who are in the process of or have completed corrective action need to be aware of important claim filing deadlines. Program tasks and their completion dates are defined in Ohio Administrative Code 3737-1-12. In order to be reimbursed, costs must be submitted in accordance with this rule.

Claim filing deadlines are designed to improve the Board's ability to effectively manage the Financial Assurance Fund's resources. In addition, they ensure the Board's rules conform to BUSTR's corrective action rules.

A table defining the tasks and deadlines has been inserted into this newsletter. Talk to your consultant about these important requirements and call the Board's office if you have any questions.

### **PAST DUE FEES REFERRED TO ATTORNEY GENERAL**

As a reminder, all delinquent accounts are subject to late payment penalties of \$100 per tank per month, up to \$1,000 per tank. In addition, unpaid accounts may be referred to the Attorney General's Office for collection.

If your account is referred, an additional 10% fee is added to cover the costs of collection and interest accrues on the unpaid balance. The Attorney General will use every means available under the law to collect this debt.

You can avoid these extra costs by paying your current fees on time and making payment arrangements for any prior year outstanding fees. If you would like to discuss your payment options, please contact Krista Nichols at 614-752-8963 or 1-800-224-4659 (in Ohio only).

## ONE YEAR CLAIM FILING DEADLINES TABLE

PROGRAM TASK*	FILING DEADLINE
<b>For program tasks performed under 9/1/92 BUSTR rule</b>	
<b>One year from:</b>	
1. Immediate Corrective Action	Date release was required to be reported to SFM
2. Free Product Removal	Date last FPR Report submitted or date release was required to be reported
3. Site Assessment (SA)	Date SFM determines SA complete
4. Remedial Action Plan (RAP)	Date SFM approves RAP
5. RAP Implementation	Date SFM issues NFA
6. Operation & Maintenance and Monitoring	Date SFM issues NFA
7. None of the above (“catch all”)	Earlier of completion date specified by SFM or date SFM issues NFA

<b>For program tasks performed under 3/31/99 BUSTR rule</b>	
<b>One year from:</b>	
1. Immediate Response Action	Date release was required to be reported to SFM
2. Free Product Removal	Date last FPR Report submitted or date release was required to be reported
3. Tier 1 Evaluation	Date Tier 1 Notification or Tier Evaluation Report was required to be submitted to SFM <sup>1</sup>
4. Tier 2 Evaluation	Date Tier 2 Evaluation Report was required to be submitted to SFM <sup>2</sup>
5. Tier 3 Evaluation	Date Tier 3 Evaluation Report was required to be submitted to SFM
6. RAP Implementation	Date SFM issues NFA
7. Monitoring Plan	Date SFM issues NFA
8. None of the above (“catch all”)	Earlier of completion date specified by SFM or date SFM issues NFA

**\*Timely requested extensions granted by BUSTR will result in like extensions to claim filing deadlines.**

<sup>1</sup> Due to BUSTR 180 days from the date of the release

<sup>2</sup> Due to BUSTR 2 years from Tier 1 required completion date

## TRANSITIONING FROM OLD RULES TO 2005 RULE

Old BUSTR rules releases electing or transitioning to use 2005 BUSTR rule	Filing Deadline - One Year From:
1. For incomplete program tasks	The date of election or mandatory transition
2. For completed program tasks	The date the program task was required to be completed

## NEW BUSTR 2005 RULE ONE-YEAR CLAIM FILING DEADLINES

PROGRAM TASKS*	FILING DEADLINE
For program tasks performed under 3/1/2005 BUSTR rule	One year from:
1. Immediate Corrective Action	Date release was required to be reported to SFM
2. Free Product Removal	Date last FPR Report submitted or date release was required to be reported
3. Tier 1 Source Investigation	Date Delineation Notification or Tier 1 Evaluation Report was required to be submitted to SFM <sup>3</sup>
4. Tier 1 Delineation	Date Tier 1 Investigation Report was required to be submitted to SFM <sup>4</sup>
5. Tier 2 Evaluation	Date Tier 2 Evaluation Report was required to be submitted to the SFM <sup>5</sup>
6. Tier 3 Evaluation	Date of Tier 3 Evaluation Report was required to be submitted to SFM
7. Interim Response Action (IRA)	Date IRA Report was required to be submitted to SFM <sup>6</sup>
8. RAP Implementation	Date SFM issues NFA
9. Monitoring Plan	Date SFM issues NFA
10. None of the above (“catch all”)	Earlier of completion date specified by SFM or date SFM issues NFA

**\*Timely requested extensions granted by BUSTR will result in like extensions to claim filing deadlines.**

<sup>3</sup> Due to BUSTR 90 days from the date of release

<sup>4</sup> Due to BUSTR one year from the date of release

<sup>5</sup> Due to BUSTR 1 ½ years from the approval of Tier 1 Investigation Report

<sup>6</sup> Due to BUSTR 60 days from the completion date of IRA activities