



Petroleum Underground Storage Tank Release Compensation Board

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MINUTES OF THE 212th MEETING OF THE PETROLEUM UNDERGROUND STORAGE TANK RELEASE COMPENSATION BOARD January 14, 2026 – 10:00 a.m.

BOARD MEMBERS IN ATTENDANCE

Jim Rocco
Steve Bergman
Jessica Biggs
John Gordon
Brett Hillyer
Ben Miller
Dan Ridi

EX-OFFICIO MEMBERS IN ATTENDANCE

Jessica Langdon, representing Director John Logue, Ohio Environmental Protection Agency
Jason Anthony, representing Director Sheryl Creed Maxfield, Ohio Department of Commerce
Scott Adams, representing Robert Sprague, State Treasurer of Ohio

OTHERS IN ATTENDANCE

Starr Richmond	Executive Director, PUSTRCB
Jonathan Maneval	Assistant Director, PUSTRCB
Vijetha Deshineni	Chief Fiscal Officer, PUSTRCB
Cindy Stauffer	Compliance Supervisor, PUSTRCB
Hannah Brame	Claims Supervisor, PUSTRCB
Beth Fligner	Assistant Attorney General
Danielle Cook	BUSTR
Taylor Dawes	BUSTR
Patrick Holmes	BUSTR

Minutes submitted by:


Jonathan Maneval
Assistant Director

Call to Order:

Chairman Rocco convened the two hundred-twelfth meeting of the Petroleum Underground Storage Tank Release Compensation Board on Wednesday, January 14, 2026.

The following members were in attendance: Jim Rocco; Steve Bergman; Jessica Biggs; John Gordon; Brett Hillyer; Ben Miller; Dan Ridi; Jessica Langdon, representing Director John Logue, Ohio Environmental Protection Agency; Jason Anthony, representing Director Sheryl Creed Maxfield, Ohio Department of Commerce; and Scott Adams, representing Robert Sprague, State Treasurer of Ohio.

The following members were not in attendance: Larry Burks and Scott Fleming.

Meeting Materials

Chairman Rocco called upon Jonathan Maneval, Assistant Director, to discuss the presentation of the meeting materials. Mr. Maneval explained that the meeting materials are now being provided on iPads and noted that members can navigate to the agenda, minutes, and reports using the embedded PDF bookmarks.

Minutes:

Chairman Rocco asked if there were any comments or questions regarding the minutes from the November 19, 2025 Board meeting and there were none. Mr. Bergman moved to approve the minutes, and Mr. Gordon seconded. A vote was taken, and all were in favor. The minutes were approved as presented.

BUSTR Report:

Chairman Rocco called upon Jason Anthony, Bureau Chief, to present the Bureau of Underground Storage Tank Regulations' (BUSTR) report.

Mr. Anthony pointed out that the BUSTR report should be dated January 5, 2026. He said BUSTR is contracting with three vendors to perform responsible party searches. He said contracts had been completed for two vendors and they are still working on the last vendor contract.

Mr. Anthony reported that 34 NFAs (no further action actions) were issued in the month of December 2025, and 114 NFAs had been issued for the fiscal year, which started October 1, 2025. He said 1,316 report reviews were completed in the month of December 2025, and 3,429 report reviews had been completed for the fiscal year. He reported that 248 on-site inspections had been completed in December 2025, and 1,054 on-site inspections had been completed for the three-year inspection cycle that started August 1, 2025. He said they are working through some signature issues on COSAs (Compliance Order and Settlement Agreements) and reported that no COSAs or penalties had been issued. He said there have been 760 on-site inspections with violations for the inspection cycle.

Mr. Anthony stated that the corrective action side of the program received federal money for the fiscal year. He said they will be working on a new grant application, which will be submitted to the U.S. Environmental Protection Agency (U.S. EPA) in May 2026. He said the hope is the money will be

awarded for the next two years with the allocation of money for the first year by July 31, 2026. He mentioned that the release prevention section received its allocation of money last July.

Mr. Anthony reported that inspector classes are scheduled for March 16 – 20, and March 30 - April 2, 2026. He said 13 students signed up for the classes, and mentioned they are reaching out to fire departments with delegation of authority to sign up a few more people. He said there are typically between 15 and 24 students and noted the maximum number of students that can be seated in the testing lab is 24. He said fire safety inspector training will be in April 2026.

Mr. Anthony said BUSTR is continuing to do outreach to the regulated community and delegated fire departments on the OTTER Engage platform. He mentioned that each delegated fire department has its own permit process and they need training on how to put it into BUSTR's system. He said it is a substantial change because it was a paper process before. He said the new database went live on July 28, 2025, and, as of January 1, 2026, they are in genie hours, which is a maintenance contract.

Mr. Anthony reported there are [21,171] registered tanks and 3,420 owners of 6,908 registered facilities, as of December 27, 2025. He said there are 2,273 active releases and 1,871 active closures. He reported that 33,205 NFAs have been issued since the inception of the program. He said a total of 114 NFAs have been issued since the start of the fiscal year on October 1, 2025. He said a total of 1,008 new federal inspections had been completed since the start of the three-year inspection cycle on August 1, 2025. He said 531 re-inspections were done for a total of 1,539 inspections.

Chairman Rocco asked how the new OTTER application is working out. Mr. Anthony said it has been helpful for customers trying to find documents. He said the majority of problems being encountered are on the permit side, transitioning old permits to the new database. He explained that permits are only good for six months and there are about 331 permits they need to expire because they are legacy permits from the old database. He said expiring 331 permits is going to cause a lot of issues because there might be 300 resubmittals, which will increase the workload for the staff who do the permit reviews and approvals. He said new permits in the database seem to be working okay. He said there have been some problems accessing the OTTER database when a user's Ohio ID (OHID) has different associations. Chairman Rocco said he has experienced that issue because he has a personal OHID and an OHID for the Board, and it gets confusing to know which database you are logged in to.

Financial Reports:

Chairman Rocco called upon Vijetha Deshineni, Chief Fiscal Officer, to present the financial reports.

Audit Update

Ms. Deshineni said the auditors, Rea & Associates, submitted a modification agreement to the Auditor of State to extend the due date for the submission of the fiscal year 2025 audit from December 31, 2025, to January 30, 2026. She said she anticipates the draft financial statements will be emailed to the Board members in the next week and asked that any comments be submitted within a week. She explained that if no comments are received, the audit report will be submitted to the Auditor of State.

October and November Financials

Ms. Deshineni said the October and November financials were emailed to each member. She said she

would be discussing the November 2025 report.

Ms. Deshineni reported that, as of January 12, 2026, the unobligated account balance was \$22.06 million. She said this amount includes \$5.46 million in STAR Ohio (State Treasury Asset Reserve of Ohio) and \$453,000 in the custodial account, and \$16.15 million invested in U.S. treasuries and U.S. agency callable bonds. She said the obligated account balance for the payment of claims is \$5.04 million.

Ms. Deshineni said the claims expense for the month of November 2025 was \$566,000. She explained that, as of November 30, 2025, expenses should be at 41.67% of the amounts budgeted for the fiscal year. She said since July 1, 2025, a total of \$3.1 million had been paid for claims for fiscal year 2026. She commented that this is 38.75% of the \$8 million obligated by the Board for claims for fiscal year 2026. She said two temporary employees are working on preparing documents for digitization. She said these costs for temporary services will start accruing in the next month. She pointed out the legal and professional expenses were high in the months of July and November. She explained that invoices for Assistant Attorney General services for the final quarter of fiscal year 2025 were paid in July 2025 and Milliman's costs for actuarial analysis of the Fund's loss reserves for fiscal year 2025 were paid in November 2025. She pointed out that travel expenses for November 2025 were at negative \$704.50 and explained that this was due to the travel expenses incurred in October 2025 being reimbursed by the New England Interstate Water Pollution Control Commission (NEIWPCC) in November 2025. She commented that these costs were for a staff member to attend the National Tanks Conference in Spokane, Washington. She pointed out that postage expenses are at 62.42% of the budgeted amount. She explained this is due to postage fees for the final quarter of fiscal year 2025 being paid in July 2025.

Mr. Ridi asked if the two employees working on digitizing records is part of what was discussed at the previous meeting. The Board's Executive Director, Starr Richmond, explained that fee statements, hardship applications, and ability to pay applications have been digitized and the staff is currently working on digitizing compliance files. She noted there are thousands of compliance files, and all these files are going to be scanned, which is the purpose of the two temporary employees. She added that the files cannot be done by date because they are filed by an owner's account. She said the staff is also working on a BUSTR project to bring the reports into the database and to upload records into the system that had been requested in the past. She said the staff is making pretty good progress now. Chairman Rocco said the advantage of BUSTR having digitized its records is that there is not necessarily a need to hang on to paper reports, since they can be obtained from BUSTR when needed. He said once the Board's records are digitized, it will save a lot of space and will make searching for something-in-particular relatively simple.

Mr. Miller asked if files have been sent offsite and if those files are being brought back on-site to digitize. Director Richmond said there are lots of files off-site and there is currently no plan to scan those in. She said files that are off-site are closed and inactive. Chairman Rocco said it does not make sense to spend the time, effort, and money to digitize those files. He said, if something is raised on a closed site, the file can be pulled for that particular case.

Mr. Hillyer asked if the Board has a records retention policy that requires all these old records to be kept. Chairman Rocco confirmed that the Board has records retention policies and said it is a good question as to whether these files should be purged at some point in time. Director Richmond explained that the Attorney General's Office has advised not to destroy records because of the litigation the Board has been involved in since 2010. She explained that some records can be destroyed and some that cannot be destroyed, but because the records are interfiled, everything is being kept. Mr. Hillyer said if records are destroyed in accordance with the established records retention policy, it may provide some relief to the Board from future litigation if there were to be a dispute over these old sites. The Chairman said it is a good point and something to look at once the remaining double-dipping case is settled. The Board's legal counsel, Assistant Attorney General Beth Fligner, stated that a litigation hold remains in place on records until the referenced cases are closed. Ms. Fligner said records retention is guided by law and when the litigation hold ends, she can work with Director Richmond to go through the statute and guidelines to ensure the Board's records are properly managed and eligible records are destroyed in compliance with those requirements.

Compliance and Fee Assessment Report:

Chairman Rocco called on Cindy Stauffer, Compliance Supervisor, to present the compliance and fee assessment report.

Ms. Stauffer stated that the information being reported reflects numbers as of December 31, 2025, unless otherwise noted. She said owners can be entitled to a refund of Financial Assurance Fund fees for a variety of reasons including, but are not limited to, payments made for above ground or other exempt storage tanks and removed tanks; duplicate payments; and the difference in the per-tank fee amounts. She said there are currently 2,662 pending refunds, which total \$1,550,696. She said these refunds are for 610 owners, and it is common for multiple refunds to be due to an owner. She reported that refunds totaling \$31,788 had been paid since July 1, 2025.

Ms. Stauffer reported that \$12,900 of pending refunds had been used to offset outstanding tank and late fees during this program year. She said since July 1, 2025, the fees collected by the Attorney General's Office and Special Counsel less collection costs total [\$66,794]. She said, subsequent to the Board report, 231 accounts totaling \$736,900 were certified to the Attorney General's Office for collection.

Ms. Stauffer said as of December 31, 2025, one Order Pursuant to Law was under appeal. She explained that a minimum of 60 days after the assessment of fees, if payment is not received, an order is issued, which directs the owner to submit payment and assesses late fees. She said information to support the one appeal is expected. She said two Determinations to Deny a Certificate of Coverage are currently under appeal and information to support the appeals is expected.

Ms. Stauffer stated that currently there are no Ability to Pay Applications pending review. The Ability to Pay program allows former underground storage tank (UST) owners experiencing financial difficulty to apply for and receive a determination of their ability to pay delinquent fees.

Ms. Stauffer reported that, as of January 2, 2026, Certificates of Coverage had been issued to 2,523

owners for program year 2025. She said there are 279 Applications for Certificates of Coverage currently being processed. She said for program year 2025, there are 29 owners with unresolved Pending Denials and 35 owners with unresolved Determinations to Deny a Certificate of Coverage.

Ms. Stauffer stated that there are 33 owners with uncashed refund checks totaling \$37,017. She noted that these refunds are held in the unclaimed trust fund, and if they remain unclaimed for five years, the monies are returned to the unobligated account balance. She said there are 14 owners with potential refunds totaling \$83,246 to whom more information request letters had been sent notifying them that additional information is needed before the refund may be issued. She said a second more information request letter will be issued to these owners. She said 44 owners with possible refunds totaling \$70,305 have not responded to the final more information request letters. She said a final review will be conducted, and if possible, a partial refund will be issued to the payer, and the remaining amounts will be reapplied to the owner's account.

Claims Reports:

Chairman Rocco called on Hannah Brame, Claims Supervisor, to present the claims reports.

Ms. Brame reported, as of January 5, 2026, the total maximum liability of in-house open claims is approximately \$7.31 million. She said using the claim payout ratio of 74%, which is the average ratio over the past five years, the anticipated payout of unpaid in-house claims is about \$5.41 million.

Ms. Brame reported, as of January 5, 2026, a total of 460 claims with face values above the deductible amount were pending review and noted that the claims staff are currently reviewing claims received prior to May 2025. She stated that, as of January 5, 2026, 15 claim determinations were under appeal and noted that these appeals pertain to only six release sites, as there are multiple appeals for three sites. She said the staff is awaiting supporting information for seven appeals and information to support eight appeals was received and is under review.

Ms. Brame reported that, as of January 5, 2026, a total of 212 claim applications were received, and 257 claim determinations were issued. She said the average payout per claim application for program year 2025 is \$11,763 and the average claim payout is 60.3% of the net claim value (face value – deductible). She said the average percentage of the claim face value that was disallowed was 32.8%. She explained that for December 2025, a total of \$300,710 was disallowed as non-reimbursable, which is approximately 26.6% of the [\$1.129] million face value that was settled. She said, of that amount, \$135,766 was disallowed as non-reimbursable tank removal or site restoration costs and \$29,871 was disallowed pursuant to a September 2007 settlement agreement with Premcor Refining Group. She said, after accounting for those major issues, the remaining \$135,000, or about 12%, was disallowed for other reasons, such as non-reimbursable markup, costs that exceed what are typical, and other non-reimbursable issues. She said the staff will continue to monitor the percentage of disallowed costs.

Chairman Rocco asked if the settlement with Premcor Refining Group is driving the 30% being disallowed and Ms. Brame said she did not think that settlement on its own is driving the percentage being disallowed. She said the settlement agreement is a 75% payment of what otherwise is reimbursable. The Chairman said the percentage being disallowed had consistently been between 20

and 25% and it seems to have increased all of a sudden. He asked whether there is something weird in the claims and Ms. Brame said it seems to be driven mostly by one-off sites that have atypically high percentages of disallowed costs. She said there are only a few active claims affected by the settlement agreement with Premcor. The Chairman noted that the unusually high level of disallowed costs may be the result of newer consultants who are not yet familiar with which expenses are reimbursable. He said the staff may want to reach out to these consultants to have them think about their submissions so they can clean it up on the front end, because it makes it a lot more difficult to weed through everything to figure out what should be covered and what cannot be covered during the review process.

Chairman Rocco gave an overview of the Fund for the benefit of the BUSTR staff in attendance. He explained that the Fund is a tank owner driven Fund, operating solely on yearly fees paid by tank owners. He explained that by participating in the Fund, owners may file claims for the reimbursement of cleanup costs that BUSTR requires to be performed at a site. He said if the corrective actions are required under BUSTR rules, then the costs are covered, but if work is not required, costs are not covered. He commented that if somebody wants to pave their lot, in addition to putting in a bunch of monitoring wells, the paving costs will be disallowed if the costs are in the claim. He said it is not unusual for there to be disallowed costs in claim submissions, and it has been at a consistent level. He said the Board can predict the overall level of disallowed costs, which is beneficial in budgeting how much money will be spent on an annual basis. He said the Fund has a deductible of either \$11,000 or \$55,000, which is driven by the size of the tank owner. He explained that owners of six or fewer USTs are eligible for the \$11,000 deductible; larger owners have the \$55,000 deductible. He said the Fund is similar to an insurance company. He said if there is a release, an eligibility application is submitted, the application is reviewed to ensure fees were paid and the tanks are in compliance with the BUSTR rules, and a determination of eligibility is issued. He said as cleanup is done, claims are submitted. He said owners are encouraged to submit claims on a continuous basis, which is why claims average \$10,000 to \$12,000 instead of \$100,000. He said in all cases, it is a reimbursement of costs, so the money must be spent up front.

Mr. Gordon asked if the increase in disallowance being seen is due to contractor markup and Ms. Brame said she did not think higher markup is being seen. Mr. Gordon noted the Board previously discussed reviewing allowable costs and asked if allowable costs had been adjusted since costs have increased. Chairman Rocco said the allowable markup has been 10% for a long time and said the cost of things is something that is always being looked at. He explained that no standardized cost table exists specifying a maximum allowable price for activities such as well installation. He explained that the staff continuously monitors cost data and maintains a general understanding of typical expenses for various activities. When submitted costs significantly exceed what is normally observed, those costs are questioned. He added that as inflation drives costs upward, the staff evaluates and adjusts reimbursements to reflect those increases. Ms. Brame stated that cost data is collected during the claims review process, and the staff monitors trends to determine whether expenses are increasing. She said in July of 2025, the staff evaluated labor costs, typical costs, and hourly labor rates, and that information was provided to stakeholders. Mr. Gordon asked what the percentage was and Ms. Brame said she did not know off the top of her head. Mr. Gordon said he was glad to hear it is being reviewed and has increased. The Chairman explained that when a claim includes disallowed costs, the owner may appeal the determination through the appeals process. He noted that most issues are resolved

without the need for a hearing, as they are typically addressed through discussions between Ms. Richmond, Ms. Brame, and the tank owner regarding the reasonableness of the costs.

Mr. Anthony said he seemed to recall a program that allowed a consultant to be paid directly through a direct pay agreement and asked if that is still being seen. Chairman Rocco confirmed that direct pay is still used. Mr. Anthony asked if markup is seen in the direct pay claims since consultants understand costs and what is reimbursable and Ms. Brame said she does not see a lot of difference in the way costs are invoiced, depending on whether it is direct pay or not. The Chairman noted that there are a handful of consultants that tend to specialize in direct-pay arrangements with their clients and, in theory, should be more aware of how the process works and reimbursement requirements. He added that the program remains widely used, particularly among smaller tank owners. Ms. Biggs asked if direct pay is pre-negotiated rates and the Chairman explained that direct pay allows a tank owner to authorize the Board to send a check directly to a consultant for the reimbursement of a claim. He said everything else still follows the usual claims review process.

Ms. Brame reported that, as of January 5, 2026, a total of 47 eligibility applications were received for program year 2025 and 30 eligibility determinations were issued. She said of these eligibility determinations, 18 were approved and 12 were denied. She said the reasons for denial included two for no release demonstrated, three for late filing of the application, one for lack of a valid Certificate of Coverage, two for tanks being out of compliance with BUSTR's rules at the time of the release, and four for no corrective actions being required by BUSTR. She said as of January 5, 2026, a total of 171 eligibility applications were open. She noted that 17 of these applications were unreviewable until the necessary reports are received, and more information has been requested for 20 of the applications. She also noted that, as of January 5, 2026, six eligibility determinations were under appeal. She said additional information is expected for one appeal, information for four appeals has been received and is under review, and a hearing is scheduled for one appeal.

Ms. Biggs asked if the three applications denied for late filing were denied because they were submitted after the required deadline, and Ms. Brame confirmed that they were. Ms. Brame explained there is a deadline for submitting an eligibility application, which is currently one year from the date the release is suspected. Ms. Biggs said one year seems more than reasonable for filing the application. Chairman Rocco said late filing is one of the reasons there is a high number of denials. He said tank owners are encouraged to file an eligibility application regardless of whether they know there is a release requiring corrective actions. He said if they fail to submit the eligibility application, they cannot come back later and apply for a release that occurred two or three years earlier.

Ms. Brame reported for program year 2025 a total of 58 cost pre-approval requests were received. She said the cost pre-approval requests included 11 requests for new remedial action plans (RAPs); 30 requests for annual costs for RAPs or free product recovery; two requests for an interim response action (IRA) requiring BUSTR approval; nine requests for either Tier 3 or monitoring/calibration plans; two cost exceedance notifications; and four voluntary requests for cost pre-approval. She said as of January 5, 2026, a total of 52 cost pre-approval notifications had been issued and 31 cost pre-approval requests were pending review.

Chairman Rocco explained that the pre-approval process is the only time owners must estimate their annual costs, which are generally related to work like quarterly monitoring. He added that these types of costs can get out of control quickly.

Certificates of Coverage – Ratifications:

Chairman Rocco called on Cindy Stauffer, Compliance Supervisor, to present the lists of owners who have been issued or denied a Certificate of Coverage for ratification by the Board.

Ms. Stauffer said the process used to review the fee applications and issue or deny a Certificate of Coverage includes a review for completeness to determine full payment was received; financial responsibility for the deductible has been demonstrated; and the owner has certified with his signature that he is in compliance with the State Fire Marshal's rules for the operation and maintenance of petroleum USTs; and, if the tanks existed in previous years, a Certificate for the subject tanks has been issued to the owner in at least one of the prior two years. She said if a Certificate has not been issued in one of the prior two years and the tanks existed during those years, the owner must comply with rule 3737-1-04.1 by demonstrating the tanks are in compliance with the State Fire Marshal's rules for the operation and maintenance of USTs.

Ms. Stauffer stated that, if the requirements are met, a Certificate is issued. She said if the requirements are not met, the Certificate is denied. She explained that if the Certificate is denied, the owner is provided with an opportunity to appeal the denial. She said that, throughout the denial process, the Board's staff works closely with the owner to resolve any deficiencies. She stated that all processes within the Board's rules and Revised Code were followed to make a determination to issue or deny the Certificates of Coverage.

Ms. Stauffer requested the Board ratify the Director's actions with respect to the issuance of the program year 2024 Certificate of Coverage for the owner of the facility included on the program year 2024 Certificates issued list.

Mr. Bergman moved to ratify the issuance of the 2024 Certificate of Coverage for the facility listed. Mr. Gordon seconded. A vote was taken, and all members were in favor. The motion passed.

Ms. Stauffer said no 2024 Certificates had been denied since the previous meeting.

Ms. Stauffer requested the Board ratify the Director's actions with respect to the issuance of the program year 2025 Certificates of Coverage for the 113 owners of the 386 facilities included on the program year 2025 Certificates issued list.

Mr. Bergman moved to ratify the issuance of the 2025 Certificates of Coverage for the facilities listed. Mr. Hillyer seconded. A vote was taken, and all members were in favor. The motion passed.

Ms. Stauffer requested the Board ratify the Director's actions with respect to the denial of the program year 2025 Certificates of Coverage for the 86 USTs located at the 28 facilities included on the program year 2025 Certificates denied list.

Mr. Bergman moved to ratify the denial of the 2025 Certificates of Coverage that were listed, and Mr. Miller seconded. A vote was taken, and all members were in favor. The motion passed.

Announcement:

Chairman Rocco announced that Scott Adams is now serving as designee for the State Treasurer of Ohio. He said the Board has always had a good working relationship with the Treasurer's Office, particularly with respect to the Board's investments. He said Mr. Adams' presence representing the State Treasurer is very much welcome, needed, and appreciated.

Confirm Next Meeting and Adjourn:

Chairman Rocco said the next Board meeting will be held on Wednesday, March 11, 2026, at 10:00 a.m.

Mr. Ridi made a motion to adjourn the meeting and Mr. Gordon seconded. All members were in favor.

Note: Numbers in brackets [] were incorrectly stated at the meeting. The numbers as written reflect the correct numbers from the report materials provided at the meeting.