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**Inside this issue:**

- Leaking Under-  
ground Storage Tank  
Corrective Action  
Compendium Now  
Available Online 2
- Proposed UST  
Regulations  
Update and  
Anticipated  
Promulgation  
Schedule 3
- New Web Page:  
Resources for UST  
Owners and  
Operators 4

## Important Notice

**To: UST Owners and Certified Contractors**  
**Subject: Status of Funding from the Petroleum Storage Tank Environmental Assurance Fund (PSTEAF) for New Obligations and Reimbursement**

This is to advise external stakeholders on the status of available PSTEAF funding through the end of fiscal year 2012 (June 30, 2012).

The current state budget appropriated PSTEAF funding of \$25 million for each of the two fiscal years (fiscal year 2011 and fiscal year 2012) of the biennial budget period. This is consistent with the appropriations received for the past several years. The rate of reimbursements, however, has increased significantly over the past two years (see left).

### Rate of Reimbursements from FY09 to FY10

#### Fiscal Year 2009 (July 1, 2008—June 30, 2009)

\$16,187,066.61 ..... Amount Reimbursed  
\$19,047,993.98 ..... Amount Obligated through  
issuance of written directives

#### Fiscal Year 2010 (July 1, 2009—June 30, 2010)

\$24,164,107.92 ..... Amount Reimbursed  
\$26,072,670.87 ..... Amount Obligated through  
issuance of written directives

*The rate of reimbursements has increased significantly over the past two years although the appropriations received for the past several years have remained consistent.*

Please note that, in accordance with the enacted budget, remaining funding from previous years was not carried over into current appropriations. In addition, \$20 million in existing obligations from previous years counts against the \$50 million budgeted over the two year period. Therefore, \$30 million was actually available for new obligations, through the issuance of (continued on Page 2)



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For more information, comments or story suggestions, please contact the editor of the UST Quarterly, Virginia Lewis. She can be reached at [Virginia.Lewis@ky.gov](mailto:Virginia.Lewis@ky.gov) or 502-564-5981, ext. 4024.

To report a release or suspected release call the ERT hotline. 1-800-928-2380

## Kentucky Operator Training

### You don't have to pay.

If you are a Kentucky UST owner or operator, you can keep your money in your pocket when it comes to operator training.

As a service, the UST Branch will be offering free operator training courses that will be available online after the proposed UST regulations go into effect. For more information including a tentative timeline, please see the article "Proposed UST Regulations Update" in this newsletter on Page 3.

Per the federal law, states must ensure UST operators are trained according to state-specific training requirements by Aug. 8, 2012.



Save your hard earned dollars.

## Leaking Underground Storage Tank Corrective Action Compendium Now Available Online

A new EPA resource titled Leaking Underground Storage Tank Corrective Action Compendium is now available online. The compendium is a clearinghouse that presents concepts and addresses issues associated with corrective action at leaking underground storage tank (LUST) sites. It provides valuable information and links to resources for all aspects of the LUST remediation process.

The compendium is divided into six sections. It begins with an overview of the LUST corrective action process. Then it discusses each of the steps in the process: release discovery, confirmation, and initial response; characterization of the source and site; physical site assessment; corrective action; and site closure.

The compendium is intended for the use of federal, state, and tribal LUST remediation specialists, but other stakeholders will find it a valuable resource as well. A work group made up of UST stakeholders from states, tribes, EPA, and the private sector developed the compendium, which includes explanatory and technical information from a wide variety of sources.

For questions or more information about the LUST Corrective Action Compendium, please contact Matthew Young at [young.matthew@epa.gov](mailto:young.matthew@epa.gov) or 703-603-7143.

**The Leaking Underground Storage Tank Corrective Action Compendium can be found on EPA's website at <http://www.epa.gov/oust/lust/intro.html>.**



### Important Notice (continued from Page 1)

written directive letters, for the two year budget period (fiscal years 2011 and 2012). Various actions will further impact the amount available for new obligations including reimbursable actions directed under declared emergencies, state-lead actions, and reimbursable actions that do not require a written directive from the UST Branch.

As a result of these circumstances, the amount of funding that is remaining for new obligations (new directive letters) is approximately \$7 million through the remainder of the budget period ending June 30, 2012. At the pace the UST Branch was issuing directive letters (constituting obligations), the PSTEAF funding for new obligations would have been exhausted by the end of October 2011 – approximately one-third of the way through fiscal year 2012. This would have resulted in a shut-down of all new directive letters, with approximately eight months remaining in fiscal year 2012, unless additional funding was identified. With the current challenges confronting the state budget, additional funding is not an option.

The average monthly obligations during this fiscal year have been \$1.5 million. To ensure that a consistent flow of new

directives are issued each month of the budget period, a ceiling of \$800,000 has been established for monthly obligations.

New directive letters will continue to be developed by the technical reviewers in the UST Branch. Remedial directives will be given priority for issuance while site investigation-related directives will be released in accordance with the ranking system established in 401 KAR 42:290, up to the established monthly ceiling.

In addition, the rate of reimbursement (claim payments) will be held to a current monthly ceiling of \$1.4 million to ensure that monthly reimbursements continue for the remainder of the budget period. Claims will be paid on a first-in/first-out basis as determined by the date of the technical completeness determination or the date of claim submittal if a completeness determination has already been made or is not necessary. This ceiling amount is subject to change in accordance with the amount of expenditures outside of the normal directive letter process as described above.

If you have questions, please contact Rob Daniell, UST Branch Manager at (502) 564-5981, ext. 4782.

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Visit our website today at <http://waste.ky.gov/ust>.



## Proposed UST Regulations *UPDATE*

By Robert Daniell, Underground Storage Tank Branch Manager

The regulation promulgation process continues for the UST program. The proposed regulatory amendments were filed with the Legislative Research Commission (LRC) on April 15, 2011, and the formal public comment period will begin on May 1. A public hearing will be held on May 24th at 10 a.m. at 300 Fair Oaks Lane, Frankfort, Ky., to allow interested parties the opportunity to present verbal and written comments on the proposed amendments.

Written comments submitted, outside of those submitted during the public hearing, must be directed to Cassandra Jobe at [Cassandra.jobe@ky.gov](mailto:Cassandra.jobe@ky.gov), or by mail to her attention at PPA Branch, Division of Waste Management, 200 Fair Oaks Lane, Frankfort, KY 40601.

The majority of comments received during the informal vetting process focused on PSTEAF reimbursement issues, and the specific rates contained within the Contractor Cost Outline. In light of those comments, the amendments were modified to include an 8 percent cost of living increase in the personnel rates, and an increase of the integrated fuel cost to \$5 per gallon. In addition, other rates were modified to account for comments received.

Additional comments received through the formal public comment period will be fully reviewed and accommodated within the Statement of Consideration, which is a formal written response to each comment submitted.

### Anticipated Promulgation Schedule

May	June	July	August	September
<p><b>1st</b> Regulations are published in the Kentucky Administrative Register.</p> <p><b>1st—31st</b> The formal public comment period takes place.</p> <p><b>24th, 10 a.m.</b> A public hearing is held at 300 Fair Oaks Lane in Frankfort, Ky., to allow interested parties the opportunity to present verbal and written comments on the proposed amendments.</p>	<p>Comments are reviewed. The Statement of Consideration (response to comments) is composed.</p>	<p><b>15th</b> The Statement of Consideration (response to comments) is filed.</p>	<p>A hearing with the Administrative Regulation and Review Subcommittee of the Legislature takes place.</p>	<p><b>3rd</b> The Legislative Research Commission refers the regulations to the Interim Joint Committee (IJC) on Natural Resources.</p> <p><b>4th</b> There is a hearing with the IJC for final Legislative review. If approved, the regulations are effective at the close of that meeting.</p>
<p><b>Upon approval by the Legislature, it is anticipated that the regulations will take effect in October/November of 2011. Please keep in mind that this date is merely a projection, as the scheduling of these legislative meetings is under the control of the LRC and Legislature.</b></p>				



Artwork by Virginia Lewis





**Underground Storage Tank Branch  
200 Fair Oaks Lane  
Frankfort, KY 40601**



Please see  
important  
notice on  
Page 1!

## **New Web Page: Resources for Underground Storage Tank Owners and Operators**

We want you to have all the tools necessary to make working with your UST systems and with us here at the Underground Storage Tank Branch as easy and efficient as possible. Launching a new Resources for UST Owners and Operators Web page is another step we are taking in that direction.

With heavy rains and flooding being a problem in Kentucky, we are featuring EPA's Underground Storage Tank Flood Guide on the new owner and operator resources Web page. This guide aims to help prepare for, prevent, or lessen the catastrophic effects and environmental harm that could occur as a result of flooded UST systems, as well as help return these UST systems to service as soon as possible.

Other items available on the new Web page include:

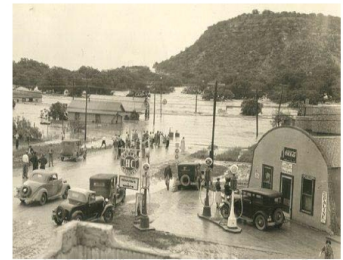
- Financial Assistance Resources
- Operator Training Information and Updates
- Online Payment Option for Annual Fees
- Contractor Lists
- Forms and Outlines
- Regulations
- Present and Past UST Quarterly Newsletters

**Visit the new Web page at <http://waste.ky.gov/UST/Pages/ownersoperators.aspx>.**

### *Now featuring:*



#### **Underground Storage Tank Flood Guide**



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