

**MINUTES OF THE
STORAGE TANK ADVISORY COMMITTEE MEETING
DECEMBER 2, 2020**

The Storage Tank Advisory Committee (STAC) met on December 2, 2020, virtually via WebEx at 10:00 a.m. Twelve (12) voting members were present, which constituted a quorum.

VOTING MEMBERS OR ALTERNATES PRESENT

Local Government:

Joshua Ehrman, Pennsylvania State Association of Boroughs
Dennis Hameister, Pennsylvania State Association of Township Supervisors
Holly Fishel, Pennsylvania State Association of Township Supervisors

Regulated Community:

Brandie Lehman, Associated Petroleum Industries of Pennsylvania
Jonathan Lutz, Associated Petroleum Industries of Pennsylvania
Michael DeBerdine, III, Pennsylvania Petroleum Association
John Kulik, Pennsylvania Petroleum Association
Gauttam Patel, Petroleum Retailers and Auto Repair Association, Inc.
David Redman, Pennsylvania Chemical Industry Council
Abby Foster, Pennsylvania Chemical Industry Council
J. Stephen Hieber, Tank Installers of Pennsylvania

Public:

Robert May, Montrose Environmental Group, Inc. (Chair)
Charles Frey, Jr., Highland Tank & Manufacturing Company
Timothy Bytner, Babst Calland
Daniel Hido, Babst Calland

Active Commercial Farm Owner/Operator:

John Bell, Pennsylvania Farm Bureau.

Registered Professional Engineer:

Francis Catherine, PE, P. Joseph Lehman, Inc. Consulting Engineers
Mark Onesky, PE, Onesky Engineering, Inc.

CALL MEETING TO ORDER

Robert May called the December 2, 2020, meeting of the STAC to order.

APPROVAL OF MINUTES FROM THE SEPTEMBER 2, 2020, MEETING

Mr. Frey noted that his name was misspelled on page 6. Noting this correction, the minutes from the September 2, 2020, meeting were approved as submitted, upon motion and seconded.

STAC MEMBERSHIP LIST

Kris Shiffer, DEP, reported that currently 14 of the 16 positions are filled. Vacancies exist representing local government and the public. Since the last meeting, there have been several appointments to the committee. They were as follows:

- Mr. David Redman, member and Abby Foster, alternate member, have been appointed to represent the PA Chemical Industry Council.
- Ms. Ashley White has been appointed as alternate member representing the County Commissioners Association of Pennsylvania. Ms. White replaced Lisa Schaeffer who recently became the Executive Director of the Association.

Mr. May requested clarification on the local government vacancy. Mr. Shiffer responded that the Storage Tank and Spill Prevention Act mandates certain groups to be represented. The language within the act isn't specific as to which local government associations need to be represented. Currently, the committee has representation from the Pennsylvania Association of Boroughs, County Commissioners Association of Pennsylvania, and the Pennsylvania State Association of Township Supervisors. The vacancy can be filled by any interested individual who represents local government, including an individual who currently serves as a school board director. Mr. Shiffer requested if any members are aware of an individual who meets the local government representation requirement who is interested in being on the committee to have them submit their name for consideration.

Mr. Shiffer reported current members soon expiring include:

- Mr. Joshua Ehrman, member, and Mr. Ronald Grutza alternate member, representing the Pennsylvania State Association of Boroughs
- Mr. J. Stephen Hieber, member, and Mr. J. Benjamin Hieber, representing the Tank Installers of Pennsylvania.
- Mr. Francis Catherine, PE, member, and Mr. Mark Onesky, PE, alternate member, representing Registered Professional Engineers.
- Mr. Mark Miller, PG, member, and Mr. Steven Treschow, PG alternate member, representing Hydrogeologists

USTIF UPDATE

Next on the agenda, the Underground Storage Tank Indemnification Fund (USTIF) provided an update on their program activities. Richard Burgan, Director, Bureau of Special Funds,

Department of Insurance, and Executive Director, Underground Storage Tank Indemnification Board (USTIB), attended representing the USTIF.

Mr. Burgan began the meeting by informing the committee that on November 20, when the Governor signed the budget, there was a permanent transfer of \$30 million from USTIF to help balance the state budget. This will result in some of the financial numbers being reported today to be inaccurate. These numbers should be correct by the March 2021 meeting. USTIF receipts at the end of the first quarter totaled \$19,509,139. This figure can be broken down into two components: \$12,042,468 was received thru fee collection and approximately \$7.5 million was received from returns on investments. Expenditures totaled \$13.3 million. This resulted in a positive revenue of \$6,240,183 for the 1st Quarter. Mr. Burgan stated that per the USTIF comptroller 1st Quarter financial statements for the period ending September 30, 2020, USTIF had a total balance in their assets of \$421,508,694. As previously mentioned, this does not include the recent \$30 million permanent transfer. When the \$30 million permanent transfer and the remaining \$86.5 million loan balance that remains unpaid from the original \$100 million loan made to the Commonwealth in 2002 are taken into account, USTIF's balance is actually closer to \$335 million in assets.

USTIF's unfunded liability as of September 30, 2020 is \$37,208,650. Last year at this same time, USTIF had an unfunded liability of \$70.3 million. However, if you take the \$30 million permanent transfer into account, the unfunded liability stands at approximately \$68 million.

As of November 30, 2020, USTIF had 195 claims, averaging 18 claims per month. In 2019, USTIF finished the year with 215 claims. If the current trend continues, claim totals for 2020 should be similar to 2019. Currently, 944 open sites are being remediated. Remediation costs to date total approximately \$26.8 million. Normally USTIF expends around \$30 - \$32 million per year.

USTIF will soon begin mailing December invoicing statements. This includes issuing approximately 8200 capacity statements and 200 TIIP statements. This will be a challenge this year due to the current telework status and a hiring freeze.

Currently, USTIF has 83% compliance on their electronic payment requirements. The remaining 17% still insist on payment by check. December also marks a meeting of the Underground Storage Tank Indemnification Board. At the meeting, DEP will be requesting funds to help support program cleanups and storage tank operations.

Mr. John Bell with the Pennsylvania Farm Bureau asked Mr. Burgan if he could describe what is considered to fall within the scope of an unfunded liability. Mr. Burgan stated that when claims are filed and in conjunction with the actuary's report, USTIF puts an amount on the books as a reserve that will take a claim from start to finish. For example, the actuaries are currently estimating that the 944 open sites that are currently being remediated will cost an estimated \$348 million to fully remediate. The assets that they allotted to USTIF are approximately \$311 million. This results in a \$37 million unfunded liability.

Mr. DeBerdine asked Mr. Burgan if the actuaries project future claims and factor in the life expectancy of regulated storage tanks. Mr. Burgan stated that although the actuaries do estimate

future claims costs, including future fuel usage and how this may affect revenues, they do not factor in age of storage tanks and anticipated life expectancy.

DEP UPDATE

Mr. Shiffer introduced Fran Kremer, Ph.D., Senior Scientist and Alex Hall, both with the Office of Research and Development with EPA who helped develop a UST Finder Application (UST Finder). UST Finder is a flexible web map application containing a comprehensive, state-sourced national map of underground storage tank (UST) and leaking UST (LUST) data. Using publicly available information, UST Finder provides the attributes and locations of active and closed USTs, UST facilities, and LUST sites from states as of 2018-2019.

Ms. Kremer and Mr. Hall provided the committee with an overview of UST Finder and how the geospatial information can help users understand vulnerable receptors using current storage tank infrastructure.

Mr. Onesky asked Ms. Kremer if the UST Finder application includes aboveground storage tank (AST) information and if not, if that could be included in future enhancements. Ms. Kremer indicated that conversations with Office of Emergency Management and Department of Homeland Security have been had and agreed that inclusion of AST data is important and is being considered. Mr. Onesky also asked if a discrepancy is noted, who should be contacted. Mr. Hall indicated that he would be the contact for any discrepancies encountered. Mr. Hall reminded everyone that the UST Finder does not include unregulated storage tank releases and only data up to 2018-2019. Ms. Kremer stated that the current plan is to have the data updated annually.

Mr. Frey asked if the release data is specifically including releases from the storage tank or are releases counted from storage tank systems, which would include spill prevention, piping, etc. as the source. Mr. Hall stated that release data includes all parts of a regulated storage tank system and not specifically a storage tank.

Mr. Bell asked Mr. Hall if the USTs included in UST Finder were federally or state regulated storage tank systems. Mr. Hall stated that for the most part, only federally regulated USTs are included, however, if the state did not indicate certain USTs were only state regulated and not federally regulated, these USTs could have been included. Mr. Bell also asked about the legend and the functionality of the land use control. Ms. Kremer stated that one of the items EPA is looking at in addition to groundwater impacts is petroleum vapor intrusion. With the UST finder, a user can look at higher populated locations and determine, for example, the risk factor involved in terms of a vapor concern.

Mr. Shiffer then introduced Mr. Jeff Bitner, Project Manager for Enterprise Content Management/OnBase for DEP. Mr. Bitner presented an overview of DEP's OnBase Public Upload. OnBase is an Electronic Content Management system that enables automation of existing manual forms and workflows. It also serves as a document repository, which contains scanned versions of existing DEP paper documents in one centralized, secure location. Mr. Bitner explained how the Public Upload form is intended to allow the public to upload digitalized versions of several DEP forms and enables DEP staff to received notifications of

uploads and perform quality review. Mr. Bitner's demonstration included showing the committee the Public Upload form, how to submit a document, notifications received upon submission, what happens with possible rejection of the submitted document, and how to resubmit a document after changes have been made.

Mr. Shiffer then provided an update on the current Significant Operation Compliance (SOC) rate as reported to EPA in October 2020. The current SOC rate is 55%. The SOC rate is based upon third party inspection reports performed and reviewed within a 12-month period. The current SOC rate is for the time period October 1, 2019 through September 30, 2020. A SOC rate of 55% means of the UST systems included in those third-party inspections, 55% of them were considered compliant with federal regulations. Mr. Shiffer then presented several slides to put the 55% SOC rate into perspective. Mr. Shiffer showed how Pennsylvania's SOC rate compares to other states with comparable UST population and number of inspections performed. Mr. Shiffer showed how Pennsylvania is near the top in terms of compliance when compared with these states. In addition, Pennsylvania is currently in the middle of enforcing new requirements brought on by the December 2018 rulemaking of 25 Pa Code Chapter 245 in response to federal regulation changes by EPA, which occurred in 2015. Although relatively consistent with SOC rates with existing regulatory requirements such as corrosion protection, Pennsylvania has seen the largest drop in SOC rates with overfill and spill prevention. This is due to new testing requirement deadlines that are coming due as UST systems are being inspected. This drop in SOC rate is consistent with other states who have implemented the same new requirements. Mr. Shiffer commented that the program is committed to continuing to evaluate the data to find methods on how SOC rates can be increased.

OTHER BUSINESS

Mr. May asked the committee if there was any old business to discuss. There being none, under new business, Mr. May asked if any STAC member or member of the public in attendance wished to provide public comment. There being no public comments, the meeting dates for 2021, currently proposed as March 9, June 8, September 8 and December 7, were approved, upon motion and seconded.

ADJOURNMENT

The meeting was adjourned at 12:09 p.m., upon motion and seconded.