

ANNUAL UPDATE FOR FISCAL YEAR 2012 - 2013

COLORADO DEPARTMENT OF LABOR AND EMPLOYMENT DIVISION OF OIL AND PUBLIC SAFETY

SB 181

COMPLIANCE WITH WATER QUALITY STANDARDS AND CLASSIFICATION

OCTOBER 2013

This update is offered to the Water Quality Control Commission concerning the activities of the Division of Oil and Public Safety Storage Tank Program for the period ending June 30, 2013.

Technical Activities

Number of releases active during Fiscal Year 2013.....	1,122
Number of confirmed releases.....	156
Number of sites issued No Further Action required letters.....	215
Number of Site Characterization Reports reviewed.....	67
Number of Corrective Action Plans reviewed and approved.....	315
Number of Monitoring Reports reviewed.....	2,865

State Fund Information for Fiscal Year 2013

Number of reimbursement applications heard by the PST Committee.....	66
Number of supplemental reimbursement applications approved by Staff.....	1,331
Dollars reimbursed by the PST Committee (including State Lead and LUST Trust).....	\$33,535,622
Total dollars reimbursed since inception of the Fund (1991).....	\$490,733,943

Enforcement

Number of Notices of Violations issued.....	563
Number of Enforcement Orders issued.....	45
Number of tanks with Delivery Prohibition.....	43

Program Improvements

Listed below are improvements made by the Division to the program in order to more effectively investigate and remediate the contamination associated with petroleum storage tank system failures and protect the solvency of the Petroleum Storage Tank Fund.

Electronic Deliverables and Report Formats

OPS developed excel-based report forms for all remediation related submittals during the past year. All remediation reports are now submitted electronically through an FTP site, meaning the remediation section is 100% paperless for incoming reports. This is a waste reduction/data storage effort.

Storage Tanks Regulations

Revisions to the petroleum storage tank regulations became effective May 1, 2013. The revisions clarified the regulations, made them easier to read and understand, and reduced the burden on the regulated community. In addition to members of the regulated community, municipalities, equipment companies, fire departments, representatives from the Water Quality Control Commission and the Colorado Department of Public Health and Environment were invited as stakeholders to review and comment on the proposed revisions and their input was incorporated into the Regulations.

Storage Tank Closure Program

OPS Remediation Section provided regulatory oversight during the permanent closure of 310 petroleum storage tanks at 133 locations during FY 2013 and will continue this role in FY 2014. During the closure inspections, OPS staff ensures that proper tank closure methods are utilized and closure assessment sampling of soil and groundwater is conducted to measure for the presence of a release. During FY 2013, 68 site closures (51.1%) had confirmed petroleum releases. This percentage is down from previous years and is related to release prevention efforts and the increased number of aboveground storage tank clean closures. Of the 68 petroleum tank sites with confirmed releases, 39 sites (57.4%) were issue no further action determinations.

During FY 2013, the number of petroleum storage tanks in temporary closure remains near historic highs. OPS has developed a methodology to assist tank owner/operators with extending the allowable time for competent, compliant tank systems to remain in temporary closure. Tank systems in temporary closure are required to be emptied of regulated substances and to maintain corrosion protection. A fundamental element in this extension process is the completion of an environmental site assessment to ensure the protection of State waters.

Because aboveground storage tank system layouts are highly variable, OPS is now requiring a specific assessment plan as part of permanent AST closure. This has resulted in more accurate data collection and quicker response to the discovery of releases from these tank systems.

Low-Risk Sites

OPS is working with CDPHE to develop alternate, risk-based cleanup criteria for low-risk contaminated sites. OPS estimates that approximately 80 sites exceed the risk-based screening levels (RBSL) for petroleum constituents in groundwater

at the property boundary although this contamination is inaccessible for remediation due to its location under a roadway. In these cases the current status of the contamination does not pose the potential for receptor impact, and risk-based modeling predicts that contamination will not migrate across the street to the nearest property. OPS intends to implement a Tier III risk-based cleanup criteria to address release events that meet this condition during FY 2014.

State Led Investigations

During FY 2013, OPS conducted assessment and remediation activities under the State Lead program using eight State selected environmental contractors.

These sites fall into two classifications: State Lead (SL) sites where innocent property owners bear no responsibility for the release and never owned or operated a petroleum storage tank system become eligible to the Petroleum Storage Tank Fund (PSTF); and State Lead for Responsible Parties (SLRP) sites where PSTF eligible tank owner/operators cannot afford to pay for ongoing remedial activities request that OPS conduct assessment and remediation activities at their property. In FY 2013, OPS assisted in remedial activities at over one hundred SL/SLRP sites.

OPS continued to assess and remediate sites using US EPA Leaking Underground Storage Tank (LUST) Trust grant monies, where tank owners/operators were unknown or in some cases financially unable to perform the work. Some of these sites with financially unable responsible parties have become eligible to the PSTF, and a percent of the remedial costs have been recovered and then reallocated to other LUST Trust sites. In FY 2013, OPS assisted in remedial activities at approximately twenty LUST Trust sites by either operating active remediation systems, in-situ remediation by injection based technologies, or through continued monitored natural attenuation.

Petroleum Brownfields Program

In FY 2013, the highlight of this program was the creation of the Petroleum Cleanup and Redevelopment Fund (Redevelopment Fund). This fund will catalyze the investigation and cleanup of petroleum contamination at abandoned and former gas stations that has gone unaddressed for decades, mainly because these unregulated former storage tank sites were not eligible for reimbursement from the Petroleum Storage Tank Fund. The Redevelopment Fund will utilize money collected from industry paid settlements and fines. Most importantly, it will provide a cost-effective way to clean up petroleum contamination and enhance the protection of Colorado's valuable groundwater resources.

Enforcement Improvements

The Enforcement Section now has a link on the OPS website. The link illustrates the enforcement process, shows facilities currently under delivery prohibition, and lists facilities that are out of compliance and in the enforcement process.

Municipality Release Notification

OPS has collected information from each of Colorado's counties regarding how they wish to be informed of release events and cleanups, and has been providing them with information and copies of correspondence. This increased communication allows for county health departments to be involved with protecting water resources from releases from regulated tank systems.

Announced Inspections

Currently, OPS inspectors conduct unannounced compliance inspections at all tank facilities on a biennial basis. OPS is increasing the frequency of announced inspections, during which an OPS inspector, OPS remediation staff member, and the facility's owner/operator meet onsite to discuss storage tank system compliance and environmental protection. Announced inspections allow OPS staff to familiarize the facility owner with their tank system equipment, requirements for release detection and record keeping, and environmental remediation equipment, if present. Most importantly perhaps, announced inspections allow OPS to make a professional and personal presentation of our staff, thereby elevating the communication and understanding between the two parties.

Improvements in Corrective Action Plan Evaluation and Communication

OPS staff completed a Rapid Improvement Event on the review and approval process of Corrective Action Plans (CAPs). Implementation of the plan is fully underway. Key changes to the evaluation process include upfront communication prior to requesting a CAP and development of a streamlined report format with concise instructions. OPS anticipates that implementation of the plan will result in better CAP scope development, more complete CAPs submitted, a shorter review time by OPS and, ultimately, remediation plans to be implemented more quickly.