Annual Report to the North Carolina General Assembly

Status of Leaking Petroleum Underground Storage Tanks State Cleanup Fund

Fiscal Year 2023 (July 1, 2022 to June 30, 2023)

N.C. Division of Waste Management Underground Storage Tank Section

November 1, 2023



NORTH CAROLINA DEPARTMENT OF ENVIRONMENTAL QUALITY

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Table of Contents

Executive Summary	Page 4
Cleanup Fund Management	Page 6
Unfunded Noncommercial Release Response	Page 8
Colonial Pipeline Response	Page 8
Commercial Fund Status	Page 9
Backlog Reduction Initiative	Page 13
Estimated Costs of Clean Up	Page 13
Recommendations	Page 14
Tables and Figures	
Table 1. Summary of Key Statistics since UST Program Inception (July 1, 1988 to June 30, 2023)	Page 6
Table 2. UST Releases Since Program Inception (FY 1989 - FY 2023)	Page 7
Table 3. Fiscal Year Commercial Fund Activity	Page 9
Table 4. Claims Processed for the Commercial Cleanup Fund FY 1989 - FY 2023	Page 10
Table 5. Receipts, Disbursements and Program Expenses for the Commercial Fund (July 1, 1988 – June 30, 2023)	Page 11
Figure 1. UST Incidents and UST Incidents Closed (Cumulative)	Page 7
Figure 2. Total Open UST Incidents by Fiscal Year (FY 1992 – FY 2023)	Page 8
Figure 3. Commercial Fund Revenue Sources (FY 2021-2023)	Page 10
Figure 4. Commercial Fund Balance and Claims Pending And Obligations	Page 12
Figure 5. Commercial Fund Balance Minus Claims Pending And Obligations	Page 12

Executive Summary

North Carolina Leaking Petroleum Underground Storage Tanks Cleanup Fund Fiscal Year (FY) 2023 July 1, 2022 – June 30, 2023

North Carolina's underground storage tank program is administered by the Division of Waste Management's Underground Storage Tank (UST) Section in the North Carolina Department of Environmental Quality (DEQ). The Section enforces UST regulations and manages funds used to perform cleanups of petroleum UST discharges or releases (UST incidents). The program began in 1988 in response to growing reports of USTs leaking petroleum into soil and groundwater. Funding for the program is provided by the Commercial Leaking Petroleum Underground Storage Tanks Cleanup Fund (Commercial Fund), federal Leaking Underground Storage Tank (LUST) Cleanup Grant, and the federal LUST Prevention Grant.

North Carolina General Statute 143-215.94M(a) states: "The Secretary shall present an annual report to the Environmental Review Commission, the Joint Legislative Oversight Committee on Agriculture and Natural and Economic Resources, the Fiscal Research Division, the chairs of the Senate Appropriations Committee on Agriculture, Natural, and Economic Resources, and the chairs of the House of Representatives Appropriations Committee on Agriculture and Natural and Economic Resources that shall include at least the following:

- 1) A list of all discharges or releases of petroleum from underground storage tanks.
- 2) Repealed by Session Laws 2015-241, s. 14.16A(h), effective December 31, 2016.
- 3) A list of all cleanups undertaken by tank owners or operators and the status of these cleanups.
- 4) A statement of receipts and disbursements for the Commercial Fund.
- 5) A statement of all claims against the Commercial Fund, including claims paid, claims denied, pending claims, anticipated claims, and any other obligations.
- 6) The adequacy of the Commercial Fund to carry out the purposes of this Part together with any recommendations as to measures that may be necessary to assure the continued solvency of the Commercial Fund.
- 7) Repealed by Session Laws 2012-200, s. 23, effective August 1, 2012."

The report required by this section shall be made by the Secretary on or before November 1 of each year.

In FY 2022-2023, the UST program achieved closure for 727 commercial regulated UST release incidents and approved clean closure of an additional 36 commercial regulated USTs. Reimbursements to responsible parties for FY 2022-2023 totaled \$7,314,761. The state-led program, that assumes management of incidents for which no viable responsible party exists, accomplished \$7,753,610 in assessment and cleanup actions through its state-led contractors. In addition, the program provided oversight and regulatory review for closure of 215 noncommercial USTs, 27 commercial non-regulated releases, and 245 non-UST petroleum releases.

The Commercial Fund is also used to provide safe alternatives to drinking water wells that have been contaminated by petroleum releases from USTs. In FY 2022-2023, the UST program provided alternative water supplies, including bottled water, point-of-entry filtration systems and waterline extensions, to replace 68 contaminated water supply wells serving 233 residents.

The North Carolina Division of Waste Management (DWM) maintains lists of all known discharges or releases from underground storage tanks, all responsible party (RP) cleanups, and cleanup status updates. These are available at: https://deq.nc.gov/about/divisions/waste-management/ust/databases, specifically the Incident Management Database (Regional Underground Storage Tanks). These may be viewed in both Microsoft Access and Microsoft Excel formats. Assistance is available by contacting Carin Kromm or Shawn McKee at (919) 707-8200.

On October 1, 2018, the EPA Office of Underground Storage Tanks (OUST) launched an effort to reduce the national backlog of open, unresolved UST incidents. The OUST set "aspirational" cleanup goals for each EPA region who then evaluated the individual states and assigned federal fiscal year (FFY) goals for individual states. Based upon Region 4's evaluation, North Carolina's federal fiscal year goals were established at 720 total closures for 2108-19, 596 total closures for 2019-20, 500 total closures for 2020-21, 500 closures for 2021-22, and 500 closures for 2022-23. Upon notification of this goal, Region 4 and North Carolina's UST Section management group worked jointly to explore means to meet OUST's requests. Region 4 agreed to provide a total of approximately \$763,824 in additional federal grant funding over a three-year period (FFY 2018-21) to combine with the \$500,000 of annual state funding allowed for use in evaluating and closing low- risk sites. Based upon the success of the initiative, for FFY 2021-22 and FFY 2022-23 USEPA provided an additional \$100,000 each year to North Carolina's LUST Cleanup Grant for continuation of this backlog reduction initiative.

As of September 30, 2023, North Carolina has exceeded OUST "aspirational" goals, with 766 total closures for the FFY 2018-19, 614 total closures for FFY 2019-20, 516 total closures for FFY 2020-21, 774 total closures for FFY 2021-22 and 800+ total closures for FFY 2022-23. The additional funding was also used to provide reimbursement associated with long-standing non-directed cleanup claims for sites that were previously subject to the section's funding bar. This combined EPA/NC initiative will continue through FY 2023-24 or until funding is exhausted.

The UST program has also actively participated in storm recovery efforts for Hurricanes Florence, Michael, Dorian and Isaias, providing pre-storm directions to at-risk UST facilities, post-storm evaluation of damages, and financial assistance for recovery to approximately 60 entities through available state and federal disaster relief funds. One (1) federally funded site is currently in the final stages of remediation.

The Department annually reports to the Environmental Review Commission, the Fiscal Research Division, the Senate Appropriations Subcommittee on Natural and Economic Resources, and the House Appropriations Subcommittee on Natural and Economic Resources per N.C. General Statute 143-215.94M.

Commercial UST Cleanup Fund Management

In FY 2022-23, the Division of Waste Management's (DWM) Underground Storage Tank (UST) Section managed reimbursement funds for cleanup of environmental contamination from petroleum UST releases. The Commercial Cleanup Fund reimbursed the costs of cleanups of petroleum releases from commercial USTs, which are typically regulated gasoline station tanks or heating oil tanks greater than 1,100-gallons capacity. The owners of commercial USTs pay an annual registration fee of \$420 per tank into the Commercial Cleanup Fund and pay statutory deductible amounts toward the costs of assessments and cleanups of petroleum releases.

In FY 2022-23, the UST Section managed the cleanup funds in accordance with the requirements of N.C.G.S 143-215.94E, which directs the N.C. Department of Environmental Quality (DEQ) to give priority to cleanup of releases in emergency situations, and to those that pose the greatest risks to human health and the environment. The statute also directs DWM to order non-emergency work only if the costs could be reimbursed by the appropriate cleanup fund within 90 days of claim approval. To meet these legislative requirements, the UST Section uses a risk, ranking and abatement (RRA) scoring system that quantifies the relative risks of all releases, allowing the Section to direct work at the highest risk incidents for which costs can be reimbursed within 90 days. Each month, the UST Section staff reviews balances, expenditures, and obligations of the Commercial Fund, and periodically adjusts the RRA score threshold to direct as much cleanup work as resources will allow. In FY 2021-22, by implementing more intensive oversight and cost control measures, the UST Section was able to lower the RRA score threshold for the Commercial Fund for the first time since FY 2015-16. During FY 2021-22, the Section provided cleanup oversight and funding for all responsible parties who requested activities at all high, intermediate, and low risk commercial UST incidents.

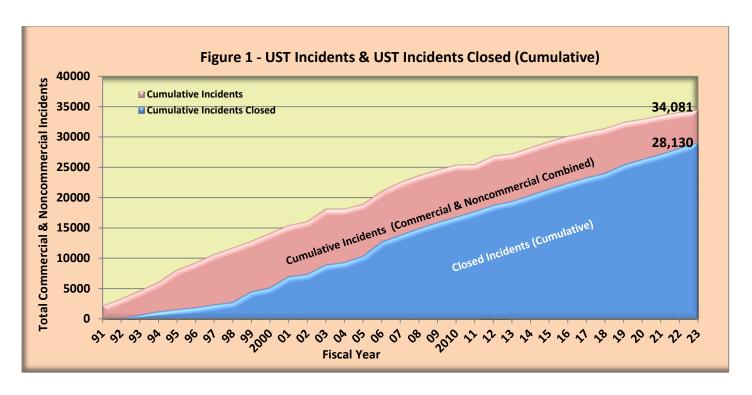
The two tables below summarize historic and FY 2022-23 Commercial Fund activities and accomplishments.

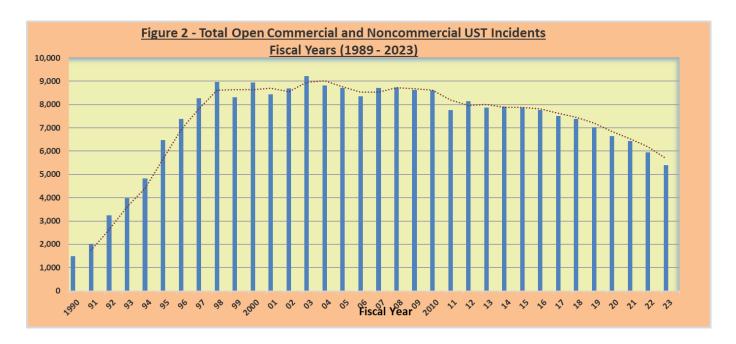
Table 1
Summary of Key Statistics since UST Program Inception
(July 1, 1988 to June 30, 2023)

Revenues and Expenditures			
Commercial Fund Revenues		\$ 922,004,121	
Commercial Fund Expenditures		\$ 820,561,259	
Releases (# of incidents)			
Petroleum UST Releases – Reported			
Commercial		21,881	
Noncommercial		12,586	
	Total		34,467
Petroleum UST Releases - Closed Out			
Commercial		18,742	
Noncommercial		10,330	
	Total		29,072
Other			
Petroleum AST – Reported	Total		7,735
Petroleum AST – Closed Out	Total		5,365
FY 2022-23 Activity (# of incidents)			
Petroleum UST Releases Reported			
Commercial UST		179	
Noncommercial UST		207	
	Total	386	
Petroleum UST Releases Closed Out			
Commercial UST		727	
Noncommercial UST		215	
	Total	942	
Other			
AST and Non-UST Petroleum (Reported)		285	
AST and Non-UST Petroleum (Closed Out)		245	

Table 2 - UST Releases Since Program Inception (FY 1989 - FY 2023)			
<u>Commercial UST Releases</u> <u>Noncommercial UST Releases</u>			<u>s</u>
Releases Reported	21,881	Releases Reported	12,586
RP-Lead	19,964	RP-Lead	12,332
State-Lead	1,917	State-Lead	254
Cleaned Up to No Further Action	18,742	Cleaned Up to No Further Action	10,330
RP-Lead	17,289	RP-Lead	10,160
State-Lead	1,453	State-Lead	170
Ongoing Cleanups	2,925	Ongoing Cleanups	2,141
RP-Lead	1,760	RP-Lead	2,065
State-Lead	665	State-Lead	76
No Action Currently Being Taken	0	No Action Currently Being Taken	1,805
RP-Lead	0	RP-Lead	1,729
State-Lead	0	State-Lead	76

Figures 1 and 2 below present a graphical representation of historic Commercial and Noncommercial cleanup activities and progress.





Unfunded Noncommercial Release Response

Session Law 2015-241 directed the phase-out of the Noncommercial UST reimbursement program to end on Dec. 31, 2016, and limited eligibility for the remaining funds to only those releases reported prior to Oct. 1, 2015. It further modified the necessary response to noncommercial UST releases based on DEQ risk determination. Initial Abatement Requirements were eliminated, and all actions at eligible sites were required to be re-authorized to ensure compliance with the new law. Session Law 2017-57 required the Environmental Management Commission (EMC) to adopt temporary rules to implement Section 14.16B of Session Law 2015-241 by Oct. 1, 2017. The necessary changes to 15A NCAC 02L Section .0400 were submitted by the DEQ and reviewed by the EMC for approval on Sept. 29, 2017. No further cleanup of noncommercial releases was required for low-risk sites or reimbursed for any sites.

However, UST Section staff are still required to review and oversee responsible party actions at all reported noncommercial incidents to ensure proper closure and documentation. Two hundred seven (207) noncommercial UST incidents were reported during FY 2022-23. Two hundred fifteen (215) incidents were closed. In addition, UST Section staff were required to respond to 285 releases from aboveground petroleum storage tanks (ASTs), roadside spills, and other spills greater than 25 gallons. Two hundred forty-five (245) incidents were closed. Regional staff are responsible for issuing permits and conduct inspections of eighteen soil remediation facilities. None of these activities are funded through current mechanisms and result in the diversion of approximately 25 percent or 10.5 full time equivalents of regional office staffing resources to manage non-commercial and non-UST releases. During FY2022 – 2023, the NC Legislature added two full time equivalent positions to help manage the noncommercial UST and the non-UST releases and one full time position to manage the permitted soil remediation facilities across the state.

Colonial Pipeline (CP) Release

In addition to the non-UST incidents above, during FY 2022-23 the UST Section has overseen the assessment and initial cleanup response for a 2,000,000+ gallon gasoline release from the Colonial Pipeline site, located north of Huntersville, NC. Seven (7) UST managers and staff have been actively involved in oversight and evaluation of the cleanup on a routine, weekly basis since notified of the release in August 2020. UST Section staff have devoted 4,000+ hours to this release. The cleanup process will continue until any remaining soils and groundwater contamination achieves North Carolina groundwater standards and soil remediation goals. Full cleanup is expected to last 10+ years.

Commercial Fund Status

On June 30, 2023, the unobligated Commercial Fund balance was \$72,309,629 – an increase of \$12,452,268 from the FY 2021-22 unobligated end-of-year balance. Estimated Commercial Fund obligations as of June 30, 2023, are \$24,264,234 including state-lead cleanup contracts managed by the UST Section.

Beginning in late FY 2013-14 and continuing through FY 2022-23, the UST Section undertook an intensive re-evaluation of its risk-based closure process and instituted a more rigorous review of pre-approvals for site work. Concurrently, UST Section staff implemented an administrative review of all pending task authorizations regarding statute of limitations requirements. Implementation of these measures reversed the \$4.6M per year average decline in Fund balance experienced between FY 2010-11 and FY 2015-16. Both cost-control measures remain ongoing, and the Commercial Fund is now able to direct work on all high- and intermediate-risk incidents.

Availability of funding is still subject to a site's risk score, and the inability to reimburse work on all releases, regardless of risk ranking, has both short-term and long-term impacts. In the near-term, the lack of funding means that owners of those properties may find it difficult to move forward with property transactions. In the long-term, conditions (i.e. residential/commercial development, new water supply wells) around a lower-risk release may change with time and result in an increase in the threat to public health. As of June 30, 2021, and based upon the increasing fund balance and solvency, the UST Section undertook an aggressive approach toward directing and re-initiating cleanup of all sites.

Table 3
FY 2023 Commercial Fund Activity
(July 1, 2022 - June 30, 2023)

	Amount	Totals
Fund Balance on 7/1/22	96,573,863	\$96,573,863
Revenues (7/1/22 – 6/30/23)		\$28,461,915
Motor Fuel & Gasoline Excise Tax	\$18,730,366	
UST Operating Fees	\$9,526,528	
State Lead Cost Recovery	\$204,886	
Interest	\$ 0	
Prior Year Refunds	\$135	
Transfer - Bernard Allen Trust Fund	\$ 0	
Expenditures		\$19,252,349
Reimbursements	\$7,314,761	
State-Lead Contracting and Laboratory	\$7,753,610	
Program Administration	\$4,183,979	
Transfers from Fund		
Transfer to Department of Agriculture	\$0	
Transfer to Federal LUST Program (cost recovery)	\$ 0	
Fund Cash Balance on 6/30/2023		\$105,783,429
Estimated Obligations ¹		24,264,234
RP-lead and State-lead pre-approved/authorized cleanup	\$5,638,709	
Claims under review and pending reimbursement	\$599,169	
Pre-approved non-directed actions \$1		
Pending State Lead Contracts \$11,794,88		
Program Administration	\$4,459,649	
Estimated Unobligated Balance 06/30/2023		\$81,519,195

^{1.} Estimated obligations include estimates of non-reimbursed costs for tasks not requiring pre-approval that were incurred prior to implementation of Session Law 2004-124; outstanding non-reimbursed costs for pre-approved directed tasks; requested reimbursement costs for claims under review; approved costs for claims awaiting reimbursement; non-reimbursed costs for approved non-directed tasks; and any remaining program expenses

Figure 3
Commercial Fund Revenue Sources – FY 2022-2023

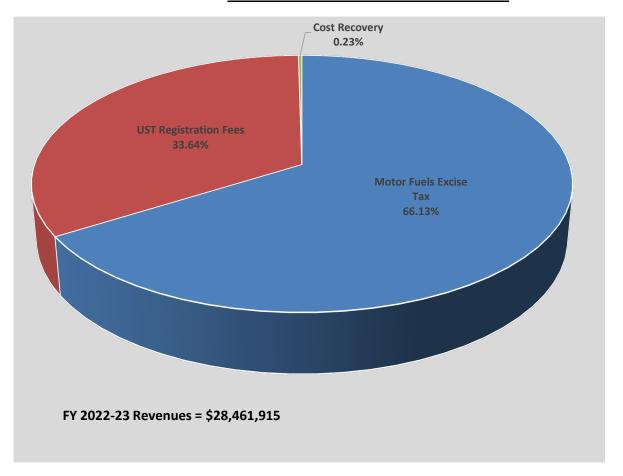


Table 4 Claims Processed for the Commercial Cleanup Fund July 1, 1989 – June 30, 2023

Claim Action	Number
Claims Paid	53,399
Incidents Denied Totally ¹	50
Claims Denied Partially ²	19,872
Claims Pending	31
Contracted Cleanups ³	2,946

¹ Ineligible (operating fees not paid; release discovery pre-dates program)

Table 5, on page 11, summarizes to receipts and expenditures from the Commercial Cleanup Fund since it was authorized by the North Carolina General Assembly.

² Claims contain excessive or undocumented costs

³ State lead actions initiated

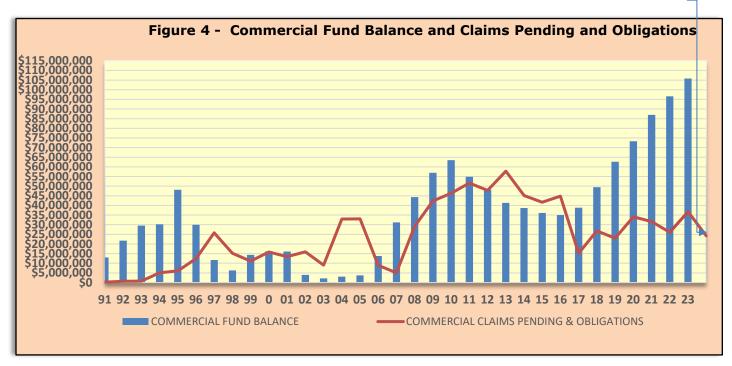
Table 5
Receipts, Disbursements and Program Expenses for the Commercial Fund
July 1, 1988 - June 30, 20
23

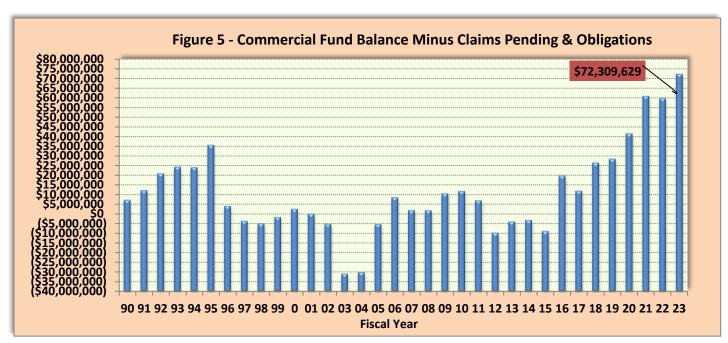
Fiscal Year	Receipts	Disbursements ¹	Legislatively Allowed Program Expenses
FY 1989	\$ 2,337,685	\$ 14,768	- Francisco
FY 1990	5,773,632	79,080	\$ 201,255
FY 1991	7,330,573	1,616,760	547,595
FY 1992	13,484,008	4,409,229	517,221
FY 1993	18,032,784	9,651,948	601,687
FY 1994	24,438,966	22,904,802	694,424
FY 1995	56,037,1352	37,405,510	666,270
FY 1996	28,178,768	44,060,639	2,322,632
FY 1997	28,564,034	44,163,273	2,623,339
FY 1998	27,291,220	30,267,392	2,530,036
FY 1999	26,783,344	16,104,152	2,567,668
FY 2000	27,178,623	$22,820,069^3$	2,579,540
FY 2001	27,240,303	24,566,132 ⁴	2,730,236
FY 2002	27,124,210	36,872,426	2,397,264
FY 2003	27,055,759	26,498,565	2,221,851
FY 2004	26,934,685	23,514,179 ⁵	2,527,451
FY 2005	50,255,9087	46,966,083 ⁶	2,654,447
FY 2006	28,143,119	15,474,991 ⁸	2,636,228
FY 2007	27,564,837	7,372,403 ⁹	2,725,418
FY 2008	27,458,790	11,511,344 ¹⁰	2,859,460
FY 2009	31,026,131	15,007,590 ¹¹	3,380,143
FY 2010	27,969,400	17,760,225 ¹²	3,703,143
FY 2011	26,951,504	31,697,736 ¹³	3,859,161
FY 2012	26,311,956	29,132,749 ¹⁴	3,881,825
FY 2013	26,316,112	29,187,009 ¹⁴	3,960,943
FY 2014	28,222,762	27,091,769 ¹⁴	3,806,616
FY 2015	27,049,782	25,607,888 ¹⁴	3,890,089
FY 2016	26,496,737	23,616,208 ¹⁴	3,985,706
FY 2017	27,634,152	20,071,855 ^{14,15}	3,721,009
FY 2018	27,831,100	13,150,486 ¹⁴	4,018,302
FY 2019	28,153,471	10,900,081	4,115,612
FY 2020	26,369,306	11,218,634	4,495,477
FY 2021	27,956,046	14,258,061	4,449,648
FY 2022	28,045,364	18,453,178	4,038,272
FY 2023	28,461,915	19,252,349	4,183,979
TOTAL	\$ 922,004,121	\$ 732,679,563	\$ 96,093,947

- 1. Does not include program expenses.
- 2. Commercial receipts for FY 1994-1995 included \$31,288,889 that was transferred from the Groundwater Protection Loan Fund.
- 3. Adjustment due to a transfer from the Commercial Fund to the Federal Trust Fund of \$288,117 as a clean-up expenditure rather than as a program expense.
- 4. Includes \$33,866 transferred to the Federal Trust Fund for clean-up expenditure.
- 5. Includes transfer of \$2,036,932 from Commercial to Noncommercial Trust Funds per GS 119.18(b); transfer of \$90,000 to N.C. Department of Agriculture and Consumer Services; and transfer of \$452,722 to the Federal Trust Fund for clean-up expenditure.
- Includes transfer of \$43,150,730 from Commercial to Noncommercial Trust Fund per GS 119.18(b). Transfer from N.C. Department of Agriculture and Consumer Services of \$38,702 to Federal Trust Fund.
- 7. Includes additional revenue from the 1-year 1.1 cent per gallon excise tax or \$19 million to the Trust Fund.
- 8. Includes \$1,922,601 transfer to Noncommercial Fund, \$90,000 transfer to N.C. Department of Agriculture and Consumer Services, and \$30,016 transfer to repay Federal Trust Fund for State Lead program expenses.
- Includes transfer to Noncommercial Fund of \$598,935 and disbursement from the Commercial Fund to the N.C. Department of Agriculture and Consumer Services (\$90,000) and Federal LUST Grant (\$108,904).
- 10. Includes transfer to Noncommercial Fund of \$1,381,848, and disbursement from the Commercial Fund to the N.C. Department of Agriculture and Consumer Services (\$90,000), and Federal LUST Grant (\$53,752).
- 11. Includes transfer to Noncommercial Fund of \$1,004,895, and disbursement from the Commercial Fund to the N.C. Department of Agriculture

- and Consumer Services (\$90,000).
- 12. Includes disbursement to N.C. Department of Agriculture and Consumer Services of \$90,000.
- Includes disbursements to N.C. Department of Agriculture and Consumer Services (\$90,000) and legislatively mandated transfer of interest (\$614.239.29).
- 14. Includes disbursements to N.C Department of Agriculture and Consumer Services (\$90,000).
- 15. Includes transfer of \$1,153,783 to close out the Noncommercial Fund.

Historical Commercial Cleanup Fund balances and obligations are presented graphically in Figures 4 and 5. Need to adjust Obligations





Backlog Reduction Initiative

On October 1, 2018, the EPA Office of Underground Storage Tanks (OUST) launched an effort to reduce the national backlog of open, unresolved UST incidents. The OUST set "aspirational" cleanup goals for each EPA region who then evaluated the individual states and assigned state goals for the upcoming federal fiscal year (FFY). Based upon Region 4's evaluation, North Carolina's federal fiscal year goals were established at 720 total closures for FFY 2018-19, 596 total closures for FFY 2019-20, 500 total closures for FFY 2020-21, 774 total closures for FFY 2021-22 and 500 total closures for FFY 2022-2023. Upon notification of this large and North Carolina's UST Section management worked jointly to explore means to meet OUST's requests. For FFY 2020-21, Region 4 agreed to provide approximately \$763,824 in additional federal grant funding to combine with the \$500,000 of annual state funding allowed for use in evaluating and closing low-risk sites.

As of September 30, 2023, North Carolina has exceeded its OUST "aspirational" goals with 766 total closures for the FFY 2018-19, 614 total closures for FFY 2019-20, 516 total closures for FFY 2020-21, 774 total closures for FFY 2021-22, and total closures for FFY 2022-23. One thousand seven hundred forty-six (1,746) of these closures were legacy low-risk sites (499 in FFY 2019, 393 in FFY 2020, 315 in FFY 2021, 539 in FFY 2022, and in FFY 2023). The initiative also provided for reimbursement of associated long-standing non-directed cleanup claims for these legacy sites. This combined EPA/NC backlog reduction initiative will continue through FFY 2023-24, or until funding is exhausted.

Estimated Costs of Clean Up

Under new EPA criteria, DEQ can estimate the maximum potential liabilities for cleaning up all known commercial UST releases by multiplying the median cost to the Fund per release (\$132,572) for FY 2014 – FY 2020 by the number of currently known commercial releases with ongoing cleanup (2,925). The result is a total estimated future obligation of approximately \$387.8 million – an amount that includes nearly \$24.2 million obligated for cleanups already underway.

With a present unobligated balance of approximately \$81.5 million, the Fund will need an additional \$306.3 million to clean up all currently known commercial UST releases. This estimate does not account for the costs of cleaning up releases not yet reported (future releases). The number of reported new releases has decreased in recent years, due to increased inspection and prevention measures implemented in 2008. For FY 2010-11 through FY 2020-23, an average of 273 new, fund-eligible commercial UST releases per year were discovered and reported. This trend suggests an additional \$36.2 million per year will potentially be added to overall obligations.

Despite implementation of the more rigorous oversight and cost control measures, at current revenue levels (\$27.4 million per year on average), it will take the Fund approximately 11.2 years to generate the receipts necessary to pay existing projected obligations. And, given these projected obligations, in the absence of additional funding or changes in funding mechanisms the long-termviability of the Commercial Fund as North Carolina's primary financial responsibility mechanism, as currently structured, continues to remain uncertain.

FY 2021-23

Petroleum Underground Storage Tank Cleanup Funds Recommendations

- 1. Continue the successful backlog reduction initiative with the addition of an aggressive approach toward directing and reinitiating cleanup of marginally low/intermediate-risk sites during FY 2023-24 to further reduce cleanup backlog.
- 2. Provide additional funding and staff to address required oversight for releases from ASTs, noncommercial (home heating oil) USTs, roadside incidents, and other non-UST petroleum releases.

With the addition of two full time equivalent positions added during FY 2022-23, one employee dedicated to noncommercial (home heating oil) releases and one employee dedicated to AST, roadside incidents, and other non-UST petroleum releases:

- Staff were able to keep up with new noncommercial releases (207) and close (214) noncommercial releases.
- Staff were not able to keep up with the number of new non-UST releases (285) when compared to the number of releases that were closed (245).
- Noncommercial Releases:
 - There are 2,065 open noncommercial releases.
 - Current staff commitments allowed for a backlog reduction of only seven noncommercial sites in FY 2022-2023.
 - The Section would be more effective in reducing this backlog of noncommercial releases if one additional staff position were added in each of NCDEQ's seven regional offices.
- AST, roadside incidents, and other non-UST releases:
 - At the end of FY 2022-23, the number of open non-UST releases increased by 40 to 2,412.
 - Adding one staff position to each of the seven regional offices to address the non-UST releases would at a minimum stop adding to the number of open releases at the end of every fiscal year.
- 3. Re-evaluate all high-risk incidents during FY 2023-24 and aggressively pursue cleanups to the extent allowed by funding availability.
- 4. Provide additional funding and equipment for emergency response actions (i.e. storms, floods or releases from unknown sources) and for disaster resiliency activities to identify and mitigate at-risk facilities.
- 5. Expand on the State-Lead framework to integrate environmental justice criteria in the UST risk-based closure process.
- 6. Continue ongoing cost control measures:
 - a. Evaluation and implementation of better, more systematic ways to apply risk-based closure criteria to incidents.
 - b. Continuation of intensive review process for pre-approvals for requested site work.
 - c. Continuation of intensive corrective action plan review with consensus of the selected method and technology by all stakeholders required prior to implementation.
- 7. Continue the successful programs previously implemented to reduce releases by maintaining a facility compliance inspection frequency of at least once every three years for USTs in North Carolina.
- 8. Continue the successful programs previously implemented to prevent and minimize releases by providing release prevention and detection training to UST owners and operators.
- 9. Investigate possible revenue enhancement mechanisms to enable the Commercial Fund to better meet projected future obligations including:
 - a. an increase in the motor fuels excise tax contribution to one cent per gallon, or;
 - b. consider long-term transition from the Commercial Fund as the primary mechanism for owners of regulated USTs to meet federal financial responsibility requirements. In place of, or in conjunction with, a state-subsidized fund, owners and operators of newly installed or replaced or upgraded, regulated commercial UST systems could be required to use other financial responsibility mechanisms, such as private insurance, bonding, letters of credit or self-insurance.