

Appendix A: Required Amount of Assurance Worksheet

Instructions You must demonstrate that you can pay the state fund deductibles. This is done with the use of mechanisms. The mechanisms assure the availability of money for any necessary future payment of deductibles. With the worksheet in this appendix you can determine the amount of money you must assure to demonstrate that you can pay the state fund deductibles. (See page 2 for a completed example worksheet.)

Required Amount of Assurance to Demonstrate Ability to Pay State Fund Deductibles*

- | | |
|---|-------------------|
| 1. Number of owner/operator's USTs in N.C. that require assurance** | _____ |
| 2. State fund cleanup deductible (upgraded UST systems) | \$ <u>20,000</u> |
| 3. State fund third-party liability deductible | \$ <u>100,000</u> |
| 4. Scaling factor (multiply 0.03 x #1 x #2) | \$ _____ |
| 5. Required amount of assurance (sum of #2, #3 and #4) | \$ <u>_____</u> |

* Note that numbers 2 and 3 are fixed, and do not vary. Numbers 1, 4 and 5 vary according to the number of tanks.

**Tanks that are manifolded together are considered to be separate tanks for FR. A compartment tank is considered to be a single tank.