

Announcement: You Can Do Business with PSTIF via the Internet!

The PSTIF is pleased to announce that, effective January 1, 2005, tank owners/operators will have the option of applying for or renewing their insurance coverage via the Internet, and paying their participation fees via credit card or ACH.

A new section will be added to the PSTIF web site for tank owners/operators who wish to take advantage of the opportunity to do business electronically. For insureds who opt to use this new service, the PSTIF will send communications via email in lieu of paper. Renewal applications can be completed "on-line," and records like leak detection records, line and tank tightness tests, etc., can be transmitted to the PSTIF electronically.

Letters will be sent to all insured tank owners/operators with their renewal applications, announcing this option and inviting them to use the new service. For those who prefer the traditional method, paper communication will still be an option.

Anyone with questions about this new service may contact Dorcee Lauen at 800-765-4041, ext. 6.

New Standard for AST Integrity Testing

A national committee of experts is crafting a new standard for use by AST owners. The standard will give tank owners a way to comply with the U.S. EPA's Spill Prevention, Control and Countermeasure (SPCC) regulations. It will specify a variety of procedures, some of which the tank owner can do himself, depending on

the size and configuration of his tanks, piping and containment.

John Albert from Missouri's Division of Weights and Measures and Sonny Underwood, president of Mid-South Steel in Cape Girardeau, are serving on the committee. It is expected that the Steel Tank Institute will issue the standard in mid-2005.

Internet Consultants' Forum

A seminar titled "Improving MRBCA Risk Assessment Reports" was held for environmental consultants on October 6. Jointly planned by staff from the PSTIF and the DNR, it focused on common oversights, mistakes or misunderstandings about the new RBCA guidelines. More than 100 people "attended" without ever leaving their offices!

The PSTIF will continue this series of Internet Seminars to foster improved communications with consultants, assist in implementation of the new RBCA requirements and answer questions that arise on specific sites and projects. Previous seminars are archived on the PSTIF web site, and future seminars will be announced via email to consultants.

RBCA Tips

Two tips are offered in this issue:

- 1) When determining the "Reasonably Anticipated Future Use" (RAFU) of a property, do not assume that all portions of the tank site, or the tank site and all adjacent impacted properties, must have the same RAFU. Rather, if one portion of the impacted area is expected to be commercial, and another portion can reasonably be expected to become residential, use a site conceptual model that recognizes this reality.
- 2) If a site "fails" the Tier 1 stan-

dards, consider what the most cost-efficient option is. If a corrective action plan can be implemented to achieve the Tier 1 standards less expensively than conducting a Tier 2 analysis, recommend that option and present a cost estimate.

New Web Site

The PSTIF web site has been redesigned and now contains more information, including information on risk-based corrective action (RBCA). See it at www.pstif.org!

"Pay for Performance"

The notion of a contract in which payments are contingent on specific results is not new – we're all familiar with performance-based construction contracts and other "guaranteed results" agreements.

This "performance-based" approach has been used by several other states to establish a timeframe and fixed cost for completion of an environmental cleanup. Though it has not been widely used in Missouri, the PSTIF is encouraging tank owners to consider this approach for their properties. An informational flyer is available on the PSTIF web site, and sample "performance-based" contract language is available by calling Pat Vuchetich at 800-765-2765.

If you own properties where the PSTIF is paying for corrective action and you want an explicit cost and timetable for completion of cleanup, or if you are a consultant who believes you can design and implement a corrective action plan that will achieve its goals and result in issuance of a "No Further Action" letter from the Department of Natural Resources, we welcome your inquiry.

PSTIF Inspections

It's a bit unsettling to have an appraiser looking in your basement and closets... And some of the PSTIF's policyholders are feeling a little nervous about PSTIF's inspectors coming to visit them. Never fear! Here's why we send someone to look at your properties from time to time:

1. **To verify the information provided on the insurance application.** We only insure what the paperwork says we insure – So it is helpful to double-check that what we think you said is there is really what is there!
2. **To help owners/operators identify conditions that may cost you and us money.** Leaks cost you money, cost us money and are a “headache” for everyone. By focusing on “loss prevention,” we try to identify operating conditions that may cost you money if they are left unattended. It's the old idea that “an ounce of prevention is worth a pound of cure.”

So be not dismayed! If we do send an inspector to visit your property, you'll know it in advance, as we always send a letter notifying you.

And if you have any questions or concerns, call us.

FY04 Audit

KPMG Kansas City has completed its audit of the PSTIF FY04 financial statements and issued a “clean opinion” to the Board of Trustees. The audit can be read on our web site, www.pstif.org.

PSTIF Offices Move

The Board of Trustees has combined its office with that of the Fund's third party administrator, Williams & Company Consulting. All staff are now in the same location at 830 East High Street, Jefferson City. Phone numbers are unchanged.

Hydrogen Fueling Stations

A hydrogen-producing refueling station for fuel cell vehicles opened on October 19 near Detroit. It was built with funding from the U.S. Department of Energy.

California also recently opened its first hydrogen fueling station. Thirteen such stations are planned in the state, to be funded by the South Coast Air Quality Management District. Costs are about \$1 million per station.

Check out our web site:
www.pstif.org.

Latest Leaks is a newsletter of the
Missouri Petroleum Storage Tank Insurance Fund.

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