



COLORADO BROWNFIELDS HISTORIC BYWAYS REVITALIZATION INITIATIVE

To: Interested Petroleum Storage Tank Fund Applicants
Re: Colorado Petroleum Storage Tank Fund Eligibility Information

In 1989, the Colorado General Assembly established Colorado's Petroleum Storage Tank Fund. The Fund reimburses eligible applicants for allowable costs incurred in cleaning up petroleum contamination from underground and aboveground petroleum storage tanks, as well as for certain third-party liability expenses. The Fund satisfies federal Environmental Protection Agency financial assurance requirements. Monies in the Fund come from various sources, predominantly the state environmental surcharge imposed on all petroleum products except railroad or aircraft fuel.

To establish eligibility for Fund benefits once contamination is discovered, tank owners and operators must demonstrate compliance with regulations governing tank registration, release detection, release reporting, and closure. Non-compliance with these regulations can result in a percentage reduction of the reimbursement award. Substantial non-compliance can result in denial of eligibility for Fund reimbursement. Failure to comply with Colorado remediation requirements can also trigger a percentage reduction.

Tank owners and operators are responsible for the first \$10,000 of remediation costs and the first \$25,000 of third-party liability expenses. After meeting the deductible, an eligible tank owner or operator is eligible for reimbursement of all allowable costs. Allowable costs are those that arise directly from the performance of necessary corrective action in accordance with the requirements of the Division of Oil and Public Safety.

Reimbursement cannot exceed \$2,000,000 per release occurrence. Aggregate reimbursement per fiscal year for a single applicant remediating multiple occurrences cannot exceed \$3,000,000. No more than \$50,000 will be reimbursed until the site has an approved Corrective Action Plan (CAP), which includes a Technical and Economic Feasibility Study.

In addition to tank owners and operators, certain persons deemed to bear no responsibility for the release are eligible for reimbursement without paying any deductible and without penalty for prior non-compliance with storage tank regulations. These applicants include property owners, lenders, and, in very limited circumstances, tank owners or operators. Twenty percent of the Fund is set aside for reimbursement to applicants in this category.

The following website has more information and links to required forms:

<http://ops.cdle.state.co.us/OIL/Fund/fundindex.asp>

The following phone numbers may also be useful:

Customer Assistance: (303) 318-8510 or (303) 318-8514
Technical Questions: (303) 318-8547
Request Fund Documents (hard copy or disk): (303) 318-8517

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Department of Public Health



BILL OWENS
Governor

RICK GRICE
Executive Director

RICHARD O. PIPER
Director of Oil and Public
Safety



DEPARTMENT OF LABOR AND EMPLOYMENT

Division of Oil and Public Safety

Remediation Section

633 17th Street, Suite 500

Denver, Colorado 80202-3660

(303) 318-8500; Fax (303) 318-8546

Website: <http://oil.cdle.state.co.us>

Requirements for Eligibility to the Petroleum Storage Tank Fund (Fund) for Non-Responsible Parties (Per 8-20.5-206(3))

1. To be eligible to the Fund as an Abandoned Tank Owner, Property Owner or Lender the Applicant must meet all criteria marked with an X beneath the appropriate category.
2. Eligibility to the Fund for the categories in the table below provides reimbursement of allowable costs without a \$10,000 or 25,000 deductible.
3. In certain situations an applicant, who is determined eligible to the Fund as a non-responsible party, may be required to comply with the Petroleum Storage Tank Regulations and may be subject to percent reductions on reimbursement from the Fund for non-compliance.
4. Eligibility to the Fund can be transferred to any subsequent owner other than the tank owner.
5. Eligible applicants in these categories may request State Lead Clean Up.

	Abandoned Tank Owner	Property Owner	Lender <9/30/95	Lender >9/30/95
Current or former owner acquired property prior to 6/3/92.		X		
Applicant did not install tanks.	X	X		
Applicant never operated tanks.	X	X		
Applicant never leased tanks.	X	X		
Applicant had no knowledge a release had occurred when the property was acquired.	X	X		
Contamination was discovered after 12/22/88.	X	X		
Contamination originated from a petroleum storage tank on site.*		X	X	X
Contamination originated from an abandoned tank on site.**	X			
Applicant had no knowledge of the abandoned tank existence when the property was acquired	X			
Original loan date <9/30/95			X	
Lender has no relationship, financial or otherwise w/lendee.			X	X
Property acquired through foreclosure			X	X
Certificate of Eligibility*** is obtained after the loan date but prior to contamination discovery date				X

*If the tanks are no longer present on site the applicant must have evidence of their previous existence.

**Discovery of contamination must occur during applicants property ownership.

***Certificates of Eligibility are granted to lenders providing loans to tank owners, where the original loan date is after 9/30/95 and they have performed and passed a tightness test on the system **or** they perform a site assessment, submit the results to OPS and receive a No Further Action Letter.

Note: This table and summary are provided for informational purposes only. Even if a potential applicant meets all criteria for an eligibility category as indicated by this table does not guarantee eligibility to the Fund. Eligibility determinations are made on a case by case basis in consideration of all facts related to that particular case.