

NORTH CAROLINA NON-COMMERCIAL PETROLEUM UNDERGROUND STORAGE TANK CLEANUP FUND

The Non-Commercial Trust Fund (NCF) is funded in two ways. There are monies allocated from the Inspection Fee that's collected on petroleum products and not used for inspection or administration, an amount of roughly \$5 1/2 million/year. This unused inspection money (previously going to the Highway Fund) is split evenly between the Commercial Fund and the Non-Commercial Fund. So the NCF receives approximately \$2.75 million dollars per year from the kerosene and motor fuels inspection fee. A 1/4 cent per gallon tax on motor fuel, effective Jan. 1, 1992 was added to create a loan fund program whereby underground tank owners could borrow to upgrade or replace tanks to meet the 1998 standards. Any money not expended for loans reverted to the Commercial Fund on January 1, 1995. HB 681 in '93, allocated the 1/4 cent which created the loan fund program to the Commercial Fund (3/64 cent or \$1.875 million/yr), Non-Commercial Fund (3/64 cent or \$1.875 million/yr.), and to a new Water and Air Quality Account (10/64 cent or \$6.25 million/yr.). Therefore, the NCF receives approximately \$4.625 million dollars per year in funding.

An amount of \$675,000 is appropriated from the Non-Commercial Fund to the Dept. of Environment, Health, and Natural Resources to implement the Act and administer the funds.

Non-Commercial USTs include:

- ◆ Farm or residential USTs of 1100 gallons or less which store motor fuel for non-commercial purposes;
- ◆ USTs of 1100 gallons or less which contain heating oil for consumptive use on the premises where stored;
- ◆ USTs of more than 1100 gallons which contain heating oil for consumptive use by (4) four or fewer households.
- ◆ Commercial USTs where the UST was taken out of operation prior to January 1, 1974 -- but only if, at the time the release is discovered, neither the owner nor the operator owns the land upon which the UST is located.
- ◆ Commercial USTs where the owner of the UST is the owner only as a result of owning the land where the UST is located -- but only if the owner did not know or have reason to know that the UST was located on the property, and the land was not transferred to avoid liability for the UST.

A Non-Commercial UST does not include:

- ◆ septic tanks;
- ◆ pipeline facility;
- ◆ surface impoundment, pit, pond, or lagoon;
- ◆ stormwater/waste water collection system;
- ◆ flow-through process tank;
- ◆ liquid trap and associated gathering lines;
- ◆ storage tank in a basement situated above the surface of the floor.

Procedure in the event of a leak from an Underground Storage Tank:

- ◆ Report leak to **North Carolina Division of Waste Management (DWM)** Regional Office within 24 hours;
- ◆ Under NC DWM guidance, proceed with cleanup;
- ◆ Apply to the Leaking Underground Storage Tank Trust Funds for reimbursement of cleanup costs.

For inclusion in the Non-Commercial Fund:

- ◆ The UST leak could have occurred at any time and;
- ◆ no tank fees are required to be paid.

Requests for reimbursement are dealt with on a first come first served basis and turnaround time depends on the completeness of the submittal and the number of reimbursement requests in the system. Reimbursement requests may only be submitted on a quarterly basis or when the request is in excess of \$20,000.

The fund will pay for:

- ◆ Work performed that is reasonable and necessary; non-directed costs may be paid for if funds are available. Use caution when approving non-directed costs.
- ◆ Costs documented on forms provided by the state and;
- ◆ Payments proven by canceled check or copy of contract for dual reimbursement.

The fund will not pay for tank removals and initial samples (if no leak is detected on lab work).

Deductibles and coverage are as follows:

- ◆ There is no deductible for cleanup cost reimbursement from the Non-Commercial Trust Fund for tank owners.
- ◆ For “innocent landowners” the deductible is \$5,000, then the fund will reimburse 90% of costs up to \$1,000,000, see Q&A #5, #6
- ◆ There is a \$100,000 deductible for Third - party claims.
- ◆ Coverage is up to \$1 Million per occurrence.

UST Home Heating Oil FAQ

1) What kinds of regulations apply to my home heating oil tank?

Home heating oil tanks are non-regulated, non-commercial underground storage tanks (USTs) that are exempt from the "technical regulations" that apply to regulated USTs. Even though home heating oil tanks are exempt from these technical regulations; some groundwater regulations will apply if there is a leak or spill from your tank.

2) **What do I do with a home heating oil tank that is no longer being used?**

Home heating oil tanks are exempt from the "closure" requirements. "Closure" of USTs means removing the tank from the ground or filling the empty tanks with a solid, inert material such as sand, and analyzing soil. Even though these closure requirements do not apply to home heating oil tanks, a tank owner is advised to empty a tank once it is no longer being used in order to limit the chances of a release. Tanks should not be filled with water. Although it is not a requirement to remove old heating oil tanks, potential buyers are sometimes reluctant to purchase property with USTs; so removal may be a good idea in the interests of resale.

3) **If I choose to remove my home heating oil tank, what are the requirements?**

Some local fire inspectors' offices regulate USTs, so you should contact your local office prior to removal. You do not need to contact a North Carolina Division of Waste Management (DWM) office unless you discover signs of a leak, spill, or contamination.

4) **What do I do if I discover contamination?**

Notify your local DWM regional office immediately if you discover signs of leak, spill, or contamination such as stains on the soil, strong petroleum odors or puddles of oil. Please refer to the back of this brochure for telephone numbers and addresses of the DWM regional offices. If you are responsible for the contamination, your local DWM office will provide you with the information for sampling and cleanup.

5) **Who is responsible for cleanup of contamination?**

Primarily, the "statutory tank owner" is responsible for cleaning up the contamination. Who the "statutory tank owner" is depends upon when the tank was last used. If it was last used before November 8, 1984 then the last party who used that UST is considered the tank owner (even if that party no longer owns the property.) However, if that tank was used on or after November 8, 1984, anyone that owned the tank would be considered the tank owner even if that person never used it.

6) **If I am responsible for cleaning up contamination caused by a home heating oil tank, what do I do after I report the contamination?**

First of all, soil samples need to be taken to determine how much contamination is present. Groundwater samples may also need to be taken, especially if groundwater is close to the contaminated soil. A certified laboratory must analyze these samples. To ensure that the sampling is completed according to DWM guidelines, it is recommended that a professional consultant be retained. Depending upon the levels and extent of the contamination, as well as the geology of the site, further assessment may be necessary. The DWM regional staff can help you determine what further steps are needed (see map for addresses and telephone numbers). If further action is required, you will likely have to hire a professional to assess the site and clean up the contamination.

7) **What kinds of companies do this sort of work?**

Many companies do environmental work. Typically, they can be found in the yellow pages of a telephone book under "Environmental Consultants." When choosing a company, we recommend getting several estimates and references. The DWM does require that site assessments and cleanup work be conducted under the responsible charge of a licensed geologist or professional engineer.

8) **How am I going to pay for this?**

North Carolina has a Non-commercial Leaking Petroleum UST Cleanup Fund that will pay up to \$1 million for reasonable and necessary costs directly related to the cleanup of a petroleum release from your UST. The cleanup fund will not pay for attorney fees, tank removal costs, or for excessive or unnecessary work.

In the case of home heating oil tanks, this fund is available with a zero deductible to "statutory tank owners" and with a \$5,000 deductible to landowners that do not meet the definition of an owner/operator. This fund does not cover above ground storage tanks. Please refer to our "[Cleanup Funds" brochure](#) (<http://www.wastenotnc.org/ust/docs/CLEANUP.pdf>) or call one of the DWM offices for more information about this fund.

9) **What are the requirements if the leak is from an above ground home heating oil tank?**

If a leak from an above ground tank is discovered, it must be reported to your regional Division of Water Quality (DWQ) office immediately. If cleanup is required, your regional DWQ office will tell you how to proceed. North Carolina's cleanup fund does not cover releases from above ground storage tanks.

10) **Where do I go if I have more questions?**

Please refer to the regional office map (http://www.wastenotnc.org/ust/RO_Map.html) or telephone numbers and addresses of the DWM regional offices. Ask to speak to someone in the UST Section. You may also contact the UST central office at:

The purpose of this page is for general guidance. More specific information can be found in 15A NCAC 2L, G.S. 143-215.83-85, and the most recent site assessment and cleanup guidance issued by the UST Section. Although this brochure only addresses home heating oil underground storage tanks, the same basic requirements apply to small (1,100 gallons or less) farm and residential motor fuel tanks.

CONTACTS

[NCDENR, Division of Waste Management, UST Section 1637 Mail Service Center Raleigh NC 27699-1637 \(919\) 733-8486](#)

[NCDENR-Division of Waste Management 401 Oberlin Road - Suite 150, Raleigh, NC 27605 \(919\) 508-8400](#)

[North Carolina Division of Waste Management \(DWM\) –1646 Mail Service Center, Raleigh, NC 27699-1646 - \(919\)508-8400;](#)

[Web site at http://www.wastenotnc.org/ust/ust_main.html \)](http://www.wastenotnc.org/ust/ust_main.html)

BY: NCPCM, Doug Howey LG, Tim Laughlin, PE
Phone: 919-782-4411
Web site: www.ncpcm.org
Revised March 17, 2008