

Kansas Essential Fuels Supply Trust Fund Overview

New federal Spill Control and Countermeasures (SPCC) regulations enforced by the U.S. Environmental Protection Agency (EPA) require facilities with 1,320 gallons of capacity in aboveground storage tanks containing petroleum to have secondary containment, integrity testing, corrosion protection, security, and loss prevention (40 Code of Federal Regulations 112). These requirements along with a spill contingency plan should already be in place for AST facilities starting operation on or before August 16, 2002. These facilities must maintain or amend and implement existing SPCC Plans no later than October 31, 2007. Facilities starting operation after August 16, 2002, must prepare and implement a SPCC Plan no later than October 31, 2007. Licensed professional engineers do not have to sign SPCC plans for AST facilities storing 10,000 gallons or less of petroleum if facilities subject to SPCC plans have had no discharges outside secondary containment areas for the last 10 years for facilities 10 or more years older. If facilities storing 10,000 gallons of petroleum are less than 10 years old, licensed professional engineers do not have to sign SPCC plans if that facility has had no discharges outside secondary containment areas since the facility became subject to SPCC rules. The following EPA Web Site gives more information on SPCC regulations:

<http://www.epa.gov/oilspill/spcc.htm>

The Kansas Storage Tank Act was amended by House Bill 2756, effective July 1, 2006, to provide a reimbursement fund to assist owners of aboveground storage tanks and bulk plants with the cost of upgrading their facilities to meet the requirements of the SPCC regulations. The reimbursement fund is called the Kansas Essential Fuels Supply Trust Fund and is intended to assist low volume, rural facilities with the cost of compliance with SPCC requirements. The new fund allows for reimbursement of 90% of the cost up to \$25,000 per facility in meeting the SPCC regulations. Only aboveground tanks and bulk plants used for storage of petroleum products for resale are eligible under this program.

The Kansas Department of Health and Environment will review applications for reimbursement based on current industry costs and provide reimbursement of reasonable and necessary costs. Such costs must be incurred after August 1, 2001, and not later than July 1, 2009. Application for eligible decommissioning costs must be made on or before January 1, 2011. Only costs for activities necessary to meet SPCC regulations will be considered for reimbursement.

The Essential Fuels Supply Trust Fund is structured in a manner similar to the Petroleum Storage Tank Release Trust Funds. Monies for the Essential Fuels Supply Trust Fund are provided by the same environmental assurance fee that funds the Underground Storage Tank Fund and Aboveground Storage Tank Fund programs.

Please contact KDHE at 785-296-1678 if you have questions about the Kansas Essential Fuels Trust Fund or need an application. If you have additional questions about the EPA SPCC Program, please contact Alan Hancock at 913-551-7646 or Ward Burns at 913-551-7960.