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## TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

*Protecting Texas by Reducing and Preventing Pollution*

August 3, 2007

Dear Underground Storage Tank Owner/Operator:

This letter is being sent to inform you of legislative changes that occurred that will affect the Petroleum Storage Tank Program. House Bills 1956 and 3554 were passed by the 80<sup>th</sup> Texas Legislature and were signed by the governor on June 15, 2007. A few key provisions of the bills concerning financial assurance and fees are explained briefly below:

- Fees – beginning September 1, 2007, Underground and Aboveground storage tank owners will no longer be assessed annual registration fees. Any fee that required payment prior to September 1, 2007 (Fiscal year 2007 and all prior years) will continue to be the responsibility of the tank owner. This includes fees for tanks that were not properly registered by September 1, 2007.
- Proof of Financial Assurance– beginning September 1, 2007, all annual Self-Certification forms must be accompanied with proof of financial assurance. **Self-certification forms will not be processed unless proof of financial assurance is provided.** Although there are several financial assurance options allowed in Texas Commission on Environmental Quality's (TCEQ) rules, the great majority of tank owners use either insurance or the financial test. Proof of financial assurance using insurance requires the Certificate of Insurance shown on the opposite side of this page. Please ensure the accuracy of the shaded items to avoid having these forms returned to you. The financial test requires a tangible net worth of at least \$10 million. Proof using this option requires completion and submittal of the Chief Financial Officer's letter found in Title 30, Texas Administrative Code, Chapter 37, Subchapter I.
- If a tank owner/operator's financial assurance is canceled, terminated, or non-renewed, the insurance carrier or financial assurance provider will be required to notify the TCEQ. Under existing requirements, tank owners/operators must notify TCEQ of changes in financial assurance information.
- Tank owner/operators without financial assurance will be required to dispose of any regulated substance in tank even if the requirements regarding proper "temporary removal from service" (e.g. cathodic protection plus corrosion protection) are being met.
- The commission may order a tank owner or operator that fails to maintain acceptable evidence of financial assurance to place the tank out of service according to the requirements of temporary or permanent removal from service.

The TCEQ is committed to working with UST owners and operators to achieve compliance with these new requirements. For questions concerning financial assurance, please contact Teresa Nemeck at (512)-239-0325. For questions concerning Self-Certification and fees, please contact the PST Registration Team at (512) 239-2160.

