



Single-Walled UST Closure Commitment Plan Workshop

Presented by: Johnny Wales, Environmental Specialist

Self-Introduction

Johnny Wales:

- Charged with Single-walled UST Owner/Operator outreach
- Point of contact for Replacing, Removing, or Upgrading Underground Storage Tanks (RUST) program
- Supports State Water Resources Control Board's Leak Prevention Unit and Office of Enforcement

TODAY WE WILL DISCUSS:

Which Underground Storage Tank systems are subject to 12/31/2025 closure deadline per CA Health and Safety Code section 25292.05

Potential obstacles to compliance with the deadline and how to overcome them, including funding assistance (RUST)

UST Closure Commitment Plan Initiative



Why this is Important

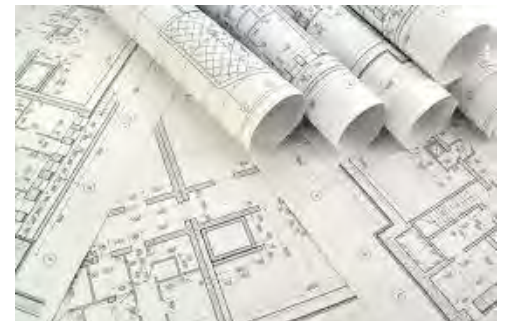


- 💧 Freedom from environmental contamination and access to clean, safe drinking water
- 💧 From 2017 to 2020, 25.0% of Single-walled UST closures have resulted in a new leaking underground storage tank case.



1. What is required for compliance?

- UST regulations and technical discussion
- Which USTs are subject to **12/31/2025** closure deadline?



12/31/2025 Single-walled Closure Deadline

- 💧 Senate Bill 445 became effective September 25, 2014.
- 💧 Amended State Law, the California Health and Safety Code (H&SC) section 25292.05.
- 💧 Requires the permanent closure of single-walled tanks and piping.



12/31/2025 Single-walled Closure Deadline

- 💧 Tanks *and/or piping* that do not meet the requirements of H&SC, section 25291(a)(1)–(6) must be permanently closed on or before **December 31, 2025**
- 💧 Per H&SC § 25281 (definition of a UST), piping connected to a UST is part of the UST
- 💧 What is a tank that is constructed according to the requirements of H&SC, § 25291(a)(1)–(6)?



USTs constructed according to H&SC

§ 25291(a)(1)–(6):

- 💧 Designed and constructed to have primary and secondary levels of containment (double-walled).
- 💧 Primary containment is product-tight (liquid-tight)



USTs constructed according to H&SC

§ 25291(a)(1)–(6):

- 💧 Continuous leak detection system capable of detecting the entry of the stored substance from the primary containment into the secondary containment.
- 💧 Continuous leak detection system capable of detecting water intrusion into the interstitial space from the environment.



Scenario 1: Single-Walled Tank with Single-Walled Piping

- 💧 Entire UST system must be permanently closed.
- 💧 Construction/monitoring requirements are a function of tank installation date; when the single-walled tank is replaced, new requirements are triggered.
- 💧 This means the UST system becomes subject to vacuum, pressure, or hydrostatic (VPH) monitoring, must be liquid tight/vapor tight, etc.



Scenario 2: Single-Walled Tank with Double-Walled Piping

- 💧 When the single-walled tank is replaced, current construction and monitoring requirements are triggered.
- 💧 The existing piping becomes subject to the requirements of H&SC § 25290.1.
- 💧 This means the existing piping will be required to be monitored with vacuum, pressure, or hydrostatic (VPH) fluid, must be liquid-tight/vapor-tight, etc.



Scenario 2: Single-Walled Tank with Double-Walled Piping

- 💧 Existing DW piping can only remain in place if the piping is approved for use by UL for VPH monitoring and can operate in accordance with § 25290.1 (VPH, liquid/vapor tight). **Not recommended.**
- 💧 Risers, vent, and vapor recovery lines also become subject to the requirements of § 25290.1 (VPH monitoring, liquid/vapor tight).



Scenario 3: Double-Walled Tank with Single-Walled Piping

- 💧 Piping shall meet the requirements of H&SC section § 25291(a)(1)–(6).
- 💧 Safe suction piping connected to tanks installed before July 1, 2003 is not subject to H&SC § 25292.05, but I will need confirmation that a proper inspection method is in place.
- 💧 Fill risers, vapor recovery lines, vent lines, connected to tanks installed before July 1, 2003 *may* not be subject to H&SC § 25292.05.



Vapor Recovery Lines

💧 For USTs installed before July 1, 2003, if VR lines do not hold standing fluid, VR lines are not subject to H&SC § 25292.05

💧 For USTs installed before July 1, 2003, if VR lines hold standing fluid, and USTs installed after July 1, 2003, VR lines ***ARE*** subject to H&SC § 25292.05.



Fill Risers and Vent Lines

- 💧 Vent and fill risers are not subject to H&SC § 25292.05 if the UST was installed before July 1, 2003 and has either: a ball float that restricts flow 30 mins prior to overflow and allows no more than 95% capacity **AND** an audible/visual alarm that activates at least 5 minutes before overflow, **OR** positive shutoff at 95%.
- 💧 USTs which do not have the methods of overflow prevention identified above and those USTs installed after July 1, 2003 must have secondary containment for vent and riser piping



USTs constructed according to H&SC

§ 25291(a)(7):

- 💧 Tanks constructed to this standard before 1/1/1997 are required to be permanently closed by **12/31/2025** if not upgraded to meet requirements of § 25291 (a)(1)–(6)
- 💧 Includes Hybrid tanks: USTs with exterior membrane liners, DW tanks connected to SW product piping and...



USTs constructed according to H&SC

§ 25291(a)(7):

- 💧 DW tanks with SW vent/riser piping and improper Overfill Prevention Equipment (OPE)—*already out of compliance*
- 💧 This means USTs with SW vent/riser piping, if not equipped with fill tube shutoff or flow restrictor combined with Audible/Visual alarm, must either: secondarily contain vent/riser piping, or upgrade OPE to positive shutoff



Interior Lined-Tanks

Tanks with Bladders

- 💧 Single-walled tanks that were lined must be permanently closed.
- 💧 Single-walled tanks with rigid and flexible bladders must be permanently closed.
- 💧 Liners, coatings, nor bladders meet H&SC § 25291(a) secondary containment requirements.



What is Permanent Closure?

- 💧 Permit from Unified Program Agency (UPA) is required
- 💧 All liquids, solids, sludge in the tank must be removed and handled as hazardous substance.
- 💧 Tank must be inerted, removed, and disposed of properly.



What is Permanent Closure?

- 💧 All piping and accessories must be removed and disposed of properly.
- 💧 Soil samples analysis and/or water analysis if water is present in the excavation is required immediately after tank removal to determine if an unauthorized release has occurred.
- 💧 Closure in place may be an option in limited situations, and only when approved by the UPA.



Penalties

💧 Beginning January 1, 2026, USTs may be red-tagged, preventing fuel deliveries and dispensing, and civil penalties of no less than \$500 and not more than \$5,000 per day, per tank, per violation, will begin to accrue.



2. RUST (Replacing, Removing, or Upgrading Underground Storage Tanks)

- Who is eligible? How to apply?
- Who to contact for help?

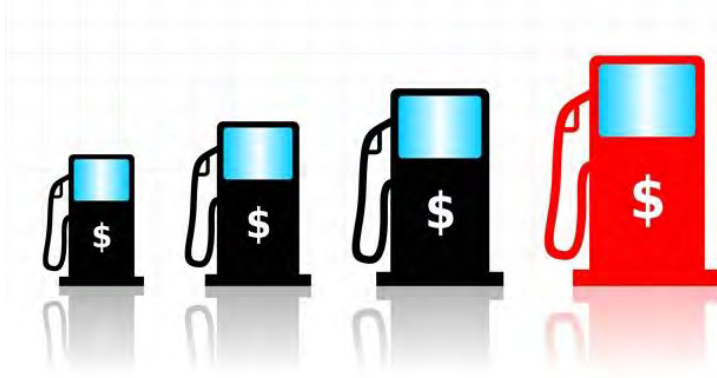




- Either Owner or Operator may apply
- Compliance with CERS is mandatory
- No work may begin until an agreement is executed with the State Water Board's Division of Financial Assistance
- Applications are processed on a first-come, first-served basis
- Annual funding is limited



- Up to \$70,000 per business entity for replacement, removal, or upgrade/repair project of **petroleum USTs**
- Can be applied for directly, at <https://faast.waterboards.ca.gov/>, or paper application and supporting documents can be mailed to State Water Resources Control Board's Division of Financial Assistance



RUST GRANT – ELIGIBILITY

- Applicant Facility must be a small business with fewer than 20 full- and part-time employees; employee tax form must be provided
- Applicant business's principal office/officers must reside in CA and have CA address(es); must submit business/owner's tax returns and list of officers and resident addresses
- The Facility must have been legally in the business of retailing gasoline sometime within the last two years, **unless they meet the waiver criteria (removal-only projects)**
- The Facility can't have retailed more than **1.5 million** gallons of gasoline annually in the two years preceding application submittal; Sales and Use tax forms are submitted with application



- All tanks owned/operated must be in compliance with H&S Code Chapter 6.7 and implementing regulations (Title 23 CCR/UST Regulations) and EVR (Requires current UST permit and PTO {Permit to Operate})—**facility can be out of compliance if violations occurred within 180 days or applying to RUST, if project will fix violations, but cannot be Red-Tagged, or subject to formal Enforcement Action;** waiver is available for permit and retail requirements for removal-only projects;
- **WAIVERS**—Requirements for current permits, compliance status or gasoline retailed in the last two years may be waived if: 1.) The application is for a *removal-only grant* (which can be used for any type of tank—it does not have to be a single-walled tank); and 2.) The applicant does not qualify for a RUST loan.



- ✓ Notices of Violations (NoVs) cleared with return to compliance (RTC) dates, **unless the violation occurred within 180 days of grant application submittal**—(Note: RUST eligibility is not affected by violations other than ***UST violations***)
- ✓ Owners and Operators should work with regulatory agency to ensure issues are all properly resolved.



RUST – LOAN OVERVIEW



- ✓ Loans of up to \$750,000 per business entity are available for replacement, removal, or upgrade/repair of petroleum USTs.
- ✓ Loan applications must go through Financial Development Corporation (FDC). A list of approved FDC's is available on the State Water Board's RUST website:
https://www.waterboards.ca.gov/water_issues/programs/ustcf/rust.html
- ✓ Interest rates are determined by State Treasurer's General Obligation Bond Rate, usually between 1.2% and 1.4%, with a 2% loan fee due at loan closing, 10- or 20-year terms depending on collateral



- Applicant must be the independent owner/operator of a small business, employing fewer than **500** full/time part/time employees
- The principal office/officers must reside in CA with CA addresses
- All tanks owned or operated by applicant, except for the project tank(s), must comply with H&S Code Chapter 6.7 and regulations adopted pursuant to chapter and EVR requirements,
- Project tank(s) are compliant, **or will be compliant after the completion of the project**, with chapter 6.7 of division 20 of the Health and Safety Code, section 41954 of the Health and Safety Code, and implementing regulations (23 CCR)

RUST LOAN ELIGIBILITY



- Applicant must demonstrate the ability to repay the loan and possess adequate collateral
- Applicant must have complied with Financial Responsibility requirements
- The total principal balance currently owed by the applicant for all loans to the applicant by the RUST Program at the time of the application is less than seven hundred and forty thousand dollars (\$740,000)
- RUST loan funds cannot be used for corrective action or to correct administrative UST violations



- Removing and replacing single-walled USTs
- Removing and replacing single-walled piping with double-walled piping
- Replacing or repairing/upgrading secondary containment, including penetration fittings, test boots, containment sumps, and/or manway covers
- Installing under-dispenser containment (UDC) boxes/pan





- Replacing or repairing/upgrading spill buckets, fill pipes, and/or overfill prevention equipment
- Installing electronic monitoring and leak detection systems
- Conducting enhanced leak detection (ELD) tests
- Enhanced vapor recovery (VR) equipment upgrades





- C-Store related expenses
- Non-qualifying dispensers – unless replacing entire fueling system or for environmental reason
- Payment Card Industry/Point of Sale equipment
- Signage, decals, bollards, speakers, monitors





- Canopies, valances, cash registers, fuel software, travel
- Aboveground Storage Tanks – exception: If replacing UST with an AST, RUST will fund removal of the UST only
- Installing (not replacing) additional UST(s)





3. UST Closure Commitment Plans

“If you fail to plan, you are planning to fail.”



💧 849 emails sent on 10/29/21 with attached:

- Fillable survey form
- Narrative letter
- RUST information
- Invitations to MS Teams workshops





Goals of the initiative:

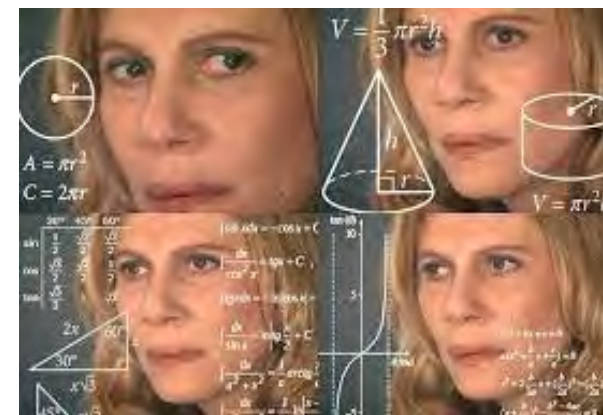
- To engage Owner/Operator community and educate about the need to begin the SWT closure process sooner rather than later
- To gather data to help prepare for coming rush of closures
- To mitigate contractor and equipment shortages and help Owners/Operators head off rising prices





💧 What we will do with the data:

- Completed Commitment Plan Forms will be tracked in GeoTracker to assist with and prepare for Cleanup projects, as many SWT closures will result in new Cleanup cases
- Focus future outreach efforts on those sites that look like the best candidates for RUST





UST Closure Commitment Plans (4/10)



Name of person completing this UST Closure Commitment Plan:

Facility name:

CERS ID:

Facility Owner name:

Facility Operator name:

Address of facility:

City:

ZIP:

Signature:

Date:

Preferred method of contact:

Phone Preferred phone number:

Email Preferred email address:

Please do not contact me



UST Closure Commitment Plans (5/10)



How would you rate your understanding of how long the process to close and, if desired, replace the single-walled UST system(s) at this facility will take?

Very good Good Not good

How would you rate your understanding of the costs to close and, if desired, replace the single-walled UST system(s) at this facility?

Very good Good Not good

Will the single-walled UST system(s) be replaced, or will you only be removing them?

Removal Only Replace with new USTs

of new tanks to be installed Total # of UST compartments

Replace with aboveground storage tanks (ASTs) # of ASTs to be installed

How much do you expect it will cost to close and, if desired, replace the single-walled UST system(s) at this facility? (Open-ended)

\$

Estimate includes tank installation costs

Estimate does not include tank installation costs



UST Closure Commitment Plans (6/10)



When will you permanently close the single-walled UST system(s) currently at your facility? (If needed, provide comments in the space provided.)

2021 2022 2023 2024 2025

When will you contact a UST contractor about the work necessary to close the single-walled UST system(s) at your facility?

Contractor already contacted In 3 months In 6 months In 9 months
In one year Other (provide details in the space provided below)

When will you apply for permits to close the single-walled UST system(s) at your facility?

Already applied for permits (please provide Month/Year when permit application was submitted in the space provided below) In 3 months In 6 months
In 9 months In one year Other (provide details in the space provided below)



UST Closure Commitment Plans (7/10)



Have you previously made use of the California State Water Resources Control Board's RUST (Replacing, Removing, or Upgrading Underground Storage Tanks) program?

Note: There is a lifetime limit of \$70,000 in grant funds per business entity. The RUST loan maximum is \$750,000 per business entity, and RUST loans are unavailable to applicants with outstanding loan balances of \$740,000 or more.

I have used a RUST loan I have used a RUST grant Total Amount \$
I have used both a RUST grant and loan I have not made use of RUST funds

How will you finance closure of the single-walled UST system(s) at this facility and, if desired, installation of double-walled UST system(s)? (Choose all that apply)

Personal funds Commercial Loan RUST Grant RUST Loan
Both RUST Grant & Loan Other (provide details in the space provided below)

When will you apply for any funding needed to finance the closure of the single-walled UST system(s) at this facility and any other associated UST work?

Already applied/not needed In 3 months In 6 months In 9 months
In one year Other (provide details in the space provided below)

UST Closure Commitment Plans (8/10)

Has an unauthorized release from an UST system already been confirmed at this facility?

No Yes, from UST system(s) currently in operation

Yes, from historical UST system(s) that have been permanently closed

What do you think will be the biggest barrier to the timely closure of single-walled USTs at this facility?

Lack of funds Lack of contractor availability The process is too complex

Other (Provide details in the space provided below)



UST Closure Commitment Plans (9/10)



To assess potential eligibility for RUST funding, we would like to ask a few general questions about your facility's operations below (information will not be used for any purpose other than assessing funding eligibility):

On average, how much gasoline has your facility with single-walled UST components sold annually in the last two years? (Choose only one). Facility sold:

Less than 1,500,000 gallons of gasoline annually for both of the last two years.

1,500,000 gallons of gasoline or more annually for either of the last two years.

Is the business which owns/operates the facility independently owned/operated and not dominant in its field of operation (e.g., NOT a major oil company)?

Yes No

Was the facility legally in business retailing gasoline at any time in the last two years?

Yes No



UST Closure Commitment Plans (10/10)



How many full-time and part-time employees are employed by the business which owns/operates the facility?

Fewer than 20 Between 20 and 499 500 or more

Are the principal office of the business and the permanent legal residences of its officers all located within California?

Yes No

Obstacles to timely permanent closure:

💧 Availability of licensed contractors and UST equipment; prices

➤ Resources for finding a contractor include: Petroleum Equipment Institute (PEI) directory, Contractor's State Licensing Board (CSLB) "Find My Licensed Contractor" website, your Service Technician, Designated Operator, UPA staff

➤ To assist with connecting contractors and O/O's, SWRCB has posted SWT list on its website





💧 UPA staff resources for plan check/permit issuance and inspections

➤ Start early

💧 Time

➤ RUST funding is finite

➤ Start early!!!





💧 Next steps:

- I will continue to collect and track responses and assist those interested in RUST. Please reach out!
- Non-responsive facilities and those that don't have Environmental Contact email addresses in CERS will receive hard copies of letters
- Second workshop will be same format as this one



Contact Me

- **Johnny.Wales@Waterboards.Ca.Gov**
- **(804) 852-7274**

