SLIC AND AGT

The Spills, Leaks, Investigations, and Cleanup (SLIC) and the Aboveground Tank (AGT) programs are two of the cost recovery oversight programs administered by the State Water Resources Control Board (State Board) and the Regional Water Quality Control Boards (Regional Boards). These programs were designed so expenses incurred by the State and Regional Boards for work on water quality matters can be recovered from a responsible party. Reasonable expenses are billed to identified responsible parties and collected by the State Board’s Division of Clean Water Programs.

For a site to be placed in the cost recovery oversight program, a responsible party must first be identified. To insure that the responsible party understands the provisions of the programs, the Regional Boards must properly document and justify the costs. The Regional Boards must provide the following documentation to the responsible party:

- A settlement agreement, cleanup and abatement order or other documentation that establishes the justification for the cost recovery. Such documentation should state: that a spill or leak has occurred or is suspected of having occurred; that the spill or leak has caused or is suspected of causing a discharge that could affect water quality; and the type of work to be done, e.g., site inspections, review of cleanup plans, etc.

Initially and at least annually thereafter the Regional Boards will provide the responsible party:

- A detailed estimate of work to be performed or services to be provided by the Regional Board.
- A statement of the expected outcome of that work.
- An estimate of the number of hours and total cost to be charged annually to the facility.
- Billing rates for all individuals and classes of employees expected to engage in that work or service.
- Should the scope of work or cost estimate vary significantly during the year, the responsible party must be notified in writing of the changes prior to additional work being performed.
- An explanation of the cost recovery program billing process.

The AGT cost recovery program also requires the responsible party to file a storage statement, with an appropriate fee, to the State Board, in order to put the site into the program.

The following table shows a regional breakdown of the number of sites in the SLIC and AGT cost recovery programs. Please note that the SLIC program has a backlog. A backlog site is a site with some documentation of a water quality problem, but with no identified, viable responsible party.
UNDERGROUND STORAGE TANK PROGRAM:
The State Water Resources Control Board's Underground Storage Tank (UST) Program provides regulatory oversight of leaking underground storage tank cleanups, including “brownfields” UST sites. The State Board participates in the multi-agency USTfields pilot project. This project deals with abandoned or underused industrial and commercial properties where redevelopment is complicated by real or perceived environmental contamination from federally regulated underground storage tanks.

The U.S. Environmental Protection Agency (U.S. EPA) has a new USTfields initiative to address abandoned tanks petroleum contamination generally excluded from brownfields redevelopment. The State Board's involvement in the USTfields pilot project included passing U.S. EPA funding through to the City of Oakland for an USTfield site cleanup.

In August 2001, U.S. EPA announced the full USTfield program, which includes 40 projects nationwide. The State Board is conducting active outreach to encourage UST program regulatory agencies to seek U.S. EPA or UST Cleanup Fund EAR Account funding for USTfield cleanup.

UNDERGROUND STORAGE TANK CLEANUP FUND:
The Underground Storage Tank Cleanup Fund was created in 1989 to help owners and operators of petroleum storage tanks satisfy federal and state financial responsibility requirements. The Fund reimburses eligible underground tank owners and operators for the cost of cleaning leaks and for any third-party liability costs that are incurred.

Up to $1.5 million is available for each occurrence. Claimants pay a small deductible charge. The Fund is financed by a fee of $0.012 per gallon of petroleum stored. The tank owners pay this fee. The State Board of Equalization collects the fee, and each year about $190 million is collected. As of July 31, 2001, the fund has received 16,255 claims and has paid out a little more than $1 billion.

The Fund is also available to public agencies to take corrective action at abandoned UST sites. $1.5 million is available per site. Cases are nominated annually through the appropriate Regional Water Quality Control Board.

Under current statutes, the Fund will sunset January 2011.