PLIA's Financial Assurance Program and UST Revolving Loan & Grant Programs

Presented by:

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Revolving Loan & Grant (L&G) Program Contacts

Programmatic Staff

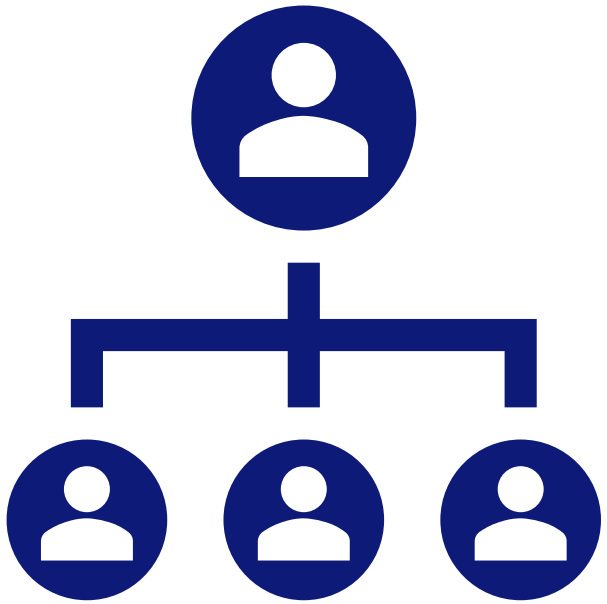
- Program Supervisor: Jeremy Richtmyre
- Program Coordinators
  - Commercial UST: Jamie Nolan
  - Heating Oil: Marissa Klumpp
- Program Staff:
  - Ea Kirkland

Technical Team

- Technical Leads
  - Commercial UST: Justin Woerth & Tom Roper
  - Heating Oil: Taryn Schreiner

Fiscal Team

- Fiscal Lead: Trisha Grandchamp



UST Revolving Loan and Grant Program General Overview

Purpose:
A voluntary program to assist owners and operators of petroleum USTs and heating oil tanks.

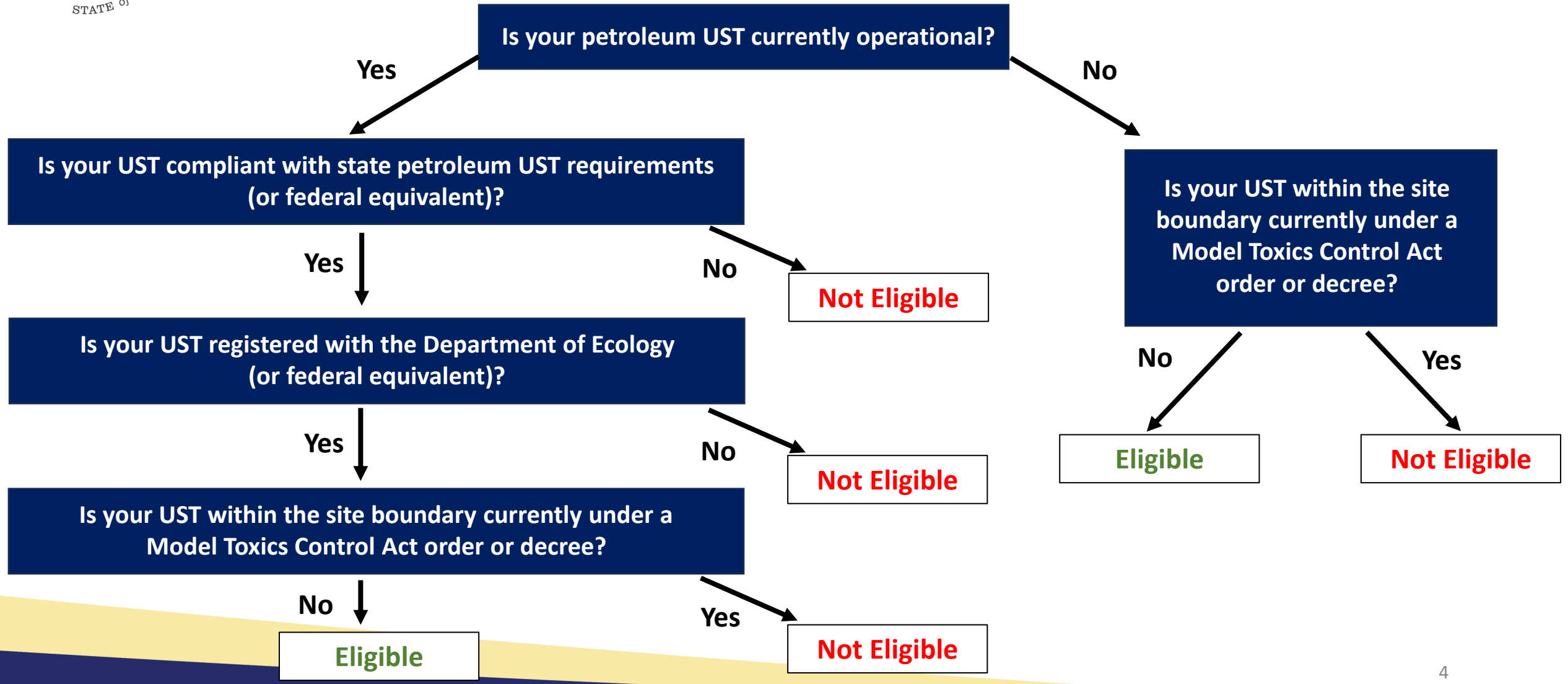
UST Financial Assistance Offered For:

- **Cleanup of leaks.**
- **Petroleum UST system upgrades, replacement, or removal.**
- **Installation of alternative fueling infrastructure.**

Heating Oil Tank Financial Assistance Offered For:

- **Cleanup of leaks.**
- **Upgrades, replacement, decommissioning, or removal of heating oil tank systems.**
- **Upgrade or installation of new infrastructure to replace heating oil tank.**

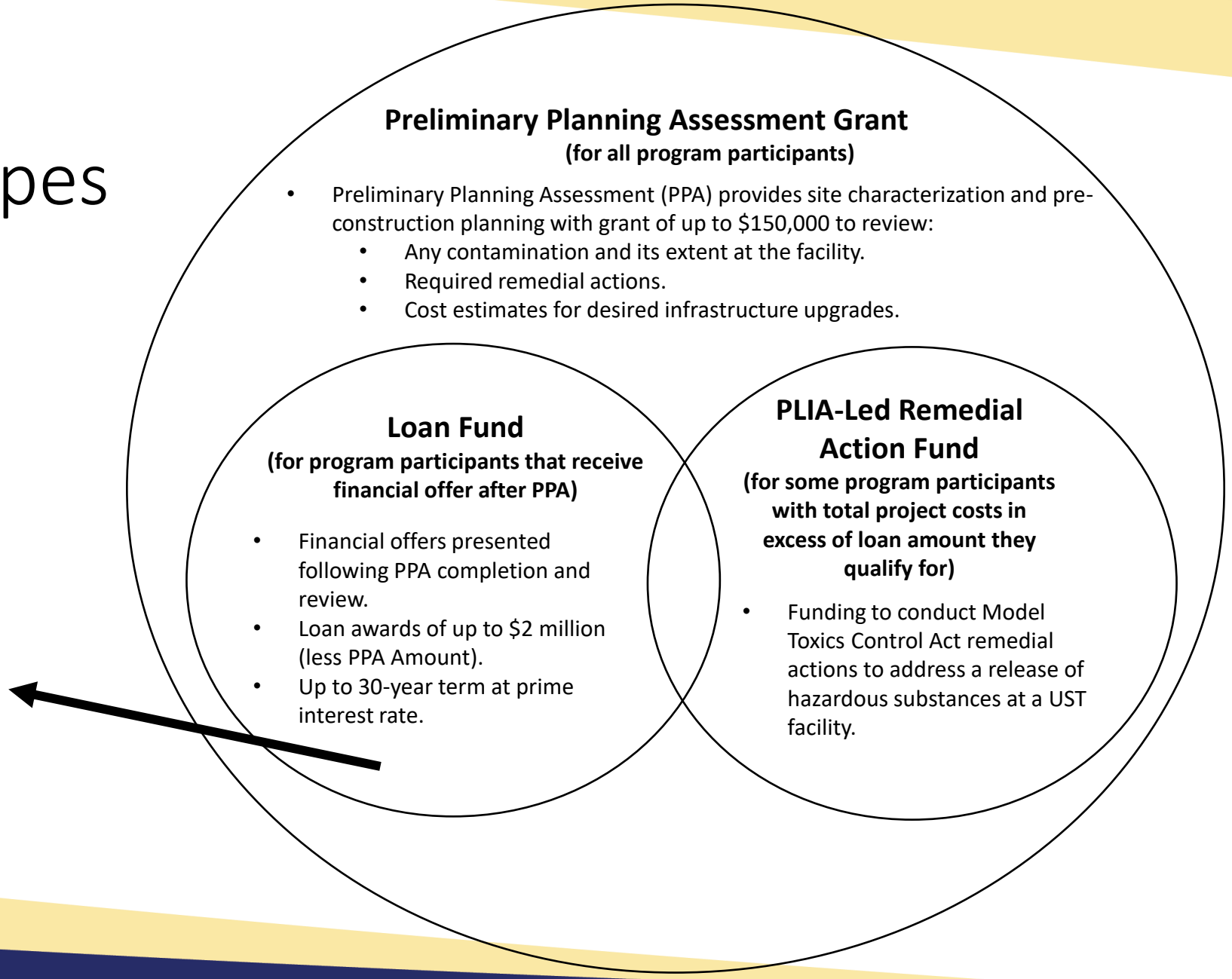
Eligibility – Petroleum UST



Funding Award Types

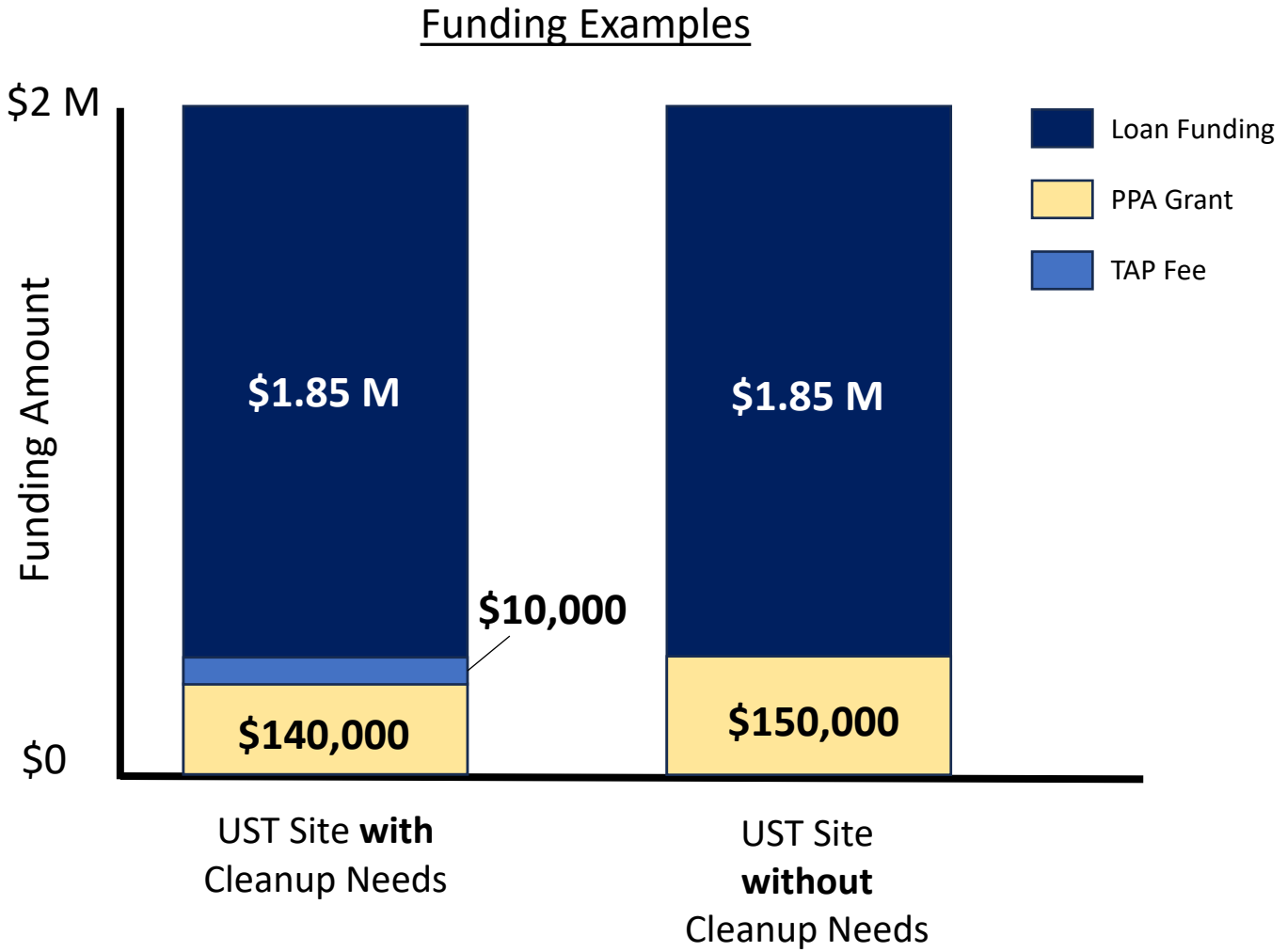
Loan Interest Rate Discounts:

- 1.0% if installing EV charger.
- 0.5% for other UST upgrades.



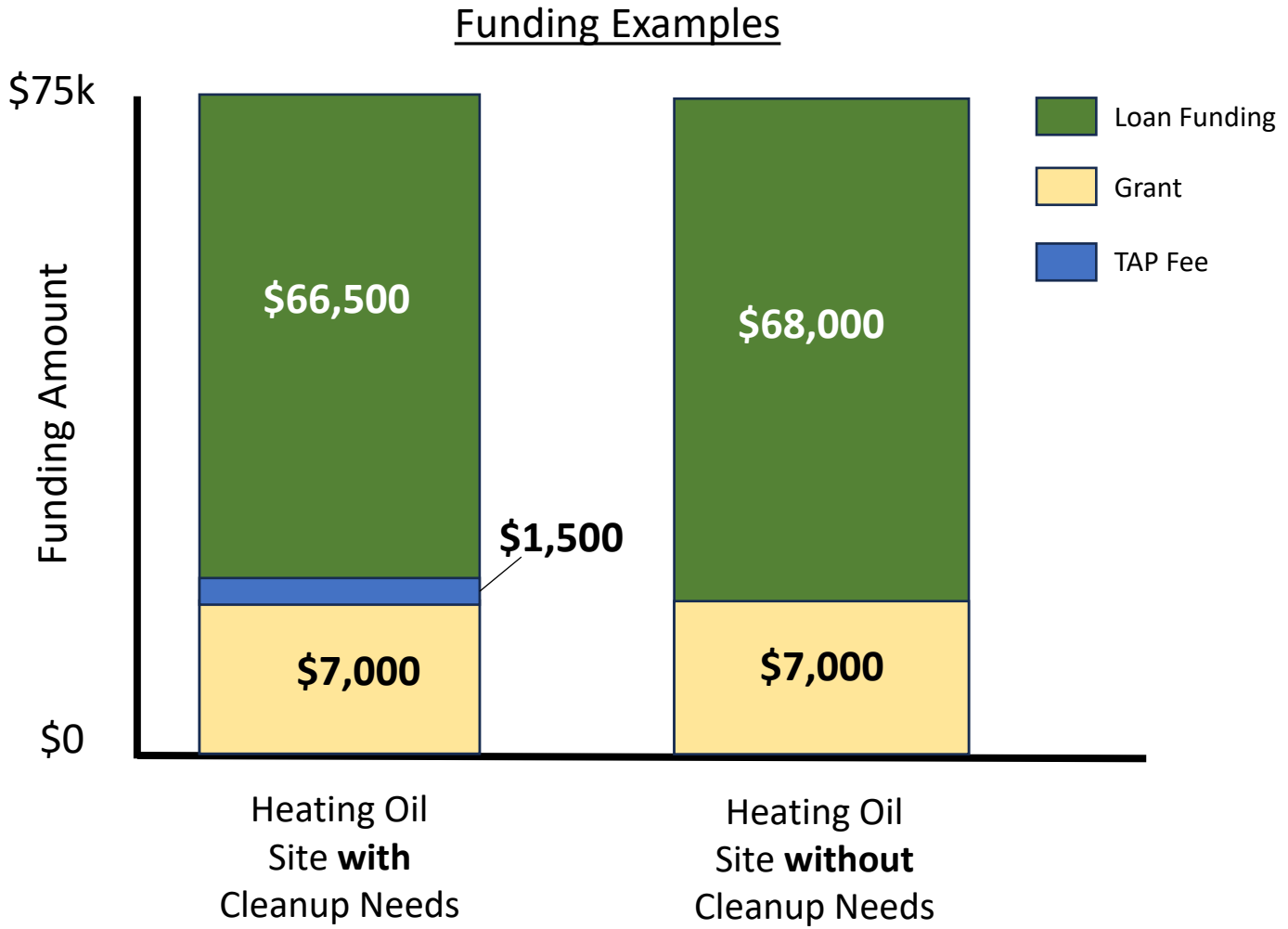
Funding – Petroleum (gas/diesel) UST

- Funding offered of up to $2 million for a single UST facility.
  - Grants for Preliminary Planning Assessment (PPA) of up to $150,000.
    - Part of the funding may be applied to Technical Assistance Program (TAP) enrollment fee.
  - Loans offered up to $2 million minus the amount paid for PPA.
    - Loan term: 30 years
    - Interest rate: Prime rate for the year applicant applied to program.



Funding – Heating Oil Tanks

- Funding offered of up to $75,000.
  - Grants of up to $8,500. Funding may be applied to:
    - Preliminary Planning Assessment (PPA) up to $7,000.
    - Technical Assistance Program (TAP) fee, *if applicable*, $1,500.
  - Loans offered up to the remainder amount if all grant funds are expended.
    - Loan term: 30 years
    - Interest rate: Prime rate for the year applicant applied to program.



Eligible Uses of Funding – Petroleum (gas/diesel) UST

UST (gas/diesel) Eligible and Ineligible Costs	
Eligible Funding Costs	**Ineligible Funding Costs**

• Remedial action costs
  • Excavation.
  • Treatment, and/or removal and proper disposal of contaminated soil or water.
• Proper disposal of UST.
• Testing and assessments.
• Replacement of some surface features.
• Replacement costs for new UST.
• Some infrastructure upgrades.
	• Costs covered by other insurance or warranties.
	• Remedial action above Model Toxics Control Act cleanup level requirements.
	• Remedial action to address a leak or damage to UST or surrounding property caused by owner/operator, contractor, or consultant.
	• Replacement of USTs that were decommissioned or nonoperational at the time of a leak.
	• Any legal costs.
	• Costs not approved by the agency.
	• Costs incurred by the participant after date they received a termination letter.
	• Business-related expenses, including:
	  • Costs related to development of application package.
	  • Costs for business to remain operational during cleanup.
	  • Costs of lost revenue resulting from closures related to leak.
	  • Retroactive costs.

Eligible Uses of Funding – Heating Oil Tanks

Heating Oil Tank Eligible and Ineligible Costs	
Eligible Funding Costs	**Ineligible Funding Costs**

• Heating oil tank improvements that have a useful life of at least 13 years.
• Remedial action costs
  • Excavation.
  • Treatment, and/or removal and proper disposal of contaminated soil or water.
• Proper disposal of heating oil tank.
• Testing and assessments.
• Replacement of some surface features.
• Heating Oil tank infrastructure upgrades.
• Replacement of heating oil tank with new heating infrastructure.
	• Costs covered by other insurance or warranties.
	• Remedial action above Model Toxics Control Act cleanup level requirements.
	• Remedial action to address a leak or damage to heating oil tank or surrounding property caused by owner/operator, contractor, or consultant.
	• Replacement of heating oil tanks that were decommissioned, temporarily out of service, or abandoned at the time of a leak.
	• Any legal costs.
	• Costs not approved by the agency.
	• Costs incurred by the participant after date they received a termination letter.
	• Temporary heat restoration.
	• Business-related expenses, including:
	  • Costs related to development of application package.
	  • Costs for business to remain operational during cleanup.
	  • Costs of lost revenue
	  • Retroactive costs.

Financial Assurance (FA) Program Contacts

Programmatic Staff

- Program Supervisor: Jeremy Richtmyre
- Program Coordinator: Schellie Schlesser
- Program Staff:
  - Tori McLeod, PM
  - Tony Smith, Lead PM
  - Ea Kirkland, PM
  - Emily Wonch, PM

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- Technical Lead for FA: Nicholas Murray

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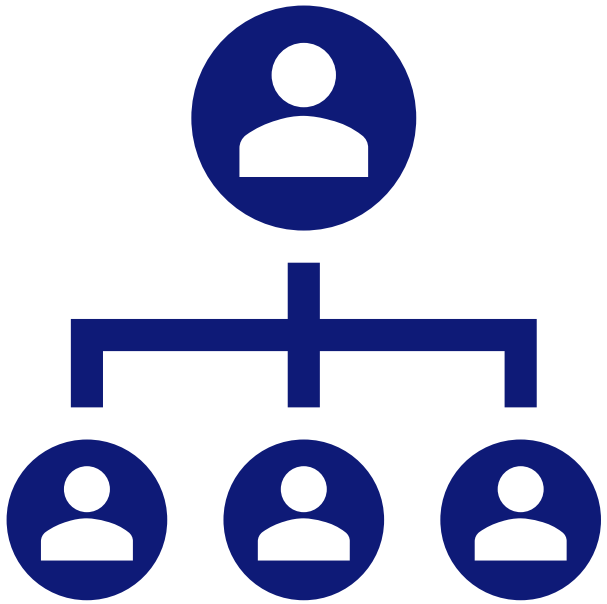
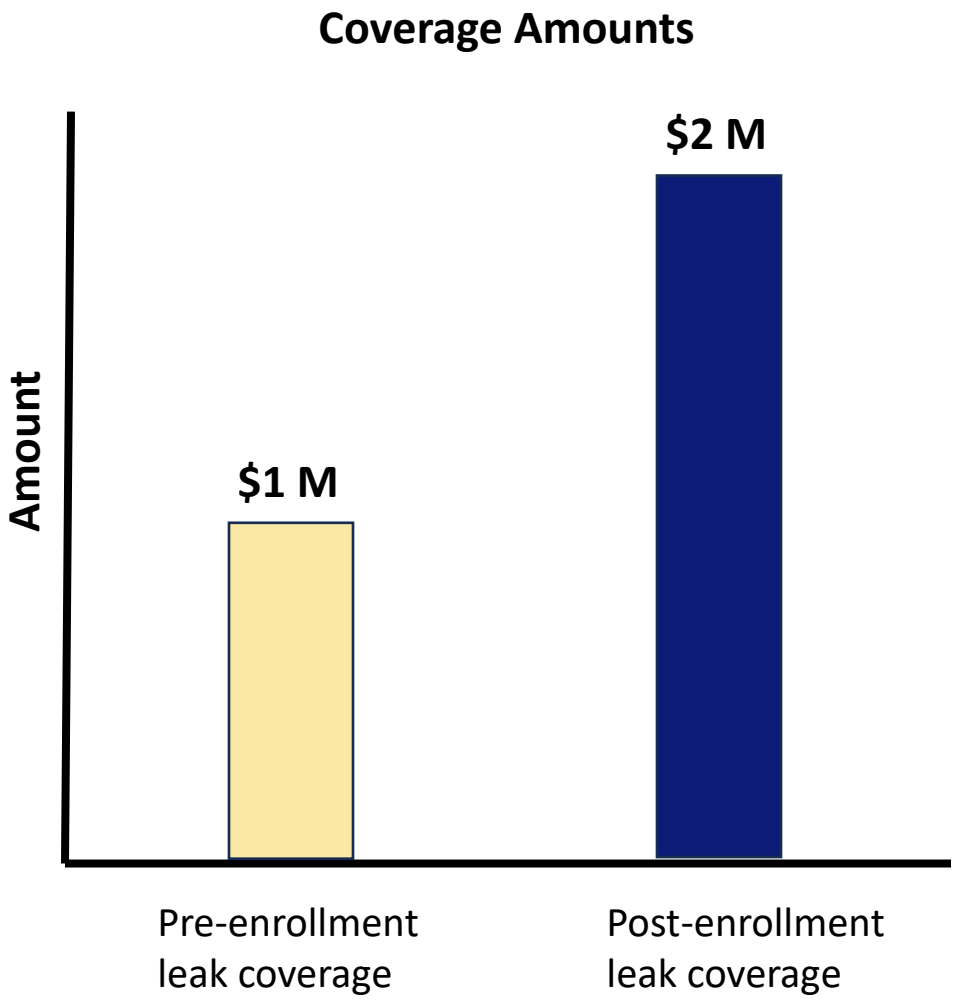


What is the Financial Assurance (FA) Program?

- A new option for petroleum UST owners and operators to meet financial responsibility requirements.
- A program which offers coverage to clean up leaks and replace tanks and/or other infrastructure.
- The program provides the following for enrolled facilities:
  - Up to $2 million of coverage offered for leaks that happen after enrollment – can be used for cleanup and tank/infrastructure replacement.
  - Up to $1 million of coverage (cost-recoverable) offered for leaks that occur before enrollment for cleanup only.
- A deductible-free program that relies only on annual enrollment fees based on tank age.



Enrollment Fees

- Annual enrollment fee based on tank age:
  - 0-10 years old: $1,000 per UST
  - 11-20 years old: $1,500 per UST
  - 21-30 years old: $2,000 per UST
  - 30+ years old: $2,500 per UST
- No deductibles

Enrollment Fees are due at enrollment or via a quarterly payment plan.

Incentives (Discounts)

$50 Tank Fee Discount

- Records Best Management
- 100% Trained Operators
- Rectifier Log Sheets
- Release Detection Records
- Completed Walkthrough Checklists

$100 Tank Fee Discount

- Rubber Mats
- No Surface Cracks at Facility
- Corrosion Protection Testing Records
- Clean Spill Buckets and Sumps

$200 Tank Fee Discount

- Passing Helium Detection Test
- Electric Vehicle Station Uptime

$500 Tank Fee Discount

- Automatic Tank Gauge Release Detection System

Annual Tank Fee Ranges for 2025-2026				
Tank Age (Years)	0-10	11-20	21-30	30+
Maximum Fee per UST With No Incentive Applied	$1,000	$1,500	$2,000	$2,500
Minimum Fee per UST After the Maximum Amount of Incentives Applied	$250	$375	$500	$625

Application Process

How to Apply: UST owners and operators can apply to the FA Program via a link on our website*

(Link: https://bit.ly/3XN6NQH).

*The application will be in the Online Community in the coming months.

Basic eligibility requirements regardless of release status:

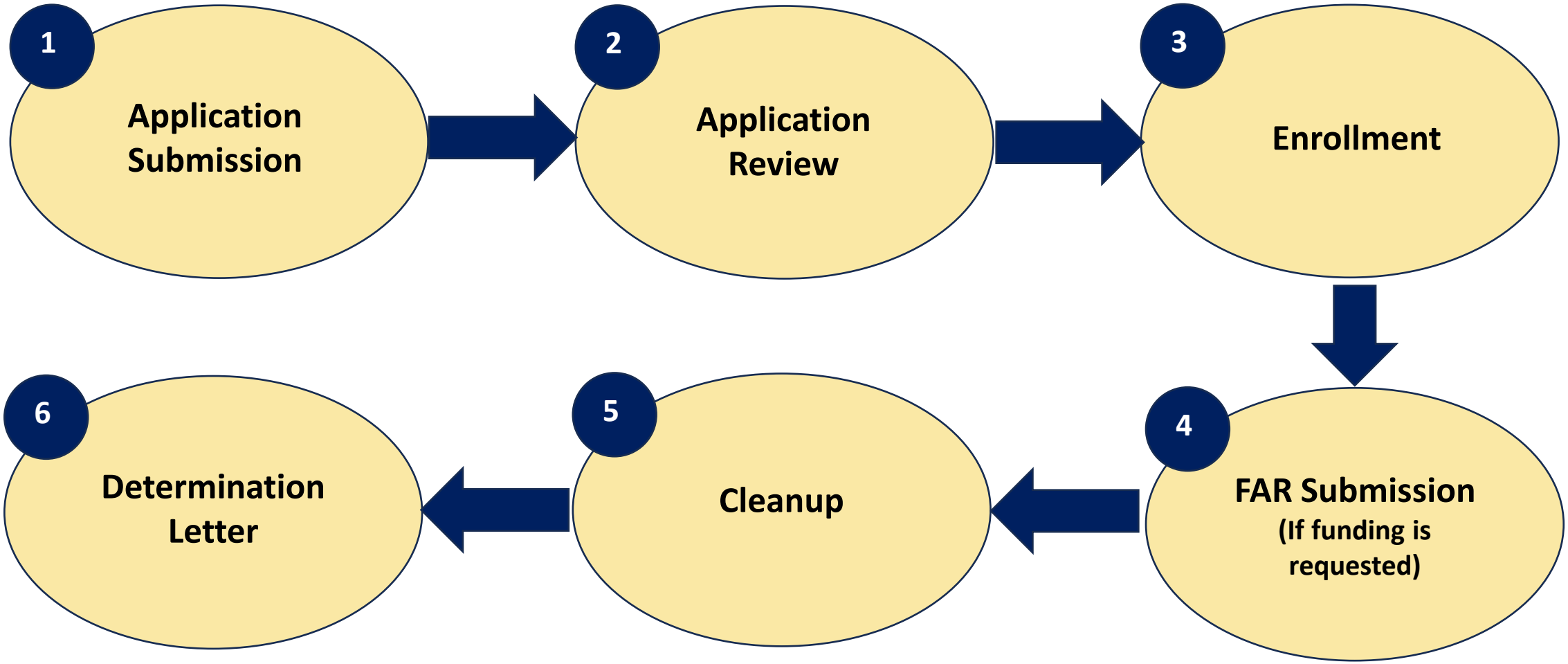
- Petroleum UST is located in Washington (not on a military installation).
- UST is registered with Ecology (or federal or tribal equivalent).
- In compliance status with applicable state/federal regulations.
- The UST owner/operator agrees to clean up any future release to meet MTCA cleanup standards (or the most stringent of state, federal, or tribal standards).

Additional eligibility requirements for USTs with prior releases and no NFA letter:

- UST owner/operator agrees to enroll in TAP; if they are enrolled in VCP, they must withdraw (this is not applicable to sites with Agreed Order or Consent Decree).
- If cleanup actions are still necessary at the site, applicant and PLIA agree to cleanup schedule.

Coverage begins when PLIA signs the enrollment contract and sends the applicant a Certificate of Financial Assurance.

FA Program Flow for Applicants with Prior UST Release



Financial Assurance Program Resources & Links

- FA Program Page: https://plia.wa.gov/financial-assurance-program/
- FA Program Guidance: https://plia.wa.gov/wp-content/uploads/FA-Guidance-Document-2024.pdf
- FA Program Fact Sheet: https://plia.wa.gov/wp-content/uploads/Financial-Assurance-Fact-Sheet.pdf
- FA Fact Sheet for Consultants: https://plia.wa.gov/wp-content/uploads/Financial-Assurance-Fact-Sheet-Consultants.pdf
- FA Program FAQ Page: https://plia.wa.gov/financial-assurance-program-frequently-asked-questions/

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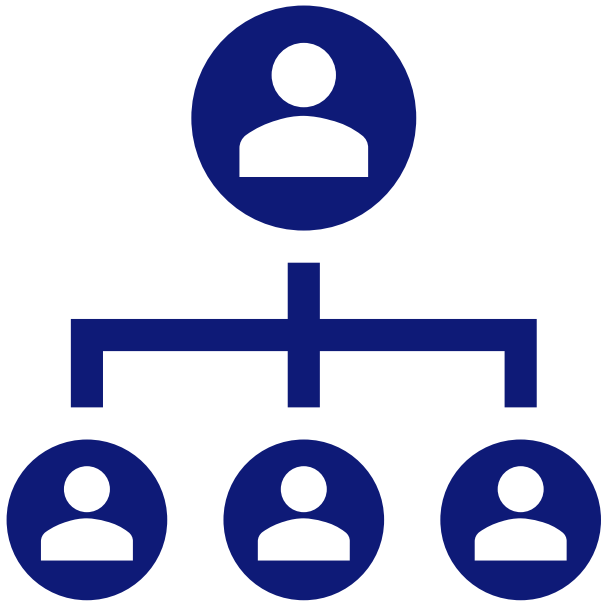

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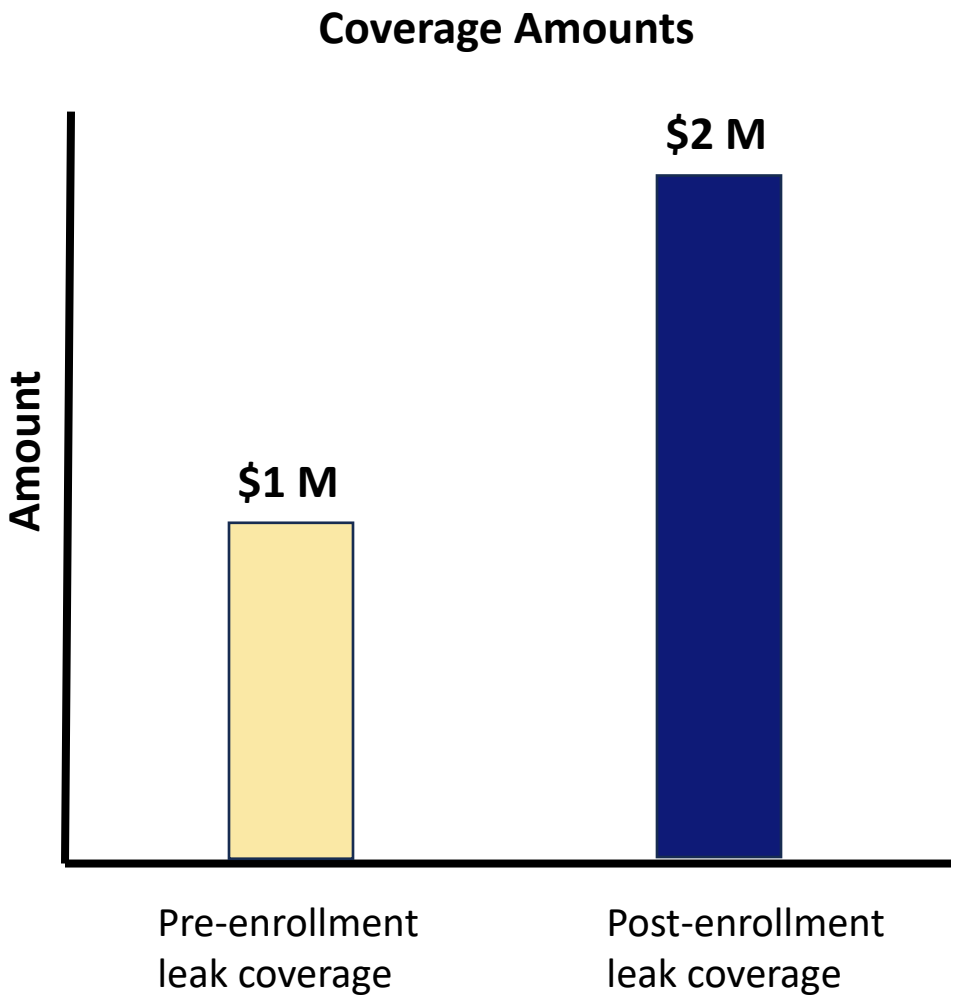

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Application to NFA:
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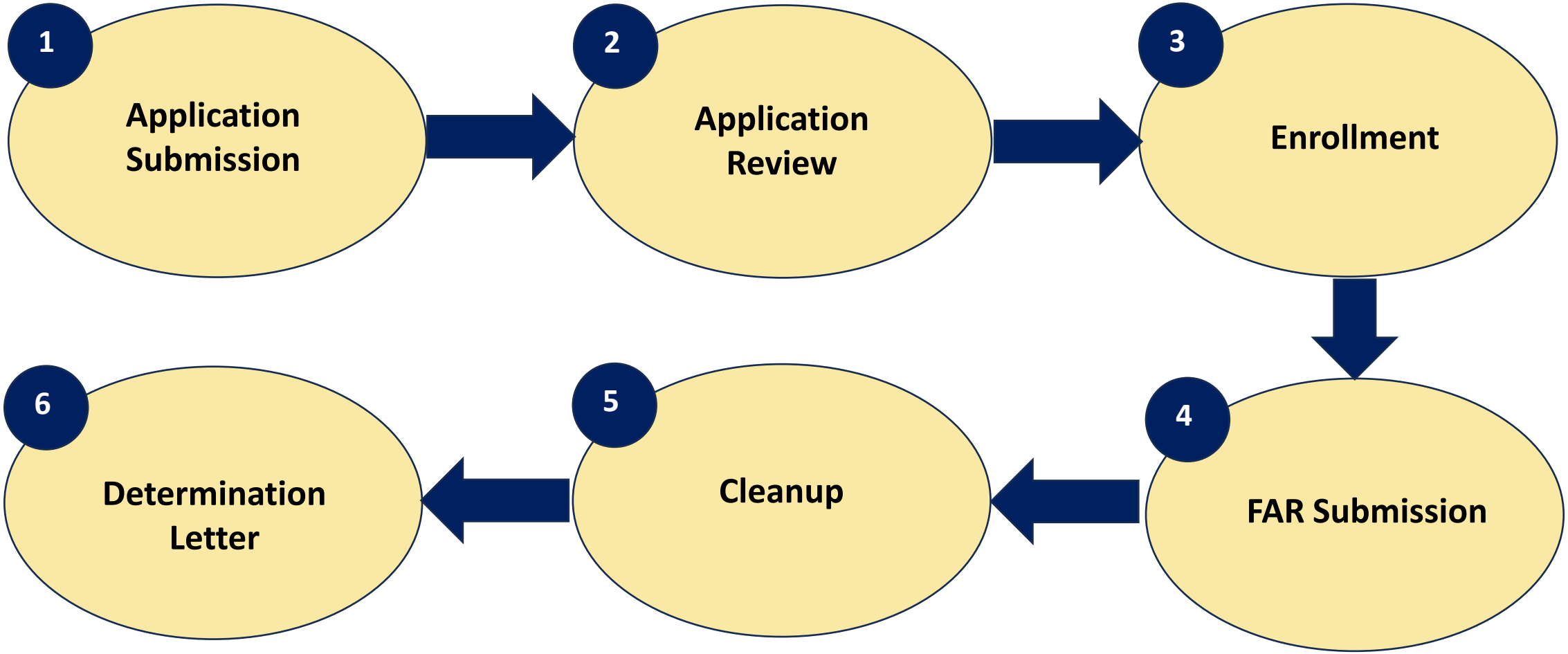

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