



UNDERGROUND STORAGE TANK (UST) TIME-BARRED CLAIMS APPLICATION INSTRUCTIONS

Background:

In accordance with section 25 of House Bill (H.B.) 2636 approved in 2015, ADEQ may provide reimbursement to owners and operators for costs to conduct cleanup on leaking UST (LUST) facilities that were incurred after June 30, 2010. To access available funding, owners and operators are required to submit their completed application to ADEQ by 5PM December 31, 2016.

The Application:

Application forms are available on ADEQ's website at www.azdeq.gov. The completed application with attachments is required to be submitted in a hard copy format and certifications must have original signatures. The submittal date of the application will be the date the department receives the certifications with original signatures and complete application with attachments. Please note – to complete the application you will be required to download the excel spreadsheet named: "TB_TABLES_4.2_5.2" from ADEQ's website.

Currently, ADEQ is not set up to accept electronic submittals; however, submittal of the application tables as excel files may expedite review of your application. We encourage you to email the excel version of completed tables to: usttimebarredclaims@azdeq.gov.

To submit the excel file electronically,

- 1) Save the file using the following specifications as the file name:
Follow these specifications for naming the file: naming must start with "TB", "LUST", the four digit LUST number, and the Applicant Name¹ (or initials) as shown:
TB_LUST_1234_ApplicantName

Please note – there are tabs within the excel file for the applicant and primary service provider to sign. The intent is to show that both parties have reviewed the electronic files. These forms do not need to be notarized. Print out the forms, sign them, scan and attach to the emailed excel file.

- 2) Create an email to: usttimebarredclaims@azdeq.gov.
- 3) In the subject line of the email, use the file name from item 1.
- 4) Attach the excel file and scanned copies of the certifications and send the email.

¹ If the applicant is an individual - please provide the last name or initials of the individual. If the applicant is a company – please provide the name or initials of the company.

Required Information:

The application includes six sections. Each section must be completed or the submittal will be rejected. If you have questions regarding how to complete the application, please email usttimebarredclaims@azdeq.gov. Your email should include your name and contact information.

Section 1**Facility Information:**

To complete this section, you will need the ADEQ assigned facility ID number, the name and address of the UST facility. If you do not have this information readily available, you may search for it online using either ADEQ's UST or LUST databases:

<http://www.azdeq.gov/databases/ustsearch.html>

<http://www.azdeq.gov/databases/lustsearch.html>

Applicant Information:

If the applicant is a business, the actual business name (corporation, LLC) must match information on file with the Arizona Corporation Commission eCorp webpage at <http://ecorp.azcc.gov/>. The application form requires you to identify how the individual representing the business is associated with the business (corporate officer identified by title or its statutory agent, etc.).

Please note – this section also includes an area for identification of the party who prepared the application and their contact information. ADEQ may use this information to contact the preparer if there are questions regarding the submittal.

Section 2 – Financial Responsibility (FR)

Eligibility is dependent upon compliance with FR requirements. To complete this section, you are required to provide documentation demonstrating compliance with FR requirements at the time of the release(s). The preferred documents for an applicant relying on UST insurance would be a copy of the certificate of insurance or the actual insurance policy. If you currently own or operate USTs at the facility, you are also required to submit documentation demonstrating FR compliance for the operating USTs.

The LUST Release/Financial Responsibility Table (2.2) is provided to allow for identification of the financial assurance mechanisms associated with the LUST release(s) requiring corrective actions. If you relied upon a combination of mechanisms, please include documentation for each mechanism and attach a description of how the mechanisms function together to meet FR requirements.

Costs covered by a financial assurance mechanism are not eligible for reimbursement from the state. You are requested to include documentation that demonstrates the costs requested in this submittal have not been paid by a financial assurance provider.

Section 3 – Facility Funding Summary

As detailed below, the amount of potential reimbursement is dependent upon the type of financial assurance mechanisms relied upon to demonstrate financial responsibility compliance:

Type of Financial Assurance Mechanism	Facility Funding Limit
UST Insurance	\$1,000,000*
Risk Retention Group	\$500,000
Financial Test of Self-Insurance	\$500,000
Guarantee	\$500,000
Surety Bond	\$500,000
Letter of Credit	\$500,000
Trust Fund	\$500,000
Standby Trust Fund	\$500,000
Certificate of Deposit	\$500,000
Local Government Bond Rating Test	\$500,000
Local Government Financial Test	\$500,000
Local Government Guarantee	\$500,000
Local Government Fund	\$500,000

*Some facilities are not eligible for up to \$1,000,000 because the applicable release based state fund coverage limit was previously exhausted. From section 25, H.B. 2636: *If reimbursement eligibility for a facility was exhausted through claims submitted on or before June 30, 2010 as a result of payment or eligibility limits in place on that date, that facility is not eligible for any additional reimbursement under this section.* Previously, state fund coverage for cleanup was limited to \$500,000 per release (except for a limited number of releases that were approved to receive up to a second \$500,000 in coverage). If that coverage amount was exhausted, the facility is not eligible for additional funding under this program.

The amount of facility funding available is reduced by the amount of any state funding previously paid for cleanup activities at the facility. By completing the funding formula included in this section, you should be able to determine the maximum amount you may be eligible to receive in reimbursement.

SECTION 4

Costs must be reasonable and incurred for corrective actions that were actually performed; therefore, to complete this section, you are required to provide information that links the invoices supporting the corrective action costs for which you are requesting reimbursement to documents on file with ADEQ that describe the corrective actions. Note: In accordance with Arizona Administrative Code (A.A.C. R18-12-264), both the professional submitting a written report to the Department under R18-12-260 through R18-12-263.03 and the report shall meet the requirements of the Arizona Board of Technical Registrations under A.R.S. Title 32, Chapter 1 and the rules made under that Chapter.

The report reference table (4.1) identifies the regulatory reports submitted to ADEQ to document corrective actions. The report reference number is used on the invoice ledger to identify which invoices are associated with the work documented in the referenced report.

For example:

Table 4.1 (Report Reference Table):

Report Reference Number (as listed on invoice ledger)	Report Date	Report Name	Name of Consulting Firm	Date Report Submitted to ADEQ
1	12/1/2012	Site Characterization Report	Consultant A	12/15/2012

Table 4.2 (Invoice Ledger excerpt):

Report Reference Number	Primary Service Provider	Primary Service Provider Invoice Number	Primary Service Provider Invoice Date	Work Start Date	Work End Date	Primary Service Provider Invoiced Amount	Primary Service Provider Excluded Amount	Primary Service Provider Requested Amount	Subcontractor Provider Name	Subcontractor Invoice Number
1	Consultant A	A-1	12/15/2012	6/1/2012	12/1/2012	\$	NA	\$		
1	Consultant A	A-1							Subcontractor B	12
1	Consultant A	A-1							Subcontractor C	123

An electronic copy of table 4.2 excel spreadsheet “TB_tables_4.2_5.2” available at www.azdeq.gov. A hard copy print out of this table should be included with your submittal. Please note – submittal of the electronic file for tables 4.2 and 5.2 (described on page 1) may expedite review of your application.

You are required to support costs identified on table 4.2. Documentation must include actual invoices and receipts from your primary service provider as well as any subcontractor costs and receipts. Invoice detail should include labor, expenses, and equipment. If there are items/costs on an invoice that are not being requested for reimbursement, please strike through those items to indicate that they are not being requested. Note: The state has certain set rates like lodging and meal reimbursement. These rates may be found in the State of Arizona Accounting Manual at <https://gao.az.gov/publications/saam/saam-page>. Reimbursement is limited to the state’s set rate schedule.

In accordance with section 25 of H.B. 2636, costs must have been incurred after June 30, 2010 to be eligible for submittal. Costs incurred after June 30, 2010 that include corrective actions conducted prior to June 30, 2010 must include a summary of how those costs relate to claims filed under the previous State Assurance Fund (SAF) program with application numbers and specific invoice information.

You are also required to submit proof of payment for the referenced invoices and costs (section 4.4). Acceptable forms of documentation include: copies of cancelled checks and bank statements. Documents must identify who paid and must reference the invoice(s) covered by the payment. Note: *Costs paid by a financial assurance mechanism are not eligible for reimbursement by the state.*

SECTION 5

Completion of the tables in this section will be used in conjunction with screening models to evaluate the reasonableness of costs requested for reimbursement. Complete and accurate information will facilitate and expedite the processing of your submittal. The cost per phase summary table (5.1) allows you to identify the phase, the total cost per phase for which reimbursement is requested in this submittal and, if known – amount of costs previously submitted for that phase. The phases you identify on table 5.1 must be supported by completing the corresponding phase spreadsheet under 5.2.

The electronic copy of table 5.2 excel spreadsheet “**TB_tables_4.2_5.2**” includes detailed instructions and definitions. The file is available at www.azdeq.gov. A hard copy print out of this table is required to be included with your submittal. Please note – submittal of the electronic file for table 5.2 (described on page 1) may expedite review of your application.

Regardless of the phase of corrective action included, certain site specific information is required to be completed:

Site Specific Data			
Category	Answer Type	Enter Answer	Report Reference Number ²
General Information			
LUST number(s)	Number		
One way distance to site (miles)	Number		
Site Complexity (Choose one)			
Typical retail fuel station?	Y or N		
Is the site/contamination greater than 5	Y or N		
Are multiple aquifers impacted?	Y or N		
Product Type (Choose all that apply)			
Gasoline	Y or N		
Diesel	Y or N		
Used/waste oil	Y or N		
Jet fuel	Y or N		
Other	Y or N		
Predominant Soil Type (Choose one)			
Cobbles/gravel/sand	Y or N		
Sand/silty sand mixture	Y or N		
Silty sand/sandy clay mixture	Y or N		
Silty clay/clay mixture	Y or N		
Bedrock	Y or N		
Primary COC Driver Based on Risk for Soil (Choose one)			
Benzene	Y or N		
1,2,4-Trimethylbenzene	Y or N		
1,3,5-Trimethylbenzene	Y or N		
Other (specify)	Y or N; Text		
Primary COC Driver Based on Risk for Groundwater (Choose one)			
Benzene	Y or N		
1,2,4-Trimethylbenzene	Y or N		
1,3,5-Trimethylbenzene	Y or N		
Other (specify)	Y or N; Text		

²Report Reference Number should correspond to Report Reference Number on Invoice Ledger

In addition to the site specific data, the table associated with the phase(s) of corrective action included in the submittal must be completed. The table includes columns that allow for identification of work after June 30, 2010, and annually from 2011. It also includes a column for the associated report reference number which should allow for rapid verification. It is only necessary to complete phase specific information for the work included in this application.

Example table for Site Characterization (SC) phase:

Annual Period for Costs Claimed	Answer Type	Enter Answer for Each Year						List All Report Reference Numbers ¹
		After 6-30-2010	2011	2012	2013	2014	2015	
General Information								
Soil sampling conducted?	Y or N							
Groundwater sampling conducted?	Y or N							
Vapor sampling conducted?	Y or N							
Soil/surface water sampling conducted?	Y or N							
Risk evaluation/assessment conducted?	Y or N							
Modeling completed?	Y or N							
Report completed?	Y or N							
Primary Drilling Method								
How many mobilizations were conducted?	Number							
Direct push	Y or N							
Auger	Y or N							
Air rotam/hammer	Y or N							
Rotasonic	Y or N							
Soil Borings Drilled and Not Completed as Wells								
Number of soil borings	Number							
Average depth of borings (ft bgs)	Number							
Average number of soil samples/boring	Number							
Primary Soil Sample Analyses								
VOCs	Y or N							
PAHs	Y or N							
TEL	Y or N							
Groundwater Wells Installed								
Number of groundwater wells	Number							
Average depth of groundwater wells (ft bgs)	Number							
Average number of soil samples/well	Number							
Does groundwater contamination extend off-site?	Y or N							
Was free product present during this phase?	Y or N							
Primary Groundwater Sample Analyses								
VOCs	Y or N							
PAHs	Y or N							
TEL	Y or N							
Lower limit EDB	Y or N							
Total Cost Claimed for Site Characterization (include personnel, equipment, and contractor)								
	Number							

¹Report Reference Number should correspond to Report Reference Number on Invoice Ledger

Note – if you believe additional site-specific information directly related to the completion of this section are necessary for the technical evaluator to consider with respect to table 5.2, please attach to the submittal and identify which items within the table may be impacted by this information.

SECTION 6

This section includes three certification statements: 6.1 for the applicant, 6.2 for the LUST service provider (“consultant”), and 6.3 for the application preparer. As described in the application, certifications must have original signatures and notarization must be on the same page as the certification language. The applicant certification includes a declaration that affirms submitted costs are true and accurate, have not been previously submitted to the department, and have not been reimbursed to the owner or operator by insurance or an alternative financial assurance mechanism.

If the LUST Service Provider (“consultant”) conducted the work, prepared the primary provider invoices and received payment from the applicant also prepares the application, then form 6.2 is adequate to address the corrective action work and application preparation and form 6.3 is not required.

If an applicant hires a third party (not the consultant who did the corrective action work) to prepare the application, form 6.3 is required.

If reimbursement is requested for work conducted by multiple consultants, a separate LUST service provider certification should be provided for each consultant. If a consultant is no longer doing business, then ADEQ will rely upon the application preparer’s certification.

Application Review

ADEQ will review the submitted application and may request additional information before making a decision regarding whether the requested funding is approvable. In some cases, your ADEQ reviewer may suggest a meeting to review your submittal. The intent of this meeting would be to clarify submitted information and assure effective communication regarding eligibility of the requested reimbursement.

The review process will include confirmation of financial responsibility compliance, verification of confirmed costs, and a technical evaluation of the reasonableness of the corrective actions and costs. ADEQ anticipates conducting a detailed audit on at least 10% of the submittals. Below are criteria that may indicate the need for a detailed audit:

Random selection to ensure process fidelity

There are questions regarding the applicant’s status to request reimbursement

Documentation submitted to demonstrate compliance with FR requirements is incomplete, inconsistent or suggests a gap in coverage

Invoices include items/costs that would not be allowed as corrective actions (unless the applicant has indicated that these items/costs have been omitted from the request for reimbursement)

Invoices appear to have been altered

ADEQ records indicate that the work conducted did not meet regulatory standards

The scope of corrective actions included in the submittal does not fit within the cost screening model parameters

Costs are inconsistent with the cost screening model and/or costs expected from similar projects

When the review is completed, you will receive the results of the evaluation including identification of the amount approved for payment.

Application Payment

Payments will be divided into two groups based on the reported release date. Facilities that met the June 30, 2006 release reporting deadline but were unable to complete corrective actions by the June 30, 2010 application submittal deadline will be prioritized for payment. All qualifying applications will be paid proportionally until payments are complete. Only then will the facilities with a release reported after June 30, 2006 is eligible to receive funding. Reminder: the limit of reimbursement from ADEQ is 90% of the approved costs that are within the allowable amount per facility.