

ALASKA LEGISLATURE COMMITTEE FILES 1991-1992 8672
7640 SENATE RESOURCES

agencies to purchase equipment. However, I think we should consider specific training requests that identify:

- (1) State agencies roles in incident response recognized in the State Master Plan;
- (2) describes specific skills and knowledge required of agency personnel to perform in the designated role;
- (3) specifically identifies the individuals to be trained and what each person's duties are for incident response;
- (4) identifies the training source; and
- (5) provides for a system to track the individuals who have been trained and maintains training records.

Holding up training for those who can meet the requirements above for other tasks to be completed is not a good idea. (The one agency pushing for training is Health and Social Services, which has identified needs for emergency medical personnel training for hazardous materials releases.)

SERC Travel and Committee Work

Agencies have requested Response Funds for SERC related travel, and to pay for agency staff participating on SERC committees. Policy guidance is needed from the Commissioner's Office regarding funding travel expenses of State SERC members, and staff costs for SERC committees.

State Contaminated Sites

The Department has signed a Memorandum of Agreement (MOA) with other State agencies for the investigation and cleanup of State owned or managed contaminated sites. Agencies had agreed to request general funds in their respective operating budgets to implement the MOA. The Department of Natural Resources Response Fund request to fund staff work under the MOA is inappropriate.

I have been advised by the Division of Administrative Services that FY 93 non-operating Response Fund requests will be carried in the Capital budget. I would like to meet with you at your earliest convenience to discuss and agree on the appropriate Response Fund levels for the other agencies in FY 93.

cc: Mead Treadwell
Janice Adair
Jim Slocum
SPAR Section Chiefs

RESPONSE DEPOTS AND CORPS

JAN 27 1992

MEMORANDUM OF AGREEMENT
BETWEEN THE

STATE OF ALASKA
DEPARTMENT OF ENVIRONMENTAL CONSERVATION
DIVISION OF SPILL PREVENTION AND RESPONSE

AND THE

STATE OF ALASKA
DEPARTMENT OF MILITARY AND VETERANS AFFAIRS
DIVISION OF EMERGENCY SERVICES

This agreement is effective the latest date of approving signature, by and between the Department of Environmental Conservation, Division of Spill Prevention and Response, hereinafter referred to as the "DEC/DSPAR" and the Department of Military and Veterans Affairs, Division of Emergency Services, hereinafter referred to as the "DMVA/DES."

RECITALS

- A. Pursuant to AS 46.03.020, the DEC/DSPAR, acting by and through its Commissioner, may enter into agreements.
- B. Pursuant to AS 26.23.040(e)(9)&(11), the DMVA/DES, acting by and through its Commissioner, may enter into agreements.
- C. The DMVA/DES has statutory responsibility for disaster emergency planning and management [AS 26.23.040].
- D. The DEC/DSPAR has statutory responsibility for response planning and management for releases of hazardous substances, including oil [AS 46.03, 46.04, 46.08, 46.09, 46.13].
- E. To the extent that an actual or imminent release of oil or a hazardous substance constitutes a real or potential disaster emergency, the DEC/DSPAR and the DMVA/DES shall coordinate their statutory responsibilities [AS 26.23.195, 26.23.215, 46.04.080 & 46.09.010].

Therefore, in consideration of this mutual interest to provide integrated response to real or potential disaster emergency situations, both parties agree to the following:

AN OPERATIONAL STATEMENT

I. Background and Objectives

Actual or imminent releases of hazardous substances, to include both crude and non-crude oil, (hereinafter referred to as "releases"), have the potential for causing significant damage, hardship suffering, and/or loss of life. Releases may be catastrophic in their effect on natural

resources or the environment, without being considered a disaster emergency, as defined in Alaska Statute 26.23.900(2). However, it is envisioned that from time to time releases will occur which constitute a disaster emergency. The Commissioners of the DEC and the DMVA will coordinate to determine that a release constitutes a disaster emergency under AS 26.23 and may request the governor to declare a disaster emergency. If a disaster emergency is declared, the Governor will appoint a State Coordinating Officer (SCO) to coordinate all State disaster assistance activities.

The DMVA/DES is the agency designated and authorized by the Governor's promulgation of the State Disaster Emergency Operations Plan (hereinafter referred to as the State EOP), to coordinate statewide disaster activities, determine the severity and magnitude of pending destruction by catastrophic events, and institute a gubernatorial declaration of disaster emergency.

The DEC/DSPAR is the agency designated in the State Master Oil and Hazardous Substance Discharge Prevention and Contingency Annex (hereinafter referred to as the State Master Plan) to the State EOP, to provide the State On Scene Coordinator (SOSC), who is responsible for ensuring responses to releases are adequate. The SOSC commands the State's release incident command system (ICS) and is responsible for coordinating the State's response activities to releases according to the State Master Plan.

During a response to release incidents that pose imminent threat to life and/or private property, DEC/DSPAR and DMVA/DES agree to augment local efforts essential to: accommodate assessment of potential damage; preparation planning for evacuation of the threatened public; management of disaster emergency expenses; and tasking, as necessary, to other State departments and agencies to provide assistance as stipulated in the State EOP.

Additionally, pursuant to the State Master Plan, the DMVA/DES serves to augment the State On Scene Coordinator (SOSC).

In that the DMVA/DES can provide substantial assistance to DEC/DSPAR during non-disaster emergency releases, and DEC/DSPAR can likewise assist DMVA/DES in non-release disaster emergencies, arrangements to formalize mutual support is essential.

DEC/DSPAR and DMVA/DES will jointly propose statutory change as required, to clarify the relationships established pursuant to this agreement.

II. Responsible Officers

DEC/DSPAR

DMVA/DES

Signatory Authority

Commissioner

Commissioner

Authorized agency
representatives:
Cooperative relationships
and program
responsibility

Director

Director

Agency functional
representatives:
Statewide Coordination

Spill
Prevention &
Planning
Manager

Emergency
Services
Manager

Chief, Spill
Response
Office

Chief of
Logistics

The above personnel will designate alternates in their absence and inform their counterparts in the other agency as to the alternate's name, position, and office and home phones.

III. General Provisions

Either agency may request assistance from the other provided administrative arrangements are set forth for proper reimbursement of incurred expenditures by the requesting agency. The services provided will be based on each agency's existing capabilities and limitations at the time of the request, to include those obtainable under formal contract and/or through a continuing reimbursable services agreement.

A. DMVA/DES Participation and Support To Non-Disaster Emergency Release Actions

1. Upon notification and request for a DMVA/DES representative at a release scene, travel and per diem will be provided by DEC/DSPAR in a manner typically provided their work force.
2. Primarily, the DMVA/DES representative will coordinate with the DEC/DSPAR Incident Commander in matters of logistics support, evacuation plan development, and interface between other State public safety agencies and support groups for assistance to the general public.
3. If a non-disaster emergency release poses an imminent threat of widespread or severe damage, injury or loss of life or property, the Commissioners of the DEC and the DMVA will coordinate to determine if the release constitutes a disaster emergency and may request the Governor to declare a disaster emergency.

B. DEC/DSPAR and DMVA/DES Relationship During a Declared Release Disaster Emergency

1. The SCO appointed by the Governor will serve as the incident commander for the disaster emergency.
2. The SOSC designated by DEC/DSPAR will be the incident commander for release response and regulatory activities.
3. The SOSC will coordinate response activities with the SCO pursuant to the basic plan.

C. DEC/DSPAR Participation and Support to Non-Release Disaster Emergencies

1. Upon notification and request for DEC/DSPAR support to non-release disaster emergencies, DEC/DSPAR capability will be provided to the extent practical and within its qualifications to perform services.
2. Contingency stocks of equipment and supplies will be made available, to the extent that they do not interfere with actual release operations being conducted at the time of the request.

D. Special Provisions

1. Refurbishment of equipment used during emergency response actions is reimbursable.
2. Warehousing of equipment obtained during emergency activities will be made available by the borrowing agency, to the extent possible.
3. DEC/DSPAR will collocate selected personnel with DMVA/DES to facilitate emergency response planning and coordination pursuant to this agreement.

IV. Term of Agreement

This mutual support agreement may be rewritten by mutual consent, at any time, to amend or modify its provisions. It shall remain in force until such time as either agency requests termination.

Nothing in this agreement shall obligate any party to the expenditure of funds, or for future payments of money, in excess of appropriations authorized by law.

William C. ...
Commissioner
Department of Military and
Veterans Affairs

8 Jan 92
Date

David A. ...
Commissioner
Department of Environmental
Conservation

8 Jan 92
Date

Charles E. Cole
Charles E. Cole
Attorney General

January 8, 1992
Date

11

FY93

06-09-03-10-00 (0-00-60903-1211) STATE OF ALASKA -- COMPONENT BUDGET SUMMARY SALSFRMA 08:55 1/08/92
 AGENCY: DEPARTMENT OF MILITARY & VETERANS AFFAIRS PROGRAM: DISASTER PLANNING & CONTROL LEG. FIN.
 CATEGORY: PUBLIC PROTECTION SUB-PROGRAM: OIL SPILL RESPONSE SUPPORT

FISCAL YEAR 1993

EXPENDITURES & FUNDING	(01) FY91 ACT	(02) FY92 AUTH	(03)	(04)	(23) FY93 BASE	(24) FY93 ADJB	(25) FY93 AGY	(07) GOVERNOR	(08)	(09) HOUSE	(10) SENATE	(11) C. C.	(12) BILLS
01 PERS. SERV.	131.5				450.0	450.0	560.1	450.0					
02 TRAVEL	21.0				75.0	75.0	150.0	75.0					
03 CONTRACTUAL	8.0				225.0	225.0	301.9	225.0					
04 COMMODITIES	11.4				50.0	50.0	100.0	50.0					
05 EQUIPMENT	31.6				1200.0	1200.0	3800.0	1200.0					
06 LANDS/BLDGS													
07 GRANTS, CLHS													
08 MISC.													
** TOTAL EXPEND	203.5				2000.0	2000.0	5000.0	2000.0					
1007 I/A RCPTS	203.5				2000.0	2000.0	5000.0	2000.0					
15 FULL TIME							7.0						
16 PART TIME													
17 TEMPORARY		5.0											
18 STAFF MONTHS		60.0					84.0						

REIMBURSEMENT SERVICES AGREEMENT

ISSUING DEPARTMENT Environmental Conservation	DIVISION Environmental Quality	SECTION 7110	LOG NUMBER (ADN) 18925603
ISSUING DEPARTMENT Military & Veterans Affairs	DIVISION Emergency Services	SECTION 7110	LOG NUMBER (ADN) 1920054

I. The servicing agency agrees to provide the requesting agency with the following service(s):
 PROJECT OR PROGRAM TITLE: **Oil Spill Response Depots/Corps**

DESCRIPTION OF SERVICE(S) TO BE PROVIDED IF THIS IS AN NSA AMENDMENT, ALSO DESCRIBE SPECIFIC PURPOSE OF AMENDMENT.
 The purpose of this amendment is to relieve the conditions placed on the original agreement. DMVA is authorized to expend funds in the amounts shown in Section III (amended) below. ~~Other conditions are placed on the agreement.~~ *See Attached: [Signature]*

II. Terms and mechanics of reimbursement:

Payment upon receipt of interagency billing *See 10-101*
 Payment upon completion of service(s)
 Other (Specify): *Interagency agreement and approval of [Signature]*

Billing Address:
Attn: Steve Schmitz
ASSD/DMVA
Goldstein Bldg., 5th Floor
Juneau, Alaska 99801

DATE WORK TO COMMENCE: **July 1, 1991** COMPLETION DATE: **June 30, 1992**
 BILLING RD CODE: **18116** PHONE: **467-2675**

III. Schedule of maximum costs to be incurred by the Servicing Agency:

	ORIGINAL AGREEMENT	PREVIOUS AMENDMENTS	THIS AMENDMENT	TOTAL
Personal Services	\$ 330,000.00	\$	\$ 120,000.00	\$ 450,000.00
Travel	\$ 70,000.00	\$	\$ 5,000.00	\$ 75,000.00
Contractual	\$ 450,000.00	\$	\$ (225,000.00)	\$ 225,000.00
Supplies	\$ 50,000.00	\$	\$ 0.00	\$ 50,000.00
Equipment	\$ 1,100,000.00	\$	\$ 100,000.00	\$ 1,200,000.00
Land & Buildings	\$	\$	\$	\$
Grants	\$	\$	\$	\$
Other (itemize):	\$	\$	\$	\$
TOTAL	\$ 2,000,000.00	\$	\$ -0-	\$ 2,000,000.00

V. Budgeting and accounting information:

REQUESTING AGENCY: **92**
 1. This agreement is documented in FY **92** Capital/Operating budget. No Yes page **4**
 2. Financial coding to be charged **18586015** Continuing funds No Yes Authority **144444**
18586015 Continuing funds No Yes Authority **144444**
 3. Encumbrance document number: **RS 1811135 1895000**
 4. Date funds lapse **6/30/92**
 5. Federal Funds No Yes. Amount: \$ _____
 Federal Agency / Program / CFDA No. / Grant or Contract No. _____

SERVICING AGENCY: **AR 34710 CC 09554219**
 6. This agreement is documented No Yes. If yes, in FY _____ Capital/Operating budget page _____

V. Approvals & Certification: The requesting agency and servicing agency agree to the terms and conditions above. In addition, the requesting agency certifies: That sufficient funds are encumbered to pay this obligation or that there is a sufficient unencumbered balance in the appropriation cited to cover this obligation. I am aware that to knowingly make or allow false entries or alterations on a public record, or knowingly destroy, mutilate, suppress, conceal, remove or otherwise impair the verity, legibility or availability of a public record constitutes tampering with public records punishable under AS 11.56.615-620. Other disciplinary action may be taken up to and including dismissal.

ISSUING AGENCY AUTHORIZED SIGNATURE <i>[Signature]</i>	NAME PRINTED [Name]	DATE [Date]
SERVICING AGENCY AUTHORIZED SIGNATURE <i>[Signature]</i>	NAME PRINTED Donna Graham	DATE 8-06-91
REQUESTING AGENCY AUTHORIZED SIGNATURE <i>[Signature]</i>	NAME PRINTED [Name]	DATE [Date]

FORM 101
OMB: 32-0001

REMARK DESCRIPTION (Limit to 98 characters)
Response Support/Depot Equipment/Volunteer Response Corps

11

AGENCY CONTACT/PHONE NUMBER Downs Graham, 428 2016

DESCRIBE WHY THIS INCREMENT/DECREMENT IS NEEDED AND WHAT IT PURCHASES

In 1991, two new missions were added to the Division of Emergency Services (DES) statutory requirements: establishing, maintaining, equipping and staffing regional depots for response to oil and hazardous substance incidents and training a response corps for employment in oil and hazardous substance incidents.

The Division's funding requirements consist of administrative overhead, establishment, training and exercising the volunteer corps, and equipping the depots as follows:

1 Down (11) positions to provide the expertise to accomplish the objectives set forth in Title 46 in Alaska Statute. (See attached list)
Ten positions are already established in FY 92 and are included in the FY 93 adjusted base. The remaining seven positions will be established in the latter part of FY 92. This increment funds the balance of personal services needed above the adjusted base to pay for all eleven positions.

The following positions are proposed for funding 11 with this RSA:

Personal (11 positions)

	Planner IV (22) (NS 0 090220)	\$ 31,512
	(Chief of Logistics)	
(3)	Planner III (19) (NS 0 090218, 0012, 0014)	123,212
	(Depot Coordinator) (All Hazards Planners)	
(1)	Analyst/Programmer III (12) (NS 0 090211)	50,131
(1)	Project Assoc III (16) (NS 0 09023)	46,779
(1)	Analyst/Programmer II (15) (NS 0 09022)	43,243
(1)	Accounting Clerk III (15 0 090219)	32,515
(1)	Steno/typist (1 10 54) (NS 0 090112)	49,951
(1)	Clerk Typist III (NS 0 09023)	28,025
(1)	Accounting Tech I (NS 0 09019)	35,522

Total \$522,200

Travel and per diem to be used by ADES staff, instructors, and class participants in establishing and training a cadre of volunteers. (Outgoing expenses DEC defining the role of the volunteer response corps for deployment to an incident.)

Long distance telephone charges for coordination of training workshops and day-to-day activities, printing of brochures and training materials, and even rentals in which to conduct training activities, space rental and utilities for the depots.

Office supplies for volunteer response training and operational use including general office supplies, data processing supplies such as printer paper, disks and software supplies.

Purchase of office equipment and equipment for the depot as designated by the inventory list provided by DEC.

This activity was funded in 1991 and 1992 by Reimbursable Services Agreement (RSA) with the Department of Environmental Conservation (DEC). This increment will be appropriated through DEC from the Oil and Hazardous Substance Response Fund.

CODE	DESCRIPTION BY	AGENCY	QTY
100	Personal Services	118 1	0.0
200	Travel	150	0.0
300	Construction Services	154 9	0.0
400	Supplies	900	0.0
500	Equipment	2000 0	0.0
600	Land, Buildings, Etc		
700	Grants, Claims, Etc		
800	Miscellaneous		
	TOTAL	3710	0.0
LA Transfer (B-09 A)(1)			
1002	Federal Receipts		
1001	General Fund Match		
1004	General Fund		
1005	GR Program Receipts		
1002	LA Receipts	2000	0.0
POSITION	PI I	10	-0-
INFO	PII	0	
	Non Personnel	0	
	Staff Meals	1320	-0-
		516	

XX Continuation of FY 92 Service Level

IMPACT FROM CAPITAL PROJECT (NAME)

Chapter _____ SIA _____ Page/line _____

1211/4004

INCREMENT
DECREMENT
C5a REQUEST
AGENCY PRIORITY _____ OF _____

AGENCY Military & Veterans Affairs
BRU Disaster Planning & Control
COMPONENT Oil Spill Response Support
PROJECT

FY 93

Page 1 of 1
Revised Date:

000063

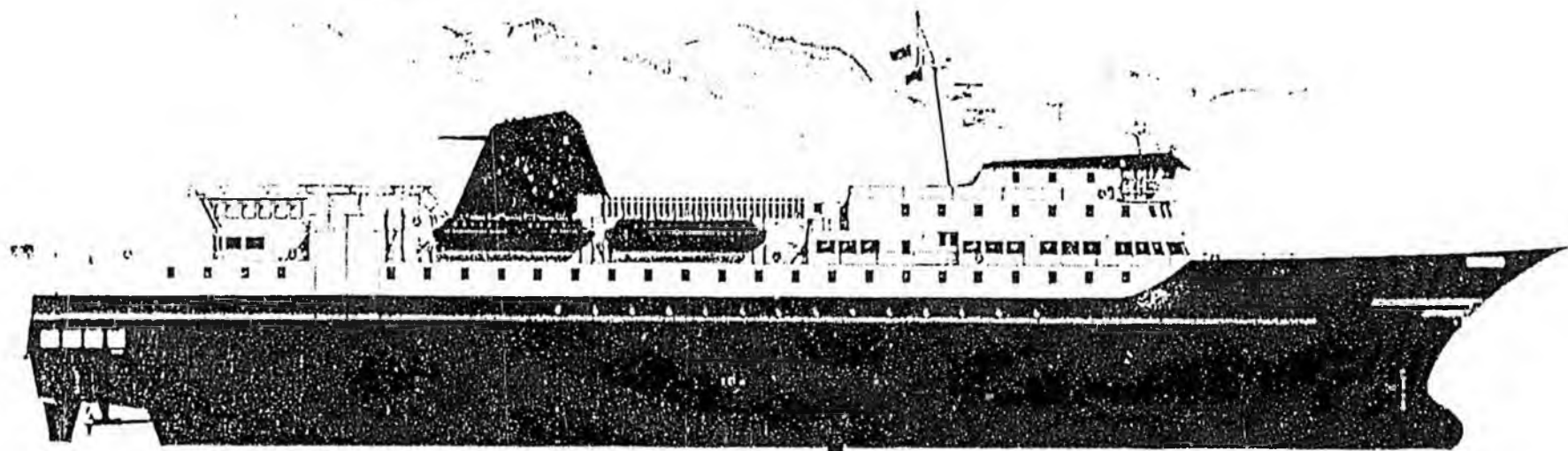
OIL SPILL RESPONSE FERRY

MULTI-PURPOSE REPLACEMENT VESSEL
TALKING PAPER

Revision 2.1

January 10, 1992

ALASKA MARINE HIGHWAY SYSTEM
DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES
STATE OF ALASKA



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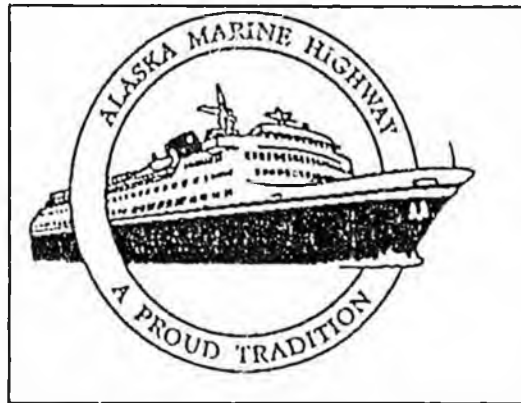
NOTICE

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INTRODUCTION

This paper describes the design process for the new Alaska Marine Highway System (AMHS) replacement vessel. Because of the need for employee and public involvement in the vessel design process, this paper is formulated to be a progress statement, presenting vessel characteristics as they are identified during the design process. As such, this paper varies with each edition; the vessel design loose and sketchy at first, becoming solid construction details at the end.

Because clear mission requirements are the fundamental basis of design, this paper presents the latest set of mission requirements, including a list of particulars and arrangements for each deck, for the new AMHS vessel.



MISSION STATEMENT

The new AMHS vessel will be required to successfully carry out the marine highway function, on the following routes, according to existing published schedules and:

*serve as a S.E. mainline vessel for 4 or 5 months per year,
must be able to complete 10 to 12 cross gulf trips between S.E. and S.W. a year,
provide limited S.W. service when the M/V Tustumena is in overhaul,
provide emergency response capability.*

MISSION REQUIREMENTS

The intent of the mission requirements section is to define the mission statement into engineering parameters.

The Marine Highway Function Requirements

Accommodate legal highway vehicle traffic (with length restriction), with car deck capacity no smaller than Taku
Comfortably accommodate maximum number of passengers, both walk on and drive on, with:

- Maximum seating/viewing space
- Maximum number of staterooms per vehicle lane
- Amenities to provide a comfortable 1 to 7 day trip
- Maximum number of reasonably priced lodgings
- Flexible public space utilization
- Access for physically challenged
- Family oriented

W

MISSION REQUIREMENTS CONTINUED

Other General Vessel Requirements

- U.S Flagged
- U.S Coast Guard, 46 CFR subchapter II, Approved
- American Bureau of Shipping, +A1, approved
- Same life saving appliances, and fire fighting equipment, as fleet standard
- Maximize equipment similarity with existing fleet, consistent with current technology
- Maximize vessel automation, to minimize operational costs
- 64 year life span, through 1 re-engining, and two hotel refurbishment
- High reliability
- Low maintenance
- Proven technology
- Maximize revenue potential

South West/South Central System - Requirements

Ocean rated

Dock, unassisted, at:

- Yakutat
- Valdez
- Cordova
- Seward
- Homer
- Kodiak
- King Cove
- Sand Point
- Cold Bay

Dutch Harbor, in the following conditions:

- all tidal conditions,
- all current ranges,
- winds steady at 35 to 40 knots, gusting to 50,
- all visibility conditions,

Operate in severe arctic conditions

No ice rating on hull strength

Speed adequate to make schedule, no less than M/V Tustumena

Load vehicles and passengers:

- at existing (as of 12/16/91) facilities of above defined ports,
- in a time span no greater than summer 1992 schedule,
- in all tidal conditions, except possible limitations in Homer

Active motion control system

10

MISSION REQUIREMENTS CONTINUED

South East Mainline System - Requirements

Lakes, Bays, and Sounds rated
Dock, unassisted, at:

Bellingham,
Prince Rupert,
Ketchikan,
Hollis,
Wrangell,
Petersburg,
Sitka,
Juneau,
Haines,
Skagway, in the following conditions:

all tidal ranges,
all current ranges,
winds steady at 35 to 40 knots, gusting to 50,
all visibility conditions,

Transit Wrangell and Sergius narrows

Speed adequate to make schedule, no less than M/V Taku

Load vehicles and passengers:

at existing (as of 12/16/91) facilities of above defined ports,
in a time span no greater than that shown on summer 1992 schedule,
in all tidal conditions,

Emergency Response Requirements

Provide response to any ice free port in Alaska
Provide housing and amenities for response personnel
Provide communications/vessel traffic platform
Provide ample enclosed work space
Provide limited medical facility
Load and unload ro/ro cargo from undeveloped docks
Provide support base for smaller vessels
Be well maintained and ready to respond

THE DESIGN PROCESS

The method used to "design" a vessel - that is to make sure a vessel design safely and economically meets its mission requirements - is a complicated one, and is best accomplished by an iterative process. To understand this strategy, a design spiral is often used to illustrate an iterative design process.

- Steps in vessel design
- 1 Estimate initial design parameters like hull length, beam, etc.
 - 2 Use mission requirements to develop required vessel characteristics.
 - 3 Compare initial design parameters to required vessel characteristics.
 - 4 Analyze comparison to determine error in initial design parameters.
 - 5 Revise design parameters.
 - 6-9 Check revised vessel parameters against required mission characteristics and revise design again.
 - 10-End Continue this process until design converges on final form.

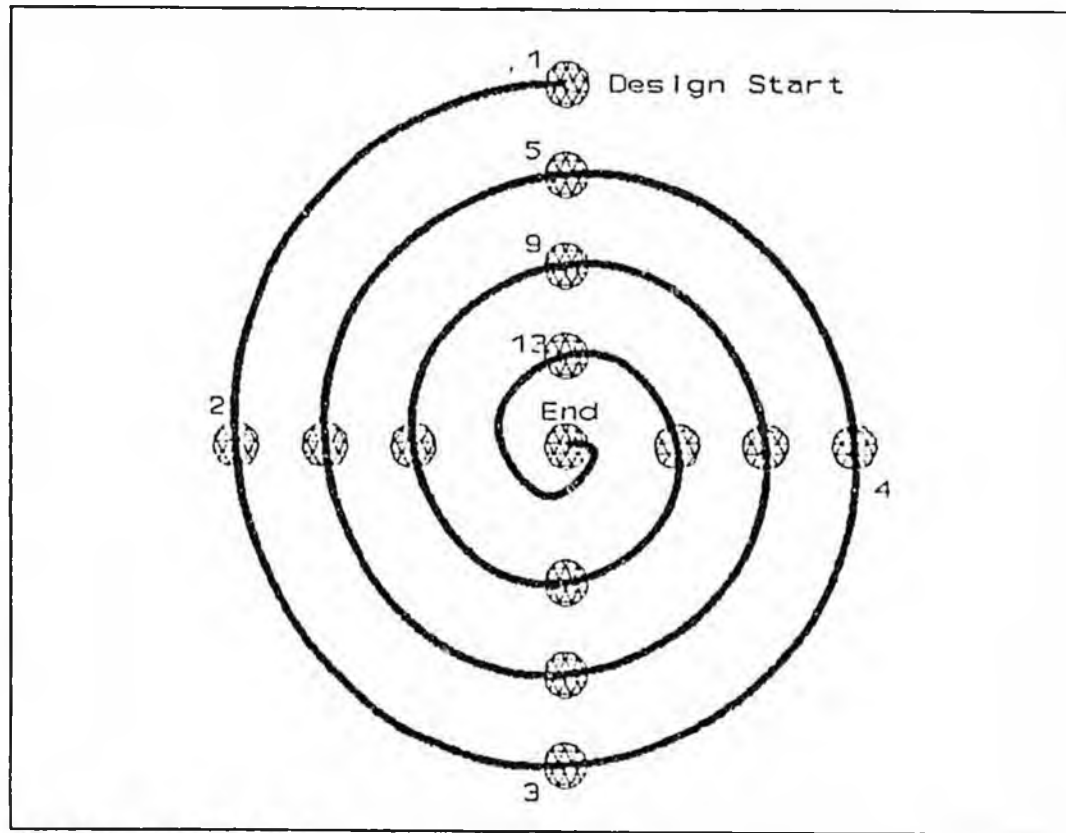


Figure 2 - Design Spiral

DESIGN AND CONSTRUCTION SCHEDULE

The following design and construction time line describes the required events, and when they must occur, to obligate FY 1993 Federal Highway Funds.

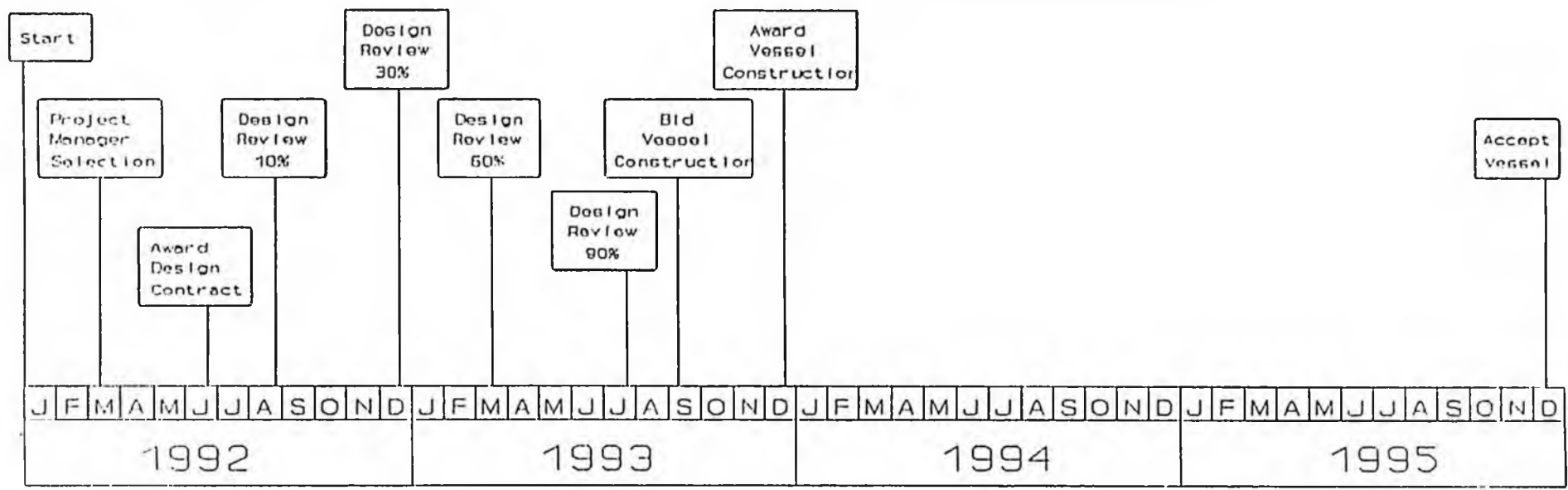


Figure 3 - Design and Construction Time Line

W

STEP ONE - INITIAL DESIGN PARAMETERS

VESSEL PARTICULAR:	ESTIMATED VALUE:	FINAL DETERMINATION BY:
Classification:	ABS +A1 U.S.C.G., Oceans	Determined by owner insurance/maintenance requirements Determined by U.S. Flag requirements
Dimensions:		
Length BP	340 to 380 ft	Min. by sea keeping, Max. by port restrictions and cost
Beam	65 to 74 ft	Min. by intact stability, Max by hull form and cost
Depth	19 to 24 ft	Min by strength & regulatory, Max by Damage stability & weight
Draft	15 to 20 ft	Min by hydrostatic, Max by waterway restrictions
Tonnage:		
Gross tonnage	2800 to 3900 tons	By international convention, total of inside space, less deductions
Passengers:		
Passengers	350 to 500	By vessel size, and quantity of lifesaving appliances
2 person Staterooms	40 to 65	By vessel size, arrangement, load character
4 person Staterooms	25 to 40	By vessel size, arrangement, load character
Vehicles:		
Max lane length	1500 to 2100 ft	By final vessel size, lane width, island width, clear height
Crew:		
1 person Berth	8 to 12	By regulatory requirement, and vessel functions
2 person Berth	16 to 24	By regulatory requirement, and vessel functions
Machinery:		
Main Engines	7000 to 9000 HP	By necessary speed requirement, propulsive efficiency
Electrical	1200 to 1700 KW	By size of hotel load
Propeller (C.P.)	1 to 3	By maneuvering and safety considerations
Bowthruster	1 to 2	By maneuvering, environmental considerations
Stern thruster	0 to 1	By severe maneuvering vs environmental considerations
Stabilizers	Passive or active	By seakeeping, hull form, cost
Speed:		
Service speed	15 to 20 kt	By schedule requirement

VESSEL DRAWINGS

The following drawings reflect the current designed shape and character of the new replacement vessel. At present, the design is in a very preliminary stage. *Therefore, these drawings are suitable for general discussion only.* As the design progresses, these drawings will be updated until the vessel evolves into its final form.

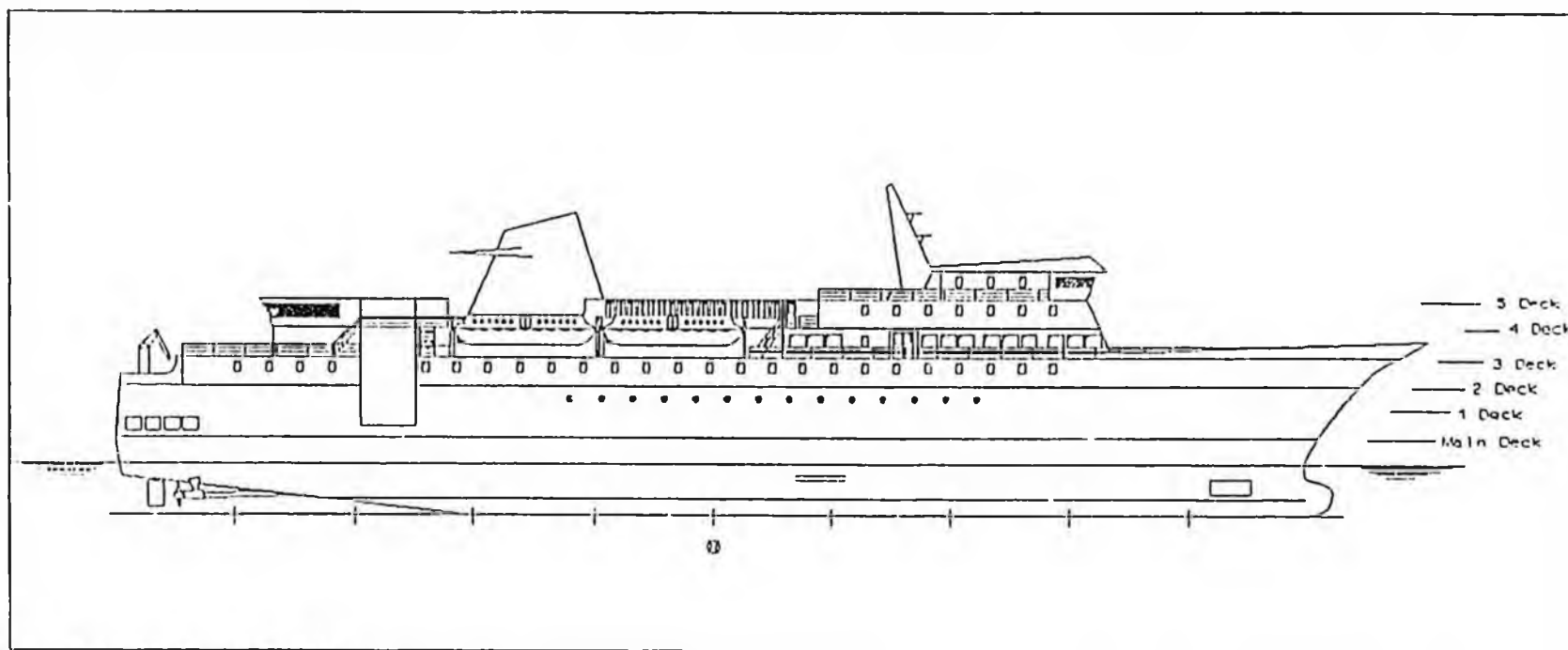


Figure 4 - Outboard Profile

VESSEL DRAWINGS CONTINUED

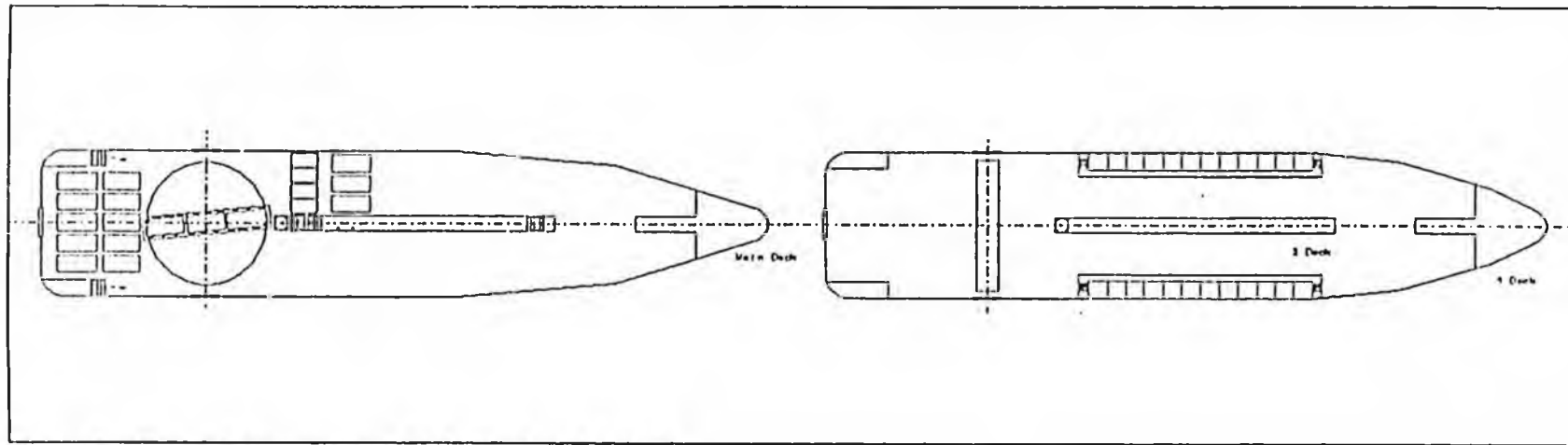


Figure 5 - General Arrangement Main Deck and 1 Deck

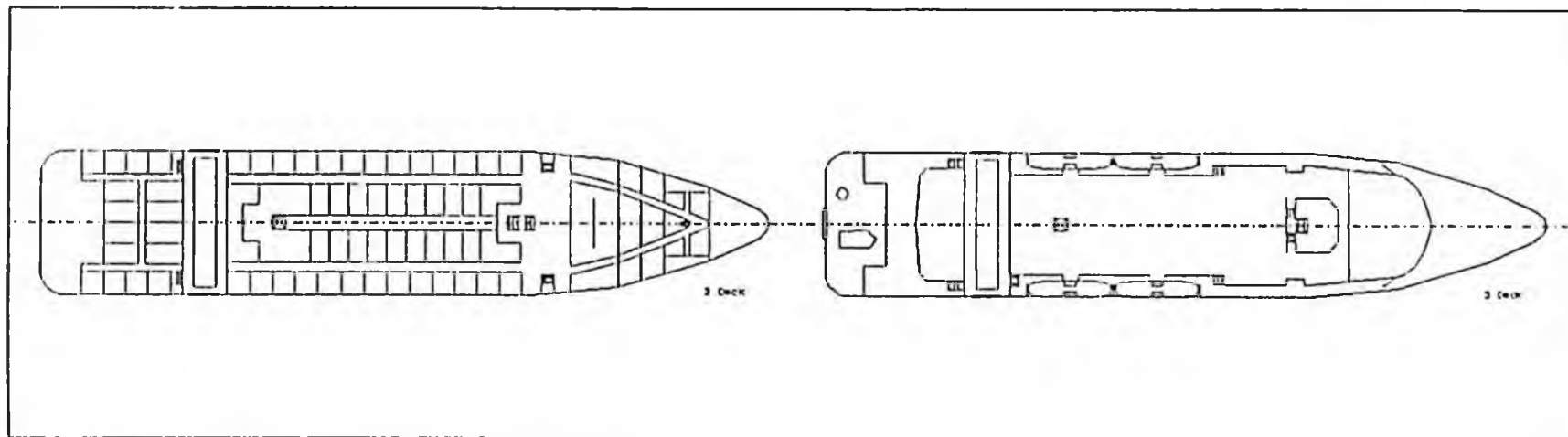


Figure 6 - General Arrangement Deck 2 and Deck 3

VESSEL DRAWINGS CONTINUED

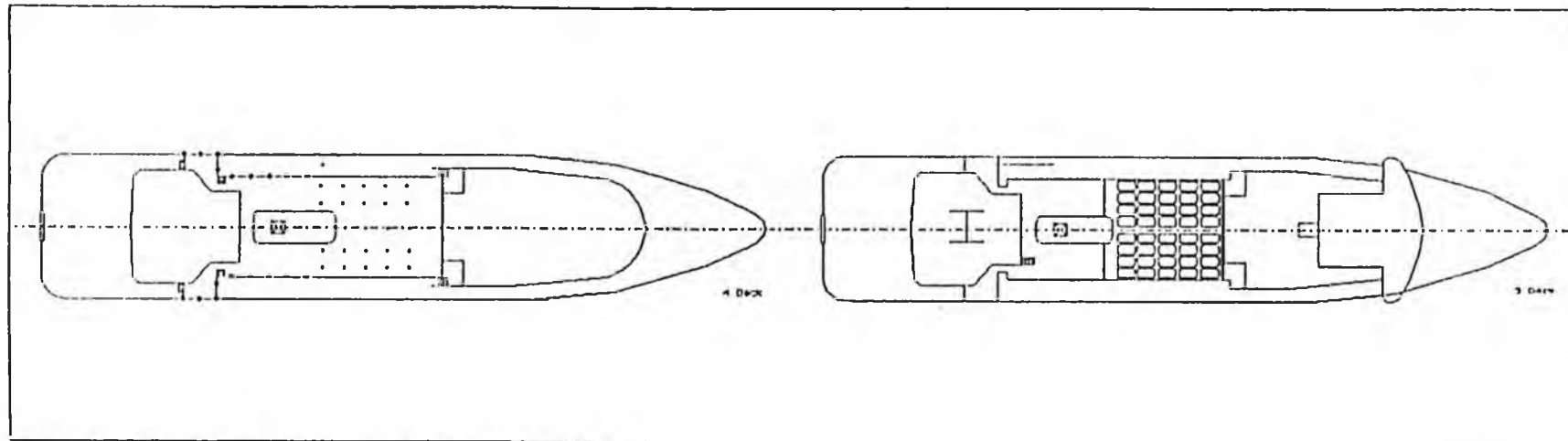


Figure 7 - General Arrangement Deck 4 and Deck 5

- End Document -

SPILL PREVENTION, PLANNING AND MANAGEMENT

SPILL PREVENTION AND RESPONSE DIVISION

- OVERVIEW -

Introduction

The Division of Spill Prevention and Response (SPAR) was established in July 1991, and is responsible for protecting the quality of Alaska's land, waters, and air from oil and hazardous substance spills. The Division strives to implement this mandate in a way that provides a stable and credible regime for the regulated community while enhancing the health and general welfare of the people of the State.

The Division is responsible for preventing incidents involving the spill or release of oil and hazardous substances. In the event of spills or releases, SPAR will be prepared to minimize the impact upon lives, property, and environment by responding decisively to secure, contain, and remove such discharges in accordance with the National Contingency Plan and the State Master Plan. Locations contaminated by hazardous materials will be detected and aggressive clean up action taken according to priority ranking of sites.

The division establishes regulations to protect public health and resources; issues authorizations such as plan approval or certificates in accordance with regulations; and monitors and maintains compliance with environmental standards. The Division also provides assistance and guidance to industry and the public on spill response matters, and serves as the designated State recipient of federal environmental quality financial assistance.

The Division includes three sections to carry out its mandate: including Spill Prevention, Planning and Management, the Spill Response Office, Contaminated Sites cleanup/Storage Tank Assistance (enclosure I).

Director's Office

The Spill Prevention and Response Director's Office provides overall management and administrative functions of the new Division. Activities include program development and supervision; budget and work plan development; regulation development oversight; regional work plan review; and overall program responsibility for the Division. The Director is the Commissioner's designated Oil and hazardous Substance Release Response Fund manager.

Spill Prevention, Planning and Management Section

This section manages three projects (1) Oil Pollution Control, (2) State Emergency response Commission, and (3) State and Regional Contingency Planning (enclosure II).

Oil Pollution Control:

The Oil Pollution Control Project reduces the potential for oil and hazardous substance spills through design, development, planning coordination, implementation and administration of Statewide programs for facility and vessel contingency plans, inspections, discharge exercises, prevention, financial responsibility and subcatastrophic spill response. Major activities include development of policy, legislation, regulations, and workplans; coordination and implementation of program objectives through four regional offices; tracking and reporting on the status and progress of all spill incidents; preparation of technical analyses and reports; development and management of agreements and contracts for spill response and special projects; technical assistance to the public and regulated community; and initiation of enforcement action as appropriate for approximately 400 operators required to submit proof of financial ability to respond to spills.

State Emergency Response Commission:

The State Emergency Response Commission (SERC) is composed of nine State agency commissioners and seven public members. This project provides the staff support to the SERC for implementation of local emergency planning and community right-to-know programs as mandated by state and federal laws. The SERC assists the State and local governments with the development of oil and hazardous substance spill contingency planning by conducting training workshops and providing information to local communities.

State and Regional Contingency Planning:

The State and Regional Contingency Planning project develops and annually revises Statewide and regional plans to coordinate State and other parties involved in response to hazardous substance incidents including oil spills. Regional plans provide detailed information regarding spill hazards, risk to humans and the environment, and response capability.

Spill Response Office

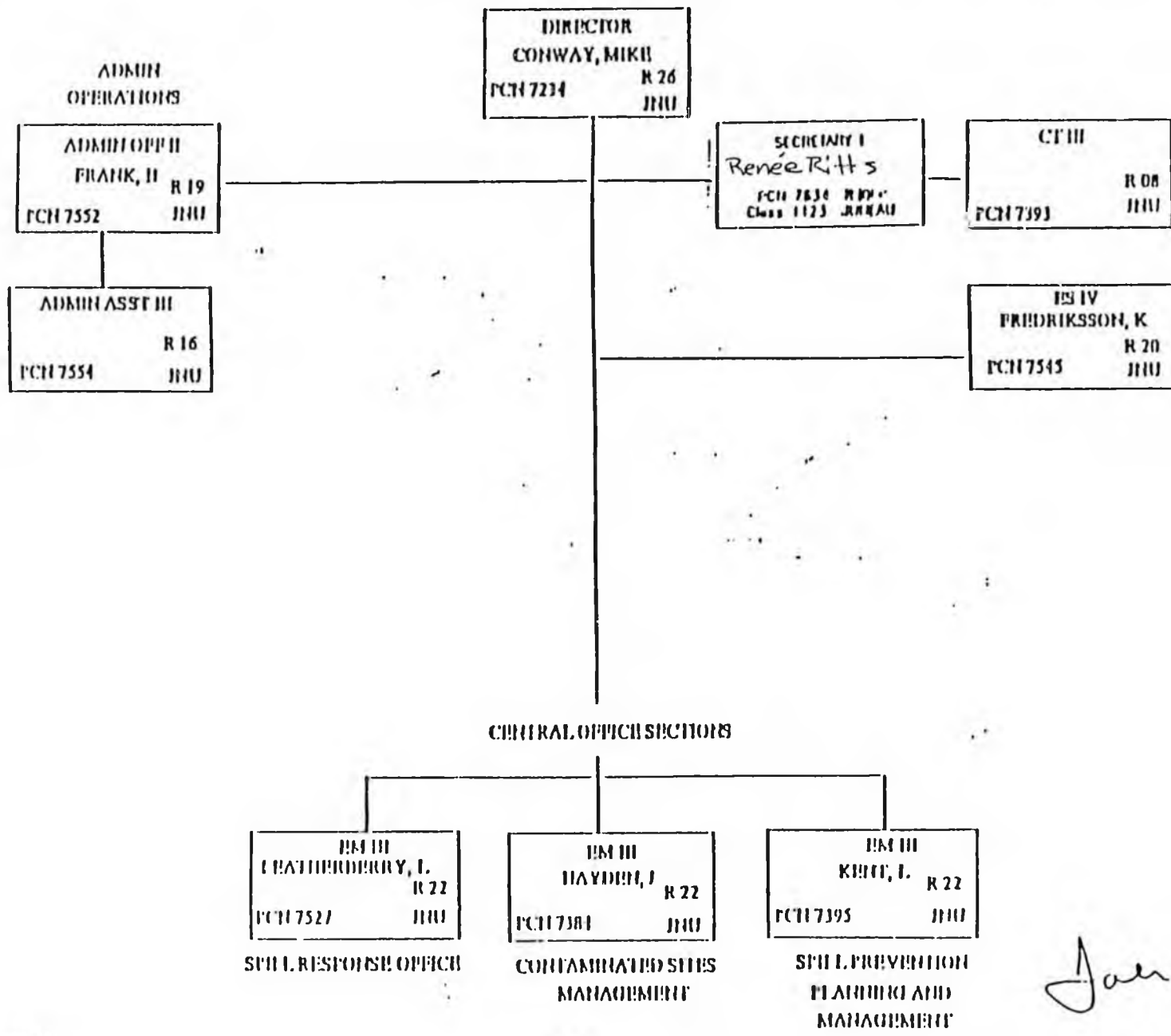
The Oil and Hazardous Substance Spill Response Office (enclosure III) is a highly trained group responsible for immediate response to catastrophic spills or declared emergency discharges of oil or hazardous substance anywhere in Alaska. Staff prepare all State responders for such events by improving the State's overall oil and hazardous substance spill response capabilities through education, training on response techniques, equipping responders, addressing life, health, safety issues prior to an incident.

Oil and Hazardous Substance Technology Review Council:

The Spill Response Office also provides staff assistance to the Oil and Hazardous Substance Technology Review Council which is composed of the commissioner of DEC, the adjutant general of the Department of Military and Veterans Affairs, a representative from the University of Alaska, the Governor's senior science advisor, a

STATE OF ALASKA
 DEPARTMENT OF ENVIRONMENTAL CONSERVATION
 DIVISION OF SPILL PREVENTION AND RESPONSE
 DIRECTOR'S OFFICE

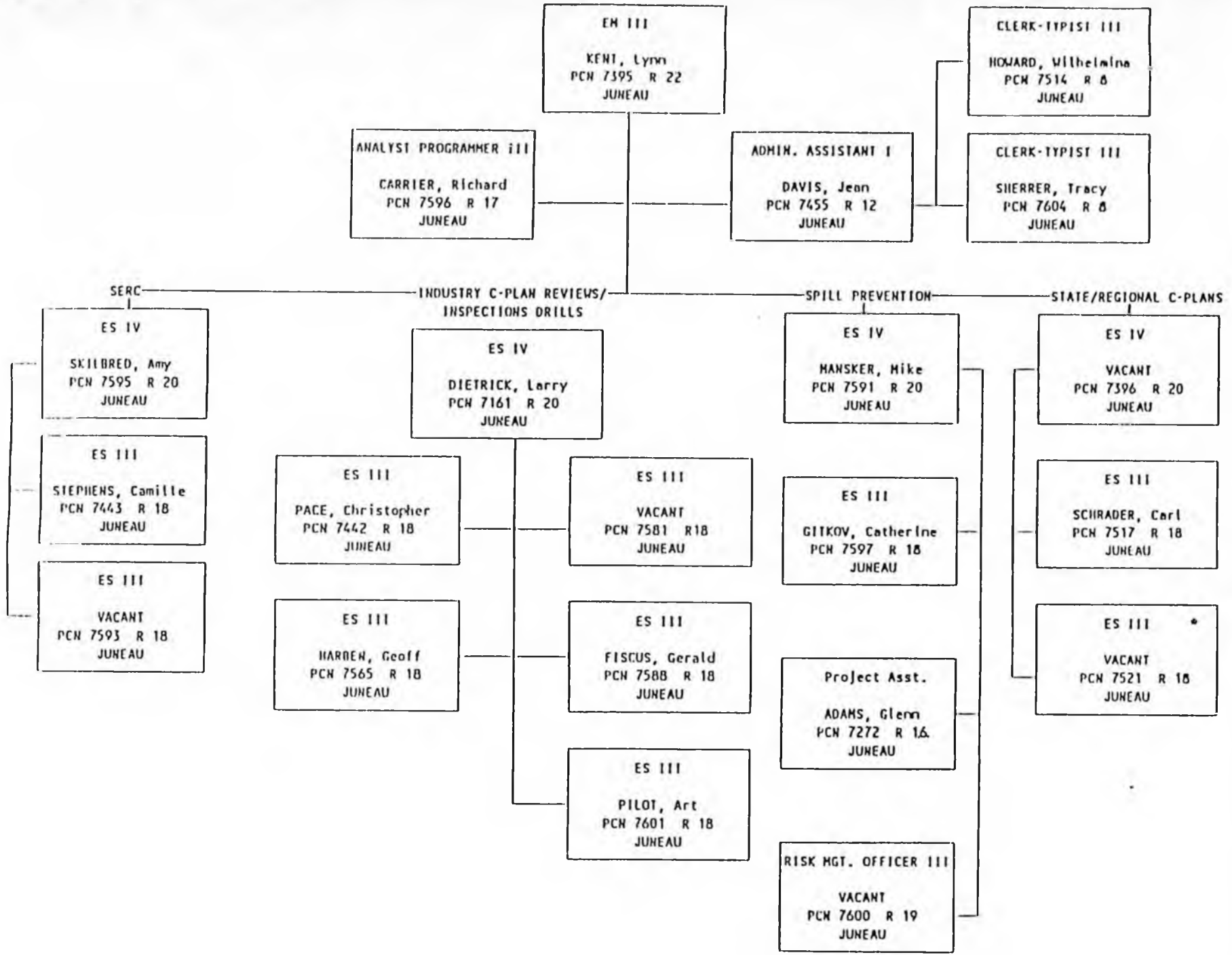
Enclosure II



Jane Lander
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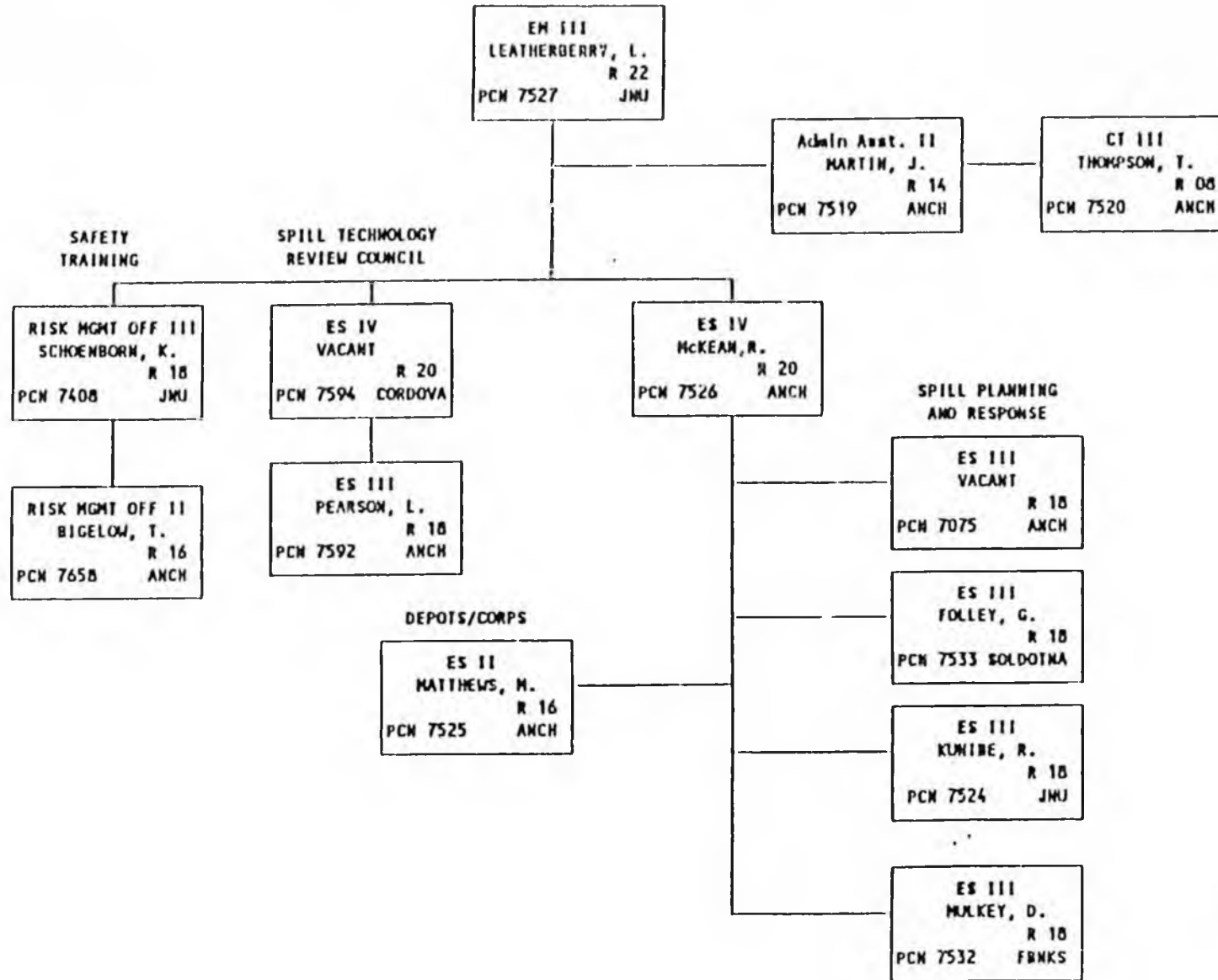


APPROVED: *JUL COUSIN* Date: 1/8/92

* Position transfer from SCRO

DIVISION OF SPILL PREVENTION AND RESPONSE
SPILL RESPONSE OFFICE

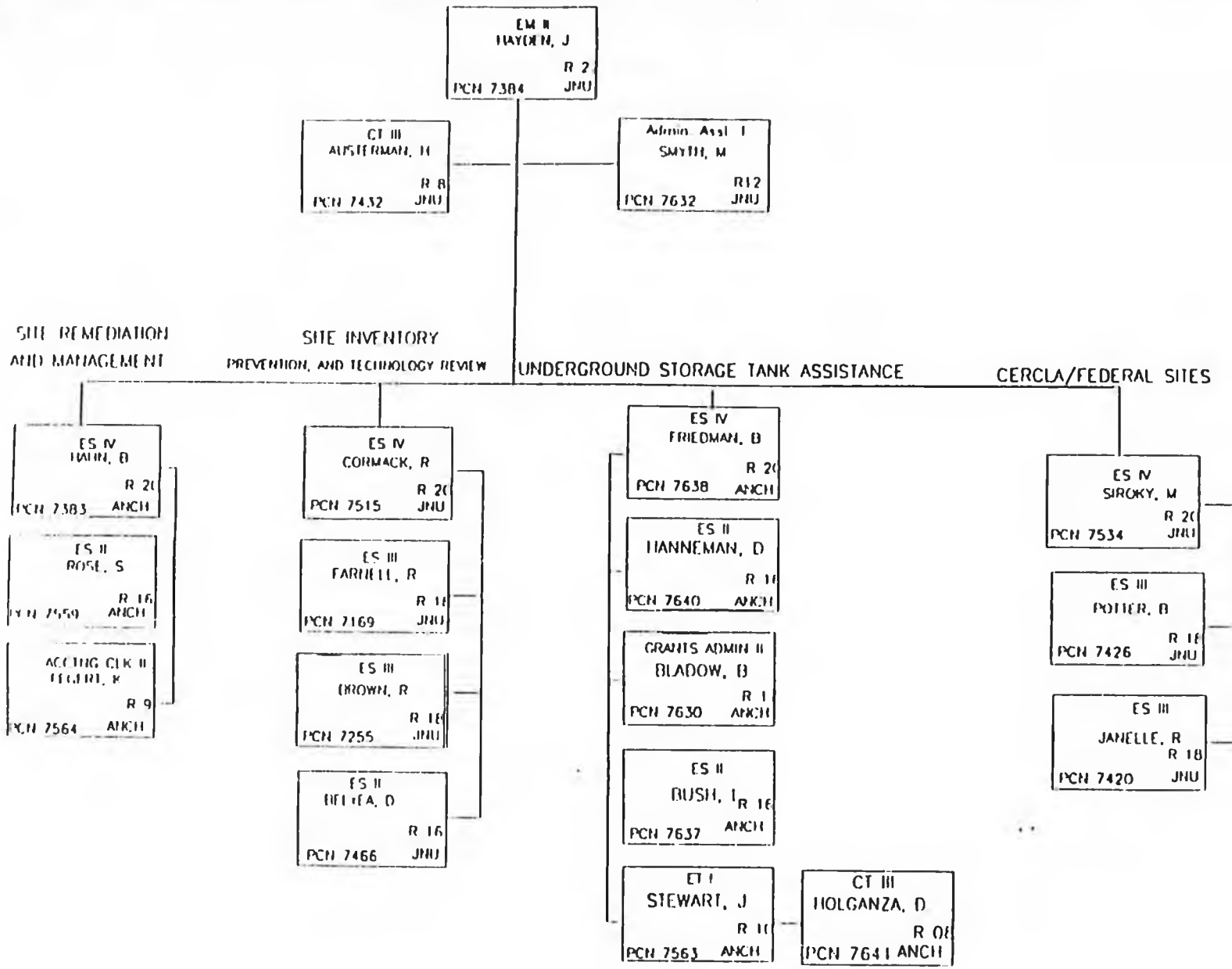
Enclosure II



REVISED 01-16-92

DIVISION OF SPILL PREVENTION AND RESPONSE
CONTAMINATED SITES

Enclosure II



FY 93 STAFFING LEVELS BY PROGRAM

	Permanent	Non Permanent
SPAR Director's Office	7.0	0.0
State and Regional Contingency Planning	3.0	0.0
Spill, Prevention, Response, Planning, Safety, Cleanup and Cost Recovery	61.5	0.0
State Emergency Response Commission	4.0	0.0
Hazardous Substance Spill Technology Review Council	2.0	0.0
Spill Response Office, Depots and Corps	11.0	0.0
Site Investigation, Safety, Cleanup and Cost Recovery		
Contaminated Sites	21.1	18.0
LUST/UST	14.8	0.0
CERCLA	2.4	0.0
DOD	3.2	3.0
Kenai Cleanup Project	4.0	0.0
Storage Tank Assistance	7.0	0.0
Exxon Clean Up Project	0.0	19.0
Exxon Restoration Project	0.0	3.0

CONTAMINATED SITES

representative of the Prince William Sound Science Center, and four public members appointed by the Governor. The Council assists in the identification of containment and cleanup products and procedures for arctic and sub-arctic hazardous substance releases. The council reviews oil and hazardous substance spill cleanup technology research and development activities undertaken by other government agencies and industry spill response groups. The council also makes recommendations to the Department and agencies of the state regarding the use and deployment of these products and procedures.

Contaminated Sites Section

This section manages the State contaminated sites project, Leaking Underground Storage Tank and Underground Storage Tank (LUST/UST) projects, Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) project, Department of Defense Federal Facilities cleanup and Storage Tank Assistance program (enclosure IV).

State Contaminated Sites:

The State contaminated Sites project systematically identifies, lists, ranks and selects contaminated sites throughout Alaska for assessment and cleanup on a priority basis.

LUST/UST:

The federally funded Leaking Underground Storage Tank (LUST) project is responsible for overseeing corrective action at sites where a release has occurred from a commercial underground storage tank. The federally funded Underground Storage Tank (UST) program provides technical assistance and courtesy inspections to tank owners and provides staff support for State program approval to the Environmental Protection Agency.

CERCLA:

CERCLA, is a federal statute requiring all hazardous sites be inventoried and investigated. The State's program is composed of 2 cooperative agreements (CA), called Multisite and Core respectively. The Multisite CA provides federal funds (no match) for the State to conduct field investigations and score sites under the CERCLA Hazardous Ranking System. The Core Program CA provides federal funds for State CERCLA program development including supervision, management, cooperative agreement administration, contracts, procurement, training, and legal assistance.

Federal Facilities Cleanup:

The Department of Defense (DOD) federal facilities program negotiates cleanup compliance orders and oversees the multi-million dollar cleanup of contaminated sites on federal facilities. Federal funds are received from DOD for State participation and oversight of federal facility cleanups.

Storage Tank Assistance:

The Storage Tank Assistance project protects the public from contamination resulting from leaking underground storage tanks through a newly created regulatory and assistance program which includes prevention, education and cleanup. With guidance from the Board of Storage Tank Assistance, State financial assistance is provided for conducting site assessments and testing tanks for leaks, cleanup from leaking tanks, and upgrading or removing tanks. Regulations govern certification of tank workers and site assessors. Installation, registration, maintenance, leak detection, site assessment, upgrade, cleanup and closure of tanks and tanks systems is also governed by regulations under this project.

3054 FUNDS FROM CONTAMINATED SITES TO FULLY FUND CLERICAL POSITION TRANSFERRED IN FY92													
AGY:	0.0	0.0	4.9	4.9	0.0	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GOV:	0.0	0.0	4.9	4.9	0.0	4.9	0.0	0.0	0.0	0.0	0.0	0.0	0.0
3058 FUNDS AND POSITION FROM S.P.P.H. CONTRACTUAL LINE FOR CLERICAL SUPPORT													
AGY:	0.0	0.0	27.7	27.7	0.0	27.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0
GOV:	0.0	0.0	27.7	27.7	0.0	27.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0

CHANGES FROM FY93 ADJUSTED BASE TO FY93 GOVERNOR REQUEST

REF#	DESCRIPTION	AGENCY / GOVERNOR				LINE ITEM IMPACT								
WHD:	PFI	PPT	TOTAL	GEN FUND	OTHER	100	200	300	400	500	600	700	800	
4022	INCREASE VACANCY AND TURNOVER RATE													
AGY:	0.0	0.0	-10.1	-10.1	0.0	-10.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
GOV:	0.0	0.0	-10.1	-10.1	0.0	-10.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	

***** PROGRAM DESCRIPTION & PRIOR YEAR INFORMATION *****

FY92 INTENT: IT IS THE INTENT OF THE LEGISLATURE THAT THE FUNDS APPROPRIATED FROM THE OIL AND HAZARDOUS SUBSTANCE RELEASE RESPONSE FUND FOR SITE INVESTIGATION AND CLEAN UP BE USED FOR THE DEPARTMENT'S PRIORITY PROJECTS AS LISTED ON THEIR 3/13/91 "STATE CONTAMINATED SITES FY 92 PROJECT" LIST.

AGENCY RESPONSE: AS WE EXPLAINED TO THE BUDGET SUBCOMMITTEES, AT THE TIME THE REFERENCED LIST WAS COMPILED, THE DEPARTMENT WAS IN THE PROCESS OF WORKING WITH A CONTRACTOR TO DEVELOP A "HAZARD RANKING MODEL". THIS MODEL USES SITE-SPECIFIC INFORMATION TO RANK CONTAMINATED SITES TO ONE ANOTHER IN TERMS OF RISK TO HUMAN HEALTH AND THE ENVIRONMENT, ALLOWING DEC TO CONCENTRATE ITS EFFORTS ON THE WORST FIRST. THE HAZARD RANKING MODEL WAS COMPLETED ON AUGUST 31, 1991. ALTHOUGH IT WILL CONTINUE TO BE REFINED THROUGH ITS USE, THE DEPARTMENT IS APPLYING THE MODEL TO DETERMINE WHICH SITES POSE THE GREATEST RISK AND ARE IN NEED OF THE MOST IMMEDIATE ACTION.

FY92 INTENT: IT IS THE INTENT OF THE LEGISLATURE THAT THE DIVISION'S (SPILL PREVENTION AND RESPONSE) BUDGET SUBMITTAL CONTAIN A SEPARATE BUDGET COMPONENT FOR EACH PROJECT IN THE ENVIRONMENTAL QUALITY BRU.

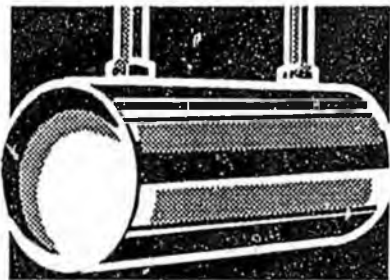
AGENCY RESPONSE: AS STATED ABOVE, THE DEPARTMENT'S FY93 BUDGET HAS BEEN PREPARED ACCORDINGLY.

FY92 INTENT: IT IS THE INTENT OF THE LEGISLATURE THAT D.E.C. CONDUCT A STUDY TO IDENTIFY SITES THROUGHOUT SOUTHEASTERN ALASKA WHERE OLD WASTE OIL, ABANDONED TANKS OR BARRELS OF OIL (SUCH AS AT ABANDONED CARRIAGES), OR OTHER WASTE FUEL IS STORED, AND TO DEVELOP A PLAN TO COLLECT AND PROPERLY DISPOSE OF IT. THE DEPARTMENT SHOULD REPORT BACK TO THE LEGISLATURE WITH ITS FINDINGS, AND PROPOSAL FOR HANDLING THE TASK, IN JANUARY OF 1992.

AGENCY RESPONSE: ALL THE INFORMATION NEEDED TO COMPILE THIS REPORT HAS BEEN GATHERED. IT IS ANTICIPATED THAT THE REPORT WILL BE SUBMITTED TO THE LEGISLATURE BY THE 20TH OF JANUARY.

NOTE: NEW BRU CREATED FOR SPILL PREVENTION AND RESPONSE PROGRAMS WITH 3 NEW COMPONENTS. THE SPILL PREVENTION AND RESPONSE DIRECTOR COMPONENT HAS BEEN TRANSFERRED OUT OF THE ENVIRONMENTAL QUALITY PROJECTS BRU AND INTO THIS NEW BRU.

S T A T E O F A L A S K A
BOARD OF STORAGE TANK ASSISTANCE



**UNDERGROUND
STORAGE TANK FINANCIAL
ASSISTANCE PROGRAM**

1992 ANNUAL REPORT

FISCAL YEAR 1991

FISCAL YEAR 1992 TO DATE



*Submitted to the Second Session of the Seventeenth Alaska Legislature, January 23, 1992,
by the Board of Storage Tank Assistance*

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MESSAGE FROM THE CHAIRMAN

During the past two to three years, businesses and municipal governments of all sizes from all areas of Alaska have learned that the old adage "out of sight, out of mind" no longer applies to their underground tanks, commonly referred to as UST's. The concerns surrounding the UST's are literally causing many to come to the surface along with new issues that include pollution, regulations, high costs, bankruptcy, environmental liability, emotional stress and the list goes on. These issues directly impact the survival of many of the long time Alaskan businesses that have depended on the past use and future use of an UST.

In the past, the primary concern about an UST that leaked petroleum product was usually in regard to the cost of replacing the lost fuel. Only recently have we developed an acute awareness of the risks associated with the contamination of our drinking water resources from underground fuel spills. The financial and liability impacts from a leaking UST could be devastating to the UST owner or operator.

The passage of HB 220 during the 1990 State Legislative session brought hope to UST owners. The bill also created the Board of Storage Tank Assistance. The Board has been charged with the responsibility to develop UST regulations that establishes criteria or UST improvements and financial assistance. The regulatory issues of the UST program are very complicated as well as controversial. The Board has diligently taken on the task with an earnest commitment to develop regulations that are reasonable for Alaskans, and yet, satisfy the minimum Federal UST requirements.

The Board has come to the realization that the most pressing problem with the implementation of the state UST program is cost. As many businesses and municipalities have come to learn, the cost associated with UST removal, upgrade, replacement and cleanup are staggering. Often times, the existing UST has caused extensive contamination of the subsurface soils and groundwater aquifers. The cost of cleanup typically ranges from \$50,000 to \$1,000,000, and may require several years of remediation if the groundwater was contaminated. The cost associated with the installation of new UST's that meet the minimum State and Federal requirements typically are over 10 times the cost for an UST that was installed, of similar size, several years ago.

Financial assistance from the State UST program is essential to soften the blow to the Alaskan community impacted from the implementation of the new regulations. It is imperative that the program provide UST owners with sound technical and financial assistance in the most efficient and cost effective manner possible. The Board is prepared to meet these challenges as envisioned under the enactment of HB 220. The Board keenly recognizes that legislative support is crucial for the success of the UST program. To this end, the Board looks forward to working with the Legislature to accomplish this goal.

Robert Gilfillian, Chairman
Board of Storage Tank Assistance



SUMMARY

The Board of Storage Tank Assistance, in cooperation with the Department of Environmental Conservation, has successfully developed a regulatory program for underground petroleum storage tanks, termed UST's, and has been instrumental in establishing technical and financial assistance mechanisms to help UST owners and operators come into compliance with state and federal regulatory requirements.

The Storage Tank Assistance Fund had received an initial capitalization of \$6,009,200 in FY 91. During FY 91 \$409,514 was expended on program administration and \$109,460 was expended on an emergency cleanup grant. The grant was authorized by the Board of Storage Tank Assistance based on allocations to the cleanup program from the Fund.

In FY 92, no new monies were appropriated to the Fund. The Fund has received \$942,817 in registration receipts to date, \$525,577 from the 1991 tank registration year and \$417,240 from the 1992 registration year. The registration fees are derived from UST owners and operators that are eligible to participate in the financial assistance programs. In addition, \$5,462,884 in unused FY 91 funds were rolled forward for use during FY 92. The Board allocated a total of \$5.3 million for disbursement as grants and loans to the various financial assistance programs administered by the Department of Environmental Conservation. Applications and intents to apply were received for a total of \$13,316,667. During the first half of FY 92, \$754,173 was expended or encumbered for grants to cover the costs of tank tightness tests, site assessments, cleanup, upgrade and closure. Anticipated grant and loan awards for cleanup in FY 92 equals \$1,292,451, and authorized grant awards for upgrade and closure equal \$1,462,148.

For activities that will be funded from the FY 93 appropriation, a total of \$30,710,885 has been received in financial assistance requests. The Tank Cleanup Grant and Loan Program received 172 applications to date for financial assistance for cleanups during FY 93. The dollar amount of cleanup application requests was \$25,441,202. A total of 367 applications to the Tank Upgrade and Closure Program were received requesting \$5,269,683 for projects during FY 93. Estimated revenue from tank registration receipts expected to be received during FY 93 is approximately \$430,000.

The financial responsibility requirements were delayed for owners of 1 to 12 tanks. Most tank owners will be required to demonstrate \$1 million of financial responsibility per occurrence and \$2 million aggregate. The final date for tank owners to meet this requirement was recently delayed to December, 1993. Pollution liability insurance is presently available but very expensive for most small tank owners. The minimum average premiums are \$1,500 per site, \$500 per tank and \$3,500 per policy.

As of January 15, 1992 a total of 65 applicants have been issued an UST Worker License in at least one or more categories. Another 125 persons have passed the state certification exam but are still awaiting approval by the Division of Occupational Licensing.

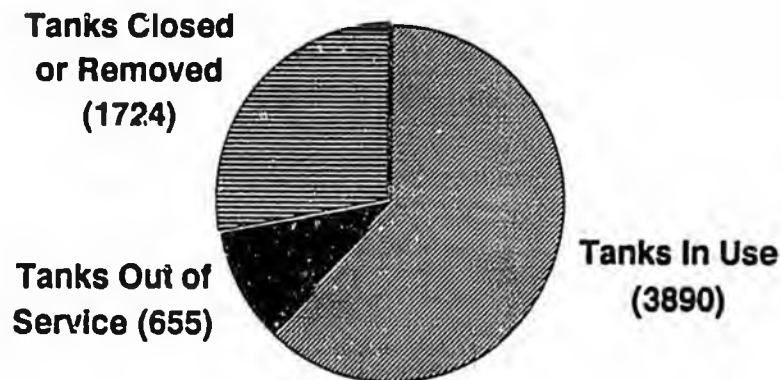
Introduction

This report has been prepared pursuant to AS 46.03.363, requiring an Annual Report to the Legislature, to describe activities of the Board of Storage Tank Assistance for the preceding fiscal year. A separate report has also been filed by the Department of Environmental Conservation for activities related to the Underground Storage Tank Program and the Storage Tank Assistance Fund.

The Underground Storage Tank Program was implemented to assist owners and operators of regulated underground petroleum storage tanks, predominately motor fuel tanks, to meet the requirements to upgrade their tanks to federally mandated 1998 standards, to close out of use or outdated facilities and to aid in assessing and cleaning up soil and groundwater contamination resulting from leaking underground storage tanks. The work is accomplished through educational, technical, and financial assistance mechanisms that have been developed by the Board of Storage Tank Assistance and the Department of Environmental Conservation.

Underground Storage Tanks (UST) have become a concern throughout the United States due to their potential for undetected leaks that might result in the contamination of soils and groundwater, especially drinking water supplies. The Alaska Department of Environmental Conservation reports that there are approximately 4,545 underground tanks in Alaska, located at approximately 1,600 facilities.

Status of Underground Storage Tanks in Alaska



Most of the tanks in the state are located at gas and service stations, commercial facilities, such as trucking firms, and contractor and utility facilities. There are also hundreds of additional tanks reported at facilities such as air taxi and air craft owner facilities, city and borough facilities, federal institutions and military installations. Most tanks are concentrated in major population or industrial areas such as Anchorage and Fairbanks.



The Problem

In 1984 Federal Law (Subtitle I of the Resource Conservation and Recovery Act) mandated that owners of certain kinds of underground storage tanks (UST) containing petroleum products and other regulated substances meet standards which would prevent leaks and assure adequate cleanup where leaks occurred. That law was followed by federal UST regulations in December of 1988.

Over 4,500 underground storage tanks have been identified in the state of Alaska. Other tanks probably exist which have not been reported. Most of these tanks are not protected from leaks and spills and may be unknowingly damaging the states drinking water supplies. Groundwater provides drinking supplies for nearly 70% of the population in Alaska. Additionally, the vapors from leaks may seep into basements of homes and buildings and cause other safety and health hazards.

Headlines are commonplace throughout the state concerning pollution resulting from underground storage tanks. Many service stations are reducing their liability and cutting back on services while others have simply gone out of business altogether.

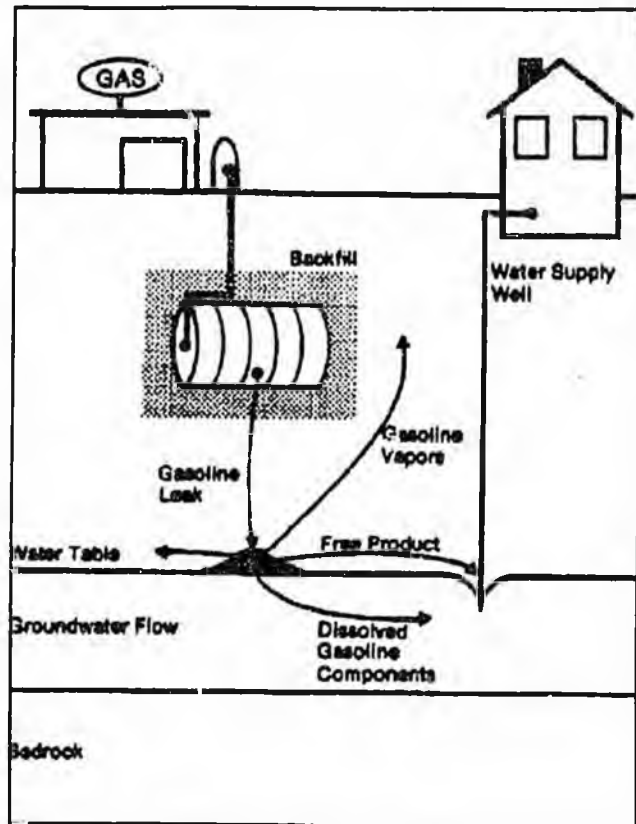




Leaks, overfills and spillage during deliveries to Underground Storage Tanks or UST's are the crux of the problem.

A leaking tank can be nearly impossible to detect without special equipment. A considerable number of leaks occur due to failed fittings between the tank and piping, spillage during filling or overfilling, or corrosion.

Corrosion holes in steel tanks cannot be seen until the tank or piping has been removed or exposed. A corrosion hole that causes a tenth of a gallon per hour leak would release over 800 gallons of fuel per year into the lands of the state. The leak could go unnoticed for years, slowly percolating through the soil and possibly into the water table. This leaking fuel can eventually migrate toward a draw down point such as a private or municipal drinking water well.



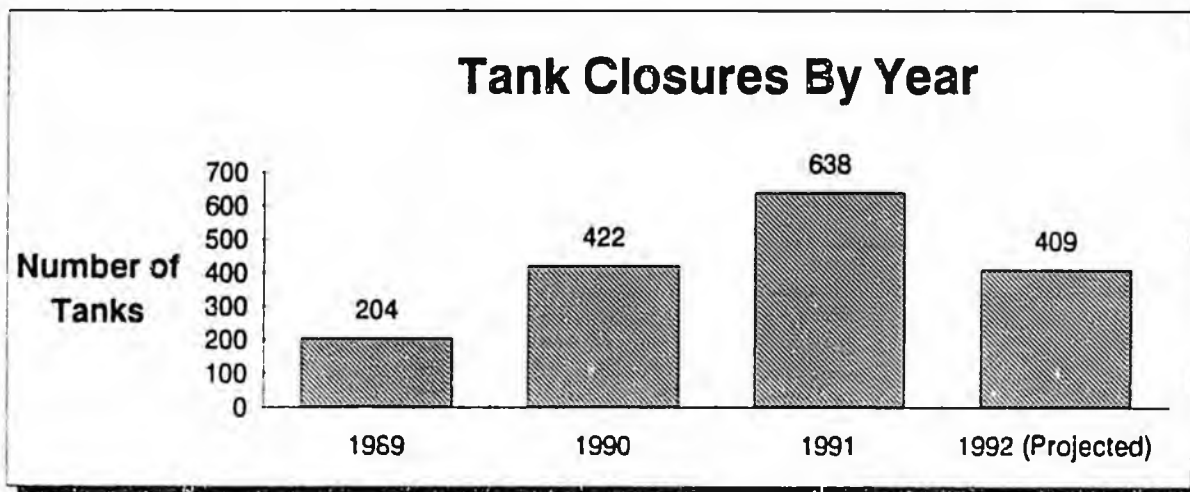
Once a tank has leaked the cost to investigate the leak can be a tremendous burden on the tank owner. The typical cost to cleanup contaminated soils may range from \$10,000 to \$50,000 while the cost to clean up one underground drinking water supply may range from \$300,000 to \$1,000,000 or more! Numerous small businesses in Alaska have been forced to sell out or go into bankruptcy when faced with the cost of environmental compliance.

This can be a serious and sometimes catastrophic event to the tank owner.

Although the leak originates from his facility, the leak is very rarely caused by negligence on the owners part. The facility was usually installed and operated to a standard of practice that was considered sound and conscientious. Many times the facility owner or operator is treated as a criminal, when in fact the leak or spill might have been caused by natural processes such as corrosion over time or by an accident caused by a passerby.



Alaska has seen a dramatic increase in the number of closures, partially the result of the availability of financial assistance to close a tank, but also in part due to the need for tank owners and operators to reduce their environmental liability. Many closures are the result of old tanks in need of replacement or upgrading, while others are just no longer convenient due to the high cost of regulatory compliance. Some however, have been closed because of extensive contamination discovered from a leaking tank system.



Federal Underground Storage Tank Laws

The EPA was directed to develop regulations for design, construction, and installation of new tanks as well as the addition of leak detection, corrosion prevention and spill and overfill protection to existing tanks. Certain tank systems are specifically excluded from federal law. The most common exemptions are 1) farm or residential tanks of 1,100 gallons or less capacity storing motor fuels for noncommercial purposes; and 2) tanks storing heating oil for consumptive use on the premises where stored. The EPA regulations went into effect on December 22, 1988.

Congress also mandated that all UST owners, except that state and federal governments, be able to demonstrate specific levels of financial responsibility for corrective action and cleanup associated with releases from their UST's, including third party loss and bodily injury.

FINANCIAL RESPONSIBILITY

THE TANK OWNER AND OPERATOR MUST ENSURE MONEY IS AVAILABLE TO PAY THE COSTS OF:

- A. CLEANUP OF TANK LEAKS AND
- B. THIRD PARTY LIABILITY CAUSED BY LEAKS

The financial responsibility requirements were phased in for all tank owners, according to the type of owner and the number of tanks owned. Most tank owners will be required to demonstrate \$1 million of financial responsibility per occurrence and \$2 million aggregate. The final date for all tank owners to meet this requirement was recently delayed to December, 1993.

UST OWNERS MUST HAVE THIS MUCH COVERAGE

PETROLEUM MARKETER, 1 - 100 TANKS

\$1,000,000 Per Occurrence
\$1,000,000 Annual Aggregate

PETROLEUM MARKETER, 100+ TANKS

\$1,000,000 Per Occurrence
\$2,000,000 Annual Aggregate

PETROLEUM NON-MARKETER 1-10,000 Gal/Mo

\$500,000 Per Occurrence
\$1,000,000 Annual Aggregate

PETROLEUM NON-MARKETER, 10,000+ Gal/Mo

\$1,000,000 Per Occurrence
\$1,000,000 Annual Aggregate

WHEN UST OWNERS MUST HAVE IT

JANUARY 1989

- Marketers with 1,000+ Tanks
- Non-Marketers, \$20,000,000+ Net Worth

OCTOBER 1989

- Marketers with 100 to 999 Tanks

APRIL 1991

- Marketers with 13 to 99 Tanks

DECEMBER 1993

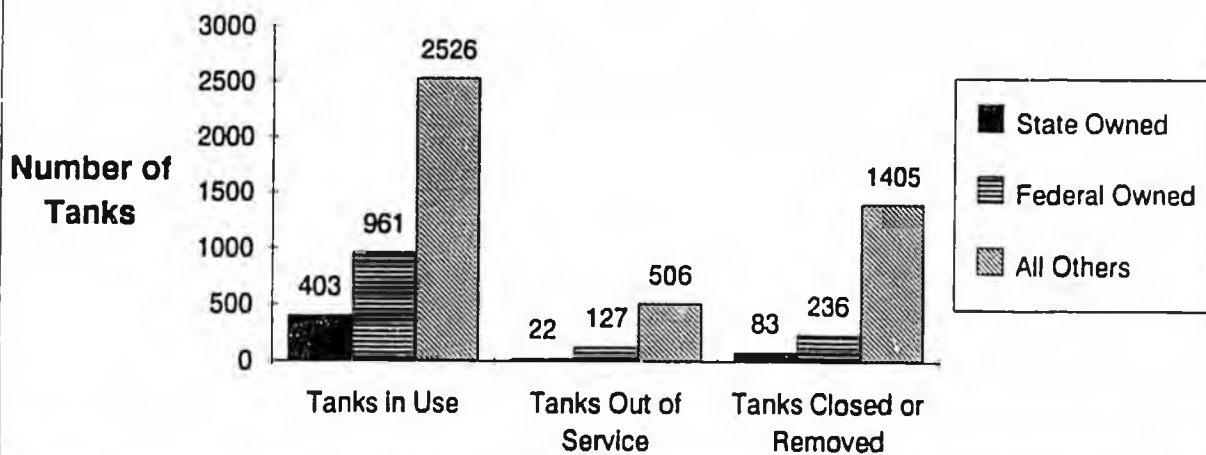
- Marketers with 1 to 12 Tanks
- All other Tanks



Alaska's Underground Storage Tank Laws

Most businesses covered by the EPA's UST regulations are small, "Mom-and-Pop" businesses who cannot afford to meet the financial responsibility requirements, pay the fine or clean up contaminated sites. ADEC estimates that of the 4,545 tanks that are in the ground in Alaska, there are 3,032 privately owned UST's in Alaska, of which approximately 2,700 are owned by small, independent companies.

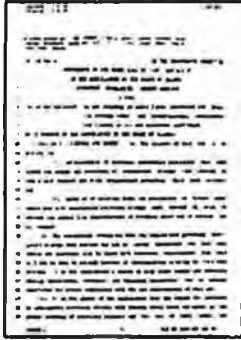
Ownership of Underground Storage Tanks in Alaska



On June 7, 1990, former Governor Cowper signed into law a comprehensive bill pertaining to the UST community. This enabling and extensive legislation set performance standards for both new and existing installations, mandated reporting and corrective action when leaks occur and directed owners and operators to demonstrate their ability to respond financially to a leak or spill.



The bill, known then as HB 220, dealt with both the new UST performance standards and the problems with financial responsibility compliance. It sets out the authority for a regulatory program covering, in addition to the performance standards, registration of tanks with an associated registration fee, corrective action in case of UST releases, enforcement of regulations, and certification of tank workers.



In 1990 and 1991, the Department of Environmental Conservation, in conjunction and with guidance from the Board of Storage Tank Assistance, fully developed and implemented the regulatory program for underground storage tanks as mandated by the Alaska State Legislature.

As was the legislature's intent, the Board took a lead role in developing and implementing a program to help owners and operators of UST's that emphasized educational, technical and financial assistance.

The UST Financial Assistance Programs

- (1) **TANK TIGHTNESS TESTING AND SITE ASSESSMENT INCENTIVE PROGRAM:** Reimbursement for up to 50% of the eligible costs to conduct a tank tightness test or a site assessment. This work must be completed within one year of registration in order to be considered for reimbursement. Limited to \$300 per tank up to \$1200 per facility for tightness tests and \$800 per tank and \$3200 per facility for site assessments. To remain eligible for reimbursement application or intent must be made prior to March 5, 1992.
- (2) **UPGRADE AND CLOSURE GRANT PROGRAM:** Grants for 60%, up to \$60,000, for the costs of either upgrading (including replacing) or closing (including removing) a pre-1988 UST. Upgrading an UST would include adding leak detection, spill and overflow prevention, or cathodic protection. This money will be available to owners and operators either as an upfront grant or as a reimbursement for work done prior to application. All work must meet the performance standards set out in Article 1 in order to qualify.
- (3) **CLEANUP GRANT AND LOAN PROGRAM:** Grants for 90% up to \$1 million per occurrence for the cost of cleanup associated with a release from an UST. The owner is responsible for 10% of the cost up to a maximum of \$25,000. That amount may be loaned at no interest. Loans must be repaid to the state within 5 years. The grant will be available to owners and operators either as an upfront grant or as a reimbursement for work done prior to application.
- (4) **RETROACTIVE REIMBURSEMENT PROGRAM:** Reimbursement for upgrading, closing, or cleanup of an UST done after the effective date of the EPA regulations (December 22, 1988) and before September 5, 1990 must have been applied for on or before March 5, 1991. Amounts are limited to 60% of upgrading or closing, 90% of cleanup, to a dollar maximum of \$200,000 per owner and operator. This program has the lowest priority and no funds can be allocated until all other requests in all other programs have been satisfied.



Board of Storage Tank Assistance

Introduction

The original enabling legislation established a seven-member Board of Storage Tank Assistance. The commissioners of the departments of Environmental Conservation and Transportation and Public Facilities are the government members. Each of the five public members are required to have special knowledge in the UST field. There is to be a registered engineer, a general contractor, a person from the insurance industry, a owner of more than 10 tanks, and an owner of 10 or less tanks. Members serve staggered 4 year terms with the Board scheduled to sunset on June 30, 1996. Former-Governor Cowper appointed the original board members on September 5, the effective date of the legislation. Shortly after taking office Governor Hickel replaced one member by appointed Ward Livingston as the representative of the insurance industry.

Board Members

Bob Gilfilian, Wasilla - Registered Professional Engineer. Mr. Gilfilian is the owner and principal of Gilfilian Engineering, Inc. and Mat-Su Test Lab, Inc. These firms provide professional consulting services in the areas of civil and environmental engineering and quality control testing. Mr. Gilfilian is also Chairman of the Board.

Ed Anders, Fairbanks - Tank owner, under 10 tanks. Owner and manager of Chena Valley Development, Valley Center, and Anders Cache. These include facilities with underground storage tanks. Mr Anders is Vice-Chairman of the Board

Earl Billingslea, Soldotna - Tank owner, over 10 tanks. Mr. Billingslea is the President and Chief Executive Officer of Alaska Oil Sales, Inc., a position he has held for 17 years.

John Bertholl, Juneau - General Contractor. Registered General Contractor, owner and operator of Douglas Oil Heat, tank sales and installation, and president of Petroleum Services, Inc., which works with tank installation, upgrade, removal and closure.

Ward Livingston, Anchorage - Insurance Industry Representative. Account Executive and Vice-President of Willis Carroon Corporation, actively involved with underground storage tank pollution liability insurance.

Janice Adair, Juneau - ADEC Representative. Special Assistant to the Commissioner of the Alaska Department of Environmental Conservation.

Keith Gerken, Juneau - DOT/PF Representative. Deputy Commissioner of the Alaska Department of Transportation and Public Facilities.

Board Responsibilities

The Board of Storage Tank Assistance has three basic roles which have been mandated by the legislature. The first duty of the Board was to write regulations relating to financial assistance for UST owners and operators. The Board also jointly developed regulations with ADEC pertaining to cleanup standards and allowable technologies to be used in the cleanup of contamination resulting from leaking tanks. The Board is responsible for writing the regulations dealing with the financial assistance programs. The department is to implement the regulations.

The Board is to resolve any disputes between the department and owners or operators of UST's relating to cleanup activities. The Board is directed to write jointly with the department any regulations as to acceptable methodologies for testing, containment and cleanup of corrective action of UST sites. The department is to consult with the Board before adopting any regulations on cleanup standards, i.e. the level of a contaminant that is allowed to remain in the soil or groundwater after cleanup.

The second duty of the Board directly relates to the allocation of funds to the various financial assistance programs. These allocations may be performed one or more times per year, based upon the total or estimated financial needs of each respective program and the availability of funds.

The third, and by far the most important duty the Board must undertake, is to mediate disputes between the Department of Environmental Conservation and regulated underground petroleum storage tank owners and operators. In regard to disputes arising over priority rankings and eligible costs, the Board's decisions are binding upon the department and the owner or operator. For corrective action plan disputes, or denials for payment under the retroactive reimbursement program (sec. 7, ch.96, SLA 1990), the board may only issue recommendations.

It is the Board's highly influential role as mediator that UST owners and operators will be seeking when they contact the Board of Storage Tank Assistance. Although the Board developed the financial assistance regulations, the Department of Environmental Conservation actually implements those regulations, i.e. physically processes each applicant's request for financial assistance. This enables the Board to remain objective and unbiased when a dispute arises. The Board is then tasked with resolving the matter in a prompt and conscientious manner.

The Board has met with DEC staff on numerous occasions since being appointed. A decision was made early on to approach the writing of the entire regulatory package and to set overall program implementation policy jointly.



FY 91 Activities

HIGHLIGHTS

Played a major role in the development and adoption of a regulatory program similar to the current federal program aimed at the overall upgrade of tank systems and the prevention, detection, and correction of leaks from underground storage tanks.

Developed and adopted regulations for financial assistance for UST owners and operators that wish to test, upgrade, close or cleanup contamination.

Initiated a public outreach program for educating tank owners or operators on the requirements of State and federal underground storage tank regulations.

Coordinated and took a lead role in the development of a program for certification of storage tank workers.

Establish policies for implementation and disbursement of Storage Tank Assistance Fund monies to partially reimburse the costs of tests for eligible tank systems.

Established policies for the grant and loan program from the Storage Tank Assistance Fund to help pay for the costs to assess, contain, correct, and clean up underground storage tank petroleum releases.

Establish policies for the grant program from the Storage Tank Assistance Fund to help pay for the costs to upgrade or close an underground storage tank system.

Participated in six informational workshops in October and November, 1990 in Juneau, Anchorage, Fairbanks, Kodiak, Kenai and Dillingham. ADEC personnel presented information pertaining to HB 220, the federal laws and regulations, tank tightness testing, site assessments, closure, registration, certification and financial assistance.

Participated in the development of a Cleanup Standards Working Group comprised of oil industry professionals and consultants, the public, and ADEC.

Participated in the development of an information video concerning development of Alaska's Underground Storage Tank Program for presentation to the legislature, staff training and future public workshops.

Allocated monies to the various financial assistance programs based upon the FY 91 initial capitalization of \$6 million.

In consultation with ADEC Financial Assistance staff, authorized an emergency cleanup grant to a facility in Wasilla, Alaska.

Funds Allocated in FY 91

Funds appropriated by the legislature to the Storage Tank Assistance Fund are allocated annually by the Board of Storage Tank Assistance to the tank tightness and site assessment incentive program, the tank cleanup program, the tank upgrading and closure program and reimbursement program. The Storage Tank Assistance Fund had received an initial capitalization of \$6,009,200 in FY 91.

As the program had not yet been fully implemented by the close of FY 91, the Board of Storage Tank Assistance allocated funds equally to the cleanup grant and loan program and the upgrade and closure grant program. The allocation was based upon the initial FY 91 capitalization less the program development costs. The only grant issued during FY 91 was an Emergency Grant for tank cleanup activities for \$109,460 issued to Wasilla Stop and Shop in Wasilla, Alaska. Total expenditures for FY 91 were \$518,974. FY 91 expenditures mainly supported program administration for a total of \$409,514. Total revenue greater than expenditures for FY 91 was \$5,490,227.

The Board makes annual allocations from the Fund to the four programs listed in (a) of this section, taking into consideration the amount of money in the fund, the money required to meet the needs for each program, as supported by approved applications, that tank tightness testing and site assessment must be completed by March 5, 1992, the requirement that the greatest priority be given to funding UST's that present the greatest threat or potential threat to human health, the requirement under sec. 7(e)(3), ch. 96, SLA 1990, that work completed before September 5, 1990, receive the lowest priority for reimbursement, the ability to phase the costs of grants for corrective action, the need to reserve at least 15 percent of each year's allocation to the tank cleanup program for cost increases, emergency grants, contingencies, and audits of final cost statements and the need to reserve at least 10 percent of each year's allocation to the tank upgrading and closure program for cost increases and contingencies.



**Storage Tank Assistance Fund Summary for FY 91****FY 91 Funding**

Initial Capitalization	6,000,000
SLA 90 Ch. 209 Pg. 78 Li. 14	
FY 91 Payroll Supplemental	
SLA 90 Ch. 45	<u>9,200</u>
Total FY 91 Funding	<u><u>6,009,200</u></u>

Less: FY 91 Expenditures

Program Administration AR 48879-91	
Personnel	253,924
Travel	67,501
Contractual	65,274
Supplies	12,273
Equipment	<u>10,541</u> 409,514
Grants (Tank Cleanup Program) AR 48411-91	<u>109,460</u>
Total Expenditures	<u><u>518,974</u></u>
Total Revenue Greater Than Expenditures	<u><u>5,490,227</u></u>
Reserve For Encumbrances	-27,343

Emergency Cleanup Grant

During the week of April 8-15, 1991, damage at a vehicle fueling facility in Wasilla resulted in a subsurface discharge of approximately 2400 gallons of regular gasoline to soil and groundwater from a malfunctioning turbine pump connection associated with a 12,000 gallon underground storage tank. The facility, Stop N Shop, is a property belonging to the partnership of Worrell, Illies, and Riley. It is located immediately adjacent to the railroad tracks and the Parks Highway and is approximately 1/2 mile from Lake Lucille. Groundwater in the immediate area was contaminated by this release. Although no drinking water sources were affected, there are several active wells in the immediate vicinity.

The owners made a request for assistance to the Board of Storage Tank Assistance at a regularly scheduled meeting on April 26, 1991. The Department issued an emergency grant to Stop N Shop for a total of \$109,460. This grant paid for the eligible project costs of initial abatement and release investigation, which included the removal of product and testing of soil and groundwater. Funding for the remainder of the work required on the site was to be obtained through the Department's general financial application and loan process. Although the Wasilla Stop and Shop facility did have pollution liability insurance for situations such as this, the policy only covered expenses incurred to a total of \$10,000. This amount was deducted from the total grant award made by the ADEC.

The Department of Environmental Conservation provided critical guidance and oversight during the early stages of release investigation and initial corrective action. The Contaminated Sites Section of ADEC coordinated the installation of a pumping system that successfully lowered the drawdown point and temporarily reversed the normal groundwater flow direction, thereby enabling released product to be recovered. After an initial response effort that was extremely successful in recovering nearly 50% of the product that was lost, a continued effort was made to determine the overall extent of contamination in the area. A total of nine groundwater monitoring wells were to be installed at the site. Additional wells may be required to facilitate pumping equipment for groundwater pump and treat remediation or possible in-situ bioremediation methods.





State UST Program Regulation Development

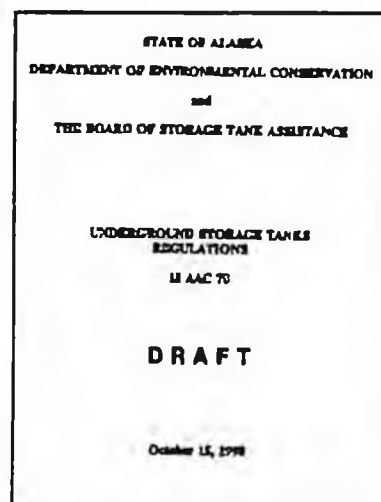
Alaska Statutes 46.03.360, 46.03.365, 46.03.375, 46.03.415, 46.03.420, 46.03.430 and SLA Section 7 provided authority for the Department and the Board to adopt regulations governing underground petroleum storage tanks in Alaska. The Board was mandated to adopt regulations dealing with financial assistance, eligibility and priority ranking, and the Department is mandated to adopt regulations dealing with installation, closure, technical and performance standards, corrective action for leaking underground storage tanks, cleanup standards, and certification of underground storage tank workers.

After the signing of HB 220, ADEC set up a regulatory development team. The plan was to develop a program prior to the construction season in 1991. The legislation also set deadlines for tank registration and submission of applications for reimbursement. The legislation prohibited the operation of an unregistered UST.

A team was formed from a number of people with particular expertise from within the department as well as a legislative assistant to the Senate Finance Subcommittee on HB 220. The team started work in the middle of July 1990 and, after meetings with the Board, went to public comment with a comprehensive regulatory package in October.

The state UST regulations cover the following general topics: Article 1, Underground Storage Tanks, sets out the registration requirements, performance standards, methodology for conducting a site assessment and reporting of releases; Article 2, Corrective Action for Leaking Underground Storage Tanks, covers investigation of a release or suspected release and the requirements for corrective action; Article 3, Cleanup Standards sets out the cleanup levels for soil and groundwater; Article 4, Certification of Storage Tank Workers, establishes the program for certifying those people who supervise the various aspects of UST installation, closure and testing; and Article 5, Storage Tank Assistance Fund, sets up the operation of the four different financial assistance programs created in HB 220. Article 9 contains the General Provisions and definitions.

The regulations were subjected to extensive public notice and public review. The first public review draft was available October 15, 1990.



The regulations were then reviewed at full day workshops held in October, 1990 at six locations across the state in Anchorage, Dillingham, Juneau, Fairbanks, Kodiak and Kenai.

The workshops were well attended and extensive comments from those workshops were received and considered. Public hearings were held in Fairbanks on November 15, 1990, Anchorage on November 17, 1990, and Juneau on November 19, 1990. Although the public comment period was to end November 23, 1990, the comment period for Articles 1, 2, 4, 5 and 9 was extended to December 10 and the public comment period for Article 3, pertaining to Cleanup Standards, was extended to February 22, 1991 and then yet further to March 13, 1991. Furthermore, ADEC and the Board of Storage Tank Assistance had continued to accept, consider and incorporate comments during the entire regulation development process. The Board considered all public comments received by the Department and allowed public testimony at all meetings. The Board and the department had also reviewed the additional testimonies delivered in February 1991 at the House Oil and Gas Committee and House Finance DEC Budget Subcommittee meetings.

Many people submitted written comments on the regulations. Most of the comments were very constructive and have been adopted into the regulations. The department also held three public hearings in mid-November. The Board found that one of the articles elicited the most comment. That was Article 3, relating to cleanup standards. It was decided to form a task force made up of oil industry representatives, environmental consultants, the environmental community and DEC personnel to develop a technology-based, cost-effective cleanup matrix. The task force developed a matrix which scores soil type, depth to groundwater, precipitation and aquifer use, giving a site a specific target cleanup level. Such an approach will set cleanup goals that are flexible enough to recognize Alaska's varying geography and population distribution while still protecting the public and its enjoyment and use of the environment.

The regulations provided a framework for fair treatment of tank owners and operators through considerations of operating conditions unique to Alaska, allowances for waivers, modifications, and extensions of reporting requirements. Most importantly, the regulations revolve around a principal founded upon technical, educational and financial assistance.

The regulations are believed by the Board to be beneficial to underground storage tank owners and operators in providing mechanisms that assist them to meet federal requirements in a timely manner without jeopardizing their livelihoods. The regulations also provided opportunities for underground storage tank owners and operators to assess and clean up contamination with assistance from the Department and without the involvement or enforcement by the Environmental Protection Agency. Above all, the regulations are beneficial to the people of Alaska in setting performance standards for underground storage tanks to protect Alaska's drinking water supplies from petroleum contamination.



FY 92 Activities

HIGHLIGHTS

The Board of Storage Tank Assistance allocated monies to the various financial assistance programs based upon unused funds remaining from the initial FY 91 capitalization combined with tank registration receipts received during the 1991 tank registration year.

The Board resolved to ask the EPA to extend the deadline for UST owners and operators to meet Financial Responsibility. The Board asked the Alaska State Legislature to pass a similar resolution. The EPA subsequently extended the Financial Responsibility deadline for owners of 1 to 12 tanks to December 31, 1993.

The Board of Storage Tank Assistance continued with a public outreach program for educating tank owners or operators on the requirements of state and federal laws and regulations.

The Board maintained a lead role in coordinating efforts with the Division of Occupational Licensing to certify underground storage tank workers.

The Board resolved numerous minor grievances and misunderstandings between UST owners and operators and the Department of Environmental Conservation.

The Board continued to make itself available at all times to assist owners and operators in resolving disputes pertaining to corrective action plans for leaking tanks.

The Board continued with policy development for implementation and disbursement of Storage Tank Assistance Fund monies to partially reimburse the costs of tests for eligible tank systems.

The Board continued with policy development for the grant and loan program from the Storage Tank Assistance Fund to help pay for the costs to assess, contain, correct, and clean up underground storage tank petroleum releases.

The Board continued with policy development for the grant program from the Storage Tank Assistance Fund to help pay for the costs to upgrade or close an underground storage tank system.

The Board coordinated and participated in seven informational workshops in November and December, 1991 in Juneau, Anchorage, Fairbanks, Kodiak, Homer, Soldotna and Ketchikan. Board and ADEC personnel presented information pertaining to the federal and state UST laws and regulations, tank tightness testing, site assessments, closure, registration, certification and financial assistance.

The Board continued to allow public participation at its meetings and continues to encourage public testimony and input on the UST Program in general.

Funds Allocated in FY 92

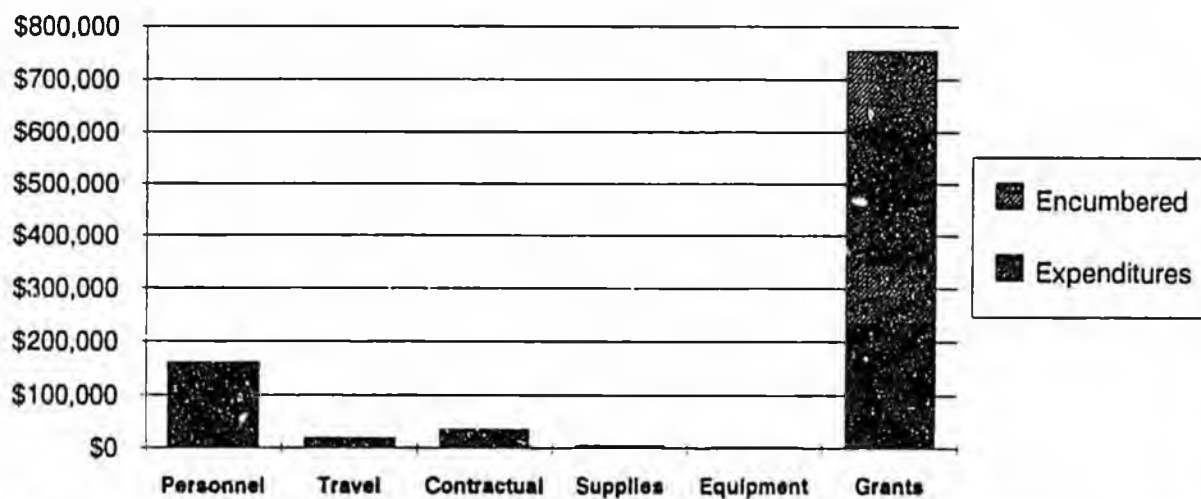
As was the case in FY 91, funds appropriated by the legislature to the Storage Tank Assistance Fund are allocated annually by the Board of Storage Tank Assistance to the tank tightness and site assessment incentive program, the tank cleanup program, the tank upgrading and closure program and reimbursement program.

In FY 92, no new monies were appropriated to the Fund. The Fund has received \$942,817 in registration receipts to date, \$525,577 from the 1991 tank registration year and \$417,240 from the 1992 registration year. The registration fees are derived from UST owners and operators that are eligible to participate in the financial assistance programs. In addition, \$5,462,884 in unused FY 91 funds were rolled forward for use during FY 92.

The Board allocated a total of \$5.3 million to the Department of Environmental Conservation for disbursement to three of the four financial assistance programs. The Board allocated \$1.5 million to the Cleanup Grant and Loan Program, \$1.5 million to the Closure and Upgrade Program and \$2.3 million to the Tank Tightness Testing and Site Assessment Incentive Program. The Board did not allocate monies to the retroactive reimbursement program.

Applications and intents to apply were received for a total of \$13,316,667. During the first half of FY 92, \$754,173 was expended or encumbered for grants to cover the costs of tank tightness tests, site assessments, cleanup, upgrade and closure. Authorized grant and load allocations for cleanup in FY 92 equals \$1,292,451, and authorized grant allocations for upgrade and closure equal \$1,462,148.

UST FINANCIAL ASSISTANCE PROGRAM FY 92 EXPENDITURES TO JANUARY, 1992





Storage Tank Assistance Fund Summary for FY 92

FY 92 Funding Sources

FY 91 Registration Receipts (SLA 91/73/34)	525,577	
FY 92 Registration Receipts to 1/6/92 (SLA 91/23/33)	<u>417,240</u>	
Total FY 92 Funding to 1/6/92		<u>942,817</u>

FY 92 Appropriations

Storage Tank Assistance Fund Program	6,700,000 (5,462,884)*	
Budgeted RSA w/ Div. A/S	<u>67,800</u>	
Total Appropriated		<u>6,767,800 (5,462,884)*</u>

Total Including Registration Receipts 6,767,800 (6,405,701)**

Status of FY 92 Appropriations

	Auth.	Restrict.***	Expend.	Enc.	Balance
<u>AR 48340 Storage Tank Program</u>	6,700,000	800,000	448,770	526,802	4,924,428
Personnel	526,600		159,991		366,609
Travel	31,000		19,717		11,283
Contractual	85,500		32,356	2,849	50,295
Supplies	7,000		3,873	83	3,044
Equipment	25,000		0	2,530	22,470
Grants	6,024,900	800,000	232,832	521,341	4,470,727
Tightness Tests			22,023	600	
Site Assessments			13,758	0	
Cleanup			181,541	302,245	
Upgrade			9,150	37,530	
Closure			6,361	180,966	
<u>AR 48127-92 RSA w/Div. of A/S</u>	67,800	0	0	0	67,800

* July 1, 1991 Actual is \$5,462,884 The reason for this discrepancy is that no new capitalization occurred in FY 92, i.e. residual FY 91 funds were rolled over into FY 92. Expenditures and obligations in the amount of \$546,316 were incurred against the initial FY 91 capitalization amount of \$6,009,200.

** January 6, 1992 actual is \$6,405,701 Registration receipts for FY 91 and FY 92 (\$942,817) were added to the FY 91 Storage Tank Fund rollover amount of \$5,462,884.

*** Restriction will be reduced to reflect program receipts.

**Grant Funds For Financial Assistance Program Allocated For FY 92****PROGRAM SUMMARY FOR FY 92**

Number Applications Received for FY 92 Funding	454
Total Dollar Amount of Application Requests	\$10,287,352
Total Dollar Amount of Application Requests Including TTT/SA Intents	\$13,316,667
Funds Allocated FY 92	\$5,300,000
Authorized Allocations to 12/31/91	\$2,790,380

TANK TIGHTNESS TESTING AND SITE ASSESSMENT INCENTIVE PROGRAM**Tank Tightness Testing**

Total Number Applications Received	131
Dollar Amount of Application Requests	\$95,008
Authorized Allocations to 12/31/91	\$22,023

Site Assessment

Total Number Applications Received	29
Dollar Amount of Application Requests	\$45,257
Authorized Allocations to 12/31/91	\$13,758

Program Total

Dollar Amount of Intents from 1991 Registrations	\$3,029,315
Funds Allocated FY 92	\$2,300,000
Authorized Allocations to 12/31/91	\$35,781

TANK CLEANUP GRANT AND LOAN PROGRAM

Total Number Applications Received	30
Dollar Amount of Application Requests	\$4,907,197
Funds Allocated FY 92	\$1,500,000
Authorized Grant Allocations to 12/31/91	\$1,173,429
Authorized Loan Allocations to 12/31/91	\$119,022

TANK UPGRADING AND CLOSURE PROGRAM**Tank Upgrading**

Total Number Applications Received	28
Dollar Amount of Application Requests	\$806,037
Authorized Allocations to 12/31/91	\$676,108

Tank Closure

Total Number Applications Received	74
Dollar Amount of Application Requests	\$946,785
Authorized Allocations to 12/31/91	\$786,040

Program Total

Funds Allocated FY 92	\$1,500,000
Authorized Allocations to 12/31/91	\$1,462,148

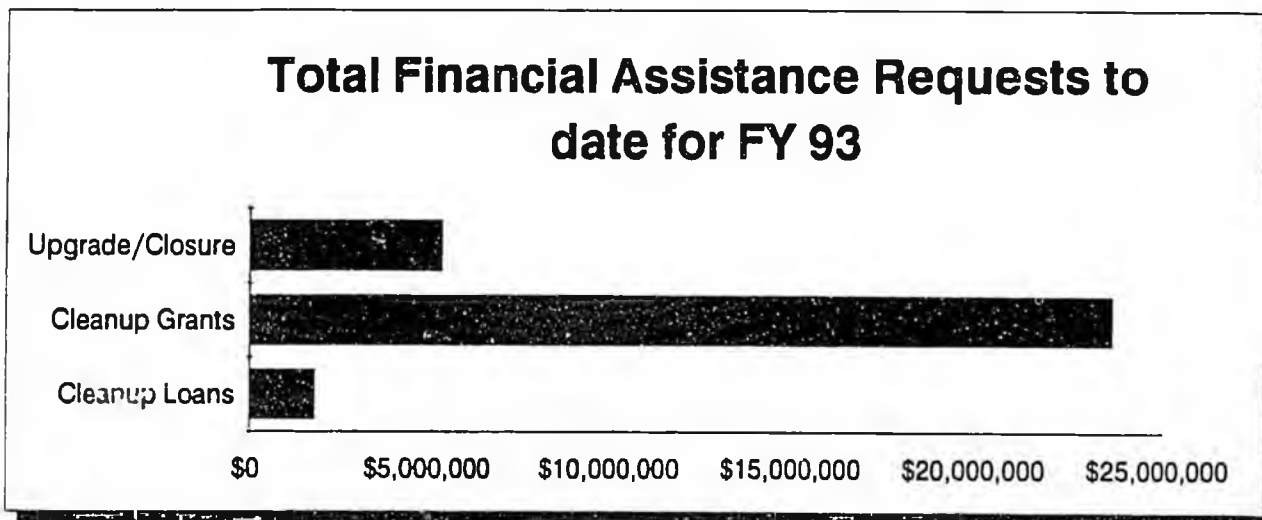
REIMBURSEMENT PROGRAM

Total Number Applications Received	162
Dollar Amount of Application Requests	\$3,487,068
Funds Allocated FY 92	\$0
Authorized Allocations to Date	\$0



FY 93 Requests for Financial Assistance

For activities that will be funded from the FY 93 appropriation, a total of \$30,710,885 has been received in financial assistance requests. The Tank Cleanup Grant and Loan Program received 172 applications to date for financial assistance for cleanups during FY 93. The dollar amount of cleanup application requests was \$25,441,202. A total of 367 applications to the Tank Upgrade and Closure Program were received requesting \$5,269,683 for projects during FY 93. Estimated revenue from tank registration receipts expected to be received during FY 93 is approximately \$430,000.



**Projected Costs For Financial Assistance Program For FY 93****PROGRAM SUMMARY FOR FY 93**

Number Applications Received for FY 93 Funding	539
Total Dollar Amount of Application Requests	\$30,710,885

TANK CLEANUP GRANT AND LOAN PROGRAM

Total Number Applications Received	172
Dollar Amount of Application Requests (Grants)	\$23,663,538
Dollar Amount of Application Requests (Loans)	\$1,777,664
Total Dollar Amount of Application Requests	\$25,441,202

TANK UPGRADING AND CLOSURE PROGRAM**Tank Upgrading**

Total Number Applications Received	101
Dollar Amount of Application Requests	\$2,264,799

Tank Closure

Total Number Applications Received	266
Dollar Amount of Application Requests	\$3,004,884

Program Total

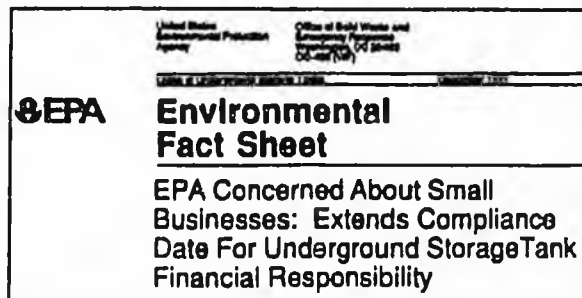
Total Number Applications Received	367
Total Dollar Amount of Application Requests	\$5,269,683



UST INSURANCE

Financial Responsibility Deadline

The Board of Storage Tank Assistance supported House Joint Resolution Number 32 and Senate Joint Resolution 25 pertaining to underground petroleum storage tanks. The Board and the legislature recognized the concerns of Alaskan underground petroleum storage tank owners and operators in regard to the October 26, 1991 deadline for meeting the EPA financial responsibility requirement. Although insurance was steadily becoming available, thereby enabling owners and operators to meet the federal financial responsibility requirement, the insurance was limited to only those owners and operators demonstrating that their site was free from petroleum contamination. Although the state financial assistance program had been implemented to assist owners and operators determine the extent and subsequently clean up contamination resulting from underground petroleum storage tanks, a considerable amount of time and effort was still needed to achieve that goal.



EPA received a considerable number of requests from other states as well as Alaska and subsequently extended the deadline for meeting financial responsibility to December 31, 1993.



EPA Financial Responsibility Rule

The purpose of the Federal Financial Responsibility Regulations is to have owners and operators show that they can pay for costs associated with leaks from Underground Storage Tanks (UST's). The rule also protects the owner/operator as it assures that money will be available should there be high cleanup costs or lawsuits from third parties.

COSTS THAT MUST BE COVERED BY FINANCIAL RESPONSIBILITY:

Costs of cleaning up the spilled substance
Costs of cleaning up the property (corrective action)
Cost of third party damages

Failure to meet the federal financial responsibility requirement could result in daily fines of up to \$10,000!



The EPA regulations set out in eight methods by which financial responsibility can be met. (Four additional methods have just been added for local governments). Owners must be able to meet this requirement by December 31, 1993 whether they have contamination or not. There is currently only one method which is at all possible for a small Alaska business to use - private insurance.



Pollution liability insurance is available but very expensive for most small tank owners. The minimum average premiums are \$1,500 per site, \$500 per tank and \$3,500 per policy. The minimum deductible is \$5,000. An owner can expect to be required to submit satisfactory results of both tank tightness test and a site assessment with the application. The site assessment must show that there is no contamination. It is this requirement which makes pollution liability insurance impossible for most UST owners to obtain.

**WAYS TO MEET FINANCIAL
RESPONSIBILITY
REQUIREMENTS:**

**Commercially available
Insurance
Self Insurance
Guarantee
Surety Bond
Letter of Credit
Combination of Above**

The problem still involves the question of eligibility for insurance. That is, Is a facility actually insurable? Many insurance plans call for a clean site to be demonstrated, no previous contamination. Many of Alaska's facilities are older, "mom & pop" type business's that have operated continuously for years. Most of these facilities have had numerous incidents of overfilling, spillage during fuel deliveries or in some cases, even previous leaks have occurred.

The Storage Tank Assistance Fund will help owners help themselves by assisting owners of contaminated sites to undertake proper cleanup and become insurable.

Availability of Insurance for Alaska UST Owners

Tank owners and operators demand for environmental impairment (pollution) liability insurance to meet the EPA financial responsibility requirement has been very low. This is due primarily to the EPA again extending the deadline to December 31, 1993 for petroleum marketers owning 1 to 12 tanks, non-marketers with less than \$20,000 in net worth and local governments.

Despite the "mixed messages" sent to tank owners and operators by the EPA's deadline extensions, UST owners and operators still have a common-law exposure. In the event a tank leaks, they're looking at contamination costs that could lead to third-party lawsuits from property damage or bodily injury.

General Star has dropped out of the environmental liability insurance market citing further extensions in tank owners deadlines for complying with government financial responsibility requirements. With demand for coverage so low they could not hold the reinsurance support needed to continue their program. However, some new underwriters have entered the market, despite warnings that the markets capacity greatly exceeds demand at this time. Generally the market capacity is the same or slightly increased over last year.



Underwriters for all types of tank owners:

Agricultural Excess and Surplus Insurance (A Great American Company)
Lloyd's of London
National Union - EnviroGuard
Illinois Union Insurance (A CIGNA Company)

Underwriters for tank owners of specific types:

John Deere Insurance Co. (if they write your auto, RV, boat or equipment dealer insurance)
Oilmen's Insurance - Fireman's Fund (for petroleum distributors)

Coverage:

Liability - Claims Made (claim must occur and be reported during the policy period; some extended reporting periods may be available)
Clean Up Costs
Defense Costs

Limits:Liability: From \$ 500,000 per occurrence
1,000,000 aggregate

To

\$20,000,000 per occurrence
20,000,000 aggregate

Clean Up Costs: \$250,000 to be included in liability limit

Defense Costs: \$100,000 to outside of limits

Deductibles: All coverages \$5,000 to \$50,000

Premiums: All coverages \$1,000 to \$3,500

Application Process:

Written application through an insurance broker licensed in the state
Tank Tightness Test - required by most underwriters
Site Assessment - may be required
Inventory Information - may be required

Estimate of time currently required to obtain coverage:

7-90 days depending on completeness and accuracy of application and information submitted.



UST INSURANCE IN ALASKA

Agricultural Excess & Surplus Insurance Co. (AESIC), a Great American company, offers UST pollution policies. For information, contact the Crump E & S Group (800/888-7126).

Illinois Union Insurance Co. a CIGNA company has entered the UST pollution market and will provide either full or just third party coverage. Contact Montgomery & Collins (303/751-7974) for information.

John Deere Insurance Co. continues to offer UST pollution coverage as part of its insurance package for auto, boat, RV and equipment dealers. To talk with a local representative, call 800/654-9391.

Lloyd's of London underwriters offer a UST pollution program. Either full or third party coverage is available.

National Union Fire Insurance Co., a member of the American International Group (AIG), has two programs. One program is for tank owners with over 25 tanks and is available through agents working with AIG. The other program, available to large and small tank owners, is offered through the Sedgwick James Co. (800/255-7112). These AIG programs offer third party coverage; as a general rule, they do not cover on-site cleanup.

Oilman's Insurance Plan offers a policy written by Firemen's Fund.



UST Worker Certification Program

Alaska Statute 46.03.375 requires certification of those who supervise a regulated underground petroleum storage tank (UST) installation or closure, or who conduct tank tightness tests or cathodic protection testing. Persons supervising such work must be certified by the state within one year after the regulations are adopted. The regulations were adopted on March 25, 1991. This means that those who supervise on-site work on tanks MUST be certified after March 25, 1992. Failure to be certified will result in a Class B misdemeanor penalty. By ensuring the people who are responsible for the work being done on USTs are properly trained, the state will protect its financial investment in the UST program.

The state UST regulations established four types of certifications:

Installation, which includes upgrading (such as retrofitting spill and overfill protection equipment, etc.) and repair.

Closure, which includes removal.

Tank tightness testing, for existing tanks (does not apply to the pre-installation air test, which must be done by a person certified to install)

Cathodic protection testing, for testing and monitoring previously installed tanks. (this is not required for installing cathodic protection equipment on a new tank at the time of installation, a person certified to install UST's can test a system at installation according to the manufacturers instructions)

People wishing to be certified must pass the certification exam and will need to demonstrate successful completion of at least two projects in the past three years in the relevant field.



As of January 15, 1992 a total of 65 applicants have been issued an UST Worker License in at least one or more categories. Another 125 persons have passed the state certification exam but are still awaiting approval by the Division of Occupational Licensing (D.O.L.).



The certification exam has been scheduled to be conducted at a number of locations throughout the state during the spring of 1992. Other locations and dates may occur as requested and as determined necessary by D.O.L.

TEST SCHEDULE:

LOCATIONS

March 13, 1992	Anchorage, Fairbanks, Juneau, Dillingham, Ketchikan, Kodiak
April 17, 1992	Anchorage, Fairbanks, Juneau, Dillingham, Ketchikan, Kodiak
May 22, 1992	Anchorage, Fairbanks, Juneau, Dillingham, Ketchikan, Kodiak

Training for UST Workers

Hartmann Management Corporation of Barrington, Illinois is conducting a 4 day UST training course April 13-16, 1992 at the Sheraton Hotel in Anchorage. Although it is not mandatory to take the course to become certified, the course has proven to be invaluable to persons wishing to become certified in Alaska. This comprehensive course includes coverage of such topics as codes and regulations, contract documents, project management, UST systems and components, material handling, excavating and trenching, supplemental holdown, backfilling and compaction, secondary containment, piping, electrical, safety, tank closure, testing, release detection, corrosion control, site assessments and corrective action.

The Plumbers and Pipefitters Joint Apprenticeship Committee in Fairbanks have organized a training seminar exclusively for their members in the Fairbanks area. They are bringing Hartmann Management Corporation to Fairbanks May 4-7, 1992.

The Division of Occupational Licensing, ADEC and the Board of Storage Tank Assistance have encouraged the private sector to develop other training programs devoted to Alaskan UST workers. At this time however, no other groups have come forward to offer training for UST workers in Alaska.

Future Certification Developments

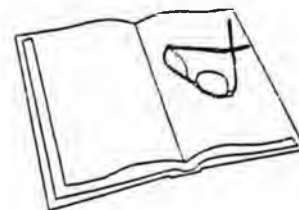
The Board of Storage Tank Assistance has taken the lead role in insuring the success of the Certification Program by working closely with the Division of Occupational Licensing staff for the issuance of licenses. Board staff have coordinated training classes, acted as lecturer's and assisted contractors and UST service providers in obtaining the proper forms and explaining the regulatory requirements. The Board has met with regulatory staff from other states to share ideas and develop concepts for improving the state UST Certification Program. Major obstacles that still must be overcome relate to insuring that UST Workers can receive reciprocity from other states. The EPA staff in Region 10 in Seattle have been sympathetic to this concern and are committed to helping the Board, ADEC and the Division of Occupational Licensing meet the needs of Alaskan UST workers. A joint and concerted effort will be made during FY 93 to raise the standard of Alaska's program such that it is acceptable to Oregon, Washington and Idaho. This will enable Alaskan's that have been certified in Alaska to also conduct similar work elsewhere in the Northwest.

UST Cleanups and Innovative Treatment Technologies

The Alaska Department of Environmental Conservation requires that any firm wishing to collect soil and water samples while undertaking site assessments, release investigations, corrective action or cleanups must develop a Quality Assurance Program Plan (QAPP) and have it approved by ADEC. The QAPP outlines the standard operating procedures, quality control procedures and data quality objectives for regulated underground storage tank (UST) site assessments. It directs the collection, interpretation, and reporting of data. This data will enable tank owners and operators and the Alaska Department of Environmental Conservation (ADEC) to evaluate the presence and extent of any groundwater and soil contamination and to determine if further action is necessary.

Quality Assurance Program Plans developed by engineering and environmental consulting firms operating in Alaska outlines a systematic approach to conducting UST site assessments. This approach is based on scientific studies, EPA guidance and methods, Alaska's UST regulations, and assessment and cleanup strategies currently used in Alaska and other states.

One means by which many of these firms can learn and apply technologies that are being developed outside of Alaska is through the Technology Information Office (TIO) of the U.S. Environmental Protection Agency.



The TIO office presently reports that approximately 60% of the cleanup technologies that have been applied between 1982 and 1991 were based on established technologies such as on-site or off-site incineration and solidification/stabilization methods. The balance of ongoing or completed cleanups are based on innovative technologies such as soil washing, solvent extraction, in-situ and ex-situ bioremediation, in-situ soil flushing, vacuum extraction, dechlorination, in-situ vitrification, chemical treatment and thermal desorption methods. Most, if not all, of these methods are being applied in Alaska with varying degrees of success. The Technology Information Office has developed a number of initiatives for dealing with improving technology transfer mechanisms.

- Innovative Hazardous Waste Treatment Technologies: A Developer's Guide to Support Services (EPA/540/2-91/012) identifies programs and services that support technology development and commercialization. This includes Federal and State programs, facilities that can provide services related to technology development and testing, and university-affiliated research centers. This information targets the technology developer who needs help validating or commercializing his technology, and in understanding permitting and other regulatory requirements.



- A Vendor Information System on Innovative Treatment Technologies (VISITT) is a new database to provide screening level information on cost and performance from vendors and their clients. This information will provide a clearinghouse of innovative technology information for companies, consulting engineers, and state and federal project managers.
- The Bioremediation Field Initiative is a joint effort between TIO and the Office of Research and Development. The program is designed to more fully document performance of full-scale applications of bioremediation, provide technical assistance for treatability studies and field pilot studies, and enhance cross-regional information transfer on bioremediation. Applications are documented in a regular newsletter of the same name (EPA/540/2-91/018).
- A Market Assessment Project is underway to profile the remediation market retrospectively and over the next several years. The objective is to provide developers and investors with information on the type and size of site problems so that development dollars can be channelled more productively. Information on specific sites may also help vendors market their technologies to site managers.
- The Federal Remediation Technologies Roundtable serves as an information exchange network for and about Federal agencies conducting applied research and development on innovative remediation technologies. The Roundtable has recently published summary reports of federal demonstrations (EPA/540/8-91/009) and federal databases (EPA/540/8-91/008), and a bibliography of federal reports (EPA/54/8-91/007) concerning innovative treatment. Future efforts will focus on joint or collaborative demonstration projects.
- Identification and removal of regulatory impediments is an ongoing function of TIO. The same regulatory framework which essentially established the market for remedial technologies unfortunately hampers the development and application of innovative technologies. These include the cost and timing to a research permit, unfamiliarity of permit writers with new technology, site-specific permitting for transportable units, and stringent cleanup levels under the Land Disposal Restrictions.
- Information dissemination is one of TIO's major initiatives. TIO compiles a bibliography of all significant EPA publications on innovative technologies (EPA/540/8-91/006) and a periodic bulletin, Tech Trends, (EPA/540/M-91/004) which communicates experiences encountered in applying innovative technologies in the field.

- TIO has sponsored three Forums on Innovative Hazardous Waste Treatment Technologies: Domestic and International. International and domestic vendors of innovative technologies present papers and posters with an emphasis on actual field applications. Abstracts are available (EPA/540/2-91/016) for the most recent of these conferences, which was held in Dallas in June 1991. Documentation is also available for the first forum in 1989 (EPA/540/2-89/055) and the second in 1990 (EPA/290/010).
 - Because one of the largest markets for remediation technologies may be the states, TIO has an initiative to encourage states to promote innovation. State regulatory requirements and remediation programs will have a major impact on the pace and extent of innovation. TIO is working with a number of interested states to explore opportunities to establish a regulatory environment which not only tolerates, but actively encourages innovation.
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APPENDICES

APPENDIX A

Tank Tightness Testing And Site Assessment Incentive Program For FY 92

OWNER NAME	FACILITY NAME	FAC ID#	TIGHTNESS TESTING	SITE ASSESSMENT	FINANCIAL ASSISTANCE		COMMENTS	ORIGINAL REQUEST
					AWARDED	PENDING		
Ak Sales & Service	National Car Rental	1255	300.00		300.00		Complete	300.00
Andres, Robert E.	Bob's Corner Service Station	2340	600.00	1,600.00	2,200.00		Complete	2,200.00
Borden, Shelby	Borden's Roadside	1630	900.00		900.00		Complete	900.00
Central Motor Inn	Central Motor Inn	2506	300.00		300.00		Complete	300.00
Cohen, David	Sheep Mt Lodge	2005		1,275.00	1,275.00		Complete	1,405.00
Crabb, Sandra	Crabb's Corner	341	600.00		600.00		Complete	600.00
Daniel G. Cox	Granite Creek Gen Store	899	900.00		900.00		Complete	900.00
Enstar	Anchorage Ops Ctr	120	1,186.40		1,186.40		Complete	1,186.40
Enstar	Sterling Gudenrath	1640	300.00		300.00		Complete	300.00
Enstar	Soldotna Ops Ctr	1639	600.00		600.00		Complete	600.00
Enstar	Spenard Rd Office Bldg	133	296.60		296.60		Complete	296.60
Enstar	Eagle River Operations	141	890.00		890.00		Complete	890.00
Furlong, Dan	Short Stop	643	600.00		600.00		Complete	600.00
Garrett's Tesoro	Garrett's Tesoro Int'l Blvd	2527	600.00		600.00		Complete	600.00
Homer Electric Assoc	HEA-Kenai	231	900.00		900.00		Complete	900.00
Howe, John	Wizard Wash	2551		2,599.32	2,599.32		Complete	2,599.32
Ken Bunch, Inc	Gulkana Air Service	1700	900.00		900.00		Complete	900.00
Ketchikan Public Util	KPU-Telephone	238	600.00		600.00		Complete	600.00
Ketchikan Public Util	KPU-Electric	1724	600.00		600.00		Complete	600.00
Kim, Ok Y.	Oceanview Texaco	762	735.00		735.00		Complete	735.00
Lucile E. Smith	Igloo City	297	1,100.00		1,100.00		Complete	1,100.00
Mike's University Svc	Mike's University Service, Inc.	956	1,200.00		1,200.00		Complete	1,200.00
Milco, Inc.	Frontier Service Texaco	2483	825.00		825.00		Complete	825.00
O.Kraft & Son, Inc.	Speedee Krafts	1967	1,200.00		1,200.00		Complete	1,200.00
Renner, Darrel	Renner's Chevron	2324		2,619.26	2,619.26		Complete	2,619.26
Renner, Terry	Renner's Gas & Save	2326		1,964.47	1,964.47		Complete	1,964.47
Smyth(Playle, James)	Smyth Moving Service, Inc.	1445	540.00		540.00		Complete	540.00
SouthCentral Air, Inc.	SouthCentral Air, Inc.	431		1,200.00	1,200.00		Complete	1,200.00
Tesoro Ak Petroleum	Garrett's #3(Muldoon)	1502	900.00		900.00		Complete	900.00
Tesoro Ak Petroleum	Homer Spit	1125	1,200.00		1,200.00		Complete	1,200.00
Tesoro Ak Petroleum	Rodger's Tesoro(Kenai)	1127	900.00		900.00		Complete	900.00
Tesoro Ak Petroleum	Seward Tesoro	1122	850.00		850.00		Complete	850.00
Weber, Gary	Wasilla Chevron	1896	1,200.00	2,500.00	3,700.00		Complete	4,400.00
World Wide Movers	World Wide Movers	381	300.00		300.00		Complete	300.00
TOTAL GRANTS AWARDED			22,023.00	13,758.05	35,781.05			36,611.05

APPENDIX A

Tank Tightness Testing And Site Assessment Incentive Program For FY 92

OWNER NAME	FACILITY NAME	FAC ID#	TIGHTNESS TESTING	SITE ASSESSMENT	FINANCIAL ASSISTANCE		COMMENTS	ORIGINAL REQUEST
					AWARDED	PENDING		
Aero Flight Tech Svc	Aero Flight Tech Svc, Inc	2131	742.50			742.50	Received 12/30/91	742.50
AK Farmer's Co-op	Mile 267.5 Richardson Hwy	1076	750.00			750.00	Received 12/11	750.00
AK Transfer & Storage	AK Transfer & Storage	2465	900.00			900.00	Received 12/23/91	900.00
Alamo Rent-A-Car, Inc.	Alamo Rent-A-Car, Inc	1893	250.00			250.00	Received 10/28	250.00
Bally, Christine A.	Ace Supply	2464	300.00			300.00	Received 11/18	300.00
Benco Inc	Big Wheel Tire	868	900.00			900.00	Received 12/31/91	900.00
Big Delta Enterprises	Tarana Trading Post	2559	600.00			600.00	Received 12/18/91	600.00
Bradford, Gary D	Penninsula Automotive	UNK				No Cost Est	Received 12/30/91	
Brunquist, Norm	4618 Lk Spenard	1479				No Cost Est	Received 12/31/91	
Carlson Enterprises	Carlson Enterprises	1504	600.00			600.00	Received 12/30/91	600.00
CEM Leasing Inc	Gas 'n Go	1473	885.00			885.00	Received 1/8/92	885.00
CEM Leasing Inc	Market Basket/Plaza Gas	2513	885.00			885.00	Received 1/8/92	885.00
CEM Leasing Inc	Hub Gas	2519	885.00			885.00	Received 1/8/92	885.00
Childers, Dorothy	The Treasure Cache	1191	600.00			600.00	Received 12/11	600.00
Chumley's Inc	Chumley's Inc	UNK				No Cost Est	Received 12/31/91	
City & Boro of Juneau	Busbarn	2171		1,923.66		1,923.66	Received 12/30/91	1,923.66
City & Boro of Juneau	Fleet Maintenance	2169		1,100.00		1,100.00	Received 12/31/91	1,100.00
City of Craig	Public Works	1708		334.47		334.47	Received 12/26/91	334.47
City of Skaway	PW Maintenance Shop	1978		1306.84		1,306.84	Received 9/17	1,306.84
City of Skaway	Sewage Treatment	1979		1306.85		1,306.85	Received 9/17	1,306.85
Dyn Air Services Inc	Dyn Air Services Inc	2517	825.00			825.00	Received 12/30/91	825.00
Eames, Mike	St. Elias Auto Ctr	536		1,511.87		1,511.87	Received 12/18/91	1,511.87
Ellis Air Taxi, Inc.	Ellis Air Taxi(Gulkana)	353	600.00			600.00	Received 12/23/91	600.00
Ellis, W. T.	Duffy's Roadhouse	2497	600.00			600.00	Received 12/31/91	600.00
ERA Aviation Inc	ERA Aviation Center	1476	1,200.00			1,200.00	Received 12/31/91	1,200.00
ERA Aviation Inc	ERA Helicopters Valdez	1080	900.00			900.00	Received 12/31/91	900.00
ERA Aviation Inc	ERA Helicopters Juneau	477	900.00			900.00	Received 12/31/91	900.00
ERA Aviation Inc	ERA Helicopters Fairbanks	223	600.00			600.00	Received 12/31/91	600.00
Fairbanks U Drive Inc	Hertz Rent-a-Car	806	600.00			600.00	Received 12/20/91	600.00
Fbks North Star Boroug	Chena Lks Rec Area	1248	467.70			467.70	Received 12/18/91	467.70
Fbks North Star Boroug	North Star VFD Station #1	951	701.55			701.55	Received 12/18/91	701.55
Fbks North Star Boroug	Steese Area VFD Sta#1	2208	467.70			467.70	Received 12/18/91	467.70
Fbks North Star Boroug	Moose Creek VFD Station	UNK	233.85			233.85	Received 12/18/91	233.85
Fbks North Star Boroug	Alaskaland	2205	233.85			233.85	Received 12/18/91	233.85
Fbks North Star Boroug	FNSB Transit Garage	2209	935.40			935.40	Received 12/18/91	935.40
Fbks North Star Boroug	Big Dipper Ice Arena	1260	935.40			935.40	Received 12/18/91	935.40
Fbks North Star Boroug	Old University Park School	2207	233.85			233.85	Received 12/18/91	233.85
Fbks North Star Boroug	North Pole High School	2569	233.85			233.85	Received 12/18/91	233.85
Fbks North Star Boroug	North Pole Elem School	2211	233.85			233.85	Received 12/18/91	233.85

APPENDIX A

Tank Tightness Testing And Site Assessment Incentive Program For FY 92

OWNER NAME	FACILITY NAME	FAC ID#	TIGHTNESS TESTING	SITE ASSESSMENT	FINANCIAL ASSISTANCE		COMMENTS	ORIGINAL REQUEST
					AWARDED	PENDING		
Fbks North Star Boroug	Lathrop High School	2212	233.85			233.85	Received 12/18/91	233.85
Fbks North Star Boroug	Hutchison Career Ctr	2213	233.85			233.85	Received 12/18/91	233.85
Fbks North Star Boroug	Hunter Elementary School	2629	233.85			233.85	Received 12/18/91	233.85
Fbks North Star Boroug	Main Admin Bldg	2216	233.85			233.85	Received 12/18/91	233.85
Fbks North Star Boroug	School Dist Svc Facility	199	701.55			701.55	Received 12/18/91	701.55
Frontier Bldg Partnershl	Frontier Building	2489	300.00			300.00	Received 12/19/91	300.00
Gerik Inc.	Ride N Shine	2186	900.00			900.00	Received 12/24/91	900.00
Greer Tank&Welding	Greer Tank&Welding	154		900.00		900.00	Received 12/31/91	900.00
Gregoire, Richard	Homer Rental Ctr	2365	900.00			900.00	Received 12/23/91	900.00
Hanauer, Ellen	Cushman Box Boy Grocery	1089		2,400.00		2,400.00	Need paid invoices	2,400.00
Homer Electric Assoc	HEA-Homer	1261	900.00			900.00	Received 11/1	900.00
Int'l In-Flight Catering	Int'l In-Flight Catering	449	300.00			300.00	Received 12/31/91	300.00
John T. Cunningham	Laidlaw Transit - Homer	1581	300.00			300.00	Need paid invoices	300.00
Johnson's Fuel Svc Inc	Johnson's Fuel Svc Inc	UNK	600.00			600.00	Received 1/8/92	600.00
Jones, Troy	Blg Su Lodge	2320	900.00	2,400.00		3,300.00	Received 12/30/91	3,300.00
Korovin Corp	Olson's Texaco #1		1,200.00			1,200.00	Received 12/31/91	1,200.00
Korovin Crnp	Olson's Texaco #2		900.00			900.00	Received 12/31/91	900.00
Laidlaw Transit	Soldotna	1254	825.00			825.00	Need notif & pd inv	825.00
Lot Inc	Hatcher Pass Gateway Ctr	123	600.00			600.00	Received 12/31/91	600.00
Magoffin, James(MarkA)	MarkAir Aircraft Hanger	2371	300.00			300.00	Received 12/23/91	300.00
Mapco Express	#5003 2730 Spenard(Anch)	14	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5004 5159 Old Seward(Anch)	1500	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5006 1501 E Dimond(Anch)	1505	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5007 5497 E No Lts(Anch)	1510	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5008 717 E No Lts(Anch)	50	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5010 1500 E 5th(Anch)	1512	1,200.00			1,200.00	Received 12/19/91	1,200.00
Mapco Express	#5014 1900 Muldoon(Anch)	1517	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5017 1773 College Rd(Fbks)	1333	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5018 205 E 3rd(Fbks)	966	900.00			900.00	Received 12/19/91	900.00
Mapco Express	#5020 2900 E Tudor(Anch)	2545	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5021 6010 Old Seward(Anch)	727	1,134.48			1,134.48	Received 12/19/91	1,134.48
Mapco Express	#5022 2300 Cushman(Fbks)	2546	1,200.00			1,200.00	Received 12/19/91	1,200.00
Mapco Express	#5024 8803 Jewel Lk(Anch)	1521	850.86			850.86	Received 12/19/91	850.86
Mapco Express	#5005 491 E Parks(Wasilla)	2372	1,034.48	3,200.00		4,234.48	Received 12/19/91	4,234.48
Mapco Express	#5011 1530 Huffman(Anch)	2373	850.86	2,400.00		3,250.86	Received 12/19/91	3,250.86
Mapco Express	#5016 12021 Glenn Hwy(ER)	1907	850.86	2,400.00		3,250.86	Received 12/19/91	3,250.86
Mark Air Inc	4100 W Int'l Airport-Anch	611	300.00			300.00	Received 12/30/91	300.00
Mark Air Inc	5441 So Air Park Dr	UNK	300.00			300.00	Received 12/30/91	300.00
MarkAir, Inc	Cargo Terminal, Fbks	1110	1,200.00			1,200.00	Received 12/23/91	1,200.00

APPENDIX B

TANK CLEANUP PROGRAM FINANCIAL ASSISTANCE (FA) FOR FY 92

OWNER NAME	FACILITY NAME	FAC ID#	FY 92 APPLICATION		FY 92 APPROVED FA		ACTIVITIES FUNDED
			GRANT	LOAN	GRANT	LOAN	
Illies, Riley, Worrell	Stop N Shop-Emergency Grt	2315	121,623	12,163	109,460	12,163	C, T
Nixon, William	Anchorage Clean Sweep	1233	247,995	25,000	61,000	6,778	CA, CU, SA
Kelly, Bud	Kelly's Tire & Wheel	1460	949,600	25,000	68,967	7,663	CA, CL, CU, SA, T
Wilson, Don	Don Wilson	2529	100,000	11,111	64,000	7,111	SA, T
Decker, Robert	University Car Care	2285	142,003	15,778	110,800	12,311	C, CL, SA, T
Cook, John	Sterling Tesoro	2286	33,165	3,685	32,709	3,634	C, CL, CU, SA, T
Continental Baking Co.	Sunrise Bakery	330	95,655	10,628	95,655	10,628	C, CL, CU, SA, T
Miller, Dale	Alaska Chevron	556	800,148	25,000	95,000	10,556	C, CL, CU, SA, T
John, Alec&Ruby	Tsesyu Tesoro	1224	18,828	2,092	22,661	2,518	SA, T
Illies, Riley, Worrell	Wasilla Stop-N-Shop	2315	674,516	25,000	130,796	12,837	C, CL, SA, T
Cohen, David	Sheep Mtn. Lodge	2005	349,000	25,000	30,923	3,436	CL, SA, T
Weber, Gary	Wasilla Chevron	1896	18,315	2,035	22,760	2,529	SA, T
Hanauer, Ellen	Cushman Box Boy Grocery	1089	35,500	2,500	35,500	3,944	C, CL, CU, SA, T
Alaskan Federal Credit Unio	Kender Enterprises	2422	239,000	25,000	65,000	7,222	SA, T
Northstore Ventures	Seven - 11 #105	1983	98,100	10,900	49,500	A	CA, CU, T
Alaska Sightseeing, Inc	Alaska Sightseeing	1657	109,460	12,162	45,000	5,000	CU, SA, T
Garrett, Nelson	Garrett's Tesoro	2527	225,000	25,000	54,014	6,002	C, CL, SA, T
K & L Distributors, Inc	K & L Distributors (Anchorage)	1503	15,523	1,725	20,000	2,222	CA, CU, SA, T
Young, E.J.	Young Investment	13	6,884	765	2,003	223	C, CA, CU, SA, T
Alaska Sales & Service, Inc.	Alaska Sales & Service, Inc.	1919	25,055	2,784	8,291	A	CA, CU, SA, T
Benward, Roy	Lot 2A Jeanie Subdiv	2582	2,005	223	1,871	A	SA, T
Byers, Andrea&William	A & B Tool & Equip Rental, Inc.	105	947	105	861	A	CA, CU, SA, T
Allinger, Leroy	Mt. McKinley Rental	2528	6,014	668	7,196	A	CA, CU, T
Fairbanks Daily News-Miner	Fairbanks Daily News-Miner	2188	29,579	3,287	19,266	A	C, CA, CU, SA, T
K & L Distributors, Inc	K & L Distributing (Fairbanks)	1958	16,200	1,800	13,293	1,477	CA, CU, T
McMahan, Ronald	Ron's Service & Towing	1478	6,903	767	6,903	767	CA, CU, SA, T
TOTAL			4,367,019	270,178	1,173,429	119,021	

FY 92 Tank Cleanup Program Allocation	FY92 Allocation	Approved FA	Allocation Balance	Explanation- Activities Funded Codes
Total FY92 Allocation	1,500,000	1,292,451	207,549	C- Containment; CA- Corrective Action
Financial Assistance	1,275,000	1,292,451	-17,451	CL- Closure; CU- Clean up activities
15 Percent Reserve	225,000		225,000	RA- Risk Assessment
				SA- Site Assessment; T- Testing

FOOTNOTES:

A-Project is complete and loan financial assistance not requested.

B-Approved FA assumes all loans will be financed, however no loan applications have been requested.

Allocation estimate shown in the first column is based on initial review of application and priority ranking.

Due to limited funding approved FA is for abatement and containment only. Final remediation and cleanup may be funded at a later date.