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ALASKA ADMINISTRATIVE CODE

TITLE 18. ENVIRONMENTAL CONSERVATION.

CHAPTER 75. OIL AND HAZARDOUS SUBSTANCES POLLUTION CONTROL.

ARTICLE 1. Oil Pollution Prevention Requirements.

18 AAC 75.005. RESPONSIBILITY.
The owner or operator of an oil tank vessel, oil barge, pipeline, oil terminal, exploration facility, or production facility subject to the requirements of AS 46.04.030 is responsible for meeting the applicable requirements of this chapter and for preventing the discharge of oil into waters or onto land of the state. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.050
AS 46.03.740 AS 46.04.070
AS 46.04.030

18 AAC 75.007. GENERAL OIL POLLUTION PREVENTION REQUIREMENTS.

(a) The oil pollution prevention requirements of 18 AAC 75.005 -- 18 AAC 75.090 apply to each facility or operation for which an approved oil discharge prevention and contingency plan is required under AS 46.04.030.

(b) A vessel, barge, pipeline, or other facility subject to the applicable requirements of this chapter must be equipped and operated in accordance with this chapter and other state and federal law applicable to the prevention of an oil discharge.

(c) Unless preempted by federal law, if a conflict exists between a requirement of 18 AAC 75.005 -- 18 AAC 75.090 and a requirement of federal law, the more stringent requirement applies.

(d) The owner or operator shall ensure that all personnel are appropriately and regularly trained regarding company and state pollution prevention measures that are applicable to each person's duties. After completing a training course or program, each participant shall sign and date a statement that lists the course content.

(e) The owner or operator shall institute programs designed to ensure that each drill operator, each person who has navigational, towline, security, or maintenance duties, and any other person responsible for an activity that might result in a violation of this chapter is free of substance-abuse or medical problems that would impair that person's ability to do that person's job.

(f) The owner or operator shall provide security measures and surveillance appropriate to each component of the operation to minimize the risk of vandalism, sabotage, and unauthorized entry.

(g) The owner or operator shall maintain for the life of the facility or operation, a history of spills over 55 gallons, including the source, cause, amount, and corrective action taken.

(h) The owner or operator shall prepare and maintain records to document training, inspections, tests, maintenance, and repairs required by 18 AAC 75.005 -- 18 AAC

75.090. Unless specified otherwise, records must be kept for at least three years and must be available for inspection and copying by the department upon request. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.015. COMPLIANCE SCHEDULE.

(a) The owner or operator shall provide a compliance schedule for meeting the requirements of 18 AAC 75.005 -- 18 AAC 75.090 as part of the plan required by 18 AAC 75.400. Requirements that cannot be implemented immediately must be implemented as soon as feasible, but no later than January 1, 1997.

(b) If compliance with one or more of the requirements of 18 AAC 75.005 -- 18 AAC 75.090 is not practical within the time stated, the owner or operator may propose an alternate compliance schedule, citing substantial cause for delay. The department will, in its discretion, approve an alternate compliance schedule if other measures acceptable to the department have been taken in the interim to minimize the risk of a discharge.

(c) The department will, in its discretion, waive a requirement of 18 AAC 75.005 -- 18 AAC 75.090 if the owner or operator demonstrates to the department's satisfaction that an equivalent level of protection will be achieved by using a technology or procedure other than that required. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.050
AS 46.04.030 AS 46.04.070

18 AAC 75.025. TRANSFER REQUIREMENTS.

(a) The owner or operator of an oil terminal facility, oil tank vessel, or oil barge shall take all appropriate measures to prevent spills or overfilling during a transfer of oil, including reduced loading rates at the beginning and end of a transfer.

(b) Unless it is technically unfeasible to do so, an oil containment boom appropriate for local conditions must be deployed in an effective manner around an oil tank vessel or barge during the transfer of crude oil and persistent products.

(c) Except for crude oil washing, tank cleaning operations may not be conducted during cargo offloading.

(d) The owner or operator shall ensure that each person involved in a transfer is capable of clearly communicating orders to stop a transfer at any time during the transfer.

(e) A positive means must be provided to stop a transfer in the shortest possible time consistent with the best commercially available technology.

(f) Before beginning a transfer to or from an area not protected by secondary containment, the owner or operator shall ensure that all valves in the transfer system have been checked to ensure that they are in the correct position, and that all manifolds not in use are blank flanged or capped. Where feasible, the owner or operator shall also inspect for damage or defects all piping and hoses used in the transfer before and at least once during each transfer.

(g) The lowermost drain and all outlets of any tank car or tank truck must be examined for leakage before filling and before departure. All tank car or tank truck manifolds must be blank flanged or capped, and valves must be secured before leaving the transfer area. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.027. REQUIREMENTS FOR LADEN OIL TANK VESSELS.

(a) In addition to the applicable requirements of 18 AAC 75.007 -- 18 AAC 75.025, a laden oil tank vessel must carry or have ready access to sufficient oil transfer equipment to facilitate lightering to and from other vessels.

(b) The owner or operator shall ensure that each laden tank vessel has on board a person who is designated as an oil spill prevention and response officer and is responsible for training and drilling the crew on state and federal oil pollution prevention and response requirements.

(c) If the master is not fluent in English, a person fluent in English and in the master's language must be immediately available to the bridge of any laden tank vessel when underway in state waters.

(d) The owner or operator shall ensure that measures are in place that allow the prompt detection of an oil discharge, including measures such as visual lookouts, the sounding of all cargo tanks to check cargo and water levels in the tanks after an intentional or unintentional grounding, and, where technically feasible, electronic leak detection systems.

(e) A tank vessel under escort by another vessel must, at all times, be operated in a manner that permits the escort vessel to be available immediately to provide the intended assistance to the tank vessel.

(f) While in state waters, towing line must be made up and prepared for rapid deployment to a towing vessel. The tow line must be fitted to allow tow vessels commonly available in the area of operation to take the vessel in tow rapidly. For a vessel operating at the oil loading terminal at Valdez, the Prince William Sound towing package may be used instead of having lines made up, if the package permits rapid deployment to a towing vessel. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.037. REQUIREMENTS FOR LADEN OIL BARGES.

(a) In addition to the applicable requirements of 18 AAC 75.007 -- 18 AAC 75.025, a laden oil barge must carry or have ready access to sufficient oil transfer equipment to facilitate lightering to and from other vessels.

(b) The owner or operator of a laden oil barge shall ensure that each barge or vessel towing a barge has on board a person who is designated as an oil spill prevention and response officer and is responsible for training and drilling the crew on state and federal oil pollution prevention and response requirements.

(c) If the master is not fluent in English, a person fluent in English and in the master's language must be immediately available to any vessel towing an oil laden barge.

(d) The owner or operator shall ensure that measures are in place that allow the prompt detection of an oil discharge, including visual inspections of the barge and the area around the barge, and the sounding of all cargo tanks to check cargo and water levels in the tanks after an intentional or unintentional grounding.

(e) The owner or operator shall inspect towing equipment every two months and shall record the results of each inspection and any actions taken to resolve problems discovered during an inspection.

(f) The owner or operator shall provide an adequate means of recovering a barge that breaks free of its towing vessel. The recovery means must be capable of being used by other vessels if the towing vessel is lost or incapacitated. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.045. OPERATING REQUIREMENTS FOR EXPLORATION AND PRODUCTION FACILITIES.

(a) In addition to the applicable requirements of 18 AAC 75.007 -- 18 AAC 75.025, the owner or operator of an exploration or production facility shall collect and store oil produced during a formation flow test or other drilling operation in a manner that prevents the oil from entering the land or waters of the state.

(b) In state waters, a prefabricated offshore platform that is towed into place and begins operations after the effective date of this section must be inspected for fatigue and structural integrity as required by 30 C.F.R. 250, Subpart I, as amended through July 1, 1991, the provisions of which are adopted by reference. The inspection must be conducted after platform installation and before drilling or production operations begin. The owner or operator shall submit to the supervisor of the appropriate regional office of the department a report of the inspection results and any corrective actions taken.

(c) Closure valves for pipelines leaving the platform must be located at a protected location that isolates the pipeline from the platform if a discharge or other emergency occurs and must function both manually and remotely as part of an emergency shutdown system.

(d) The owner or operator of an exploration or production facility shall provide, at a minimum, containment and collection devices such as drip pans and curbs for offshore drilling and wellhead sumps for onshore drilling.

(e) An offshore production platform, including a mobile offshore drilling unit, must have a sufficiently impermeable deck with catch tanks or other devices adequate to contain, collect, and divert spilled oil. The catch tank must have adequate storage capacity to contain anticipated and accidental discharges of oil and high-liquid-level alarms that will immediately notify the operator if a high liquid level develops.

(f) Oil storage tanks, including bulk fuel tanks, must meet the applicable requirements of 18 AAC 75.065 and 18 AAC 75.075.

(g) Piping associated with an exploration or production facility must meet the applicable requirements of 18 AAC 75.080. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.055. LEAK DETECTION, MONITORING, AND OPERATING REQUIREMENTS FOR CRUDE OIL TRANSMISSION PIPELINES.

(a) A crude oil transmission pipeline must be equipped with a leak detection system capable of promptly detecting a leak, including

(1) if technically feasible, the continuous capability to detect a daily discharge equal to not more than one percent of daily throughput;

(2) flow verification through an accounting method, at least once every 24 hours; and

(3) for a remote pipeline not otherwise directly accessible, weekly aerial surveillance, unless precluded by safety or weather conditions.

(b) The owner or operator of a crude oil transmission pipeline shall ensure that the incoming flow of oil can be completely stopped within one hour after detection of a discharge.

(c) If oil storage tanks are present at the crude oil transmission pipeline facility, the owner or operator shall meet the requirements of 18 AAC 75.065 and 18 AAC 75.075.

(d) For piping connected to or associated with the main crude oil transmission pipeline the owner or operator shall meet the requirements of 18 AAC 75.080. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.065. OIL STORAGE TANK REQUIREMENTS.

(a) The owner or operator of an oil terminal, crude oil pipeline, exploration, or production facility shall maintain and inspect oil storage and surge tanks consistent with the requirements of API Standard 653, First Edition, 1991, and Supplement 1, January 1992, or API Recommended Practice 12R1, Fourth Edition, 1991, as appropriate, unless a more stringent requirement is set out in this section.

(b) The owner or operator shall inspect oil storage tanks for structural integrity at least every ten years unless a shorter or longer inspection interval is prescribed by API Standard 653, First Edition, 1991, and Supplement 1, January 1992, or API RP 12R1, Fourth Edition, 1991. The department will, in its discretion, require a more frequent schedule

(1) for tanks older than 30 years;

(2) for riveted or bolted tanks;

(3) for tanks with demonstrated corrosion or foundation problems or

(4) after a significant seismic event.

(c) An elevated or a portable tank is not required to undergo an internal inspection if an external integrity inspection, performed in accordance with API Standard 653, First Edition, 1991, and Supplement 1, January 1992, or API RP 12R1, Fourth Edition, 1991, is substituted and that inspection includes a thorough inspection and a nondestructive integrity test of the tank, including the tank bottom.

(d) A record of inspection results and corrective actions taken after May 14, 1992 must be kept for the service life of the tank and must be available to the department for inspection and copying upon request.

(e) The owner or operator shall notify the department if an oil storage tank undergoes major repair or major alteration, as defined in API Standard 653, First Edition, 1991, and Supplement 1, January 1992, section 10.3.1.2.

(f) Oil storage tanks served by internal steam heating systems must be designed to control leakage through defective heating coils. Condensate lines must be monitored, passed through an oil separating device, or passed through a retention system.

(g) If an internal lining system is used to control corrosion or to meet the requirements of

(i) of this section, it must be installed in accordance with API Standard 652, First Edition, 1991.

(h) A new installation must meet the following requirements:

(1) tanks must be constructed and installed in compliance with API Standard 650, 1988 edition, API Standard 12, D (Ninth Edition, 1989), F (Tenth Edition, 1989) and P (First Edition, 1986), or another standard approved by the department;

(2) oil storage tanks may not be of riveted or bolted construction;

(3) cathodic protection or another approved corrosion control system must be installed to protect the tank bottom from external corrosion where local soil conditions warrant; and

(4) each tank must be equipped with a leak detection system that an observer from outside the tank can use to detect leaks in the bottom of the tank, such as secondary catchment under the tank bottom with a leak detection sump, a sensitive gauging system, or other leak detection system approved by the department.

(i) An existing installation is subject to the following:

(1) each tank must be equipped with

(A) a leak detection system that an observer from outside the tank can use to detect leaks in the bottom of the tank, such as secondary catchment under the tank bottom with a leak detection sump, a sensitive gauging system, or another leak detection system approved by the department;

(B) cathodic protection in accordance with API Standard 651, First Edition, 1991;

(C) a thick film liner in accordance with API Standard 652, First Edition, 1991; or

(D) another leak detection or spill prevention system approved by the department; and

(2) notwithstanding the provisions of 18 AAC 75.015(a), each tank must undergo an initial inspection in accordance with API Standard 653, First Edition, 1991, and Supplement 1, January 1992, or API 12R1, Fourth Edition, 1991, as appropriate, on the following schedule, with tank age determined as of 5/14/92:

(A) tanks 30 years old or older: by January 1, 1994;

(B) tanks 25 -- 29 years old: by January 1, 1995;

(C) tanks 20 -- 24 years old: by January 1, 1996;

(D) tanks 10 -- 19 years old: by January 1, 1997; and

(E) tanks less than 10 years old: in accordance with API Standard 653, First Edition, 1991, and Supplement 1, January 1992.

(j) In addition to the applicable requirements of 18 AAC 75.025, the owner or operator shall ensure that one or more of the following means of preventing overfilling is provided:

(1) high liquid level alarms with signals that sound and display in a manner immediately recognizable by personnel conducting a transfer;

(2) high liquid level automatic pump shutoff devices set to stop flow at a predetermined tank content level;

(3) a means of immediately determining the liquid level of each bulk storage tank, provided that the liquid level is closely monitored during a transfer; or

(4) a system approved by the department which will immediately notice the operator of high liquid levels.

(k) Overfill protection devices must be tested before each transfer operation or monthly, whichever is less frequent. If monthly testing would necessitate interrupting the operation of a system subject to continuous flow, the owner or operator may substitute monthly inspection and annual testing for the monthly testing of overfill protection devices. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

[Editor's Note: The API standards set out in this section may be reviewed at any regional office of the department or may be obtained from the American Petroleum Institute, 1220 L Street NW, Washington, D.C. 20005.]

18 AAC 75.075. SECONDARY CONTAINMENT REQUIREMENTS FOR ABOVEGROUND OIL STORAGE AND SURGE TANKS.

(a) Onshore oil storage tanks must be located within a secondary containment area that has the capacity to hold the volume of the largest tank within the containment area, plus enough additional capacity to allow for local precipitation. Minimum secondary containment system requirements include

(1) berms, dikes, or retaining walls that are constructed to prevent the release of spilled oil from within the containment area;

(2) with the exception of the area under a tank, components constructed of, or lined with, materials that are

(A) adequately resistant to damage by the products stored to maintain sufficient impermeability;

(B) resistant to damage from prevailing weather conditions;

(C) sufficiently impermeable; and

(3) checking for the presence of oil leaks or spills

(A) daily at a manned facility; or

(B) each time the facility is visited, but at least monthly, at an unmanned facility.

(b) In locations where physically feasible, offshore production platform oil storage tank areas must incorporate a secondary containment method to prevent oil spills from entering the water.

(c) Secondary containment systems must be maintained free of debris or other materials or conditions that might interfere with the effectiveness of the system, including excessive accumulated rainwater.

(d) Drainage of water accumulations from secondary containment areas that discharge directly to the land or waters of the state must be controlled by locally operated, positive close failsafe valves or other positive means to prevent a discharge. Valves must be kept closed and locked when not in use. The owner or operator shall inspect accumulated water before discharging it from a secondary containment area to ensure that no oil will be discharged and shall keep a written record of each drainage operation. If no sheen is present, water accumulated may be discharged without a state wastewater permit under 18 AAC 72. Oil-contaminated water accumulations may be discharged from secondary containment without a state wastewater permit under 18 AAC 72 if the receiving environment is not a sensitive receiving environment and if it is treated through an oil/water separating device that reduces the total concentration of hydrocarbons to below 15 ppm. The oil separating device must be equipped with effluent monitors and alarms that notice the operator if the device fails.

(e) A new installation is subject to the following:

(1) impermeable liners or double bottoms that are chemically resistant to damage by the product being stored in the tank must be installed under all tanks, except for tanks containing viscous products exceeding 400 SUS (Saybolt Universal System) at storage temperatures; and

(2) drains and other penetrations through secondary containment areas must be minimized consistent with facility operational requirements.

(f) At an existing installation, in the event of a known or suspected discharge, the department will, in its discretion, require installation of monitoring wells to detect oil or other hazardous substances in the groundwater if the local geology and groundwater conditions allow installation of monitoring wells, and if monitoring wells will not substantially increase the risk of contaminating groundwater.

(g) Rail tank car and tank truck loading areas and permanent unloading areas must

(1) have a secondary containment system designed to contain the maximum capacity of any single compartment of the tank car or tank truck, including containment curbing and a trenching system or drains with drainage to a collection tank or device designed to handle a discharge;

(2) be paved, surfaced, or lined with sufficiently impermeable materials;

(3) be maintained free of debris or other materials or conditions that might interfere with the effectiveness of the system, including excessive accumulated rainwater; and

(4) have warning lights, warning signs, or a physical barrier system to prevent premature vehicular movement. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.080. FACILITY PIPING REQUIREMENTS FOR OIL TERMINAL, CRUDE OIL TRANSMISSION PIPELINE, EXPLORATION, AND PRODUCTION FACILITIES.

(a) All facility oil piping associated with an oil terminal, crude oil transmission pipeline, exploration, or production facility must meet the requirements of this section.

(b) Buried steel piping containing oil must be maintained in accordance with a corrosion control program, approved by the department and,

(1) for a new installation, must be

(A) protected from corrosion by installing protective wrapping or coating and cathodic protection appropriate for local soil conditions; and

(B) of all welded construction with no clamped, threaded, or similar connections for lines larger than a one inch nominal pipe size; and

(2) for an existing installation, must

(A) undergo a corrosion survey;

(B) be carefully examined for deterioration any time a section of buried line is exposed for any reason;

(C) undergo an additional examination and corrective action to repair the damaged pipe and control future corrosion if corrosion damage is found; and

(D) be replaced with piping that meets the requirements of (1) of this subsection, if feasible, when significant repairs or replacements are made.

(c) Buried or insulated transfer piping and hoses that are located outside of secondary containment areas and that are used to transfer oil to or from docks or vessels must be leak tested at least annually, at or above the normal operating pressures, or must be subjected to another verification method approved by the department. The testing medium used must be in accordance with API RP 1110, Second Edition, 1981, or another applicable published safety standard. The owner or operator shall keep records of the results of these tests. Piping and hoses must be stenciled or tagged with the date

of the last test and the allowable operating pressure. An oil discharge resulting from testing is not exempted from legal action under applicable state law.

(d) All aboveground transfer piping that is used to transfer oil to or from docks or vessels must be visually checked before and during each transfer or monthly, whichever is less frequent.

(e) Pipes removed from service for more than one year must be drained, identified as to origin, marked with the words "Out of Service", and capped or blank flanged.

(f) Aboveground piping and valves must be visually checked for leaks or damage during routine operations or at least monthly.

(g) Piping supports must be designed to be seismically stable and composed of materials to minimize corrosion and prevent chafing.

(h) Appropriate measures must be taken to protect aboveground piping from damage by vehicles. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.090. RECOMMENDED PRACTICES.

To meet the requirements of 18 AAC 75.005 -- 18 AAC 75.080, the owner or operator is encouraged to follow applicable recommended practices and operating guidelines, including the following:

(1) American Petroleum Institute (API) Chapter 6.6, Manual of Petroleum Measurement Standards, Metering Assemblies, Pipeline Metering Systems, First Edition, 1981, Reaffirmed August 1987 (ANSI/API MPMS 5.6-1981);

(2) API Publication 1615, Installation of Underground Petroleum Storage Systems, Fourth Edition, Cautionary Statement, March, 1989;

(3) API Publication 2008, Safe Operation of Inland Bulk Plants (1984);

(4) API Publication 2200-83, Repairing Crude Oil, Liquified Natural Gas, and Product Pipelines (1983);

(5) API Recommended Practice 2A, Recommended Practice for Planning, Designing and Constructing Fixed Offshore Platforms;

(6) API Recommended Practice 2A-LFRD, Draft Recommended Practice for Planning, Designing and Construction Fixed Offshore Platforms -- Load and Resistance Factor Design, First Edition, December 15, 1989;

(7) API Recommended Practice 2K, Recommended Practice for Care and Use of Marine Drilling Risers, Second Edition, January 1982;

(8) API Recommended Practice 2Q, Recommended Practice for Design and Operation of Marine Drilling Riser Systems, Second Edition, April 1984;

(9) API Recommended Practice 2R, Recommended Practice for Design, Rating and Testing of Marine Drilling Riser Couplings, First Edition, May 1984;

(10) API Recommended Practice T-2, Recommended Practice for Qualification Programs for Offshore Production Personnel Who Work with Anti-Pollution Safety Devices, Revised Edition, October 1975;

(11) API Recommended Practice T-3, Recommended Practice for Training and Qualification of Personnel in Well Control Equipment and Techniques for Drilling on Offshore Locations, July 1976;

(12) API Recommended Practice T-6, Recommended Practice for Training and Qualification of Personnel in Well Control Equipment and Techniques for Completion and Workover Operations on Offshore Locations, First Edition, October 1986;

(13) API Recommended Practice 6G, Recommended Practice on Through Flowline (TFL) Pump Down Systems, Third Edition, January 1982;

(14) API Recommended Practice 12R1 (RP12R1), Recommended Practice for Setting, Maintenance, Inspection, Operation and Repair of Tanks in Production Service, Fourth Edition, 1991;

(15) API Recommended Practice 14B, Recommended Practice for Design, Installation, Repair and Operation of Subsurface Safety Valve Systems, Third Edition, January 1, 1990;

(16) API Recommended Practice 14C, Recommended Practice for Analysis, Design, Installation and Testing of Basic Surface Safety Systems on Offshore Production Platforms, Fourth Edition, September 1986, Errata November 1986;

(17) API Recommended Practice 14E, Recommended Practice for Design and Installation of Offshore Production Platform Piping Systems, Fourth Edition, April 1984;

(18) API Recommended Practice 14G, Recommended Practice for Fire Prevention and Control on Open Type Offshore Production Platforms, Second Edition, 1986;

(19) API Recommended Practice 14H, Recommended Practice for Use of Surface Safety Valves and Underwater Safety Valves Offshore, Second Edition, April 1984 and Supplement 1 to the Second Edition for RP 14H, June 1986;

(20) API Recommended Practice 16E, Recommended Practice for Design of Control Systems for Drilling Well Control Equipment, First Edition, October 1, 1990;

(21) API Recommended Practice 17A-87, Recommended Practice for Design and Operation of Subsea Production Systems, First Edition, September 1, 1987;

(22) API Recommended Practice 53, Recommended Practices for Blowout Prevention Equipment Systems for Drilling Wells, Second Edition, May 1984;

(23) API Recommended Practice 521, Guide for Pressure-Relieving and Depressuring Systems, Second Edition, September 1982;

(24) API Recommended Practice 652, Lining of Aboveground Petroleum Storage Tank Bottoms, First Edition, 1991;

(25) API Recommended Practice 750-90, Management of Process Hazards, First Erratum, February 1990;

(26) API Recommended Practice 1102, Recommended Practice for Liquid Petroleum Pipelines Crossing Railroads and Highways, Fifth Edition, November 1981 and Errata;

(27) API Recommended Practice 1110, Recommended Practice for the Pressure Testing of Liquid Petroleum Pipelines, Second Edition, December 1981;

(28) API Recommended Practice 1111, Recommended Practice for Design, Construction, Operation and Maintenance of Offshore Hydrocarbon Pipelines, First Edition, 1976;

(29) API Recommended Practice 2003, Protection Against Ignitions Arising out of Static, Lightning, and Stray Currents, Fourth Edition, March 1982;

(30) API Recommended Practice for Cathodic Protection of Underground Petroleum Storage Tanks and Piping Systems, Second Edition (1987) and Supplement 2, March 1989;

(31) API Specification 5L, Specification for Line Pipe, Thirty-Eighth Edition, May 1, 1990;

(32) API Specification 6A, Specification for Wellhead and Christmas Tree Equipment, Sixteenth Edition, October 1, 1989;

(33) API Specification 6D, Specification for Pipeline Valves (Gate, Plug, Ball, and Check Valves), Twentieth Edition, 1991;

(34) API Specification 10, Specification for Materials and Testing for Well Cements, Fifth Edition, 1990;

(35) API Specification 12B, Specification for Bolted Tanks for Storage of Production Liquids, Thirteenth Edition, 1990;

(36) API Specification 12D, Specification for Field Welded Tanks for Storage of Product Liquids, Ninth Edition, January 1982, Supplement 1, March 1983, Supplement 2, May 1985;

(37) API Specification 12F, Specification for Shop Welded Tanks for Storage of Production Liquids, Tenth Edition, June 1, 1989;

(38) API Specification 12P, Specification for Fiberglass Reinforced Tanks, First Edition, 1986;

(39) API Specification 14D, Specification for Wellhead Surface Safety Valves and Underwater Safety Valves for Offshore Service, Seventh Edition, January 1988 and Supplement, August 1989;

(40) API Standard 510, Pressure Vessel Inspection Code: Maintenance, Inspection, Rating, Repair and Alteration, Sixth Edition, June 1989, Erratum September 1989;

(41) API Standard 526, Flanged Steel Safety Relief-Valves, Third Edition, February 1984;

(42) API Standard 620, Design and Construction of Large Welded, Low Pressure Storage Tanks, Eighth Edition, June 1990;

(43) API Standard 650, Welded Steel Tanks for Oil Storage, Eighth Edition, November 1988, Revised 1990;

(44) API Standard 653, Tank Inspection, Repair, Alteration, and Reconstruction, First Edition, 1991, and Supplement 1, January 1992;

(45) API Standard 1104, Welding of Pipelines and Related Facilities, Seventeenth Edition, September 1988 and Errata, June 1989;

(46) API Standard 2000, Venting Atmospheric and Low Pressure Storage Tanks, Third Edition, Revised 1987;

(47) American Society of Mechanical Engineers (ASME), ASME SPPE 1-88, Quality Assurance and Certification of Safety and Pollution Prevention Equipment Used in Offshore Oil and Gas Operations, Addenda SPPE 1A-1988, Addenda SPPE 1B-1989, Addenda SPPE 1D-1990, Special Notice, October 1990;

(48) ASME Boiler and Pressure Vessel Code, Section VIII, "Pressure Vessels Division 1" (1989);

(49) ASME Boiler and Pressure Vessel Code, Section IX, "Qualification Standard for Welding and Brazing Procedures Welders, Brazers and Welding and Brazing Operators" (1989);

(50) American National Standards Institute/American Society of Mechanical Engineers (ANSI/ASME), ANSI/ASME Boiler and Pressure Vessel Code, Section I, Power Boilers including Appendices (1989);

(51) ANSI/ASME Boiler and Pressure Vessel Code, Section Heating Boilers including non-mandatory Appendices A, B, C, D, E, F, H, I, and J and the Guide to Manufacturers Data Report Forms (1989);

(52) ANSI/ASME Boiler and Pressure Vessel Code Section VIII, Pressure Vessel Divisions 1 and 2, including Nonmandatory Appendices (1989);

(53) ANSI B31.1, Pressure Piping Code, Power Piping, and Addenda B31.1a (1989);

(54) ANSI B31.3, Chemical Plant and Petroleum Refinery Piping (1990);

(55) ANSI B31.4, "Liquid Transportation Systems for Hydrocarbons, Liquid Petroleum Gas, Anhydrous Ammonia and Alcohols" (ASME) (1989);

(56) ANSI B36.10M, Welded and Seamless Wrought Steel Pipe (1985);

(57) American Concrete Institute (ACI), ACI Standard 201.2R- 77(82), Guide to Durable Concrete, Sixth Printing (1982);

(58) ACI Standard 222R-89, Corrosion of Metals in Concrete (1989);

(59) ACI Standard 224R-89, Control of Cracking in Concrete Structures (1989);

(60) ACI Standard 318-89/318R-89, Building Code Requirements for Reinforced Concrete and Commentary (1989);

(61) ACI Standard 350R-89, Environmental Engineering Concrete Structures ACI 515R.1R Guide to the Use of Waterproofing, Dampproofing, Protective and Decorative Barrier Systems for Concrete (1989);

(62) ACI Standard 357-R-84, Guide for the Design and Construction of Fixed Offshore Concrete Structures (1989);

(63) ACI Standard 357.1R-85, State-of-the Art Report on Offshore Concrete Structures for the Arctic (1985);

(64) ASTM Specification A333/A333M, "Standard Specification for Seamless and Welded Steel Pipe for Low-Temperature Service" (1988), Revised A-88;

(65) ASTM Specification A381, "Standard Specification for Metal-Arc-Welded Steel Pipe for Use with High Pressure Transmission Systems" (1989);

(66) ASTM Specification A671, "Standard Specification for Electric-Fusion-Welded Steel Pipe for Atmospheric and Lower Temperatures" (1989), Revision A, 1989;

(67) ASTM Specification A672, "Standard Specification for Electric-Fusion-Welded Steel Pipe for High Pressure Service at Moderate Temperatures" (1989), Revision B, 1989;

(68) ASTM Specification A69 1 Rev A, Standard Specification for Carbon and Alloy Steel Pipe, Electric-Fusion Welded for High Pressure Service at High Temperatures (1989);

(69) Manufacturers Standardization Society of the Valve and Fitting Industry (MSS) MSS SP-75, Specification for High-Test Wrought Welding Fittings (1988);

(70) MMS OCS Order No. 2, Drilling Operations, Section 5, Blowout-Preventer (BOP) Equipment Requirements (1988);

(71) National Association of Corrosion Engineers (NACE), NACE RP0175-75, Control of Internal Corrosion in Steel Pipelines and Piping Systems (1975);

(72) NACE RP 0275-75, Application of Organic Coatings to the External Surface of Steel Pipe for Underground Service;

(73) NACE RP 0276-76, Extruded Asphalt Mastic Type Protective Coatings for Underground Pipelines (1976);

(74) NACE RP 0286-86, The Electrical Isolation of Cathodically Protected Pipelines (1986);

(75) NACE RP 06-75 Control of External Corrosion on Offshore Steel Pipelines (1988);

(76) NACE RP 01-69 Recommended Practice for Control of External Corrosion on Underground or Submerged Metallic Piping Systems, Revised 1983;

(77) NACE RP 02-85, Control of External Corrosion on Metallic Buried, Partially Buried or Submerged Liquid Storage Systems (1985);

(78) National Association of Pipe Coating Applicators (NAPCA), NAPCA 3-67-87, External Application Procedures of Hot Applied Coal Tar and Asphalt Enamel Coatings to Steel Pipe (Specifications and Plant Coating Guide, 1983);

(79) National Fire Protection Association (NFPA), NFPA 30-90, Flammable and Combustible Liquids Code (1990);

(80) NFPA 77-88, Recommended Practice on Static Electricity (1988);

(81) NFPA 78-89, Lightening Protection Code (1989);

(82) NFPA Chapter 6, Bulk Plants and Terminals (Flammable and Combustible Liquids Code Handbook, Third Edition, 1990;

(83) Petroleum Equipment Institute (PEI) RP-100-90, Recommended Practice for Installation of Underground Liquid Storage Systems (1990);

(84) Steel Structural Painting Council (SSPC), SSPC Chapter 16.1-82, Coatings for Pipelines and Other Underground Structures (Good Painting Practice), Volume 1, Second Edition, 1982;

(85) Steel Tank Institute, STI-P3 Specification System and Manual for External Corrosion Protection of Underground Steel Storage Tanks (1987);

(86) Underwriters Laboratories Standard 58, Steel Underground Tanks for Flammable and Combustible Liquids, Eighth Edition, August 3, 1990;

(87) Underwriters Laboratories Standard 174689, External Corrosion Protection Systems for Underground Storage Tanks, First Edition, November 7, 1990. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

ARTICLE 2. Financial Responsibility for Oil Discharges.

18 AAC 75.205. APPLICATION FOR APPROVAL.

(a) Subject to the exemptions provided under AS 46.04.050 and (d) of this section,an application for approval of proof of financial responsibility under AS 46.04.040, including an application for renewal of approval under 18 AAC 75.225 must be submitted to the department by the following responsible party:

(1) for an oil terminal facility, by the owner or operator of the facility;

(2) for a vessel transporting liquid bulk oil cargo, by

(A) the charterer, if the vessel is chartered by demise

(leased);

(B) the owner of the vessel, if the agents or employees of the owner retain control and responsibility for the operation of the vessel or barge; or

(C) in any other case, the person with primary operational control;

(3) for an exploration or production facility, whether mobile or fixed, by the operator or one or more lease holders;

(4) for a pipeline facility, by the operator or one or more lease holders; or

(5) for a group of vessel or facility owners or operators who have agreed to pool their resources to provide proof of financial responsibility for each other, by a designated person in the group.

(b) Applications under this section and renewal applications under 18 AAC 75.225 must be made on a form supplied by the department. The following conditions apply, as appropriate, to an application:

(1) an applicant must furnish the department with the appropriate documents listed in the "financial responsibility application and checklist" supplied by the department;

(2) the completed and signed application must be submitted to the department at least 30 days, but no earlier than 90 days before operations are proposed to begin; the department will, in its discretion, expedite its review of an application if circumstances warrant;

(3) if the applicant is an agency of the United States or the State of Alaska, proof of financial responsibility is not required, but the "financial responsibility application

and checklist" must be submitted to the department in accordance with the time frames established under (2) of this subsection;

(4) an applicant may submit a combined application for more than one vessel or facility;

(5) an approval may not be assigned to another person, nor may it be transferred from one vessel or facility to another; an attempted assignment or transfer of an approval voids the approval; and

(6) all forms of proof of financial responsibility must be in effect before operations begin; an approval will not be given on pending coverage.

(c) Applications submitted under this section and renewal applications submitted under 18 AAC 75.225 must be signed upon oath or affirmation as follows:

(1) in the case of a corporation, by an authorized representative responsible for the overall management of the facility or operation, or that person's designee;

(2) in the case of a partnership, by a general partner;

(3) in the case of a sole proprietorship, by the proprietor;

(4) in the case of a municipal, state, federal, or other public facility, by an authorized public official or employee;

(5) in the case of a combined application, by an appropriate representative of each party to the application; and

(6) in the case of a joint venture, by the operator.

(d) The department will, in its discretion, approve an application for an exemption from the proof of financial responsibility requirements of AS 46.04.040(c) if the owner or operator of a vessel that is conducting, or is available only for conducting, an oil discharge response operation submits to the department

(1) a written explanation requesting the exemption, giving details of the time period during which the exemption is requested for each vessel for the oil discharge response operation; and

(2) a completed "financial responsibility application and checklist" form. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.215. APPLICATIONS SUBMITTED BY FACSIMILE.

The department will, in its discretion, accept an application by facsimile transmission if an unforeseen event prevents submission of the original application within the time frames stated under 18 AAC 75.205(b)(2) or 18 AAC 75.225(b). The completed original of the application must be submitted to the department by registered or certified mail or by courier and must be postmarked or dated by courier within two working days after it was sent by facsimile. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.225. RENEWALS.

(a) Application for renewal of department approval of proof of financial responsibility must be submitted to the department at least 30 days, but no earlier than 90 days, before the current approval of proof of financial responsibility expires.

(b) An application for renewal must include the information required by 18 AAC 75.205(b)(1). (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.235. AMOUNT AND EVIDENCE OF FINANCIAL RESPONSIBILITY.

(a) Each vessel or facility must be specifically covered by an approved form of financial responsibility. An applicant under 18 AAC 75.205 or 18 AAC 75.225 must demonstrate financial responsibility to respond in damages for claims covered by AS 46.04.040(1) in the amount required by AS 46.04.040(a) -- (e).

(b) The required amount of financial responsibility does not increase with increasing numbers of vessels or facilities operated by the same applicant. An application covering multiple vessels or facilities must show proof of financial responsibility in an amount equal to the greatest applicable amount prescribed by AS 46.04.040(a) -- (e). The department will, in its discretion, approve the proof of financial responsibility as being applicable to all combined operations if each separate operation is named as being specifically covered by the proof submitted.

(c) The applicant may add an owned, operated, leased, or chartered vessel or facility to its proof of financial responsibility by submitting a letter to the department requesting an amendment to the application and including documents that verify to the department's satisfaction that the additional operation is covered by the current approved proof of financial responsibility.

(d) The applicant may delete an owned, operated, leased, or chartered vessel or facility from its proof of financial responsibility by submitting a letter to the department requesting an amendment to the application and including documents that verify to the department's satisfaction that the vessel or facility is no longer covered by the current approved proof of financial responsibility.

(e) In satisfying proof of financial responsibility requirements for a combined application, a guarantor or insurer is responsible only for the amount applicable to the vessel or facility that discharges oil and not the amount applicable to another vessel or facility listed on the application.

(f) If a vessel or facility subject to AS 46.04.040 discharges oil and the department determines that a claim has been or is likely to be presented as a result of the discharge and that payment of the claim will reduce the owner's or operator's demonstrated financial responsibility below that required by AS 46.04.040(a) -- (e), the department will, in its discretion, require the owner or operator to demonstrate an additional amount of financial responsibility equal to the amount the department determines might be paid as a result of the claim.

(g) If the applicant fails to comply with the requirement imposed under (f) of this section to demonstrate an additional amount of financial responsibility, the department will, in its discretion, provide the owner or operator with 10 days' notice of the department's intent to revoke its approval of the proof of financial responsibility.

(h) An applicant may request a review of the department's decision under (g) of this section to revoke its approval, using the procedures set out at 18 AAC 75.490(e) -- (g). For the purposes of judicial review, the department's decision following a review under this subsection is final. The requirement of (f) of this section is not stayed during the pendency of a review.

(i) Proof of financial responsibility may be demonstrated by one or any combination of the mechanisms listed in AS 46.04.040(e), as approved by the department.

(j) An insurer or surety shall respond to damages covered by AS 46.04.040(i), but only with respect to the stated limit of liability contained in an insurance policy or surety submitted as proof of financial responsibility and approved under this chapter. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.240. CERTIFICATE OF PROOF OF FINANCIAL RESPONSIBILITY.

(a) If the department approves a proof of financial responsibility, it will issue a certificate to the applicant stating that the proof of financial responsibility requirements have been met for each vessel or facility identified in the application.

(b) The original certificate, or a copy of the original certificate that is certified by the applicant to be a true copy of the original certificate, must be readily available for inspection

(1) at each covered facility or pipeline; or

(2) on each covered vessel while it is in state waters; the certificate must be shown to the owner or operator of an oil terminal facility before loading or unloading liquid bulk oil cargo.

(c) The effective date and the expiration date, as determined under AS 46.04.040(f), will be clearly marked on the certificate. For certificates that are effective for more than one year when issued, the continuing effectiveness of the form of financial responsibility that was approved by the department must be verified annually by submitting to the department, not more than 90 days and not less than 30 days before the anniversary of the certificate's effective date, the affidavit of a responsible party, as specified under 18 AAC 75.205(a), stating that the form of financial responsibility remains in effect and stating the date on which it will expire.

(d) If the owner or operator to whom the certificate was issued ceases to be the responsible party under 18 AAC 75.205(a), that person shall immediately return the original certificate to the department with written information regarding the new owner or operator's name and address and the date of the change in ownership or operational control so that a new certificate can be issued.

(e) A certificate is void and subject to immediate revocation by the department, without prior notice, if

(1) it contains erasures or is altered in any way, except for erasures, errors, or alterations made by the department in issuing the certificate;

(2) the person to whom the certificate was issued

(A) is no longer the responsible party under 18 AAC 75.205(a) for the facility or vessel identified on the certificate;

(B) fails to furnish acceptable proof of the continuing effectiveness of a form of financial responsibility as required under (c) of this section or in support of an application for renewal; or

(C) permits the cancellation or termination of the form of financial responsibility upon which issuance of the certificate was based.

(f) The department will give a certificate holder 10 days' written notice of the department's intent to revoke a certificate under AS 46.04.040(h). The notice will include an effective date for and an explanation of the revocation.

(g) The applicant may request a review of the department's action or decision issued under (e) or (f) of this section, using the procedures set out at 18 AAC 75.490(c) -- (g). For the purposes of judicial review, the department's decision following a review under this subsection is final. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.245. SELF-INSURANCE.

(a) In order to demonstrate financial responsibility through self-insurance, an applicant shall maintain in the United States, working capital and net worth, each in an amount at least equal to the applicable amount required under AS 46.04.040(a) -- (c), or a lesser amount necessary to supplement other forms of proof which, when combined, are at least equal to the applicable amount required under AS 46.04.040(a) -- (c). In determining working capital or net worth, the department will consider all current contractual requirements to which the applicant is bound. For the purposes of this subsection,

(1) "working capital" means the amount of current assets located in the United States, less all worldwide current liabilities; and

(2) "net worth" means the amount of all assets located in the United States, less all worldwide liabilities.

(b) The proof of financial responsibility required under (a) of this section must be supported by the following, which must be submitted with the application for approval, and which must be later supplemented as described:

(1) annual audited financial statements for consolidated holdings in the United States for the fiscal year ending immediately before each initial or renewal application, certified by an independent certified public accountant;

(2) subsequent quarterly affidavits attesting that the amounts of working capital and net worth are each equal to the applicable amount required by AS 46.04.040(a) -- (c); and

(3) any additional information the department considers necessary.

(c) Instead of the information required under (b) of this section, a self-insuring applicant may provide the department with a copy of the applicant's Form 10K as filed with the United States Securities and Exchange Commission for the fiscal year preceding application or renewal, and each Form 10Q subsequently filed with that commission, subject to the following conditions:

(1) if the applicant's fiscal year ended six months or more before initial application, the applicant's Form 10Q for the first quarter of the current fiscal year must also be submitted with the initial application; and

(2) if the applicant's United States Securities and Exchange Commission forms do not specify what portion of its working capital and net worth are located in the United States, each form must be supplemented by an affidavit from the applicant's chief financial officer or treasurer, or a sworn statement by the certified public accountant who prepared the form, certifying that the working capital and net worth located in the United States are each in an amount equal to the applicable amount required under AS 46.04.040(a) -- (c).

(d) Instead of the affidavit or sworn statement required under (b)(2) and (c)(2) of this section, the applicant may file a quarterly affidavit showing that sufficient liquid assets and cash flow, other than those assets with a high exposure to damage in a

pollution incident, are immediately available to respond to claims in the required self-insured amount without placing the applicant in an insolvent position.

(e) Instead of the information required under (b) and (c) of this section, the applicant may submit annually to the department a copy of its Form No. 6 as filed with the Federal Energy Regulatory Commission for each fiscal year, starting with the fiscal year that ended immediately preceding application.

(f) The affidavits required under (b)(2), (c)(2), and (d) of this section must be signed as follows:

(1) in the case of a corporation, by the treasurer or chief financial officer;

(2) in the case of a partnership, by a general partner;

(3) in the case of a sole proprietorship, by the proprietor;

(4) in the case of a municipal, state, federal, or other public facility, by an authorized public official or employee; and

(5) in the case of a combined application, by a representative of each party to the application.

(g) A self-insurer shall notify the department within 10 days after the self-insurer knows, or has reason to believe, that the amount of the self-insurer's working capital or net worth has fallen below the applicable amount required under AS 46.04.040(a) -- (c) or the lesser amount necessary to supplement other forms of proof.

(h) Unless it is earlier replaced by another form of financial responsibility approved by the department, termination or cancellation of self-insurance that serves as proof of financial responsibility under AS 46.04.040 may not become effective until 60 days after the self-insurer notifies the department in writing, by certified mail, at its office in Juneau, Alaska. The self-insurer remains liable for any discharge occurring before the effective date of termination or cancellation.

(i) The department will, in its discretion, revoke a certificate issued under 18 AAC 75.240 approving self-insurance as proof of financial responsibility if any document required under this section is not submitted on or before the following due date:

(1) a Form 10K is due within three calendar months after the end of the applicant's fiscal year;

(2) a Form 10Q is due 45 days after the quarter ends;

(3) a Form No. 6 is due at the same time it is required to be filed with the Federal Energy Regulatory Commission, but no later than three calendar months after the end of the applicant's fiscal year;

(4) an annual audited financial statement is due within three calendar months after the end of the applicant's fiscal year; and

(5) a quarterly affidavit is due 30 days after the quarter ends.

(j) Upon written request, the department will, in its discretion, grant a reasonable extension of a time limit set in (i) of this section if the request is received at least 15 days before the document is due. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.250. INSURANCE.

(a) An applicant may demonstrate financial responsibility with insurance for the applicable amount required under AS 46.04.040(a) -- (c), in full or in part. The applicant shall provide proof of insurance issued by an insurer who is either authorized to sell insurance in Alaska under a certificate of authority issued by the director of the division

of insurance of the Department of Commerce and Economic Development or who is an unauthorized insurer listed by the division of insurance as meeting the minimum trust or capital and surplus requirements of AS 21.34.040(c). Proof of insurance may be provided by a binder, by a certificate of insurance acceptable in form to the department, or by a copy of the policy. If a binder or certificate of insurance is submitted to meet the requirements of this subsection, a copy of the underlying insurance policy must also be provided to the department within 90 days.

(b) If a policy of insurance, certificate, or binder is submitted, it must include an endorsement with the following, or substantially similar language:

> "Any other provision of this policy notwithstanding: (1) this policy insures against any liability the insured may incur under Alaska Statute 46.04.040(i) or any provision cited in it as a result of an unlawful discharge of oil within or affecting land or waters within the territorial jurisdiction of the State of Alaska; however, the insurer's liability does not exceed the limits of coverage set out in Section (Article or Clause) of this policy, subject to any deductible as specifically set out in Section (Article or Clause) of this policy (binder, certificate); (2) the insurer agrees that any final judgment against the insured for damages under AS 46.04.040(i) or any provision cited in it resulting from an unlawful discharge of oil from or by any vessel or facility named in this policy may be enforced or executed in Alaska state courts, directly against the insurer, subject to the limits of coverage in this policy; the insurer will be bound by such a judgment as if the judgment were against the insurer; any person obtaining such a judgment against the insured is expressly made a third-party beneficiary of this provision; and (3) termination or cancellation of this policy, insofar as it serves as proof of the insured's financial responsibility under AS 46.04.040, shall not become effective until 60 days after notice with the exception for nonpayment of premium which will require 30 days notice, in writing has been mailed, prepaid and certified, by the insurer to the insured and to the Alaska Department of Environmental Conservation at its office in Juneau, Alaska; however, this policy shall apply to all claims arising from a discharge occurring during the period covered by the policy and before the effective date of the termination or cancellation."

(c) An applicant may submit a claims made policy if it contains

(1) an extended reporting period of at least six months; and

(2) the endorsement language required by (b) of this section, with the following added to the end of the endorsement: "and made to the insurer during the policy period or the extended reporting period."

(d) A deductible provision in any policy of insurance, binder, or certificate is acceptable if

(1) the applicant demonstrates supplemental coverage for the amount of the deductible by means of other acceptable insurance, surety, guaranty, self-insurance, letter of credit, or other proof of financial responsibility approved by the department; or

(2) the deductible provision provides for a loss reimbursement plan that contains language guaranteeing that the insurer will be responsible for the payment of all claims on a first dollar basis, without waiting for the insured to pay the deductible.

(e) For purposes of this section "claims made policy" means a policy of liability insurance that covers claims arising out of a discharge occurring after a specified

retroactive date but before the end of the policy period and first made to the insurer during the policy period or extended reporting period. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.255. SURETY.

(a) An applicant may demonstrate financial responsibility with a contract of surety, in full or in part, for the applicable amount required under AS 46.04.040(a) -- (c). The applicant shall submit the contract of surety to the department on forms supplied by the department.

(b) The issuer of the contract of surety must

(1) be registered to do business in Alaska;

(2) possess a current certificate of authority to do business in the United States under 31 C.F.R. 223; and

(3) possess an underwriting limitation of risk at least equal to the amount of the bond, or in a lesser amount necessary to supplement other forms of proof of financial responsibility.

(c) An applicant may demonstrate financial responsibility by a contract of surety for an amount equal to the deductible of an insurance policy submitted under 18 AAC 75.250 or in combination with another means of proof.

(d) Termination or cancellation of a contract of surety that serves as proof of financial responsibility under AS 46.04.040 may not become effective until 60 days after the surety notifies the department in writing, by certified mail, at its office in Juneau, Alaska. The surety remains liable for any discharge occurring before the effective date of termination or cancellation. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.260. GUARANTY.

(a) An applicant may demonstrate financial responsibility with a contract of guaranty, in full or in part, for the applicable amount required under AS 46.04.040(a) -- (c). The applicant shall submit the contract of guaranty to the department, using a form supplied by the department.

(b) The issuer of the guaranty contract must meet the financial and reporting requirements of 18 AAC 75.245.

(c) Termination or cancellation of a guaranty that serves as proof of financial responsibility under AS 46.04.040 may not become effective until 60 days after the guarantor notifies the department in writing, by certified mail, at its office in Juneau, Alaska. The guarantor remains liable for any discharge occurring before the effective date of termination or cancellation. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.265. LETTERS OF CREDIT.

(a) An applicant may demonstrate financial responsibility with a letter of credit, in favor of the State of Alaska, for the applicable amount required under AS 46.04.040(a) -- (c), in full or in part. The letter of credit

(1) must be irrevocable for a period of not less than one year on the part of the issuer; in addition, the letter must provide that it will be automatically extended for one year unless the department and the applicant are notified in writing at least 90 days before expiration of its stated term that the letter will not be renewed; however, if a vessel is to be used in state waters for less than one year, the letter of credit must cover the period that the vessel is to be used in state waters plus 30 days;

(2) must be irrevocable until satisfaction of a judgment or of a claim against the applicant under AS 46.04.040(i) or the provisions cited in it which results from a discharge occurring during its term, subject to the limit of credit;

(3) must be a standby letter of credit to respond specifically to a claim under AS 46.04.040(i) or the provisions cited in it, subject to the limit of credit;

(4) may not be used as collateral nor be drawn upon by the applicant except to respond to a claim under AS 46.04.040(i) or the provisions cited in it for as long as the letter of credit is used by the applicant as proof of financial responsibility under AS 46.04.040;

(5) must be issued by a financial institution that has authority to issue letters of credit, and that is regulated and examined by state and federal banking agencies; and

(6) must state an effective date and an expiration date, and must be effective on or before the approval date of proof of financial responsibility.

(b) The issuing bank shall pay upon presentation by the State of Alaska of a draft or other document as specified in the letter of credit and may not make determinations of fact or law that might be at issue between the responsible party and the department. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.270. OTHER PROOF OF FINANCIAL RESPONSIBILITY.

(a) An applicant may demonstrate financial responsibility for the applicable amount required under AS 46.04.040(a) -- (c), in full or in part, with a contract of indemnity or with insurance issued by a group of insureds who have agreed to cover the pollution risks of the group's members, if approved by the department.

(b) Subject to AS 46.04.040(e), the department will, in its discretion, approve a Protection and Indemnity (P&I) club or an insurance syndicate contract of indemnification as demonstrating financial responsibility if

(1) a statement of indemnification issued by the P&I club or insurance syndicate contains an endorsement that meets the requirements of 18 AAC 75.250(b);

(2) the P&I club or insurance syndicate has the financial solvency and a favorable history of claim handling to meet the obligations contained in the contract of indemnity; and

(3) the P&I club or insurance syndicate appoints an agent for service of process in the state as required under AS 46.04.040(e).

(c) The department will, in its discretion, approve a P&I club or insurance syndicate that does not agree to be subject to direct court action in Alaska or that does not agree

to appoint an agent for service of process in the state if the requirements of AS 46.04.040(l) are met. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.275. SERVICE OF PROCESS.

An agent designated for service of process under AS 46.04.040(e) must be a resident of the state or a corporation authorized to do business in the state. If no designation is made and filed, or if process cannot be served in Alaska upon the designated agent, process may be served upon the commissioner. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.280. CLASSIFICATION AS AN OIL TERMINAL FACILITY.

(a) If a vessel is to operate as an oil terminal facility as defined at AS 46.04.900, the owner or operator shall submit a written request for classification of the vessel as an oil terminal facility to the department. The request for classification must include the

(1) name of the owner or operator;

(2) vessel name and official number;

(3) oil storage capacity of the vessel;

(4) type of product carried as cargo; and

(5) period of time during which the classification will apply.

(b) Upon receipt of a request under (a) of this section, the department will issue a certificate to the vessel, classifying the vessel as an oil terminal facility for the prescribed period.

(c) If the capacity of the vessel for which classification is requested is more than 10,000 barrels of noncrude oil, the owner or operator must meet the financial responsibility requirements of AS 46.04.040(a) and the oil discharge prevention and contingency plan requirements of AS 46.04.030. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.070
AS 46.04.040 AS 46.04.900
AS 46.04.050

18 AAC 75.285. OIL TERMINAL FACILITIES.

(a) An oil terminal facility may not load or transfer a liquid bulk oil product to a vessel if the oil product is declared as liquid bulk cargo, unless the vessel provides proof to the terminal operator that the vessel has a current, valid certificate of proof of financial responsibility issued under 18 AAC 75.205 -- 18 AAC 75.290, an exemption under 18 AAC 75.205(d), or has a capacity of less than 10,000 barrels and has a certificate of classification as an oil terminal facility issued under 18 AAC 75.280.

(b) For a vessel that has frequent transactions at an oil terminal facility and is known by the facility operator, the owner or operator of that oil terminal facility may accept verbal confirmation from the vessel's master that the vessel has the required certificate of financial responsibility on board.

(c) If a vessel operator fails or refuses to provide proof of a current, valid certificate of proof of financial responsibility issued under 18 AAC 75.205 -- 18 AAC 75.290, an exemption under 18 AAC 75.205(d), or a certificate of classification as an oil terminal facility issued under 18 AAC 75.280 as required under (a) of this section, the owner or operator of an oil terminal facility shall notify the department's appropriate regional or district office of that failure or refusal by telephone or facsimile on the first working day. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.040
AS 46.04.070

18 AAC 75.290. ENFORCEMENT.

If a person required to provide proof of financial responsibility under AS 46.04.040 and 18 AAC 75.205 -- 18 AAC 75.290 fails or refuses to do so, the department will, in its discretion,

(1) seek civil assessments and costs under AS 46.03.760 or other appropriate statutes for each separate violation of AS 46.04.040 or of 18 AAC 75.205 -- 18 AAC 75.290;

(2) take action to halt the operation of a vessel or facility that is not in compliance with AS 46.04.040 or 18 AAC 75.205 -- 18 AAC 75.290;

(3) take action to deny entry to a vessel to the navigable waters of the state;

(4) take action to detain a vessel that does not produce, upon the department's request, a current, valid certificate of proof of financial responsibility issued under 18 AAC 75.205 -- 18 AAC 75.290; or

(5) take such other and further action as may be warranted by the circumstances. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.050
AS 46.03.760 AS 46.04.070
AS 46.03.850 AS 46.04.900
AS 46.04.040

ARTICLE 3. Discharge Reporting, Cleanup, and Disposal.

18 AAC 75.300. DISCHARGE NOTIFICATION REQUIRED.

(a) Subject to (b) of this section, a person in charge of a facility or operation shall notify the department of a discharge of any hazardous substance at or from the facility or operation as follows:

(1) as soon as the person has knowledge of

(A) any discharge of a hazardous substance other than oil;

(B) any discharge of oil to water; or

(C) any discharge, including a cumulative discharge, of oil in excess of 55 gallons solely to land outside an impermeable secondary containment area or structure; and

(2) within 48 hours after the person has knowledge of any discharge, including a cumulative discharge, of oil solely to land

(A) in excess of 10 gallons, but 55 gallons or less; or

(B) in excess of 55 gallons, if it is the result of the escape or release of oil from its original storage tank, pipeline, or other immediate container into an impermeable secondary containment area or structure.

(b) A person in charge of a facility or operation shall maintain, and shall provide to the department on a monthly basis, a written record of any discharge, including a cumulative discharge, of oil solely to land from one gallon to 10 gallons.

(c) The information required by (a) and (b) of this section must include, to the extent known, the information required by 18 AAC 75.307(c).

(d) If a person is a person in charge solely by operation of 18 AAC 75.990(47)(C), the requirements of this section are met if notice of the discharge is in fact given by another person in charge. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.070
AS 46.03.740 AS 46.09.010
AS 46.03.755

18 AAC 75.307. REPORTS REQUIRED.

(a) After receiving notice of a discharge, the department will, in its discretion, require interim reports until cleanup is completed.

(b) For a discharge covered under 18 AAC 75.300(a), a written final report must be submitted within 15 days after cleanup is completed or, if no cleanup occurs, within 15 days after the discharge. The report must be submitted to the appropriate district or regional office of the department.

(c) Written reports required by this section and written notifications required under 18 AAC 75.300 must contain, as applicable

(1) the date and time of the discharge;

(2) the location of the discharge;

(3) the name of the facility or vessel;

(4) the name, mailing address, and telephone number of

(A) the person or persons causing or responsible for the discharge; and

(B) the owner and the operator of the facility or vessel;

(5) the type and amount of each hazardous substance discharged;

(6) the cause of the discharge;

(7) a description of any environmental damage caused by the discharge or containment, to the extent the damage can be identified;

(8) a description of cleanup actions taken;

(9) the estimated amount of

(A) hazardous substance cleaned up; and

(B) hazardous waste generated;

(10) the date, location, and method of ultimate disposal of the hazardous substance and any contaminated materials;

(11) a description of actions being taken to prevent recurrence of the discharge; and

(12) other information the department requires to fully assess the cause and impact of the discharge. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.070
AS 46.03.740 AS 46.09.010
AS 46.03.755

18 AAC 75.317. POSTING OF INFORMATION REQUIRED.

(a) A discharge notification placard provided or approved by the department, which includes telephone numbers of department offices, must be displayed in conspicuous locations on

(1) a tank truck containing more than 500 gallons of a hazardous substance, in addition to that required to operate the vehicle;

(2) a tugboat, tank vessel, oil barge, tow boat, or any other vessel transporting a hazardous substance as cargo in state waters;

(3) a vehicle carrying or towing a hazardous substance other than oil, or more than 500 gallons of oil, as cargo off-road over frozen or unfrozen ground; and

(4) a facility that has a total above-ground or underground storage capacity in excess of 1,000 gallons of a hazardous substance.

(b) A person who wants to post a substitute for a placard provided by the department shall submit the proposed placard for department approval. A placard approved under this subsection must contain the words: "form approved by the Alaska Department of Environmental Conservation." (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.03.755
AS 46.03.740 AS 46.09.010

18 AAC 75.319. DISPOSAL OF HAZARDOUS SUBSTANCES.

Prior department approval is required for the ultimate disposal of a hazardous substance and of soil, cleanup materials, or other substances contaminated with a hazardous substance. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.070
AS 46.03.745 AS 46.09.020
AS 46.04.020

18 AAC 75.327. CLEANUP.

(a) Immediately upon becoming aware of a discharge of a hazardous substance to land or waters of the state, any person responsible for that discharge shall contain, clean up, and dispose of the material collected, using methods for which approval has been given by the department. The discharge must be cleaned up to the department's satisfaction.

(b) Upon request the department, in consultation with federal officials, as appropriate, will waive the requirements of (a) of this section if the department determines that it is technically not feasible to contain or clean up the discharge or that the containment or cleanup effort would result in greater environmental damage than the discharge itself. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.020
AS 46.03.740 AS 46.04.070
AS 46.03.745 AS 46.09.020

18 AAC 75.337. ADEQUACY OF CLEANUP.

(a) Subject to the provisions of AS 46.04.020 and AS 46.09.020, if the department finds that cleanup efforts are inadequate, the department will, in its discretion,

(1) order the person engaged in cleanup operations to use additional measures or to cease cleanup activities;

(2) authorize other agents to begin cleanup activities; or

(3) adopt a combination of these actions.

(b) Cleanup efforts will be considered inadequate if

(1) containment equipment is not deployed and used to intercept and concentrate the discharge in its pattern of movement, unless environmental conditions exceed the operational limitations of the equipment;

(2) exclusion equipment is not deployed and used to protect sensitive environmental zones, unless environmental conditions exceed the limitations of the equipment;

(3) the area affected by the discharge is increasing at an avoidable rate despite containment and removal activities, unless environmental conditions exceed the limitations of the equipment, or unless immediate containment would pose greater environmental risks than to allow the discharge to temporarily spread;

(4) the containment and exclusion equipment being used is not functioning effectively because of existing weather or oceanographic conditions, and other containment and exclusion equipment is reasonably available which can function effectively in existing weather and oceanographic conditions;

(5) containment, exclusion, and lightering equipment is not deployed and operational in accordance with the procedures specified in an applicable oil discharge prevention and contingency plan;

(6) major items of cleanup equipment, including booms, skimmers, lightering pumps, sorbent, and storage containers, are not operational, or are not operating adequately; or

(7) available personnel, equipment, sorbent, or supplies are inappropriate or are being unused or mismanaged, or additional personnel, equipment, sorbent, or supplies are required, but not being provided. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.020
AS 46.03.740 AS 46.04.070
AS 46.03.745 AS 46.09.020

18 AAC 75.347. INTERFERENCE WITH CLEANUP PROHIBITED.

No person may interfere with, hinder, or obstruct oil or hazardous substance discharge cleanup operations conducted under this chapter. This prohibition does not apply to the U.S. Coast Guard or to the U.S. Environmental Protection Agency. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.020
AS 46.09.020

18 AAC 75.357. LOCAL CONTROL.

Subject to the provisions of AS 29.35.020, AS 46.04.110, and AS 46.09.060, nothing in this chapter preempts local control as stringent as, or more stringent than the requirements of 18 AAC 75.300 -- 18 AAC 75.347, consistent with a regional master plan prepared by the department under AS 46.04.210. (Eff. 5/14/92, Register 122)

Authority: AS 29.35.020 AS 46.04.210
AS 46.03.020 AS 46.09.060
AS 46.04.110

18 AAC 75.370. USE IMMUNITY.

In any criminal action for the discharge, information given under 18 AAC 75.300 -- 18 AAC 75.307, or information directly obtained through the exploitation of a notification

or report regarding the discharge will not be used against any natural person who provides the notification or report. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.755

ARTICLE 4. Oil Discharge Prevention and Contingency Plans.

18 AAC 75.400. APPLICABILITY.

(a) A person who is subject to AS 46.04.030 must file an application for approval of an oil discharge prevention and contingency plan as required under 18 AAC 75.400 -- 18 AAC 75.420 and meet the applicable requirements of 18 AAC 75.425 -- 18 AAC 75.495. The application must be made

(1) for an oil terminal facility, by the owner or operator of the facility;

(2) for a tank vessel, oil barge, or any other vessel transporting liquid bulk oil cargo, by

(A) the charterer, if the vessel or barge is chartered by demise (leased);

(B) the operator of the vessel, as defined at AS 46.04.900;

(C) the owner of the vessel or barge, if the agents or employees of the owner retain control and responsibility for the operation of the vessel or barge; or

(D) in any other case, the person with primary operational control;

(3) for an exploration or production facility, whether mobile or fixed, by the lease holder or the operator; or

(4) for a pipeline, by the lease holder or the operator.

(b) The department will, in its discretion, exempt from the requirements of AS 46.04.030(c), a vessel that is conducting, or is available only for conducting, an oil discharge response operation. A person seeking an exemption under this subsection must apply on a form supplied by the department. The department will approve or deny the request for exemption within 10 days after it receives an application. In an emergency response to an actual discharge, a person seeking an exemption may make a verbal request, and the department will, in its discretion, issue a verbal approval. The department will confirm a verbal approval in writing, stating the period during which the approval is valid.

(c) The owner or operator of an oil terminal facility that is subject to the requirements of AS 46.04.030 and 18 AAC 75.400 -- 18 AAC 75.495 may apply for an exemption to those requirements upon proof to the department that the effective storage capacity of the facility has been reduced below the amounts set out in AS 46.04.050. For purposes of reducing effective storage capacity, tanks and associated piping must be emptied and rendered unusable to the department's satisfaction. Tanks taken out of service must be clearly posted with a placard prohibiting refilling of the tank without department approval. Before reactivation of a tank that has been disabled for the purposes of an exemption under this subsection, the owner or operator must notify the department and, if necessary, must file a new application for approval of an oil discharge prevention and contingency plan. The department will conduct inspections as necessary to ensure compliance with this subsection. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.050
AS 46.04.030 AS 46.04.070

18 AAC 75.405. PRE-APPLICATION NOTIFICATION AND CONSULTATION.

(a) At least 60 days before submitting an application for approval of a new oil discharge prevention and contingency plan under 18 AAC 75.410 or for renewal of approval under 18 AAC 75.420, the applicant must notify the appropriate regional office of the department of its intent to submit. The department will determine the number of copies of the plan that the applicant will be required to submit to the department.

(b) The applicant may consult with the department to ensure that the application meets the requirements of 18 AAC 75.410 and to discuss the contents of the proposed plans. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.050
AS 46.04.030 AS 46.04.070

18 AAC 75.410. APPLICATION FOR APPROVAL.

(a) An application for approval must be delivered to the department's regional office in the primary region of operation for which the plan was prepared. The application for approval must include a completed application for approval, on a form supplied by the department and the number of copies of the plan determined under 18 AAC 75.405(a). The department will, in its discretion, require the submission to it of additional copies of the plan and will notify the applicant of the need for additional copies within 10 days after the plan is submitted to it. In addition, the applicant is responsible for providing copies of the plan, upon request, to resource agencies, coastal districts, regional citizens' advisory councils, and other persons as directed by the department under 18 AAC 75.455.

(b) The application for approval must include

(1) the applicant's name, address, and telephone number;

(2) the name, location, and type of facility or operation covered by the plan;

(3) for a vessel, the vessel's name, official number, country of registry, the name and address of the owner, and the name and address of the operator;

(4) the scheduled date for the operations covered by the plan to begin; and

(5) any other information required on the application form that is applicable to the facility or operation.

(c) The department will review an application submitted under this section using the procedures set out at 18 AAC 75.455 and will issue its decision under 18 AAC 75.460. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.412. TRANSITIONAL PROVISIONS FOR REVIEW OF PLANS APPROVED BEFORE MAY 14, 1992.

(a) In order to comply with the requirements of 18 AAC 75.400 -- 18 AAC 75.495, an owner or operator of a facility or vessel operating under an oil discharge prevention and contingency plan approved by the department before May 14, 1992 must amend that plan, as necessary, and submit it, along with an application for approval on a form supplied by the department, to the appropriate regional office on or before August 12, 1992.

(b) If an owner or operator submits an application for approval of an amended plan in accordance with (a) of this section and agrees immediately to begin operating the

facility or vessel or conducting a spill response under those provisions of the amended plan that would result in increased spill prevention or spill response capability, a plan that was approved before May 14, 1992 will continue to be considered approved for the purposes of AS 46.04.020 pending the department's review of and decision on the application and amended plan, unless the department determines otherwise with respect to a particular plan.

(c) If approval for a plan that was approved before May 14, 1992 will expire before the department's decision on the application and amended plan will be issued, the applicant may request an extension of the plan's expiration date. The department will, in its discretion, grant an extension of a plan's expiration date upon the applicant's agreement to operate the facility or vessel under the provisions of the amended plan submitted for approval under (a) of this section that would result in increased spill prevention or spill response capability.

(d) The department will use the procedures set out at 18 AAC 75.455 to review an application for approval of an amended plan under (a) of this section. However, notwithstanding any provision of 18 AAC 75.455(a) to the contrary, the timing by a regional office of the determination of whether an application and amended plan are sufficient for public review will be scheduled, based upon the relative priority of review of a particular plan as compared to the priorities assigned to all amended plans submitted to that regional office.

(e) The department's decision on an application for approval of an amended plan submitted under (a) of this section will be made under 18 AAC 75.460. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.415. APPLICATION FOR AMENDMENT.

(a) Subject to (b) of this section, before a change to an oil discharge prevention and contingency plan that has been approved under 18 AAC 75.400 -- 18 AAC 75.495 may take effect, the plan holder must obtain approval from the department for an amendment to the plan. An application for approval of an amendment must be submitted to the appropriate regional office on a form supplied by the department, accompanied by the number of amended plans or plan amendments determined under 18 AAC 75.405(a). The department will use the procedures set out at 18 AAC 75.455 to review a plan amendment, unless it is a routine plan update under (b) of this section, adds a vessel under (c) of this section, or otherwise that does not diminish the plan holder's ability to respond to an oil discharge.

(b) A routine plan update must be submitted to the department and to the applicable resource agencies within five days after the date of the proposed change. Routine plan updates include

(1) deletions to the list of vessels operating under the approved plan;

(2) revisions to the list of names, addresses, or telephone numbers of spill command and response personnel; and

(3) revisions to training procedures or course work requirements that do not reduce the amount or quality of training required by this chapter.

(c) An application for approval of a plan amendment to allow the addition of a vessel to operate under an approved plan must include the information required by 18 AAC 75.425(e)(1)(H) and 18 AAC 75.425(e)(3)(A)(iii), (iv), (v), (vii), and (viii). Plan

amendments for the addition of vessels must be submitted at least five days before operation in state waters. The department will review the application and issue a written decision within five days after receiving a proposed plan amendment under this subsection if the department determines that the addition of vessels will not diminish the plan holder's ability to respond to an oil discharge. A plan amendment under this subsection that might diminish the plan holder's ability to respond to an oil discharge will be reviewed under 18 AAC 75.455.

(d) If the department determines that a proposed plan amendment submitted under (b) of this section will diminish the plan holder's ability to respond to an oil discharge, the department will notify the plan holder within 10 days after receipt of the amendment that it will be reviewed under 18 AAC 75.455. If the department determines that a proposed plan amendment will not diminish the plan holder's ability to respond to an oil discharge, the department will review the plan amendment and issue a written decision within 30 days after receiving it.

(e) The plan holder shall notify and, upon request, send a copy of any proposed plan amendment or update submitted under this section to the Department of Fish and Game, the Department of Natural Resources, affected coastal districts and regional citizens advisory councils, and other persons as directed by the department. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.420. APPLICATION FOR RENEWAL.

(a) A plan holder must apply to the appropriate regional office for renewal of the department's plan approval, using a form supplied by the department, sufficiently in advance of expiration of the plan to permit department review before the plan approval expires.

(b) A change in ownership of a facility or operation requires an application for renewal of the department's approval of the plan.

(c) If no change will be made in the plan when it is renewed, a copy of the original plan need not accompany the application and may be incorporated by reference on the renewal application form. In all other cases, the number of amended plans or plan amendments determined under 18 AAC 75.405(a) must accompany the application for renewal.

(d) If the department determines that the change in ownership of a facility or operation will not diminish the plan holder's ability to respond to an oil discharge, the department will review and issue a written decision within 30 days after receiving an application for renewal.

(e) Except as provided in (d) of this section, an application for renewal will be reviewed under the provisions of 18 AAC 75.455. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.425. OIL DISCHARGE PREVENTION AND CONTINGENCY PLAN CONTENTS.

(a) An oil discharge prevention and contingency plan submitted for approval under 18 AAC 75.400 -- 18 AAC 75.495 must be in a form that is usable as a working plan for oil discharge prevention, control, containment, cleanup, and disposal. A plan must contain enough information, analyses, supporting data, and documentation to demonstrate the plan holder's ability to meet the requirements of AS 46.04.030 and 18 AAC 75.400 -- 18 AAC 75.495.

(b) The plan for a facility comprised of multiple operations as described at 18 AAC 75.442 must describe, for each category of operation at the facility, the appropriate response measures to meet the applicable portion of the response planning standard.

(c) The submitted plan must be accompanied by a cover page or promulgation letter that includes

(1) the name of the plan holder, and the covered vessel, barge, facility, or operation, followed by the words "Oil Discharge Prevention and Contingency Plan";

(2) the date of the plan; and

(3) a statement, signed by a person with appropriate authority, committing the resources necessary to implement the plan.

(d) The plan must

(1) include the official plan title;

(2) consist of three parts and contain the information described in (e)(1) -- (3) of this section;

(3) contain a complete table of contents and lists of any tables or figures, with corresponding page numbers; and

(4) be presented in the order shown in (e) of this section, or include a cross-reference table that directs the reader to the appropriate information.

(e) The information in the plan must include

(1) part 1 -- response action plan: The response action plan must provide, in sufficient detail to clearly guide responders in an emergency event, all information necessary to guide response to a discharge of any size, up to and including a discharge that is equal to the applicable response planning standard set out at 18 AAC 75.430 -- 18 AAC 75.442. The response action plan must include the following information:

(A) emergency action checklist -- a short checklist of the immediate response and notification steps to be taken if an oil discharge occurs; it is recommended that this summary be duplicated on a wallet-size card, to be carried by the appropriate response personnel while on duty;

(B) reporting and notification -- a description of the immediate spill reporting actions to be taken at any hour of the day, including

(i) the title and telephone number of facility personnel responsible for making the notification; and

(ii) the telephone number of each appropriate government agency to be notified if a discharge occurs;

(C) safety -- based on applicable safety standards, a description of the steps necessary to develop an incident-specific safety plan for conducting a response;

(D) communications -- a description of field communications procedures, including, if applicable, assigned radio channels or frequencies and their intended use by response personnel;

(E) deployment strategies -- a description of proposed initial response actions that may be taken, including

(i) procedures for the transport of equipment, personnel, and other resources to the spill site, including plans for alternative methods in adverse weather conditions, and

(ii) if the operator is not the primary spill responder, procedures to notify and mobilize the response action contractor or other responder identified in the plan, including a description of the interim actions that the operator will perform until the responder identified in the plan initiates a full response to the discharge;

(F) response strategies -- a description of the discharge containment, control, and cleanup actions to be taken, which clearly demonstrate the strategies and procedures adopted to conduct and maintain an effective response; this information must be presented in the form of a response scenario to a discharge of the applicable response planning standard volume and must be usable as a general guide for a discharge of any size; response strategies must include

(i) procedures to stop the discharge at its source and prevent its further spread;

(ii) a description of methods to prevent or control a potential fire hazard;

(iii) for an exploration or production facility, a plan and time frame for drilling a relief well or otherwise controlling an exploration or production well blowout;

(iv) procedures and methods for real-time surveillance and tracking of the discharged oil on open water and forecasting of its expected points of shoreline contact; (v) for a stationary facility or operation, and, if requested by the department, for a vessel, procedures and methods to exclude oil from environmentally sensitive areas and areas of public concern identified under (3)(J) of this subsection, including, for a land-based facility, protection of groundwater and public water supplies;

(vi) a description of the actions to be taken to contain and control the spilled oil, including, as applicable, boom deployment strategies, construction of temporary berms, and other methods;

(vii) a description of the actions to be taken to recover the contained or controlled oil using mechanical methods, including plans and provisions for skimming, absorbing, or otherwise recovering the contained or controlled product from water or land;

(viii) procedures for lightering, transfer, and storage of oil from damaged tanks or from undamaged tanks that might be at risk of discharging additional oil;

(ix) procedures and plans for transfer and storage of recovered oil and oily water, including methods for estimating the amount of recovered oil;

(x) plans, procedures, and locations for temporary storage and ultimate disposal of oil contaminated materials, oily wastes, and sanitary and solid wastes, including plans for obtaining any required permits or authorizations for temporary storage or ultimate disposal;

(xi) plans for the protection, recovery, disposal, rehabilitation, and release of potentially affected wildlife, including: minimizing wildlife contamination through hazing or other means, when appropriate; the recovery of oiled carcasses to preclude secondary contamination of scavengers; and the capture, cleaning, rehabilitation, and release of oiled wildlife, when appropriate; and

(xii) if applicable, plans for the deployment of shoreline cleanup equipment and personnel, including cleanup and restoration methods and techniques to be used if the shoreline is impacted by the discharge;

(G) nonmechanical response options -- if applicable, a description of actions to be taken to obtain the necessary permits and approvals to initiate dispersant application, in situ burning, or other nonmechanical response methods, the basis for determining the conditions or circumstances under which these options will be used, and how the nonmechanical response techniques will be implemented, including a description of all required equipment and personnel; and

(H) facility or vessel diagram -- a p[illegible]iagram[illegible] of the facility, vessel, or operation for reference in conducting emergency response operations, with locations of response equipment and other features pertinent to the response plan clearly marked, including surrounding topography, roads, air transportation and other transportation access, location and bathymetry of adjacent water bodies, mooring areas, oil transfer locations, pipelines, control stations, drip pans and drainage of drip pans, and a representation of the distance and gradients to surface water for an operation located on land, by topographic map, aerial photographs, or other means;

(2) part 2 -- prevention plan -- Under the provisions of 18 AAC 75.005 -- 18 AAC 75.090, the prevention plan must include a detailed description of all oil discharge prevention measures and policies employed at the facility, vessel, or operation, with reference to the risks involved. The prevention plan may be submitted as a separate volume, and must include, at a minimum, the following information:

(A) a description and schedule of regular pollution prevention, inspection, and maintenance programs in place at the facility or operation;

(B) a history of all known discharges greater than 55 gallons that have occurred at the facility, with an analysis of the relationship, if any, between their frequency, cause, and size, and a description of actions to be taken to prevent or mitigate similar discharges in the future;

(C) an analysis of potential oil discharges, including size, frequency, cause, duration, and location, and a description of actions taken to prevent a potential discharge;

(D) a description of any conditions specific to the facility or operation that might increase the risk of a discharge, including physical or navigation hazards, traffic patterns, or other site-specific factors, and any measures that have been taken to reduce the risk of a discharge attributable to these conditions;

(E) a description of the existing and proposed means of discharge detection, including surveillance schedules, leak detection, observation wells, monitoring systems, and spill-detection instrumentation; if electronic or mechanical instrumentation is employed, detailed specifications, including threshold detection, sensitivities, and limitations of equipment must be provided;

(F) a detailed basis for the calculation of exceptions, if any, to be applied to the response planning standards set out in 18 AAC 75.430 -- 18 AAC 75.438; and

(G) for an operation in existence or substantially completed before the effective date of this section, a compliance schedule as described at 18 AAC 75.015; and

(3) part 3 -- supplemental information: The supplemental information section must provide background and verification information, including

(A) facility description and operational overview -- a general description of the oil storage, transfer, exploration, or production activities of the operation, including

(i) the number, type, and oil storage capacity of each container covered under the plan and its installation date, design, construction, and general condition;

(ii) the type and amount of oil stored in each container;

(iii) for vessels, a general chart showing routes normally used for the transportation of oil products within state waters, and the frequency of use for each route;

(iv) for vessels, plans or diagrams that identify cargo, bunker, and ballast tanks, all tank capacities, cargo piping, ballast piping, winches, emergency towing equipment, power plants, manifold pipe size, containment structures and equipment, and a description of the method of containing a discharge from fuel oil tank vent overflow and fill pipes;

(v) a description of the normal procedures for the loading or transfer of oil from or to a pipeline, facility, tank vessel, oil barge, or storage tank;

(vi) for a production facility, a description of the flow and gathering lines and processing facilities;

(vii) for vessels, a description of the methods for retention and disposal of oily wastes and bilge slops; and

(viii) any other information required by the department to evaluate the response capability of a vessel, including an approved loading manual that meets the requirements of 46 C.F.R. 45.105, amended through October 1, 1990;

(B) receiving environment -- for a land-based facility or operation:

(i) the potential routes of travel of oil discharged from the facility or operation to open water in the form of a drainage diagram or map, showing gradients and potential containment sites and features, including identification and explanation of all measures that will be taken to prevent a discharge from entering open water; and

(ii) based on the information in (i) of this subparagraph, an estimate of what percentage of the applicable response planning standard volume set out at 18 AAC 75.430 -- 18 AAC 75.436, or 18 AAC 75.442 for the facility or operation will reach open water;

(C) command system -- a description of the command system to be used in response to a discharge, including the title, address, telephone number, and affiliation by company, agency, or local government of each person, including a person identified in (1)(B) of this subsection, who by law or through employment, contract, or cooperative agreement, is responsible for responding to a discharge, and each person's functional role in the command system; this list must include command, fiscal, operations, planning, and logistics lead personnel; the command system must be compatible with the state's response structure outlined in the state master plan prepared under AS 46.04.200;

(D) realistic maximum response operating limitations -- a description of the realistic maximum response operating limitations that might be encountered at the facility or operation and, based on environmental and safety considerations, an analysis of the frequency and duration, expressed as a percentage of time, of limitations that would render mechanical and other response methods ineffective; the realistic maximum operating limitations for a response must be defined, with a description of any measures that will be taken to compensate for those periods when environmental conditions exceed this maximum; environmental conditions to be considered in this analysis must include

(i) weather, including wind, visibility, precipitation and temperature;

(ii) sea states, tides, and currents;

(iii) ice and debris presence;

(iv) hours of daylight; and

(v) other known environmental conditions that might influence the efficiency of the response equipment or the overall effectiveness of a response effort;

(E) logistical support -- identification of aircraft, vessels, and other means that may be used to transport equipment and personnel during a discharge response, including information on ownership and availability of identified means of transportation;

(F) response equipment -- a complete list of contracted or other oil discharge containment, control, cleanup, storage, transfer, lightering, and related response equipment, including

(i) the location, inventory, and ownership of the equipment;

(ii) the time frame for delivery and startup of response equipment and trained personnel located outside the facility's primary region of operation;

(iii) the manufacturer's rated capacities, limitations, and operational characteristics for each item of oil recovery equipment, including any nonmechanical response techniques;

(iv) each vessel designated for oil recovery operations, including skimming vessels and platforms and vessels designated to tow and deploy boom;

(v) information on additional vessels available from other sources for oil recovery operations, including, if applicable, procedures for inventorying, training personnel, and equipping vessels;

(vi) pumping, transfer and temporary storage, and lightering equipment for transferring oil from damaged or undamaged tanks; and

(vii) the procedures for storage, maintenance, and inspection of spill response equipment under the immediate control of the operator when not in use, including procedures for periodic testing and maintenance of response equipment;

(G) nonmechanical response information -- if a nonmechanical technique such as dispersant use or in situ burning is proposed as a response option, the plan must include

(i) a description of the specific mechanisms in place to assess the environmental consequences of the nonmechanical response option and to provide continuous monitoring of its environmental effects;

(ii) a complete inventory of nonmechanical response equipment and supplies, including the type and toxicity of each dispersant, with procedures for storage, maintenance, and deployment;

(iii) identification of all necessary approvals, and a completed application for department approval for open burning if in situ burning is a proposed response technique;

(iv) identification of all permits, approvals, or authorizations for use of nonmechanical response techniques and the timeline for obtaining them; and

(v) a plan for protecting environmentally sensitive areas, areas of public concern, and the public from any adverse effects of the nonmechanical response action;

(H) oil spill primary response action contractor information -- if a plan holder proposes to use the services of an oil spill primary response action contractor to meet a requirement of AS 46.04.030 or 18 AAC 75.400 -- 18 AAC 75.495, the contractor must be registered under 18 AAC 75.500 -- 18 AAC 75.570; the plan holder shall include a correct and complete list of each primary response action contractor, with name, address, telephone number, and affiliation by company, the response contractor information described in 18 AAC 75.445(i), and a description of the response equipment and services provided; the use of an oil spill primary response action contractor does not relieve the plan holder of its responsibility to provide the information required by this subsection and to meet all other applicable requirements of 18 AAC 75.400 -- 18 AAC 75.495;

(I) training -- a detailed description of the training programs for discharge response personnel;

(J) protection of environmentally sensitive areas and areas of public concern -- for a stationary facility or operation, and, if required by the department, for a vessel, mapped predictions of discharge movement, spreading, and probable points of contact, based on expected local, seasonal, meteorologic, and oceanographic or topographic conditions; and, for each probable point of contact, a description of each environmentally sensitive area and each area of public concern, including

(i) the effect of seasonal conditions on the sensitivity of each area;

(ii) a discussion of the toxicity effects and persistence of the discharge, based on type of product; and

(iii) an identification of which areas will be given priority attention if a discharge occurs;

(K) additional information -- other information necessary to provide background for or verification of the plan contents, and

(L) bibliography -- a list of data and information sources used to determine the information contained in the plan. (Eff. 5/14/92, Register 122; am 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.04.030 AS 46.04.070

18 AAC 75.430. RESPONSE PLANNING STANDARDS.

(a) Notwithstanding the response planning standards set out in 18 AAC 75.430 -- 18 AAC 75.442, the plan must demonstrate the general procedures to clean up a discharge of any size, including the greatest possible discharge that could occur, subject to the provisions of AS 46.04.020 and AS 46.09.020.

(b) Except for the requirements of 18 AAC 75.438(b)(1) and (2) and 18 AAC 75.440, the department will, in its discretion, consider and provide modifications to the response planning standards set out in 18 AAC 75.430 -- 18 AAC 75.442 for a prevention measure that is in addition to those listed in 18 AAC 75.432 -- 18 AAC 75.438, if the plan holder demonstrates to the department's satisfaction that the proposed measure reduces the potential size or risk of a discharge.

(c) If more than one prevention measure is used to modify the response planning standard, each subsequent reduction will be applied separately to the response planning standard value that results from application of the previous modification. However, in no case will the department reduce the response planning standard below an amount equal to

(1) 15 percent of the response planning standard applicable to a crude or noncrude oil terminal facility, an exploration or production facility, or a crude oil pipeline as determined under 18 AAC 75.432(b) or (c), 18 AAC 75.434(b), or 18 AAC 75.486(b), respectively, or

(2) 30 percent of the response planning standard for a crude oil tank vessel or barge as determined by 18 AAC 75.438(c).

(d) The department will, in its discretion, revoke or reduce a prevention credit set out in 18 AAC 75.432 -- 18 AAC 75.438 if the department finds that the plan holder has failed to execute or has not effectively implemented the prevention measure used to determine that credit.

(e) Liquefied petroleum gas is exempt from the requirements of 18 AAC 75.430 -- 18 AAC 75.442. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.432. RESPONSE PLANNING STANDARDS FOR OIL TERMINAL FACILITIES.

(a) For a crude or noncrude oil terminal facility, the plan holder shall maintain or have available under contract within the plan holder's region of operation or another approved location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

(1) contain or control and clean up within 72 hours that portion of the response planning standard volume that enters open water; and

(2) contain or control within 72 hours, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume that enters a receiving environment other than open water.

(b) The response planning standard volume for a crude or noncrude oil terminal facility is equal to the capacity of the largest oil storage tank at the facility covered by the plan, unless there are specific natural or manmade conditions outside the facility which could place the facility at an increased risk of an oil discharge affecting one or more storage tanks.

(c) For an increased risk described in (b) of this section, the response planning standard volume is equal to the capacity of all of the potentially affected oil storage tanks at the facility. The plan must set out the basis for selecting the storage tanks and the volume of oil planned for in the response.

(d) The department will, in its discretion, reduce the requirements of (b) of this section, by a percentage up to that shown, for each of the following prevention measures in place at the facility:

(1) alcohol and drug testing of key personnel: 5 percent;

(2) an operations training program with a professional organization or federal certification or licensing of program participants: 5 percent;

(3) on-line leak detection systems for tanks and piping: 5 percent;

(4) a sufficiently impermeable secondary containment area with a dike capable of holding the contents of the largest tank, or all potentially affected tanks in the case of increased risk, and precipitation: 60 percent;

(5) for secondary containment as described in (4) of this subsection, designed with the following enhancements, an additional allowance for

(A) cathodic protection: 10 percent;

(B) fail-safe valve piping systems: 15 percent; or

(C) impervious containment area extending under the full area of each storage tank or double bottoms with leak detection: 25 percent; and

(6) containment outside the secondary containment area: 10 percent. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.434. RESPONSE PLANNING STANDARDS FOR EXPLORATION OR PRODUCTION FACILITIES.

(a) For an exploration or production facility, the plan holder shall maintain or have available under contract within the plan holder's region of operation or another approved location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

(1) contain or control and clean up within 72 hours that portion of the response planning standard volume that enters open water; and

(2) contain or control within 72 hours, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume that enters a receiving environment other than open water.

(b) The response planning standard volume for an exploration or production facility is 16,500 barrels, plus an additional 5,500 barrels for each day beyond 72 hours

necessary to stop the discharge, unless the plan demonstrates, based on adequate well data, analyses, and supporting documentation, that a higher or lower discharge rate is appropriate.

(c) The department will, in its discretion, reduce the requirements of (b) of this section, by a percentage up to that shown, for each of the following prevention measures in place at the facility:

(1) alcohol and drug testing of key personnel: 5 percent;

(2) an operations training program with a professional organization or federal certification or licensing of program participants: 5 percent;

(3) on-line leak detection systems: 5 percent;

(4) measurement of on-line bottom hole pressure while drilling, with computer-aided circulation control of drilling fluids, using a professional organization standard or recommended practice: 5 percent;

(5) a computer-aided management system of inspection, maintenance, and repair such as Bureau Veritas "IRM-Expert": 5 percent;

(6) a formal safety analysis, using reliability-management methods such as the United Kingdom's Formal Safety Assessment or Norway's Concept Safety Evaluation: 5 percent; and

(7) emergency pipeline-shutdown valves with remote, local, and fail-safe operation, capable of closing against full differential pipeline pressure and not used for any purpose other than emergency shutdown: 5 percent. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.436. RESPONSE PLANNING STANDARDS FOR CRUDE OIL PIPELINES.

(a) For a crude oil pipeline facility, the plan holder shall maintain or have available under contract within the plan holder's region of operation or another approved location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

(1) contain or control and clean up within 72 hours that portion of the response planning standard volume that enters open water; and

(2) contain or control within 72 hours, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume that enters a receiving environment other than open water.

(b) The response planning standard volume for a crude oil pipeline facility is the amount of oil which equals the length of the pipeline between pumping or receiving stations or valves (L_{pl}), minus the hydraulic characteristics of the pipeline due to terrain profile (H_{pl}), times the capacity of the pipeline in barrels per lineal measure (C_{pl}), plus the flow rate of the pipeline in barrels per time period (FR_{pl}), multiplied by the estimated time to detect a spill event (TD_{pl}), plus the time to shut down the pipeline pump or system (TSD_{pl}). Written as a formula, the response planning standard is $(L_{pl} - H_{pl}) \cdot C_{pl} + FR_{pl} \cdot (TD_{pl} + TSD_{pl})$.

(c) The department will, in its discretion, reduce the requirements of (b) of this section, by a percentage up to that shown, for each of the following prevention measures in place at the facility:

(1) alcohol and drug testing of key personnel: 5 percent;

(2) an operations training program with a professional organization or federal certification or licensing of program participants: 5 percent;

(3) on-line leak detection systems: 5 percent;

(4) corrosion control using

(A) ultrasonic thickness meters: 15 percent;

(B) instrumented in-line cleaning and diagnostic equipment ("smart pigs"): 15 percent; or

(C) a method described in (A) or (B) of this paragraph, coupled with cathodic-profile inspection at least triennially: 30 percent; and

(5) underwater pipeline cathodic- and burial-profile inspection: 5 percent.

(Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.438. RESPONSE PLANNING STANDARDS FOR CRUDE OIL TANK VESSELS AND BARGES.

(a) For a crude oil tank vessel or barge, the plan holder shall maintain or have available under contract within its region of operation, sufficient discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

(1) contain or control and clean up within 72 hours that portion of the response planning standard volume set out in (b) of this section that enters open water; and

(2) contain or control within 72 hours, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume set out in (b) of this section that enters a receiving environment other than open water.

(b) For purposes of the requirements of (a) of this section, the response planning standard volume for a crude oil tank vessel or barge is

(1) 50,000 barrels, if the tank vessel or barge has a cargo volume of less than 500,000 barrels; and

(2) 300,000 barrels, if the tank vessel or barge has a cargo volume of 500,000 barrels or more.

(c) In addition to the requirements of (a) of this section, for all crude oil tank vessels and barges, the plan holder shall plan to have deployed and operating within 72 hours, from within or outside its region of operation, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to contain and control, and clean up at least 60 percent of the total cargo capacity of the tank vessel or barge.

(d) The department will, in its discretion, reduce the requirements of (c) of this section, by a percentage up to that shown, for each of the following prevention measures in place for the vessel or barge:

(1) hydrostatic loading: 20 percent;

(2) double hulls and bottoms: 30 percent;

(3) double bottoms: 25 percent; and

(4) emergency-response vessels and procedures described as follows:

(A) vessel escort during entire vessel transit in port area;

(B) escort vessels capable of

(i) providing steering and propulsion assistance with the ability to attach towing cables in a timely fashion under the weather conditions of transit; and

(ii) exerting sufficient force to change or maintain the escorted vessel's course;

(C) limits on the escorted vessel's speed in order to match escort vessel's ability to render assistance; and

(D) escort vessels have on-board oil discharge response equipment: 11 percent.

(e) A crude oil tank vessel or barge that has been exempted under 18 AAC 75.400(b) is exempt from the requirements of this section. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.440. RESPONSE PLANNING STANDARDS FOR NONCRUDE OIL TANK VESSELS AND BARGES.

(a) For a noncrude oil tank vessel or barge, the plan holder shall maintain or have available under contract within the plan holder's region of operation or another approved location, sufficient oil discharge containment, storage, transfer, and cleanup equipment, personnel, and other resources to

(1) contain or control within 48 hours, and to clean up within the shortest possible time, that portion of the response planning standard volume that enters open water; and

(2) contain or control, and clean up within the shortest possible time consistent with minimizing damage to the environment, that portion of the response planning standard volume that enters a receiving environment other than open water.

(b) The response planning standard volume for a noncrude oil tank vessel or barge is equal to 15 percent of the total cargo capacity of the oil tank vessel or barge. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.442. RESPONSE PLANNING STANDARDS FOR MULTIPLE OPERATIONS.

For a facility having more than one category of operation that requires an approved oil discharge prevention and contingency plan, the plan holder must plan to respond to a discharge of the applicable response planning standard volume for each separate category of operation at the facility as established under 18 AAC 75.430 -- 18 AAC 75.440. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.445. APPROVAL CRITERIA.

(a) The department will use the criteria set out in this section to review an oil discharge prevention and contingency plan submitted under 18 AAC 75.425.

(b) General Response Procedures. The plan must identity the maximum possible discharge that could occur at the facility or operation, and the general procedures to be followed in responding to a discharge of that magnitude, including the identification of resources in addition to those maintained by the plan holder or available under contract to meet the applicable response planning standard for that facility or operation.

(c) Deployment Strategies. The plan must demonstrate that the identified personnel and equipment are sufficient to meet the applicable response planning standard and can be deployed and operating within the time specified under 18 AAC 75.430 -- 18 AAC 75.442. The plan must state what conditions were assumed and must take into account the realistic maximum operating conditions and their effects on response capability and the deployment of resources. Plans using contractual resources must demonstrate that the transition and substitution of equipment and resources will occur without interruption of response or cleanup.

(d) Response Strategies. The response strategies must take into account the type of product discharged and must demonstrate that

(1) procedures are in place to stop the discharge at its source within the shortest possible time;

(2) for an exploration or production facility, plans and time frames are in place for controlling a well blowout, including provisions for drilling a relief well, and taking into account any seasonal environmental conditions that might reasonably be expected to preclude emergency operations from regaining control of well pressure;

(3) plans, procedures, and equipment are sufficient to monitor and track the discharge in order to ensure proper allocation and deployment of response personnel and equipment;

(4) sufficient oil discharge response equipment, personnel, and other resources are maintained and available for the specific purpose of preventing discharged oil from entering an environmentally sensitive area or an area of public concern that would likely be impacted if a discharge occurs, and that this equipment and personnel will be deployed and maintained on a time schedule that will protect those areas before oil reaches them according to the predicted oil trajectories for an oil discharge of the volumes established under 18 AAC 75.430 -- 18 AAC 75.442; areas identified in the plan must include areas added by the department as a condition of plan approval;

(5) plan strategies are sufficient to meet the applicable response planning standard established under 18 AAC 75.430 -- 18 AAC 75.442 for containment, control, recovery, transfer, storage, and cleanup within the specified time and under environmental conditions that might reasonably be expected to occur at the discharge site;

(6) there is access to sufficient lightering equipment and personnel to transfer all oil from damaged tanks and from undamaged tanks if the risk of an additional discharge is present; the plan must provide for commencement and completion of lightering within the shortest possible time, consistent with ensuring the safety of personnel; and

(7) adequate temporary storage and removal capacity for recovered oil and oily wastes will be available at or near the site of the spill to keep up with the skimming and recovery operations and to meet the applicable planning standard established under 18 AAC 75.430 -- 18 AAC 75.442 for control, containment, and cleanup; plans for temporary storage and ultimate disposal must include the specific actions to be taken to obtain all necessary permits and approvals.

(e) Receiving Environment. For an onshore facility or operation, the applicant must determine and clearly demonstrate that, based on an analysis of the facility or operation, resources identified in the plan are sufficient to clean up that portion of a discharge of the applicable planning standard volume that might realistically be expected to reach open water within the applicable time limit set out in 18 AAC 75.430 -- 18 AAC 75.442.

(f) Realistic Maximum Response Limitations. In designing a spill response, severe weather and environmental limitations that might be reasonably expected to occur during a discharge event must be identified. The plan must use realistic efficiency rates for the

specified response methods to account for the reduction of control or removal rates under those severe weather or other environmental limitations that might reasonably be expected to occur. The department will, in its discretion, require the plan holder to take specific temporary prevention measures until environmental conditions improve to reduce the risk or magnitude of an oil discharge during periods when planned spill response methods are rendered ineffective by environmental limitations.

(g) Response Equipment. Response equipment identified in the plan must meet the following conditions:

(1) the applicant must have ready access to enough equipment to meet the applicable response planning standards established under 18 AAC 75.430 -- 18 AAC 75.442 using mechanical methods of oil control, containment, and cleanup;

(2) identified equipment must reflect the best available technology at the time the plan is submitted or renewed;

(3) types and amounts of boom, boom connectors, and anchorage devices must be of the appropriate design for the particular oil product, type of environment, and environmental conditions experienced at the facility or operation; the boom must be of sufficient length to mount an effective response to the volume of discharged oil established under 18 AAC 75.430 -- 18 AAC 75.442 for each type of facility or operation;

(4) vessels used to deploy and tow boom must be of a number, size, and power adequate to deploy the types and amounts of boom addressed in

(3) of this subsection and must be capable of operating in the manner and at the speeds necessary for the effective use of boom; and

(5) the number and size of skimmers and pumps to be used must be appropriate and adequate for recovery of the planning standard volume of the type of oil discharged within the planning standard time limit for cleanup established under 18 AAC 75.430 -- 18 AAC 75.442; equipment types must be compatible with each other as necessary to ensure an efficient response.

(h) Nonmechanical Response Information. Plans which propose the use of dispersants, in situ burning, or other nonmechanical response techniques during periods when environmental conditions or other factors limit the use of mechanical spill response methods must demonstrate their efficiency and effectiveness and must include a full assessment of potential environmental consequences, provisions for continuous monitoring and real-time assessment of environmental effects, and full compliance with all applicable approval requirements. If in situ burning is proposed as a response technique, a completed application for approval by the department must be included.

(i) Oil Spill Primary Response Action Contractor Information. If a plan holder proposes to use the services of an oil spill primary response action contractor to meet a requirement of AS 46.04.030 or 18 AAC 75.400 -- 18 AAC 75.495, the contractor must be registered under 18 AAC 75.500 -- 18 AAC 75.570. The plan holder shall include a correct and complete list of each primary response action contractor, with name, address, telephone number, and affiliation by company, and, for each response action contract, a statement signed by the plan holder and the primary response action contractor attesting to the department that the contract

(1) clearly specifies that the contractor is obligated to

(A) provide the response services and equipment listed for that contractor in the contingency plan;

(B) respond if a discharge occurs;

(C) notify the plan holder immediately if the contractor cannot carry out the response actions specified in the contract or the contingency plan;

(D) give written notice at least 30 days before terminating its contract with the plan holder;

(E) respond to a department-conducted discharge exercise required of the plan holder; and

(F) continuously maintain in a state of readiness, in accordance with industry standards, the equipment and other spill response resources to be provided by the contractor under the contingency plan; and

(2) contains the provisions required under AS 46.04.030(r), if the contract is between the plan holder for a tank vessel or oil barge carrying crude oil that has been transported by the Trans Alaska Pipeline System and a primary response action contractor who is the common operating agent for the holders and lessees of the right-of-way agreement for the Trans Alaska Pipeline System.

(j) Training. In addition to maintaining continuous compliance with other applicable state and federal training requirements, the plan holder shall demonstrate that designated oil spill response personnel are trained and kept current in the specifics of plan implementation, including deployment of containment boom, operation of skimmers and lightering equipment, and organization and mobilization of personnel and resources. The plan holder shall ensure that proof of training is maintained for three years and is made available to the department upon request. (Eff. 5/14/92,Register 122; am 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.04.020 AS 46.04.070
AS 46.04.030

18 AAC 75.455. DEPARTMENT REVIEW PROCEDURES.

(a) Within seven days after receipt of an application and plan, the department will determine if the application and plan are sufficient for public review. If the application or plan is not sufficient for public review, the department will request the necessary additional information from the applicant.

(b) When the department determines that an application and plan are sufficient for public review, the department will

(1) send a notice setting a 30-day comment period to the Department of Natural Resources, the Department of Fish and Game, affected coastal districts and regional citizens advisory councils, and persons who have made a written request for information regarding submission subject to review under this section;

(2) direct the applicant to provide a copy of the application and the plan to the Department of Natural Resources, the Department of Fish and Game, affected coastal districts and regional citizens advisory councils, and other persons designated by the department;

(3) set a date, within the 18th to 25th day of the 30-day comment period, by which the department will convey to the applicant any request from the department or a person reviewing the application that the department finds necessary to make a determination that the application or plan is complete; and

(4) publish one 30-day notice of the application, in the manner described in 18 AAC 15.050(b), stating the deadline for comments established under (1) of this subsection and the date established under (3) of this subsection for conveying requests for additional information; the applicant is responsible for paying the cost of the notice under this paragraph.

(c) The notice published under (b) of this section will state that a copy of the application and plan are available for review at the district and regional offices of the department nearest to the affected area of the state. It is the applicant's responsibility to provide a copy of the application and plan if the department receives a request for a copy.

(d) If, by the date set under (b)(3) of this section, the department determines that additional information is necessary to evaluate the application or plan, the department will

(1) notify the applicant of the information needed; and

(2) extend the 30-day comment period established under (b)(1) of this section until the information is received, plus 10 days.

(e) If the department determines that additional information is necessary under (d) of this section and requests the information from the applicant, the applicant shall send a copy of any additional information requested to the department and to the Department of Natural Resources, the Department of Fish and Game, affected coastal districts and regional citizens advisory councils, and other persons designated by the department.

(f) Upon receipt by the department of the additional information requested under (d) of this section, the department will provide to the parties described in (e) of this section notice of

(1) receipt of the information and

(2) the final comment deadline, as extended.

(g) The department will make a determination as to whether an application and plan are complete within seven days after the receipt of any additional information under (e) of this section or, if no additional information was requested under (d) of this section, within two days after the end of the 30-day comment period established under (b)(1) of this section.

(h) Notwithstanding the review procedures set out in this section, if, at any time after receipt of an application and plan, and after consultation with the Department of Natural Resources, the Department of Fish and Game, and affected coastal districts and regional citizens advisory councils, the department determines that all information necessary to evaluate the application and plan has been received, the department will, in its discretion, find the application and plan complete. However, no decision will be made under (i) of this section until after the comment deadline established under (b)(1) of this section.

(i) Following the comment deadline established under (b)(1) of this section, including any extension under (d)(2) of this section, and within 65 days after the department determines that an application and plan are complete, the department will approve, approve with conditions, or disapprove a plan.

(j) The department will, if it determines good cause exists, hold a public hearing on an application and plan in the manner provided under 18 AAC 15.060.

(k) To assist the department in its review of contingency plans under this chapter, the department will enter into an annual agreement with the Department of Natural Resources and the Department of Fish and Game to provide expertise regarding protection of fish and game, state land, areas of public concern, and environmentally sensitive areas. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.457. EMERGENCY MODIFICATION OF REVIEW PROCESS.
If, due to an emergency as described in AS 26.23 or AS 46.04.080 or other applicable law, an applicant needs an expedited review, or if the commissioner or the commissioner's designee finds that an expedited review is necessary for the preservation of the public peace, health, safety, or general welfare, the commissioner or the commissioner's designee will, in that person's discretion, and consistent with the requirements of AS 46.04.030(j) that a copy of the applicant's plan be provided to the Department of Fish and Game and the Department of Natural Resources, modify the review process established in 18 AAC 75.455 as necessary to meet the emergency. Any modifications in the review process made under this section will be made in writing by the commissioner or the commissioner's designee based upon clear and convincing evidence of a need for the modification. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.459. PREISSUANCE CONFERENCE.
(a) At any time before the department's decision under 18 AAC 75.460, the applicant may request a preissuance conference from the appropriate regional office of the department. The request may be make orally, and will be granted if the applicant demonstrates that holding a conference will materially aid the department in reaching its decision.

(b) A preissuance conference under this section will be conducted in the manner provided under 18 AAC 15.070. However, the time period for the department's review will not be held in abeyance pending completion of the conference. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.460. DEPARTMENT DECISION.
(a) After considering the information, analyses, and commitments contained in a complete application for an oil discharge prevention and contingency plan approval and timely comments submitted under 18 AAC 75.455, the department will approve, approve with conditions, or disapprove a plan.

(b) A decision issued under (a) of this section will include

(1) the written approval, if it is the department's determination that an oil discharge prevention and contingency plan approval should be issued; the department will provide a summary of the basis for its decision to approve a plan in a case in which public comment adverse to the application has been received;

(2) a brief summary of the basis for the department's decision if the decision is to disapprove a plan, or to subject a plan to conditions specific to the activity; and

(3) a statement that, if aggrieved by the department's decision, the applicant or any person who submitted timely comments on the application under 18 AAC 75.455 may request an adjudicatory hearing by submitting the information required under 18 AAC 15.200(a)(1) -- (5), and that any hearing requested under this subsection will be subject to the procedures set out at 18 AAC 15.210 -- 18 AAC 15.310.

(c) The department's decision will be served on the applicant and each person who submitted timely comments on the application under 18 AAC 75.455. The applicant and any person who submitted timely comments on the application under 18 AAC 75.455 may request an adjudicatory hearing with 30 days after service of the department's decision. The hearing will be conducted in accordance with procedures set out in 18 AAC 75.200 -- 18 AAC 75.310.

(d) An approval under this section is effective for three years after the date it is issued, or for a shorter time specified in the approval letter and certificate.
(Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

[Editor's note: Department of Environmental Conservation approval under 18 AAC 75.460 does not negate any other requirement for approval to operate under other statutes or regulations, such as Alaska Coastal Management Program approval under 6 AAC 50.]

18 AAC 75.465. PROOF OF APPROVED PLAN.

(a) The owner or operator of an oil terminal facility may not cause or permit the transfer of oil to or from a vessel or barge unless

(1) the operator of the vessel or barge has produced for inspection by the facility owner or operator the original certificate or a true photocopy of the original, approving the oil discharge prevention and contingency plan for that operation; and

(2) the operator of the vessel or barge has certified, on a certification log form supplied by the department and maintained by the owner or operator of the oil terminal facility, that a copy of the response action plan section of the current approved oil discharge prevention and contingency plan for that vessel or barge is on board the vessel or barge.

(b) The owner or operator of an oil terminal facility shall certify on the certification log form that the operator of the vessel or barge has complied with (a)(1) and (a)(2) of this section. The facility owner or operator shall maintain the log on a monthly basis and shall submit the log for the previous month to the appropriate regional office within the first five days of the following month. Service is effective upon personal delivery or transmittal by facsimile or on the date of mailing by certified mail to the appropriate regional office. The department will retain copies of all log forms received under this subsection for three years after receipt.

(c) On the first working day after the operator of a vessel fails to comply with the requirements of (a)(1) or (a)(2) of this section, the oil terminal facility owner or operator shall report that failure to the appropriate regional or district office by telephone or facsimile.

(d) Verification and entry on the certification log form referred to under (b) of this section is required for each separate loading or unloading operation of a vessel at an oil terminal facility. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.050
AS 46.04.070
AS 46.04.070

18 AAC 75.470. TRANSFERS BETWEEN PLAN HOLDERS.

(a) If approved under this section, a plan holder, or an oil spill response contractor or cooperative upon which one or more plan holders rely, may furnish to another plan holder or to another person, equipment, materials, or personnel to assist in response to an oil discharge. A description of the proposed transfer that addresses each of the considerations set out in (b) of this section must be provided with the request for approval of a transfer.

(b) The department will, in its discretion, approve a transfer under this section after considering

(1) for a provider of oil spill response equipment, materials, or personnel:

(A) the amount and types of equipment, personnel, or other resources to be transferred in response to a discharge and where it will be transferred;

(B) the number and types of other plan holders who rely upon the provider's response equipment, personnel, and other resources;

(C) the percentage by which the provider's response capability will be reduced by the transfer;

(D) the ability of the provider to acquire and deploy alternate response equipment if an emergency discharge occurs while equipment, materials, or personnel are transferred; and

(E) any compensating measures that will be taken by the provider to prevent or reduce the size of potential discharges during the period of reduced response capability; and

(2) for a plan holder receiving the equipment, the time estimated for the response equipment to reach the discharge.

(c) The department will, in its discretion, attach terms and conditions to an approval issued under (b) of this section.

(d) The provider shall reorder and replace equipment or materials that are

(1) exhausted, lost, destroyed, or rendered inoperable as soon as the condition is known by the provider; and

(2) not expected to be returned, such as sorbent boom, sorbent pads, and dispersant, as soon as they are transferred.

(e) If equipment, materials, or personnel are not replaced or returned to the provider within 30 days after the transfer, the plan holder may request an extension from the department. If the extension is denied, the provider must apply for approval of an amendment to its approved prevention and contingency plan under 18 AAC 75.415.

(f) Except in response to a major or catastrophic discharge, the department will not approve a transfer of equipment, materials, or personnel to another plan holder if the provider's spill response capability would be reduced to less than 40 percent of the response capability identified in its plan. If a major or catastrophic oil discharge occurs, the department will, in its discretion, approve an immediate transfer of up to 100 percent of the provider's response equipment, personnel, and other resources.

(g) The department will issue a verbal approval for a transfer if a discharge poses an imminent threat to life, property, the environment, or other significant public concern. The verbal approval will be verified in writing by the department.

(Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.475. NOTIFICATION OF NONREADINESS.

(a) All spill response and other equipment identified in the approved oil discharge prevention and contingency plan to meet the response planning standards set out at 18 AAC 75.430 -- 18 AAC 75.442 must be maintained in operational condition. Any equipment found not to be operating properly must be repaired or replaced immediately.

(b) Except for a transfer approved under 18 AAC 75.470, if a significant change occurs in, or is made to, any component of a plan that would diminish the plan holder's response capability, the plan holder shall, within 24 hours, notify the department in writing and provide a schedule for a prompt return to operational status. A facsimile delivered to the appropriate regional office will be considered written notice for purposes of this subsection. If the department finds that, as a result of the change, the plan holder is no longer able to execute the plan, it will take appropriate action under 18 AAC 75.490.

(c) Notwithstanding (a) and (b) of this section, removal or inactivation of any major response item for maintenance or repair must be approved by the department before removal or inactivation. A request under this subsection must be submitted at least 10 days before the scheduled action or as soon as possible for an unanticipated repair. The request must state what substitute or temporary measures will be taken to provide equivalent response capability, reduce the time out of service, or otherwise ensure that equivalent response capability is maintained. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.480. INSPECTIONS.

(a) To verify compliance with the oil discharge prevention and contingency plan provisions of AS 46.04.030 and 18 AAC 75.400 -- 18 AAC 75.495, the department will, in its discretion, conduct announced and unannounced inspections of a vessel, barge, pipeline, or other operation that is subject to the requirements of AS 46.04.030 and 18 AAC 75.400 -- 18 AAC 75.495. If practicable, an inspection under this section will be coordinated with other regulatory agencies.

(b) Based on the results of an inspection made under this section, the department will, in its discretion, take appropriate action under 18 AAC 75.490. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.04.060
AS 46.04.030 AS 46.04.070

18 AAC 75.485. DISCHARGE EXERCISES.

(a) The department will, in its discretion, conduct announced and unannounced discharge exercises to assure that an oil discharge prevention and contingency plan is adequate in content and execution. No more than two exercises will be required in each 12-month period, unless an exercise demonstrates, in the department's judgment, a plan holder's failure to effectively implement the plan.

(b) Execution of a plan during a discharge exercise will be considered inadequate if the readiness for response and response performance stated in the plan are significantly deficient due to inadequate mobilization or performance of personnel, equipment, other resources, or other factors, including the mobilization or performance of a response action contractor identified under 18 AAC 75.445(i).

(c) If a plan holder cannot adequately execute the plan during a discharge exercise, the department will, in its discretion,

(1) require additional exercises until it is satisfied that the prevention and contingency plan and its execution are adequate; or

(2) take other appropriate action as described at 18 AAC 75.490.

(d) The department will consider a regularly scheduled training exercise initiated by a plan holder as a discharge exercise if the department monitors, evaluates, or participates in the exercise and concurs that it is equivalent to a discharge exercise conducted by the department. A plan holder shall notify the department in advance of the exercise and shall provide an opportunity for a department representative to be present and participate.

(e) The department will conduct announced or unannounced discharge exercises appropriate to the plan holder's current status of operations. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.030
AS 46.04.070

18 AAC 75.490. FAILURE TO COMPLY.

(a) If a plan holder fails to comply with an approved oil discharge prevention and contingency plan, demonstrates an inability to maintain continuous access to the quality or quantity of resources identified in the plan, fails to respond with those resources in the shortest possible time if a discharge occurs, or is in any other way subject to the terms of AS 46.04.030(f)(1) -- (4), the department will, in its discretion,

(1) revoke its approval of the plan after notice and opportunity for hearing under (c) of this section;

(2) suspend its approval of the plan after notice and opportunity for hearing under (c) of this section, stating the conditions under which the department will reinstate its approval and allow operations to resume;

(3) order the plan holder to file an application to amend the plan within a specified time under 18 AAC 75.415; or

(4) take other necessary action to correct the failure to comply.

(b) If a plan holder fails to apply for an amendment as required under (a)(3) of this section, the department will, in its discretion, revoke its approval of the plan after notice and opportunity for hearing under (c) of this section.

(c) If the department issues a notice of intent to revoke an approval under this chapter, the plan holder may either request a hearing to review the department's proposed action under (d) -- (g) of this section or it may request an adjudicatory hearing. An adjudicatory hearing will be conducted in accordance with procedures set out in 18 AAC 15.200 -- 18 AAC 15.310. The request for review must be submitted in writing to the supervisor of the appropriate regional office within 10 days after the plan holder receives the department's notice and must include

(1) the name, mailing address, and telephone number of the plan holder; and

(2) a brief, clear summary of the reasons for requesting the review.

(d) A hearing under (d) -- (g) of this section will be held within 10 working days after the department receives a request for hearing, unless the department and the plan holder agree that the hearing will be held at another time. Immediately after receiving a request for review under (c) of this section, the department will notify the plan holder, by telephone, facsimile, or personal delivery, of the time and place of the hearing.

(e) If the plan holder fails to appear for the hearing at the time and place stated in the notice issued under (d) of this section, and if a delay has not been granted by the department, the failure to appear will be considered a waiver of the plan holder's right to a hearing under this section.

(f) A hearing under this section will be recorded, will be heard by the regional supervisor or a designee, and will be informal. The plan holder may

(1) present witnesses and evidence in its own behalf; and

(2) question witnesses and seek to disprove evidence presented by the department.

(g) Within 10 working days after a hearing under this section, the department will issue a final decision, stating the reasons for the decision, and indicating the evidence relied upon in reaching that decision.

(h) Nothing in (d) -- (g) of this section affects a plan holder's right under (c) of this section to an adjudicatory hearing. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.03.750 AS 46.35.090(e)
AS 46.03.740 AS 46.04.030
AS 46.03.745 AS 46.04.070

18 AAC 75.495. REGIONAL MASTER DISCHARGE PREVENTION AND CONTINGENCY PLAN BOUNDARIES.

(a) The regions described in this subsection and depicted on the map at Figure 1 are established for the purpose of preparing a regional master oil and hazardous substance discharge prevention and contingency plan as required by AS 46.04.210:

(1) Southeast Alaska Region: that area of the state east of 142°W. longitude and south of a line just west of Icy Bay that connects the U.S. - Canadian border with the Gulf of Alaska, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(2) Prince William Sound Region: that area south of 63°30' N. latitude, west of the region described in (1) of this subsection, and east of the region described in (3) of this subsection, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(3) Cook Inlet Region: that area encompassed by the boundaries of the Kenai Peninsula Borough, the Municipality of Anchorage, and the Matanuska-Susitna Borough, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(4) Kodiak Island Region: that area encompassed by the boundaries of the Kodiak Island Borough, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(5) Aleutian Region: that area encompassed by the boundaries of the Aleutians East Borough and the Aleutians West Coastal Resource Service Area, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(6) Bristol Bay Region: that area encompassed by the boundaries of the Bristol Bay Coastal Resource Service Area, the Bristol Bay Borough, and the Lake and Peninsula

Borough, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(7) Western Alaska Region: that area north of the area described in (6) of this subsection, encompassed by the boundaries of the southernmost boundary of the Bering Straits Regional Corporation, and Regional Educational Attendance Areas 11 and 5, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(8) Northwest Arctic Region: that area encompassed by the Northwest Arctic Borough and the Bering Straits Regional Corporation, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured;

(9) North Slope Region: that area encompassed by the boundaries of the North Slope Borough, including adjacent shorelines and state waters, and having as its seaward boundary a line drawn in such a manner that each point on it is 200 nautical miles from the baseline from which the territorial sea is measured; and

(10) Interior Alaska Region: that area of the state not included in (1) -- (9) of this subsection.

(b) If the department finds that a discharge that could occur in an area beyond the territorial sea would not have a significant adverse impact on the resources of the state or on other interests of the state, the department will, in its discretion, adjust the seaward boundary of a region established in (a) of this section to exclude that area. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.04.070
AS 46.04.210

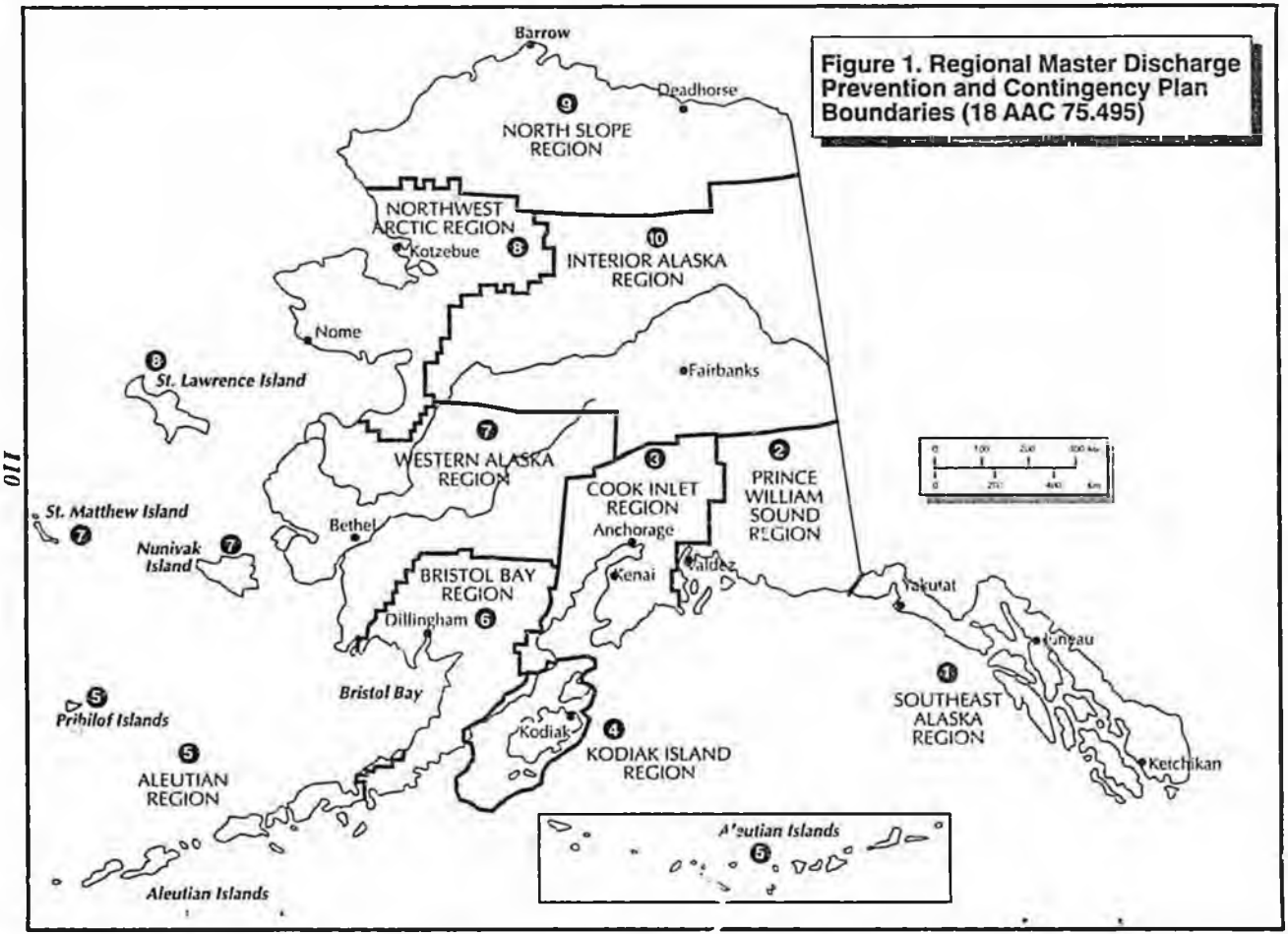

Figure 1. Regional Master Discharge Prevention and Contingency Plan Boundaries (18 AAC 75.495)

ARTICLE 5. Oil Spill Primary Response Action Contractors.

18 AAC 75.500. DEFINITION OF OIL SPILL PRIMARY RESPONSE ACTION CONTRACTOR; APPLICABILITY.

(a) As used in AS 46.04.035 and 18 AAC 75.500 -- 18 AAC 75.570, "oil spill primary response action contractor" means a person who is or intends to be obligated under contract to the holder of an approved oil discharge prevention and contingency plan issued under AS 46.04.030 to provide resources or equipment to contain, control, or clean up an oil discharge. "Oil spill primary response action contractor" does not include

(1) a person who provides only ancillary services or equipment not for the specific purpose of containing, controlling, or cleaning up an oil discharge; or

(2) an approved oil discharge prevention and contingency plan holder who provides to another plan holder resources or equipment to contain, control, or clean up an oil discharge.

(b) An oil spill primary response action contractor is not required to register under 18 AAC 75.500 -- 18 AAC 75.570 unless the contractor is directly obligated to a plan holder by contract to provide spill response resources to meet the requirements of AS 46.04.030 and 18 AAC 75.400 -- 18 AAC 75.495 and is listed in that plan holder's oil discharge prevention and contingency plan as providing those resources.

(c) The holder of an approved oil discharge prevention and contingency plan whose resources are listed in the plan of another plan holder for purposes of meeting the requirements of AS 46.04.030 and 18 AAC 75.400 -- 18 AAC 75.495 is not required to register as an oil spill primary response action contractor, but is subject to all other requirements of 18 AAC 75.425(e)(3)(H) and 18 AAC 75.445(i)(1) and (2).

(d) Any person may apply to the department for registration under 18 AAC 75.500 -- 18 AAC 75.570 as an oil spill primary response action contractor. (Eff. 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.04.030(k) AS 46.04.070

18 AAC 75.510. GENERAL PROVISIONS.

(a) Beginning January 1, 1994, the resources of an oil spill primary response action contractor listed in an oil discharge prevention and contingency plan submitted under this chapter will not be considered by the department in its review of the plan unless that person is registered in accordance with 18 AAC 75.500 -- 18 AAC 75.570 and all other requirements of 18 AAC 75.425(e)(3)(H) and 18 AAC 75.445(i) are met.

(b) Registration of an oil spill primary response action contractor by the department does not

(1) constitute an assurance by the department of the qualifications or abilities of that contractor;

(2) constitute an assurance by the department that the contractor will adequately respond to a release or threatened release of oil; or

(3) provide a defense to liability under state law. (Eff. 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.03.825 AS 46.04.070
AS 46.04.030

18 AAC 75.520. APPLICATION FOR REGISTRATION OR RENEWAL.

(a) Oil spill primary response action contractor registration under 18 AAC 75.500 -- 18 AAC 75.570 is effective for three years from the date of issuance under 18 AAC 75.550.

(b) A person seeking registration or renewal of registration as a primary response action contractor shall submit three copies of the application to the department's contractor registration and approval coordinator, division of spill prevention and response.

(c) An applicant for renewal of registration shall submit an application no less than 60 days before the registration expires. If there are no changes in the conditions of registration since the previous application, an application for renewal may incorporate the previous application by reference.

(d) An applicant for registration as a primary response action contractor whose resources will be used to meet all or part of an in-region response planning standard shall submit a separate application for each geographic region of operation as described in 18 AAC 75.495 for which the contractor's resources will be used.

(e) An applicant for registration as a primary response action contractor whose resources will be used to meet all or part of an out-of-region response planning standard shall submit an application for registration as an out-of-region oil spill primary response action contractor. Only one application is required for statewide out-of-region registration.

(f) Nothing in this section precludes a person from submitting applications for in-region and for out-of-region registration.

(g) A separate registration fee under 18 AAC 75.540 must accompany each application for registration or renewal of registration as an oil spill primary response action contractor. (Eff. 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.04.030 AS 46.04.070

Editor's note: An application for registration or renewal of registration as an oil spill primary response action contractor should be sent to:

Contractor Registration and Approval Coordinator
Alaska Department of Environmental Conservation
Division of Spill Prevention and Response
410 Willoughby Avenue, Suite 105
Juneau, Alaska 99801 - 1795

Telephone (907) 465-5275
FAX (907) 465-5245

18 AAC 75.530. REGISTRATION APPLICATION CONTENTS.

(a) An applicant for registration as an oil spill primary response action contractor shall submit a written application to the department that includes

(1) the applicant's name, address, telephone number, and facsimile machine number;

(2) a call-out list of appropriate response personnel;

(3) a statement that the applicant is seeking registration as an out-of-region oil spill primary response action contractor or, if applying for in-region contractor registration, identification of the geographic region of operation described in 18 AAC 75.495 for which application is being made;

(4) the types of oil (such as persistent or nonpersistent) and receiving environments (such as marine, fresh water, open ocean, shallow water, ice, or land) for which the applicant is trained and equipped to respond;

(5) a complete description and most recent inventory of the applicant's oil spill response resources, including

(A) the number and location of trained personnel;

(B) a description of the applicant's minimum training requirements for response personnel and procedures for training additional personnel if needed; and

(C) the amount and location of

(i) oil containment equipment;

(ii) oil recovery equipment, including equipment nameplate ratings in barrels per hour;

(iii) transfer, storage, and disposal equipment;

(iv) dispersant or burning equipment; and

(v) significant ancillary resources and equipment; and

(6) a description of the applicant's previous oil spill activities and compliance history.

(b) Instead of submitting the information required under (a)(4) and (5) of this section, an applicant may submit a complete copy of an application for and a certified copy of the applicant's current Interim or Final Letter of Classification as an Oil Spill Removal Organization issued by the United States Coast Guard. If a letter of classification has not been issued at the time of application, the applicant shall submit a certified copy of the letter of classification upon its receipt.
(Eff. 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.04.030 AS 46.04.070

18 AAC 75.540. REGISTRATION AND RENEWAL FEES.
The following fees are established for registration of oil spill primary response action contractors and must be submitted with the appropriate application:

(1) for initial application, $500; or

(2) for renewal, $100. (Eff. 9/25/93, Register 127)

Authority: AS 46.03.020
AS 46.04.035
AS 46.04.070

18 AAC 75.550. APPLICATION REVIEW PROCEDURES.

(a) After receipt of an application for registration or renewal as an oil spill primary response action contractor, the department will determine whether the application is complete. If the department finds that an application is incomplete, the applicant will be notified of the need for additional information. The department will review each complete application and issue a decision.

(b) The department will approve an application for oil spill primary response action contractor registration or renewal of registration if the applicant meets the application requirements of 18 AAC 75.510 -- 18 AAC 75.540 and the minimum registration standards of 18 AAC 75.560.

(c) After completing the review, the department will notify the applicant that the application for registration or renewal of registration has been approved or denied. If the application for registration or renewal has been approved, the department will include a registration certificate describing the conditions of approval, the date registration will expire, and, for an in-region primary response action contractor, the region of operation for which that contractor is registered. If the application is denied, the department will explain the basis for the denial and include a list of corrective actions that would be required for the applicant to obtain approval of registration or renewal.

(d) Within 10 days after receiving a notice of denial under (c) of this section, the applicant may request an informal review of the decision. The request for review must be submitted in writing to the director of the division of spill prevention and response and must include

(1) the applicant's name, mailing address, and telephone number; and

(2) a brief, clear summary of the reasons for requesting the review.

(e) A review requested under (d) of this section will be held within 10 days after the director receives a request for review, unless the director and the applicant agree to another time. After receiving a request for review under (d) of this section, the director will notify the applicant by telephone, facsimile, or personal delivery, of the time and place of the review.

(f) If the applicant fails to appear at the time and place stated in the notice issued under (e) of this section, and if a delay has not been granted by the director, the failure to appear will be considered a waiver of the applicant's right to an informal review under this section.

(g) A review under this section will be recorded, will be heard by the director or a designee, and will be informal. The applicant may

(1) present witnesses and evidence in the applicant's own behalf; and

(2) question witnesses and seek to disprove evidence presented by the department.

(h) Within 10 days after a review under this section, the director will issue a final decision, stating the reasons for the decision, and indicating the evidence relied upon in reaching that decision.

(i) Nothing in this section affects an applicant's right to appeal the department's decision under the Administrative Procedure Act. (Eff. 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.04.030 AS 46.04.070

18 AAC 75.560. MINIMUM REGISTRATION STANDARDS.

(a) In addition to the requirements of (b) of this section, the minimum registration standards and verification requirements for an oil spill primary response action contractor required under AS 46.04.035(a)(1) -- (4) are the oil discharge prevention and contingency plan requirements and the response planning standards set out in AS 46.04.030 and 18 AAC 75.425 -- 18 AAC 75.495 that are applicable to a contractor listed in an approved oil discharge prevention and contingency plan.

(b) In addition to the requirements of (a) of this section, an oil spill primary response action contractor must be in compliance with the following minimum registration standards:

(1) all response resources that the contractor has agreed in writing to provide to the oil discharge prevention and contingency plan holder to meet all or part of the in-region response planning standards applicable to that plan holder must be located within the plan holder's region of operation unless the department has approved another location;

(2) the contractor shall maintain sufficient response preparedness to immediately initiate response efforts as described in the applicable contingency plan upon direction by the plan holder; response preparedness is subject to verification by the department through inspections and plan holder discharge exercises;

(3) training of contractor personnel must comply with 18 AAC 75.445(j) and must include appropriate Occupational Safety and Health Administration Hazardous Operations training;

(4) professional response action standards and practices must be continuously maintained, and must include

(A) responding immediately upon direction by the plan holder;

(B) remaining in substantial compliance with applicable contracts;

(C) abiding by applicable permits and authorizations unless directed to proceed otherwise by the federal or state on-scene coordinator;

(D) maintaining a working knowledge of all applicable oil pollution statutes and regulations and pertinent provisions of each contingency plan in which that contractor is listed; and

(E) maintaining a safe working environment and an acceptable safety history.

(c) No later than January 31 of each year, an oil spill primary response action contractor registered under this chapter shall provide to the department a complete list of oil discharge prevention and contingency plans in which that contractor has agreed in writing to be listed as a primary response action contractor. (Eff. 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.04.030 AS 46.04.070

18 AAC 75.570. FAILURE TO COMPLY.

(a) If the department determines that an oil spill primary response action contractor has failed to meet or maintain a minimum registration standard identified in 18 AAC 75.560, the department will, in its discretion, revoke, suspend, or modify

(1) the contractor's registration; and

(2) its approval of the oil discharge prevention and contingency plan in which that contractor is listed as an oil spill primary response action contractor.

(b) A person who is aggrieved by a department decision under (a) of this section may request an informal review of that decision, using the procedures described in 18 AAC 75.550(d) -- (h). Nothing in this subsection affects that person's right to appeal the department's decision under the Administrative Procedure Act.
(Eff. 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.04.035
AS 46.04.030 AS 46.04.070

ARTICLE 6. Civil Penalties for Discharge of Petroleum and Petroleum Products.

18 AAC 75.605. APPLICABILITY.
18 AAC 75.605 -- 18 AAC 75.670 establish a schedule of civil penalties under AS 46.03.758 for the discharge of petroleum and petroleum products and byproducts, other than crude oil. The schedule of civil penalties does not apply to a discharge that is specifically made subject to the provisions of AS 46.03.760(a). (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.758

18 AAC 75.610. FRESHWATER ENVIRONMENTS.
(a) For the purposes of AS 46.03.758(b)(1)(A), freshwater environments with significant aquatic resources are classified as follows:
(1) Critical freshwater environments include
(A) surface and subsurface water supplies for which the commissioner of natural resources has issued a water use permit under AS 46.15.040 -- 46.15.185, or which are in fact being used for a purpose that would qualify for a water use permit;
(B) rivers, lakes, and streams designated under AS 16.05.870(a) as important for the spawning, rearing, or migration of anadromous fish, and the water of lakes, streams, and rivers that flows or empties into those designated waters;
(C) lakes, streams, rivers, and freshwater wetlands within the boundaries of land administered under the National Wildlife Refuge System, and the water of lakes, streams, and rivers that flows or empties into those waters;
(D) lakes, streams, rivers, and freshwater wetlands within the boundaries of game reserve areas, refuges, critical habitat areas, and sanctuaries established under AS 16.05.255(1) or AS 16.20, and the water of lakes, streams, and rivers that flows or empties into those waters; and
(E) lakes, streams, rivers, and freshwater wetlands within the boundaries of fish reserve areas, refuges, critical habitat areas, and sanctuaries established under AS 16.05.251(1) or AS 16.20, and the water of lakes, streams, and rivers that flows or empties into those waters; and
(2) Sensitive freshwater environments include
(A) lakes other than those classified in (1) of this subsection;
(B) freshwater wetlands other than those classified in (1) of this subsection; and
(C) subsurface freshwaters other than those classified in (1)(A) of this subsection.
(b) For purposes of AS 46.03.758(b)(1)(C), all freshwater of the state that is not classified in (a) of this section is classified as "without significant aquatic resources." (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.758

18 AAC 75.620. MARINE ENVIRONMENTS.
(a) For the purposes of AS 46.03.758(b)(1)(B), estuarine, intertidal, and saltwater environments are classified as follows:
(1) Critical marine environments include

(A) marine water within the boundaries of state game refuges established under AS 16.05.255(1) or AS 16.20;

(B) marine water within the boundaries of fish and game critical habitats established under AS 16.20;

(C) marine water within the boundaries of marine sanctuaries established under 16 U.S.C. 1431 -- 16 U.S.C. 1445, as amended through July 1, 1991;

(D) marine water within the boundaries of areas administered under the National Wildlife Refuge System;

(E) marine water within one statute mile of the mouth of waters designated under AS 16.05.870(a) as important for the spawning, rearing, or migration of anadromous fish;

(F) marine water within one statute mile of a seabird colony or marine mammal rookery or hauling ground identified by the Alaska Department of Fish and Game under AS 16.20;

(G) high density sea otter habitat identified by the Alaska Department of Fish and Game under AS 16.20; and

(H) marine water within the barrier island-lagoon ecosystems extending from the Colville River to Canning River, and seaward of the Copper River delta; and

(2) Sensitive marine environments include

(A) the inside waters of Southeast Alaska not otherwise classified in (1) of this subsection;

(B) saltwater wetlands and other intertidal and estuarine areas not otherwise classified in (1) of this subsection;

(C) Prince William Sound, and the bays, arms, fjords, ports, and other inside marine waters of Prince William Sound not otherwise classified in (1) of this subsection; and

(D) all marine water within 10 statute miles of any point of those waters designated in (1) of this subsection.

(b) For the purposes of AS 46.03.758(b)(1)(C), marine water that is not classified in (a) of this section is classified as "without significant aquatic resources." (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.758

[Editor's note: Seabird colonies, marine mammal rookeries or hauling grounds, and high density sea otter habitats, referred to in 18 AAC 75.620(a)(1)(F) and (G) are described in the current edition of "Alaska Habitat Management Guides", published by, and available for review at the Alaska Department of Fish and Game.]

18 AAC 75.630. PUBLIC LAND ENVIRONMENTS.

(a) For the purposes of AS 46.03.758(b)(1)(C), public land is classified as follows:

(1) Critical terrestrial environments include

(A) state game reserve areas, refuges, and sanctuaries established under AS 16.05.255(1) or AS 16.020;

(B) state parks, campgrounds, and waysides;

(C) municipal parks and park reserves;

(D) national parks, preserves, wilderness areas, monuments, recreation areas or other National Park System units, and lands administered under the National Wildlife Refuge System;

(E) established campgrounds, scenic waysides, and picnic areas; and

(F) national historical landmarks;

(2) Very sensitive terrestrial environments include

(A) land administered under the National Forest System not otherwise classified in (1) of this subsection;

(B) land underlain with continuous permafrost not otherwise classified in (1) of this subsection; and

(C) land in state forests and research areas not otherwise classified in (1) of this subsection; and

(3) Sensitive terrestrial environments include land other than that classified in (1) or (2) of this subsection upon which continuous natural terrestrial vegetation cover is present.

(b) For the purposes of AS 46.03.758(b)(1)(C), all public land not classified in (a) of this section is classified as "without significant terrestrial environmental resources." (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.758

18 AAC 75.640. TOXICITY OF PETROLEUM AND PETROLEUM PRODUCTS AND BYPRODUCTS.

For the purposes of AS 46.03.758(d), the toxicity of petroleum and petroleum products and byproducts is as follows:

(1) highly toxic:

(A) numbers 1, 2, and Arctic diesel fuel and heating oil;

(B) jet aviation fuels A and B;

(C) motor gasoline, including aviation gasoline;

(D) kerosene; and

(E) stationary turbine fuels;

(2) moderately toxic:

(A) waste oil and waste oil mixtures;

(B) lubricating oil; and

(C) jet fuels other than those specified in (1)(B) of this section;

(3) less toxic:

(A) bunker and residual fuel oils; and

(B) hydraulic fluids; and

(4) relatively nontoxic:

(A) asphalts;

(B) tars; and

(C) other petroleum and petroleum products and byproducts not listed in (1) -- (3) of this section. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.758

18 AAC 75.650. DEGRADABILITY OF PETROLEUM AND PETROLEUM PRODUCTS AND BYPRODUCTS.

For the purposes of AS 46.03.758(d), the degradability of petroleum and petroleum products and byproducts is as follows:

(1) low degradability:

(A) asphalt;

(B) tar;
(C) bunker and residual fuel oils; and
(D) other petroleum and petroleum products and byproducts not otherwise listed in (2) or (3) of this section;
(2) moderate degradability:
(A) hydraulic fluids;
(B) lubricating oil; and
(C) waste oils and waste oil mixtures; and
(3) high degradability:
(A) motor gasoline, including aviation gasoline;
(B) numbers 1, 2, and Arctic diesel fuel and heating oil;
(C) jet and stationary turbine fuels; and
(D) kerosene. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.758

18 AAC 75.660. DISPERSIBILITY OF PETROLEUM AND PETROLEUM PRODUCTS AND BYPRODUCTS.
For the purposes of AS 46.03.758(d), the dispersibility of petroleum and petroleum products and byproducts is as follows:
(1) highly dispersible:
(A) motor gasoline, including aviation gasoline;
(B) all jet fuels;
(C) kerosene;
(D) numbers 1, 2, and Arctic diesel fuel and heating oil;
(E) hydraulic fluids; and
(F) stationary turbine fuels;
(2) moderately dispersible:
(A) emulsified oil mixtures;
(B) lubricating oils; and
(C) waste oil and waste oil mixtures; and
(3) low dispersibility:
(A) bunker and residual fuel oils;
(B) asphalts;
(C) tars; and
(D) other petroleum and petroleum products and byproducts not otherwise listed in (1) or (2) of this section. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.758

18 AAC 75.670. SCHEDULE OF CIVIL PENALTIES.

The schedule of civil penalties for which a person may be held liable under AS 46.03.758(c) is established as follows:

(1) The base civil penalty for a discharge into a receiving environment is as follows:

Receiving Environment	Freshwater	Marine	Public Land
Critical environments	$10.00	$2.00	$1.00
Very sensitive environments	N/A	N/A	$0.75
Sensitive environments	$ 5.00	$2.00	$0.50
Environments without significant resources	$ 1.00	$1.00	$0.25

(2) Toxicity, degradability, and dispersibility factors are as follows:

	Factor
(A) toxicity*	
(i) highly toxic	1.0
(ii) moderately toxic	0.75
(iii) less toxic	0.50
(iv) relatively nontoxic	0.25
(B) degradability	
(i) low degradability	1.0
(ii) moderate degradability	0.50
(iii) high degradability	0.25
(C) dispersibility	
(i) high dispersibility	0.15
(ii) moderate dispersibility	0.50
(iii) low dispersibility	1.0

(3) The net civil penalty that will be assessed per gallon of petroleum or petroleum product or byproduct discharged is calculated by multiplying the base penalty established in (1) of this section by the arithmetic mean of the factors established in (2) of this section. If a portion of the petroleum or petroleum product or byproduct enters more than one receiving environment, the civil penalty will be based upon the most sensitive receiving environment which that portion enters.

(Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.03.758

**[Editor's note: To determine the toxicity factor for a particular oil, the factor from the table is multiplied by a fraction whose numerator is the percent concentration of aromatics in the oil and whose denominator is 45. In no case may the toxicity factor exceed 1.0.]*

ARTICLE 7. Surface Oiling.

18 AAC 75.700. SURFACE OILING PERMIT.

(a) No person may discharge, cause to be discharged, or permit the discharge of oil, asphalt, bitumen, or a residuary product of petroleum onto the land of the state unless that person has been issued a surface oiling permit under 18 AAC 75.730.

(b) An application for a surface oiling permit

(1) is subject to the requirements of 18 AAC 15;

(2) must be made on forms supplied by the department; and

(3) must contain information considered necessary by the department.

(c) A person who proposes to stabilize soil with the application of asphalt emulsions, tars, asphaltic oils, cutback asphalts, oils, or other residuary petroleum product, without immediately applying a blotter or cover coat of aggregate, is not exempt from the surface oiling permit requirements of this chapter. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.740

18 AAC 75.710. EXEMPTION FROM SURFACE OILING PERMIT.

A person who proposes to construct one or more of the following types of surfaces is not required to obtain a surface oiling permit under this chapter, but shall ensure that construction of the surface does not result in pollution of land or waters of the state:

(1) a bituminous treatment surface that includes a surface constructed by sweeping the surface, applying a priming material, applying a bituminous body coat, and spreading a blotter or cover of mineral aggregate;

(2) a road-mix bituminous surface for which the mineral aggregate and the bituminous material are mixed directly in the surface;

(3) a plant-mixed bituminous surface for which the mineral aggregate and the bituminous material are thoroughly mixed at a suitable plant and then deposited on the surface;

(4) a bituminous macadam surface with a wearing course composed of broken stone aggregate of relatively coarse size and a bituminous material that is forced by penetration into the interstices of the stone after the stone has been compacted on the base; and

(5) a bituminous concrete or sheet asphalt surface with a wearing course composed of a bituminous mixture prepared in a stationary plant under close control of temperature, moisture content, and mixture composition. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.740

18 AAC 75.720. PROHIBITIONS.

(a) The use of oil for surface oiling or as a dust suppressant is prohibited if the oil contains any of the following components in the concentrations indicated:

(1) polychlorinated biphenyls (PCBs) in any detectable concentration;

(2) total volatile aromatics in 5000 parts per million by weight or greater;

(3) total halogenated volatile organics in 100 parts per million by weight or greater; or

(4) lead in 300 parts per million by weight or greater.

(b) The department will, in its discretion, require analysis of oil for a component listed in (a) of this section, using methods prescribed on the surface oiling permit application form. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020 AS 46.03.299
AS 46.03.296 AS 46.03.740

18 AAC 75.730. DECISION ON APPLICATION FOR SURFACE OILING PERMIT; PERMIT TERM AND CONDITIONS.

(a) The department will, in its discretion, grant or deny an application submitted under 18 AAC 75.700. The department will consider the following criteria before issuing a decision under this section:

(1) the potential for pollution of adjacent waters, including groundwater;

(2) the potential for pollution of vegetation;

(3) the need for the oiling, including local public opinion, and considerations of air quality as addressed by 18 AAC 50;

(4) the predicted weather conditions for the time of the oiling; and

(5) effects on the environment.

(b) In addition to the specific terms and conditions set out in the permit, a surface oiling permit is subject to the following terms and conditions:

(1) oil or other petroleum-derived dust retardants may not be applied to wet surfaces, frozen surfaces, or snow-covered surfaces; however, oil or other petroleum-derived dust retardants may be applied to a damp surface if deliberate dampening of the surface is part of the normal oiling procedure;

(2) oil or other petroleum-derived dust retardants may be applied only in the minimum amounts necessary and may not be allowed to stand in ponds on the surface;

(3) there may be no runoff of oil or other petroleum-derived dust retardants from the surface receiving the application;

(4) oil or other petroleum-derived dust retardants may not be applied to any surface during precipitation or when precipitation is imminent;

(5) there must be equipment such as brooms and mops on the job to prevent oily runoff and to spread any ponded oil or other petroleum derived dust retardants;

(6) unless specifically allowed in the permit, in order to avoid drifting of droplets to adjacent vegetation and property, oil or other petroleum-derived dust retardants may not be applied if local wind speed is 15 miles per hour or greater;

(7) the permittee shall inspect immediately the freshly-treated surface for oily runoff and ponding of oil or other petroleum-derived dust retardants;

(8) to avoid offensive odors, only nonodorous oils and other petroleum-derived dust retardants may be used on surfaces near residential areas or on surfaces that receive considerable pedestrian traffic; odorous oils may be used only on rural surfaces where the odor is less likely to be noticeable and pedestrian traffic is minimal; and

(9) no oil or other petroleum-derived dust retardants may be allowed to enter state waters or to enter upon private property. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.740

ARTICLE 8. Oil Discharge for Scientific Purposes

18 AAC 75.800. PERMIT FOR OIL DISCHARGE FOR SCIENTIFIC PURPOSES. Notwithstanding 18 AAC 70.020, 18 AAC 72.010, and 18 AAC 75.700 -- 18 AAC 75.730, the department will, in its discretion, issue a permit for the discharge of oil, asphalt, bitumen, or a residuary product of petroleum onto the land or into state waters for research and scientific purposes. The department will issue a permit under this section only after it has evaluated the proposed project and found that

(1) the benefits from the information that will be developed outweigh the potential environmental damage that might result;

(2) the project has the written approval of all potentially affected landowners and persons with appropriated water rights for the water to be affected;

(3) the person proposing the project will, upon completion of the project, restore the environment affected by the project to a condition as near to the original condition as feasible;

(4) the person proposing the project has sufficient expertise and resources to conduct the project in a responsible manner; and

(5) the proposed project is otherwise in the public interest. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.740

18 AAC 75.810. PERMIT PROCEDURES.

(a) An application for a permit under 18 AAC 75.800 must be made on forms supplied by the department. The application must be sent to the department at least 60 days before the proposed discharge is to begin. The application must include

(1) the name, address, and telephone number of the applicant;

(2) a detailed description of the proposed project, including plans for restoration;

(3) a description of the geographical area involved; and

(4) a description of the expected flow pattern of any water to be affected by the project.

(b) The department will

(1) send a copy of a completed application received under this section to the departments of fish and game, natural resources, commerce and economic development, and health and social services; and

(2) publish notice of the application as provided in 18 AAC 15.050.

(c) The department will attach terms and conditions to the permit which it finds are necessary to protect the environment and potentially affected property owners. A permit is further subject to the permittee's stipulation and agreement to

(1) modify activities if served with a notice under 18 AAC 75.820; or

(2) immediately cease all permitted activities if served with a notice to terminate under 18 AAC 75.830. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.740

18 AAC 75.820. MODIFICATION OF PERMIT.
The department will, in its discretion, and after giving notice to the permittee, modify the terms and conditions of a permit issued under 18 AAC 75.810 if the department finds that modification is necessary to protect the environment.
(Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.740

18 AAC 75.830. TERMINATION OF PERMIT.
The department will, in its discretion, and after giving notice to the permittee, terminate a permit issued under 18 AAC 75.810 if the department finds that

(1) the permit was obtained by misrepresentation of a material fact or by failure of the applicant to fully disclose the facts;

(2) there has been noncompliance with a term or condition of the permit; or

(3) based on information received after issuance of the permit, the permit should not have been granted. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.740

ARTICLE 9. General Provisions.

18 AAC 75.905. FALSIFICATION PROHIBITED.
No person may falsely state information submitted under AS 46.03, AS 46.04, AS 46.09, or this chapter. (Eff. 5/14/92, Register 122)

Authority: AS 46.03.020
AS 46.03.790
AS 46.04.070

18 AAC 75.990. DEFINITIONS.
Unless the context indicates otherwise, in this chapter

(1) "approved" means approved by the department;

(2) "area of public concern" means a geographic area that, in the department's judgment, deserves special protection from an oil discharge, including

(A) an area of unique cultural value, historical significance, or scenic importance;

(B) an area of substantial residential or public recreational value or opportunity;

(C) an area where fish hatcheries or other facilities primarily dependent upon the use of potentially affected water are located;

(D) an area significantly used for commercial, sport, or subsistence hunting, fishing, and gathering; and

(E) an area where concentrations of terrestrial or marine mammals or bird populations primarily dependent on the marine environment are located;

(3) "barge" means oil barge;

(4) "barrel" has the meaning given that term at AS 46.04.900;

(5) "best available technology" means equipment, supplies, and other resources which, in the department's judgment, meet or exceed the current level of demonstrated available technology;

(6) "capacity" means storage capacity;

(7) "cargo volume" means storage capacity;

(8) "catastrophic oil discharge" has the meaning given that term at AS 46.04.900;

(9) "catch tank" means the container that collects well fluids, muds, and oil from drilling;

(10) "cleanup" means removal of oil or another hazardous substance from the environment, restoration, and other measures that the department considers necessary to mitigate or avoid further threat to the land, waters, or air of the state;

(11) "contain" means to surround a discharge with booms, berms, dikes, or other barriers to prevent the further spread of the discharge;

(12) "control" means to stop, restrict, or deflect the movement of a discharge;

(13) "department" means the Alaska Department of Environmental Conservation;

(14) "discharge" has the meaning given that term at AS 46.04.900; for purposes of this chapter, the term applies to an unpermitted discharge into the environment;

(15) "dispersant" means a chemical agent used to enhance the breakup of concentrations of discharged oil into droplets, thereby promoting mixing of oil into the water column and accelerating dilution and degradation rates;

(16) "environmentally sensitive area" means a geographic area that, in the department's judgment, is especially sensitive to change or alteration, including

(A) an area of unique, scarce, fragile, or vulnerable natural habitat;

(B) an area of high natural productivity or essential habitat for living resources;

(C) an area of unique geologic or topographic significance which is susceptible to a discharge;

(D) an area needed to protect, maintain, or replenish land or resources, including floodplains, aquifer recharge areas, beaches, and offshore sand deposits;

(E) a state or federal critical habitat, refuge, park, or other designated refuge or preserve; and

(F) an area that merits special attention as defined at 6 AAC 80.170;

(17) "estuarine" or "estuary" means a semi-enclosed, coastal body of water which has a free connection with the sea and within which seawater is measurably diluted with freshwater derived from land drainage;

(18) "existing installation" means storage and surge tanks, secondary containment, piping and any other operational appurtenances constructed and installed before the effective date of this section; existing storage and surge tanks that have been reconstructed, as defined in API Standard 653, First Edition, 1991, and Supplement 1, January 1992, are considered a new installation for the purposes of this chapter;

(19) "exploration facility" has the meaning given that term at AS 46.04.900;

(20) "facility" or "facility or operation" means any offshore or onshore structure, improvement, vessel, vehicle, land, enterprise, endeavor, or act, and includes an oil terminal facility, tank vessel, oil barge, pipeline, and an exploration or production facility;

(21) "freshwater wetlands" means those environments characterized by rooted vegetation that is partially submerged either continuously or periodically by surface freshwater with less than .5 parts per thousand salt content and not exceeding three meters in depth;

(22) "groundwater" means water in the zone of saturation, which is the zone below the water table, where all interstices are filled with water;

(23) "hazardous substance" has the meaning given that term at AS 46.03.826;

(24) "hazardous waste" means wastes within the scope of 18 AAC 62.010 -- 18 AAC 62.020;

(25) "impermeable" means using a layer of manufactured material of sufficient thickness, density, and composition to produce a maximum permeability for the substance being contained of 1×10^{-7} centimeters per second at the maximum anticipated hydrostatic pressure, sufficient to contain a discharge until it is detected and cleaned up;

(26) "inside waters of Southeast Alaska" includes all those marine waters lying inside the boundary line established in 42 Federal Register 35791 (July 11, 1977);

(27) "lightering" means the pumping or transferring of oil from the cargo compartment of one vessel, barge, storage tank, or container to another vessel, barge, storage tank, or container;

(28) "liquefied petroleum gas" means natural gas converted to a liquid state by pressure and cooling, butane, propane, and other light ends which at 70 degrees Fahrenheit and atmospheric pressure revert to the gaseous state;

(29) "local government" means any borough, city, town, village, or other political subdivision of the state, any Indian tribe or authorized tribal organization, and includes any rural community or unincorporated town or village;

(30) "major discharge" means a discharge of oil

(A) over 10,000 gallons on inland waters;

(B) over 100,000 gallons on coastal waters; or

(C) in any amount that results in a release that

(i) might require evacuation or sheltering of nearby residents or businesses; or

(ii) causes a serious environmental threat;

(31) "marine waters" means all saltwater environments, including saltwater wetlands, estuaries, and the intertidal zone;

(32) "mechanical response method" means the use of containment booms, skimmers, and other apparatus and equipment required for mechanical containment and removal of a discharge;

(33) "new installation" means storage and surge tanks, secondary containment, piping and any other operational appurtenances constructed, installed, or placed into service after the effective date of this section, including reconstructed storage and surge tanks, as defined in API Standard 653, First Edition, 1991, and Supplement 1, January 1992;

(34) "noncrude oil" means any refined petroleum product derived from crude oil;

(35) "oil" has the meaning given that term at AS 46.04.900;

(36) "oil barge" has the meaning given that term at AS 46.04.900;

(37) "oil storage tank", for the purposes of 18 AAC 75.065 and 18 AAC 75.075 means all containers, including storage and surge tanks, used to store bulk quantities of oil which have a capacity greater than 10,000 gallons, but does not include process pressure vessels or underground storage tanks;

(38) "oil terminal facility" has the meaning given that term at AS 46.04.900 and includes vessels classified as oil terminal facilities under 18 AAC 75.280;

(39) "oily waste" means any material, including water, that has been contaminated by or mixed with oil in other than naturally occurring circumstances;

(40) "open burning" means the burning of any material so that the products of combustion are emitted directly into the ambient air without passing through a stack or flare;

(41) "open water" means marine waters below mean low low water and freshwaters of the state, excluding wetlands and the wetland or shoreline perimeter of lakes, rivers, and streams;

(42) "operator" has the meaning given that term at AS 46.04.900;

(43) "owner or operator" means the owner or operator of a facility or operation that is subject to the requirements of AS 46.04.030, 46.04.040, or this chapter;

(44) "permafrost" means soil or other earth material supporting vegetation with a temperature that remains below 32 degrees Fahrenheit for two or more years;

(45) "persistent product" means a refined oil product with a common name such as bunker C, Number 6, Chevron Residual, lube oil, or any other product with similar viscosity, degradability, and dispersibility;

(46) "person" has the meaning given that term at AS 46.04.900;

(47) "person in charge," in addition to the person causing or permitting a discharge, includes

(A) for a vessel, the master;

(B) for a vehicle, the operator; and

(C) the person exercising a possessory interest in the facility or operation at the time of the discharge, unless the possessory interest is being exercised solely for the purpose of providing a place of residence for the person;

(48) "pipeline" has the meaning given that term at AS 46.04.900;

(49) "plan" means an oil discharge prevention and contingency plan approved under this chapter;

(50) "plan holder" means an applicant who has received department approval for an oil discharge prevention and contingency plan and who is responsible for compliance with the plan as approved;

(51) "ppm" means parts per million;

(52) "Prince William Sound" includes all marine waters lying inside the boundary line established in 42 Federal Register 35791 (July 11, 1977);

(53) "Prince William Sound towing package" means a towing gear assembly that consists of

(A) 400 feet of $2^1/_4$ inch tow reaching wire;

(B) 720 feet of six-inch polypropylene floating pickup line;

(C) one floating pickup buoy; and

(D) a "D" shackle, $2^1/_4$ inches in diameter, with a $4^1/_8$ inch jaw opening, and a breaking strain of 55 tons, to connect the floating line to the tow reaching wire;

(54) "production facility" has the meaning given that term at AS 46.04.900;

(55) "realistic maximum operating limitation" means the upper limit of a combination of environmental factors that might occur at a facility or operation beyond which an operator would be unable to mount a mechanical response to a discharge event;

(56) "response planning standard" means a planning standard against which the adequacy of an oil discharge prevention and contingency plan will be judged by the department and does not constitute a cleanup standard that must be met by the holder of a contingency plan;

(57) "resource agencies" means, in addition to the Alaska Department of Environmental Conservation, the Alaska Department of Natural Resources and the Alaska Department of Fish and Game;

(58) "saltwater wetlands" means those coastal areas along sheltered shorelines characterized by halophytic hydrophytes and macroalgae extending from extreme low tide to an area above extreme high tide which is influenced by sea spray or tidally induced water table changes;

(59) "sensitive gauging system" means the best demonstrated available gauging technology at the time of tank construction or substantial reconstruction, or initial gauging system installation;

(60) "sensitive receiving environment," for the purposes of 18 AAC 75.075(d), means fresh or marine waters supporting anadromous fish or used for drinking or food processing, waters susceptible to eutrophication, a stream with low or intermittent flow, tundra, or lands which permit exposure of wastewater to the public;

(61) "significant change" means

(A) a change in operational readiness or removal from designated storage of significant equipment or materials;

(B) a management or ownership change resulting in new chain-of-command or lead response personnel;

(C) a change in response contractors;

(D) a change in spill control or cleanup strategies; or

(E) any factor that significantly alters or reduces the ability of the plan holder to respond according to the provisions of the approved contingency plan;

(62) "state waters" means waters of the state;

(63) "storage capacity," means, for a vessel, the maximum amount of oil that the vessel can legally carry as cargo while in state waters, or as certified by the American Bureau of Shipping, Certificate of Inspection by United States Coast Guard, or an equivalent classification by a society or agency in a foreign country or a lesser amount upon proof and verification to the department's satisfaction; for a tank, "storage capacity" means the full physical volume of the tank; the storage capacity of pipes at a facility is considered part of the storage capacity of that facility;

(64) "sufficiently impermeable" means, for a secondary containment system, that the design and construction of the system is such that it has the impermeability necessary to protect groundwater from contamination and to contain a discharge until it can be detected and cleaned up; for design purposes for a new installation, this means using a layer of natural or manufactured material of sufficient thickness, density, and composition to produce a maximum permeability for the substance being contained of 1×10^{-6} cm per second at a maximum anticipated hydrostatic pressure, unless an alternate design standard is approved by the department;

(65) "surety" includes a surety bond;

(66) "tank vessel" has the meaning given that term at AS 46.04.900;

(67) "transmission pipeline" means a pipeline, whether interstate or intrastate subject to regulation by the United States Department of Transportation under 49 C.F.R. 195, as amended through October 1, 1990, through which crude oil moves in transportation, including line pipe, valves, and other appurtenances connected to line pipe, pumping units, and fabricated assemblies associated with pumping units; "transmission pipeline" does not include gathering lines, flow lines, or facility piping;

(68) "ultimate disposal" includes disposal into or upon the waters or the surface or subsurface land of the state;

(69) "vessel" has the meaning given that term at AS 46.04.900; and

(70) "waters of the state" has the meaning given that term at AS 46.04.900.

(71) "oil spill primary response action contractor," for the purposes of 18 AAC 75.425 and 18 AAC 75.445, has the meaning given at 18 AAC 75.500(a). (Eff. 5/14/92, Register 122; am 9/25/93, Register 127)

Authority: AS 46.03.020 AS 46.03.050 AS 46.03.710 AS 46.03.740 AS 46.04.030 AS 46.04.035 AS 46.04.070

Alaska Department of Environmental Conservation

Discharge Notification and Reporting Requirements

AS 46.03.755 and 18 AAC 75.300-.307

Notification of a discharge must be made to the nearest DEC office during working hours
or
24-Hour Emergency Reporting Number during non-working hours
1-800-478-9300 In-state
907-269-5711 Out-of-state

Notification Requirements

DISCHARGE TO WATER

Any discharge of Hazardous Substance	—As soon as the person has knowledge of any discharge
Any discharge of Oil	—As soon as the person has knowledge of any discharge

DISCHARGE TO LAND

Any discharge of Hazardous Substance	—As soon as the person has knowledge of any discharge
Any discharge of Oil in excess of 55 gallons	—As soon as the person has knowledge of any discharge
Any discharge of Oil in excess of 10 gallons but 55 gallons or less	—Within 48 hours after the person has knowledge of any discharge
Any discharge of Oil from 1 to 10 gallons	—A person in charge of a facility or operation shall maintain, and provide to the department on a monthly basis, a written record of any discharge including a cumulative discharge.

DISCHARGE TO IMPERMEABLE SECONDARY CONTAINMENT AREAS

Any discharge of oil in excess of 55 gallons	—Within 48 hours after the person has knowledge of any discharge

Reporting Requirements

A written final report must be submitted to the Department for any discharge within 15 days after cleanup is completed or, if no cleanup occurs, within 15 days after the discharge. The Department may require interim reports until cleanup is completed.

rev. 8/92

ALASKA LAW REQUIRES THE REPORTING OF ALL

OIL AND HAZARDOUS SUBSTANCES SPILLS

During normal working hours call the nearest office of the

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION:

Southeast Region	
Juneau District	465-5340
Ketchikan District	225-6200
Sitka District	747-8614

Northern Region	
Interior District	451-2360
Nome District	443-2600
Tok District	883-4381

Pipeline Region	
Coordinator's Office	278-8595
Prince William Sound District	835-4698

Southcentral Region	
Anchorage District	349-7755
Kenai District	262-5210
Matanuska Susitna District	376-5038
Valdez Field Office	835-4698
Cordova Field Office	424-4385
Western District	349-7755
Bethel Field Office	543-3215
Kodiak Field Office	486-6760
Unalaska Field Office	581-1822

Or Call: 1-800-478-9300 In State
(907) 269-5711 Out of State

24 hours/day

Alaska Department of Environmental Conservation
410 Willoughby Ave., Suite 105
Juneau, AK 99801-1795

Alaska Statute 46.03.755

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

SPILL PREVENTION AND RESPONSE DIVISION

UNDERGROUND PETROLEUM STORAGE TANK PROGRAM

STORAGE TANK ASSISTANCE FUND ANNUAL REPORT

FISCAL YEAR
1992

Presented to the **First Session of the Eighteenth Alaska Legislature**

January 21, 1993 • Walter J. Hickel, Governor • John A. Sandor, Commissioner

STATE OF ALASKA

WALTER J. HICKEL, GOVERNOR

DEPT. OF ENVIRONMENTAL CONSERVATION
OFFICE OF THE COMMISSIONER
410 Willoughby Avenue, Suite 105
Juneau, AK 99801-1795

Telephone: (907) 465-5000
Fax: (907) 465-5070

March 19, 1993

The Honorable Ramona Barnes
Speaker of the House
State House of Representatives
Alaska State Capitol, Rm. 208
Juneau, AK 99801

MAR 25 1993

Dear Representative Barnes:

I am pleased to submit to you the Department of Environmental Conservation's Storage Tank Assistance Fund Annual Report for the fiscal year 1992 as required under AS 46.03.363. Copies of this report have been sent to each legislator.

The report summarizes the status of the Storage Tank Assistance Fund during the second year of the program which was enacted on September 5, 1990.

The intent of the program is to provide technical and financial assistance to owners and operators of underground storage tanks and thereby ease the burden of compliance with federal and state Underground Storage Tank requirements. These requirements are designed to prevent and correct releases from underground storage tanks which pose a threat to the drinking water supplies of the state or otherwise harm the environment.

Over 1100 requests for financial assistance have been received as of December 31, 1992. Appropriations of 10.8 million through FY93 will cover about one-fourth of those requests. Grants have been awarded on a priority basis to close or replace old tanks and cleanup contaminated soil and groundwater.

Alaska is one of more than forty states that have adopted financial assistance programs aimed at upgrading underground petroleum storage tank systems. We look forward to responding to any questions or comments you may have regarding this report.

Sincerely,

Janice Adair
Assistant Commissioner

JH/jvs (G:\SPAR\UST\Barnes1.ltr)

cc: J.C. Shine, Chief Clerk (2)

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STATEMENT OF PURPOSE

The Underground Storage Tank (UST) Statute, an amendment to a portion of AS 46.03, became effective on September 5, 1990. This legislation provided for (1) the establishment of technical and financial assistance mechanisms to assist the owners and operators of underground storage tank systems to comply with federal and state requirements; and (2) the cleanup of existing leaks and prevention of future leaks associated with underground storage tank systems in order to protect the public from contamination of drinking water, and to protect the environment.

The UST Statute established the Storage Tank Assistance Fund and requires the Department of Environmental Conservation (Department) to submit an annual report to the legislature on its status.

This report summarizes:

(1) the amount and source of money received by the fund during the preceding fiscal year;

(2) the amount of money expended during the preceding fiscal year for each type of expense authorized under AS 46.03.410 (b) including tank tightness testing or site assessments, costs of risk assessment, containment, corrective action, cleanup, tank system upgrading, and closure;

(3) a detailed summary of department activities paid for from the fund during the preceding fiscal year, including how many requests for assistance have been made to the department to use the fund for grants or loans for testing, site assessment, risk assessment, upgrading, closure, containment, corrective action, and cleanup costs, and the number of requests funded in each activity area;

(4) the projected cost for the next fiscal year of monitoring, operating, and maintaining sites where department activities have been completed or are expected to start or be continued during the fiscal year;

(5) the priority list of tank system sites for which the department expects to provide financial assistance in the next fiscal year.

The time period covered by this report includes FY 92 in its entirety and the first half of FY 93.

ABSTRACT

From the inception of the Underground Storage Tank Financial Assistance Program on September 5, 1990, until December 31, 1992, $5,609,573 of the allocated amount of $10,798,989 has been expended or encumbered for 524 grants to pay a portion of the costs of tank tightness testing, site assessment, cleanup, upgrade or closure. The largest amount of funds dispersed to date has been $3,465,396 for tank cleanups, while the largest number of grants encumbered has been for tank tightness testing at 323 facilities.

Fund sources for the period ending June 30, 1992, totaled $7,044,184 and included initial FY 91 capitalization of $6.0 million, the FY 91 and FY 92 tank registration receipts and a payroll supplement. At the conclusion of FY 92, total funds expended, including operational costs, were $2,419,069 and the reserve amount for all encumbrances was $1,576,485.

The FY 92 appropriation balance was extended into FY 93 and funds continued to be expended or encumbered for the grant programs. On December 31, 1992, $2,813,258 had been expended and $1,402,918 had been encumbered for grants from the FY 92 appropriation. One loan in the amount of $25,000 was processed during this period.

Requests exceeded available funds in FY 92. Funding was adequate to assist all eligible and complete applications in the following programs; Tank Tightness Testing and Site Assessment Incentive Program, Tank Cleanup Grant and Loan Program, and Tank Upgrade and Closure Program. Funding was not adequate to address requests in the Tank Reimbursement Program, which by statute, can only be funded after requests from other categories have been met and a balance remains in the fund.

In FY 93, a $5.0 million fund transfer from the Mitigation Account Fund to the Storage Tank Assistance Fund and FY 93 tank registration receipts brought the fund sources to $5,372,504. Total appropriations for FY 93 were $8,488,610.

As of December 31, 1992, all FY 93 appropriations from the Storage Tank Assistance Fund had been expended, encumbered, obligated, or held in required contingency reserves. Obligations comprise loans pending, grants offered but not encumbered, loan portions of grants and anticipated grants and loans for the highest ranking projects on the priority ranking list. The required reserve for contingencies is set in regulations and is 15% of the cleanup program allocation and 10% of the upgrade and closure allocation. The anticipated grants and associated loans will be encumbered in the second half of FY 93.

The estimated number of unfunded requests to the Storage Tank Assistance Fund after FY 93 is 772 for a total dollar amount of $33,673,874. Unfunded requests exist in the following three categories; requests from the FY 94 application period, requests from prior years which were not funded due to inadequate funding, and projected costs to continue cleanup projects already funded by the program.

Without funding levels to meet this demand, the Department will continue to fund the higher priority ranked projects while keeping unfunded requests on file until such time that funding may become available. The Department is currently exploring methods to provide longterm financial assistance to owners and operators by extending the program to FY 99 to coincide with the federal deadline for upgrade and cleanup of December, 1998.

Figure 1 (Storage Tank Assistance Program Requests, Allocations and Uses) summarizes the current status of the Underground Storage Tank Financial Assistance Program. The program has received requests for $43,815,387 in assistance. Since the inception of the program, $10,790,426 has been allocated for grants and loans. On December 31, 1992, $5,609,573 had been encumbered or expended and the balance of $5,160,401 had been obligated for contingencies and specific projects.

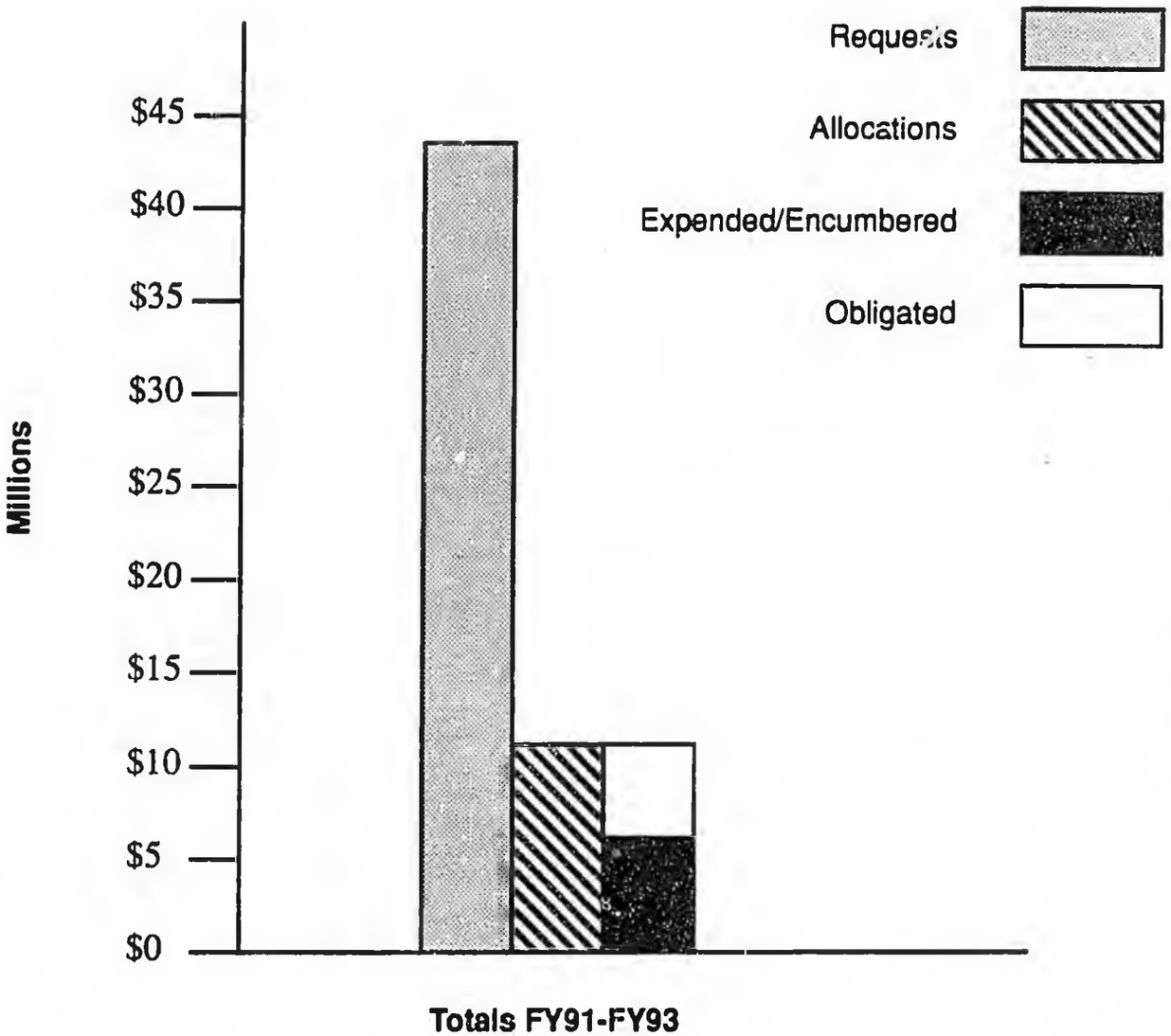

Figure 1 **STORAGE TANK ASSISTANCE PROGRAM REQUESTS, ALLOCATIONS, USES AS OF DECEMBER 31,1992.**

INTRODUCTION

A portion of AS 46.03 was amended to include underground storage tanks effective September 5, 1990. The Alaska Underground Storage Tank (UST) Statute required the development of an UST program through the adoption of regulations which set performance standards for both new and existing tank systems, provided for corrective action activities and cleanup standards for leaking underground tanks, mandated that the Department of Environmental Conservation (Department) provide educational assistance to UST owners and operators, required the certification of UST workers, required the registration of tanks and tank systems, established a Board of Storage Tank Assistance, and set guidelines for the administration of the Storage Tank Assistance Fund.

The Storage Tank Assistance Fund provides financial assistance to the owners and operators of regulated underground motor fuel tanks to meet the stringent and expensive tank upgrade, cleanup, and insurance requirements contained in the federal rules. To accomplish this, the fund makes assistance available to administer four financial assistance programs in the following sections: reimbursement incentives for tank tightness tests or site assessments under AS 46.03.415; grants and loans under AS 46.03.420 for risk assessment, containment, corrective action, and cleanup costs; and grants under AS 46.03.430 for tank system upgrading and closure. Table 1 (Summary of UST Financial Assistance Programs) briefly describes the current status of these programs, the eligible costs payable, and the amount of assistance provided.

The financial assistance program got off to a slow start during the first six months of FY 91 since priority had to be given to staff hiring, training, regulation and policy development, development of tank worker certification program, and the initiation of an annual tank registration program before the issuance of any awards could take place.

TABLE 1

SUMMARY OF UST FINANCIAL ASSISTANCE PROGRAMS

PROGRAM	ELIGIBLE COSTS	ASSISTANCE PROVIDED
Tank Tightness Testing and Site Assessment Incentive Program Applications/Intents had to be submitted by March 5, 1992. Funds encumbered for this program through FY 92 only.	Provides funds directly to the owner/operator specifically to reimburse costs for tank tightness tests or site assessments to determine if there had been a release of petroleum.	50% of the actual costs, not to exceed $300 per tank for tank tightness tests up to a maximum of $1200 per facility and $800 per tank for site assessments up to $3200 per facility.
Tank Cleanup Grant and Loan Program Applications must be submitted to the Department before July 1, 1994. Funds currently allocated to the program through FY 93. Applications for FY 94 have been received.	Provides funds directly to the owner/operator specifically to cover costs of risk assessment, containment, corrective action, and cleanup.	Up to 1 million dollars per occurrence, and owner/operator is responsible for 10% of the total cleanup costs (not to exceed $25,000), which is excluded from the grant.
Tank Upgrade and Closure Grant Program Funds currently allocated to this program through FY 93. Applications for FY 94 have been received.	Provides funds directly to the owner/operator specifically to cover costs of removal, upgrade, or replacement of an UST system.	Grants for upgrade, replacement or closure of an UST comprising up to sixty percent of the total eligible costs up to $60,000.
Reimbursement Program Applications had to be submitted by March 5, 1991, to date, no funds have been allocated for program.	Provides reimbursement for the costs of risk assessment, containment, cleanup, corrective action, upgrading or closure activities on or after December 22, 1988 and before September 5, 1990.	Total costs for reimbursement to an owner/operator under this program not to exceed $200,000. The owner/operator must have applied for this program before March 5, 1991.

STORAGE TANK ASSISTANCE FUND SUMMARY FOR FY 92

Funding

Table 2 (Storage Tank Assistance Financial Summary for Period Ending June 30, 1992) lists the amount and source of money received by the Fund during FY 92 which included the initial FY 91 capitalization of $6.0 million, a payroll supplement of $9,200 and FY 91 and FY 92 tank registration receipts in the amounts of $525,578 and $509,406, respectively. Total fund sources for the period ending June 30, 1992, were $7,044,184.

Expenditures

Table 2 shows that on June 30, 1992, total fund uses were $2,419,069 and the reserve amount for all encumbrances was $1,576,485. FY 91 fund uses of $518,974 and FY 92 fund uses of $1,809,862 contributed to this total. On June 30, 1992, total revenue to the Storage Tank Assistance Fund was greater than expenditures by $4,625,115.

Table 3 (Grant Funds Expended or Encumbered by Date) depicts funds for each fiscal year appropriation expended or encumbered by program by date. On June 30, 1992, a total of $2,930,370 from the Storage Tank Assistance Fund had been used to pay for tank tightness testing, site assessments, tank cleanup, upgrade and closure. The amount of funds expended or encumbered for grants was $1,361,073 and $1,569,297, respectively.

The FY 92 appropriation balance was extended into FY 93 and funds continued to be expended or encumbered for projects. Table 3 depicts grants made by program for each type of grant authorized from the FY 92 appropriation as of December 31, 1992. On this date, a total of $2,813,258 had been expended and $1,402,918 had been encumbered for projects from the FY 92 appropriation. One loan in the amount of $25,000 was processed from the FY 92 appropriation during this period.

Department Activities Summary

During the course of FY 92, program priorities shifted from program development to the administration of the financial assistance program and issuance of grants to owners and operators. Overall, the Department continued to implement the state Underground Storage Tank Program to prevent and correct leaks; and to provide technical, educational and financial assistance to regulated underground storage tank owners and operators. A detailed summary of activities that were carried out by the Department during FY 92 is listed below:

- Brought to final adoption the Underground Storage Tank regulations on August 21, 1991.

- Completed and distributed a Guidance Manual for Underground Storage Tank regulations which included Guidance for preparing a Quality Assurance Program Plan for Site Assessment; Guidance for Data Deliverables and Reporting Requirements; Guidance for Using the Alaska Cleanup Matrix; and Guidance for Storage, Remediation, and Disposal of Petroleum Contaminated Soils.

- Maintained the UST Telephone Hotline and a series of informational reading materials to provide technical assistance about UST regulations, especially UST registration and financial assistance.

TABLE 2

Storage Tank Assistance Fund Summary
For Period Ending June 30, 1992

Fund Sources					
FY 91					
	Initial Capitalization (90/209/78/14)			6,000,000	
	Payroll Supplement (90/45)			9,200	
FY 92					
	Fiscal Year 91 Registration Receipts (91/73/6/9)			525,578	
	Fiscal Year 92 Registration Receipts (91/73/6/7)			509,406	
Total Fund Sources:					7,044,184
Less Fund Uses:					
FY 91					
	Administrative Costs		409,514		
	Grants		109,460	-518,974	
FY 92					
	Prior Year Appropriation				
	Administrative Costs			-22,433	(Note 1)
	Current Year Appropriation				
	Fund Transfer			-67,800	(Note 2)
	Administrative Costs (#48340-92)				
	Personal Services	405,518			
	Travel	36,122			
	Contractual	98,221			
	Supplies	8,392			
	Equipment	9,996	558,250		
	Grants (#48340-92)		1,251,612	-1,809,862	
Total Fund Expenditures					-2,419,069
Revenue Greater than Expenditures					4,625,115
Reserve for All Encumbrances (Note 3)					-1,576,485

Note 1: Encumbrances which existed at the end of FY 91 and paid in FY 92.
Note 2: Fund Transfer for Division of Information & Administrative Services.
Note 3: Encumbrance reserves include $1,569,297 for grants and $7,188 for administrative items.

TABLE 3

Grant Funds Expended or Encumbered by Date

	JUNE 30, 1992		DECEMBER 31, 1992	
	Expended	Encumbered	Expended	Encumbered
FY 91 Appn.48411-91				
Tank Cleanup Program	109,460		109,460	
FY 92 Appn.48340-92				
Tightness Testing	65,517	153,331	77,306	141,150
Site Assessment	20,016	99,699	33,410	77,891
Cleanup	803,893	915,360	1,380,482	334,757
Upgrade	157,576	239,774	305,519	81,496
Closure	204,610	161,133	249,044	110,840
FY 92 Appn.48340-93(Extended FY 93)				
Cleanup			721,636	609,471
Upgrade			15,000	45,000
Closure			30,861	2,313
FY 93 Appn.48700-93				
Cleanup			108,255	201,335
Upgrade			366,512	487,570
Closure			43,629	76,636
Total				
FY 91 Appn. 48411-91	109,460		109,460	
FY 92 Appn. 48340-92	1,251,612	1,569,297	2,045,761	746,134
FY 92 Appn. 48340-93			767,497	656,784
FY 93 Appn. 48700-93			518,396	765,541
Grand Total	1,361,072	1,569,297	3,441,114	2,168,459

Loans One loan in the amount of $25,000 was processed in fiscal year 1993.

♦ Held informational workshops in Alaska communities pertaining to state and federal laws and regulations, tank tightness testing, site assessment, leak detection, closure, tank registration, certification, and financial assistance.

♦ Provided training leading for certification of tank workers. Initiated a home study course for tank worker certification. Coordinated activities with the Division of Occupational Licensing to establish the certification program.

♦ Conducted the second annual UST registration and fee collection.

♦ Reviewed applications and made reimbursements to eligible owners and operators through the Tank Tightness Testing and Site Assessment Incentive Program.

♦ Reviewed applications and awarded grants in the Tank Upgrade and Closure Grant Program. Continued to track grants for upgrade and closure, reviewed "notification of change", "notification of tanks in use", and "notification of closure forms" for tank systems. Reviewed final reports for closure of tanks.

♦ Reviewed applications for grants and loans in the Tank Cleanup Grant and Loan Program. Awarded both Phase One and Phase Two cleanup grants and continued to track grants.

♦ Developed a loan program to pay for a portion of cleanup activities through a reimbursable services agreement with the Department of Commerce and Economic Development, Division of Investments to pay for a portion of the cleanup activities.

♦ Revised and distributed financial assistance application forms and accepted applications for FY 93 priority ranking of applications for the Tank Cleanup Program and the Tank Upgrade and Closure Program. Conducted a series of workshops about the Storage Tank Assistance Program to assist the public in applying for funding.

♦ Priority ranked tank cleanup and tank upgrade and closure applications for FY 93.

♦ Implemented UST regulations regarding mandatory tank tightness testing and site assessment. Encumbered funds for reimbursement for tank tightness testing and/or site assessment activities.

♦ Participated in Board of Storage Tank Assistance meetings. Provided information to the Board as requested.

♦ Coordinated activities with the state UST and LUST program for activities such as UST regulation changes, compliance implementation strategies, UST newsletter publication "Alaska Underground", and policy formulation for statewide UST program.

Assistance Requested and Funded - FY 92

Table 4 (Assistance Requested and Funded - FY 92) details the total number of applications and the dollar amount in requests received for the four financial assistance programs during FY 92. The dollar amount allocated by the Board of Storage Tank Assistance for each grant program in FY 92 is listed in the table.

TABLE 4
Assistance Requested and Funded - FY 92
December 31, 1992

PROGRAM SUMMARY FOR FY 92

Number Applications Received for FY 92 Funding/Total Number Funded	706/474
Total Dollar Amount of Application Requests	$10,410,974
Funds Allocated FY 92	$5,300,000
Encumbrances/Expenditures as of 12/31/92	$4,350,636

TANK TIGHTNESS TESTING AND SITE ASSESSMENT INCENTIVE PROGRAM

Program Total

Total Number of Applications Received/Total Number Funded	416/386
Funds Allocated By Board of Storage Tank Assistance	$330,000
Funds Encumbered/Expended as of 12/31/92	$329,757

Tank Tightness Testing

Total Number of Applications Received/Total Number Funded	352/323
Dollar Amount of Application Requests	$242,164
Funds Encumbered/Expended as of 12/31/92	$218,456

Site Assessment

Total Number of Applications Received/Total Number Funded	64/63
Dollar Amount of Application Requests	$120,354
Funds Encumbered/Expended as of 12/31/92	$111,301

TANK CLEANUP GRANT AND LOAN PROGRAM

Total Number of Applications Received/Total Number Funded	30/24
Dollar Amount of Application Requests	$4,907,197
Funds Allocated By Board of Storage Tank Assistance	$3,470,000
Funds Encumbered/Expended as of 12/31/92	$3,155,806
Loans Issued as of 12/31/92	$25,000

TANK UPGRADING AND CLOSURE PROGRAM

Program Total

Total Number of Applications Received/Total Number Funded	102/64
Funds Allocated By Board of Storage Tank Assistance	$1,500,000
Funds Encumbered/Expended as of 12/31/92	$840,073

Tank Upgrading

Total Number of Applications Received/Total Number Funded	28/12
Dollar Amount of Application Requests	$806,037
Funds Encumbered/Expended as of 12/31/92	$447,015

Tank Closure

Total Number of Applications Received/Total Number Funded	74/52
Dollar Amount of Application Requests	$946,785
Funds Encumbered/Expended as of 12/31/92	$393,058

REIMBURSEMENT PROGRAM

Total Number of Applications Received/Total Number Funded	158/0
Dollar Amount of Application Requests	$3,388,437
Funds Allocated By Board of Storage Tank Assistance	$0
Funds Encumbered/Expended as of 12/31/92	$0

Funds encumbered or expended for each activity as of December 31, 1992, are also reported. The number of awards issued for each activity as of December 31, 1992, appears next to the number of applications received. A total of 706 applications were received for 6 categories in FY 92 for $10,410,974. Each program is discussed separately.

Tank Tightness Testing and Site Assessment Incentive Program

A total of 416 applications were received for assistance for this program, 352 to reimburse a portion of the costs of tank tightness testing and 64 to reimburse a portion of site assessment activities. State regulations required that tank tightness testing or site assessments for all USTs installed before and in use on September 5, 1990, be conducted within 12 months after the initial tank registration was due, unless the owners or operators demonstrated cause for extending the deadline. The date of the initial tank registration was March 5, 1991, making March 5, 1992, the deadline date. Because low temperatures in many portions of the state made tank tightness testing and site assessment activities impracticable by that date, requests for an extension of the deadline were accepted and granted by the Department. Owners and operators submitting a signed and completed application form had funding encumbered for their request unless their applications were ineligible. Three hundred eighty-six applications were funded for tank tightness testing or site assessment for a total of $329,757.

The Board of Storage Tank Assistance had originally allocated 2.3 million dollars for this program, anticipating participation from a far greater number of tank owners and operators. After funds had been encumbered for this program, the allocation was reduced to $330,000 and the balance applied to the Tank Cleanup Grant and Loan Program.

As owners and operators have completed activities in this program, funds have been expended to reimburse the applicants and the appropriate encumbrances have been released. Tank tightness testing and site assessment activities must now be completed by May 1, 1993. Applicants now have more time to perform their activities, however, no additional funds will be allocated to this program. A complete listing showing the status of all applications for the Tank Tightness Testing and Site Assessment Incentive Program appears in Appendix A of this report. Shaded listings indicate that reimbursement has been paid and all other listings have had funds encumbered.

Tank Cleanup Grant and Loan Program

Thirty tank cleanup applications for FY 92 funds were received. Four applications did not meet the eligibility requirements for the program and the remaining 26 were priority ranked according to the relative threat to human health and the environment as well as other criteria specified by the Board of Storage Tank Assistance. The total dollar amount of application requests was equal to $4,907,197. The original amount of funds allocated to this program by the Board was $1.5 million dollars. However, after the deadline to submit letters of intent to apply for the Tank Tightness Testing /Site Assessment Reimbursement Program had passed, the balance of $1,970,000 in unencumbered funds was reallocated to the Tank Cleanup Grant and Loan Program. The new amount allocated for cleanup became $3,470,000.

This allocation was adequate to fund all eligible requests for assistance for cleanup. In most cases, the level of funding approved for each

facility was lower than the amount the applicant requested because the Department used a phased approach to fund cleanups as specified in the UST regulations. Initially, phase one grants are approved to investigate releases and obtain the information necessary to prepare corrective action plans. Phase two grants for remediation work could be approved only after a corrective action plan is submitted and accepted by the Department.

At the time the balance of the unused funds from the Tank Tightness Testing/Site Assessment Incentive Program was reallocated into the Tank Cleanup Program, the majority of applicants had received grants for the initial phases of cleanup. The information gathered at these sites was adequate to prepare corrective action plans and so the newly reallocated funds could be used for the second phase of cleanup. Table 4 shows that on December 31, 1992, $3,155,806 of the $3,470,000 allocated had been encumbered or expended. It is anticipated that the balance of the allocation will be encumbered by February, 1993, when project corrective action plans for the remaining facilities have been approved.

Regulations specify that 15% of the Tank Cleanup Program funds be reserved for cost increases, emergency grants, contingencies and audits (18 AAC 78.535). Use of this reserve totaled $296,828 for cost increases and contingencies in the form of grant amendments and two emergency grants. The balance of this reserve is now $79,420.

Appendix B lists all applicants for the Tank Cleanup Grant and Loan Program for FY 92 funding. Grants already awarded are shaded The grant award amount and the specific activities as listed in Sec. 46.03.410.(c)(3) for each site are also summarized. Each grant received for a facility is listed separately so that a facility which received a phase one and phase two grant is listed twice.

The majority of cleanup grants funded by the FY 92 appropriation were used to carry out cleanup activities which included initial abatement and release investigations. The release investigations usually included both soil and water testing to determine the extent of the release. No risk assessments were funded. Release investigations were funded to produce corrective action reports to determine future cleanup activities. Phase two cleanup projects generally paid for soil and water remediation.

Grants for cleanup exclude a portion of costs not payable which is equal to 10% of the total costs, up to a maximum of $25,000. The Department then offers the excluded amount to the grantee in the form of a loan. Although 11 applicants applied for loans, only one loan of $25,000 has been issued from the FY 92 appropriation. UST regulations originally required that loans be secured by collateral equal to the value of the loan and only one applicant had adequate collateral to qualify. The Board of Storage Tank Assistance recommended that the Department change the regulation to require the option for the state to place a lien in lieu of collateralization. The regulation change became effective on January 6, 1993, thus allowing for the issuance of additional loans in 1993. Combined loan requests for FY 92 sites were for $177,408.

Tank Upgrade and Closure Grant Program

Twenty-eight requests were received for tank upgrading and 74 requests were received for tank closure from FY 92 funding. The allocation of $1,500,000 determined by the Board of Storage Tank Assistance was adequate to fund all eligible applications. A review of

requests revealed that some applications were ineligible for assistance. Sixty-four grants have been issued in this program as of December 31, 1992. Twelve grants have been issued for upgrade activities and 52 grants have been issued for closure activities. On December 31, 1992, $840,073 of the $1.5 million dollars allocated for this program in FY 92 had been encumbered or expended.

Applicants who have not yet received grant offers have not submitted all the required information necessary to issue a grant. Some of these owners are currently conducting cleanups on their sites and cannot upgrade until contaminated soils have been disposed. Proposed changes to the UST regulations will require that owners and operators submit all information necessary to complete a grant offer within a specified time period or be eliminated from the priority list. Once this occurs, funds will be available for reallocation by the Board into another program.

A detailed list of all owners and operators who have applied to the Tank Upgrade and Closure Program appears in Appendix C. The status of the applications are listed. Shaded listings have had grants processed. Regulations specify that 10% of the annual allocation be reserved for cost increases and contingencies. At this time, only $528 of the $150,000 in contingencies has been utilized.

Reimbursement Program

One hundred fifty - eight applications were made to the Reimbursement Program by the deadline for that program on March 5, 1991. A total of $3,388,437 was requested for cleanup, closure or upgrade activities occurring on or after December 22, 1988 and before September 5, 1990.

When making its annual allocation to the grant programs, the Board of Storage Tank Assistance is required to consider work completed under the Reimbursement Program to receive the lowest priority for reimbursement (18 AAC 78.535). Statute requires that this program may be funded only when all eligible requests for funding in the other categories have been satisfied in a given year, and a balance remains in the Storage Tank Assistance Fund. For the FY 92 appropriation, over $10 million in requests were received, which far exceeded the amount of available funds. Accordingly, no funds were allocated to the reimbursement program in FY 92.

Appendix D lists the applicant's name, the facility name, and the amount requested from the Reimbursement Program.

STORAGE TANK ASSISTANCE FUND SUMMARY FOR FY 93

Funding

Table 5 (Storage Tank Assistance Fund Summary for Period Ending December 31, 1992) shows the sources and amount of funds received by the Storage Tank Assistance Fund for FY 93. A $5,000,000 fund transfer from the Mitigation Account Fund and FY 93 tank registration receipts collected as of December 31, 1992, of $372,504 brought the total fund sources to $5,372,504.

Fiscal Year 93 appropriations from the fund totaled $8,488,610. This sum includes the $5 million appropriated from the mitigation account, $507,900 to implement the Storage Tank Assistance Program, $69,600 for the Division of Information and Administrative Services and $2,911,110 which was extended from the FY 92 Storage Tank Assistance Program.

Expenditures

As of December 31, 1992, the balance of the FY 93 appropriation from the Storage Tank Assistance Fund was $5,493,851. Table 5 lists in detail fund transfers, restricted amounts and amounts encumbered or expended. From a total of $7,868,619 appropriated for grants in FY 93, the unexpended and unencumbered balance was $5,135,402.

Table 3 (Grant Funds Expended or Encumbered By Date) shows the funds expended or encumbered from the FY 93 appropriation for all grant programs. On December 31, 1992, a total of $518,396 had been expended and $765,541 had been encumbered. The Tank Cleanup Grant and Loan Program had expended $108,255 and encumbered $201,335. The sums of $366,512 and $487,570 had been expended and encumbered respectively for tank upgrades and $43,629 and $76,636 had been expended and encumbered for tank closure.

Department Activities During FY 93

Most of the Department activities conducted during the first half of FY 93 pertain to the continued implementation of the UST regulations and the UST Financial Assistance Program and do not differ from activities conducted during FY 92. Continuing activities include maintenance of the UST Hotline and distribution of informational reading materials, UST worker certification, awarding and tracking grants in financial assistance, and coordination with statewide UST program activities such as compliance implementation strategies, UST newsletter publication and policy formulation.

Activities which are repeated on an annual basis include registration and fee collection for USTs, priority ranking of cleanup, upgrade, and closure applications, and distribution and acceptance of financial assistance application forms for the next year's priority ranking of requests.

Because the UST Financial Assistance Program is newly implemented, some Department activities were held during the first half of FY 93 which were unique toward improving service and streamlining the program. Efforts at streamlining were enacted in response to staff recommendations and an internal department review. Examples of these Department activities include:

- A survey of consultants and

TABLE 5

Storage Tank Assistance Fund Summary
For Period Ending December 31, 1992

FY 93 Funding Sources

Fund Transfer from Mitigation Account Fund (92/5/28/13)	5,000,000	
Fiscal Year 93 Registration Receipts (92/136/6/5)	372,504	(Note 1)
Total Fund Sources		5,372,504

FY 93 Appropriations

Storage Tank Assistance Program (92/136/79/5)	507,900
Funding Source for Division of Information & Administrative Services (92/136/117/15)	69,600
Storage Tank Grants (92/5/28/13) RPL 18930001	5,000,000
FY 92 Storage Tank Assistance Program Appropriation Extended (92/5/30/10)	2,911,110
Total Appropriated	8,488,610

Status of FY 93 Appropriations - 12/31/92

	Authorized	Restricted	Expended	Encumbered	Balance
Personal Services	408,593		157,730		250,863
Travel	40,198		13,987		26,211
Contractual	80,800		17,988	1,000	61,812
Supplies	10,000		1,237		8,763
Equipment	10,800				10,800
Grants	7,868,619	25,000 (Note 2)	1,285,892	1,422,325	5,135,402
Subtotal for STAF Program	8,419,010	25,000	1,476,834	1,423,325	5,493,851
Fund Transfer	69,600	(Note 3)	69,600		
Total	8,488,610	25,000	1,546,434	1,423,325	5,493,851

Note 1: Registration fee revenue collected as of December 31, 1992.
Note 2: Authorizations for grant expenditures are restricted in the amount of total loan agreements.
Note 3: Fund Source for Division of Information & Administrative Services.

contractors to update the customary cost list and clarify ineligible costs.

- Production of UST program policies and guidance on emergency grants, internal dispute resolution, criteria to issue grant amendments, and criteria for approval of payment requests.

- Development of a revised priority ranking system to result in more equitable distribution of grant funds.

- Revision of UST Regulations to expedite certain steps in the grant award process.

- Implementation of streamlining features which include the adoption of a mark-up fee for administration of subcontractor work, an expedited review process of grant applications, a policy to accept certain lump-sum bids, and a cut-off sum for payment of invoices without detailed backup.

Assistance Requested and Funded-FY 93

Table 6 (Assistance Requested and Funded - FY 93) provides a detailed breakdown of requests and assistance provided for the two financial assistance programs ongoing during FY 93. The amount of funds allocated by the Board of Storage Tank Assistance for each grant program is listed in the table. The number of requests funded by program and total dollar amount funded as of December 31, 1992, is included in the table. A total of 584 applications for $29,422,025 in financial assistance were received for the FY 93 appropriation of $5 million dollars.

Tank Cleanup Grant and Loan Program

One hundred eighty-five applications were received for the Tank Cleanup Grant and Loan Program for $23,560,487 in requests. A portion of these projects were either incomplete or ineligible to receive assistance. The remaining 141 applications were priority ranked in accordance with the criteria determined by the Board of Storage Tank Assistance. The initial priority ranking list was advertised by the Board beginning on July 1, 1992, for a thirty day public comment period. Pertinent testimony was taken at that time and the list was revised as of July 30, 1992.

Applicants were notified of their eligibility for financial assistance within 30 days after the close of the public comment period. Although $3.5 million of the total FY 93 appropriation of $5 million was allocated to the Tank Cleanup Grant and Loan Program, requests far exceeded funding available and only the top 15 applicants on the priority ranking list were notified that they would receive grants upon approval of a workplan, schedule and cost estimates.

As of December 31, 1992, two cleanup grants from the FY 93 appropriation had been expended or encumbered for $309,590 (Table 6). Once the initial group of 15 requests have had grant offers finalized, applicants further down the priority ranking list will be contacted. Because the initial cost estimates submitted by the applicants may differ from final cost estimates used in the grant offer, it is not possible to state exactly how many grants will be funded from the FY 93 appropriation balance. Considering early estimates provided by applicants it is estimated that approximately 20 applications will be funded. As of December 31, 1992, all funds had been expended, encumbered, obligated for projects

TABLE 6
Assistance Requested and Funded - FY 93
December 31, 1992

PROGRAM SUMMARY FOR FY 93

Number Applications Received for FY 93 Funding/Total Funded	584/31
Total Dollar Amount of Application Requests	$29,422,025
Funds Allocated By Board of Storage Tank Assistance	$5,000,000
Encumbrances/Expenditures as of 12/31/92	$1,283,937

TANK CLEANUP GRANT AND LOAN PROGRAM

Total Number Applications Received/Total Funded	185/2
Dollar Amount of Application Requests	$23,560,487
Funds Allocated By Board of Storage Tank Assistance	$3,500,000
Funds Encumbered/Expended as of 12/31/92	$309,590
Loans Issued as of 12/31/92	$0

TANK UPGRADING AND CLOSURE PROGRAM

Program Total

Total Number Applications Received/Total Funded	399/29
Funds Allocated By Board of Storage Tank Assistance	$1,500,000
Funds Encumbered/Expended as of 12/31/92	$974,347

Tank Upgrading

Total Number Applications Received/Total Funded	108/18
Dollar Amount of Application Requests	$2,699,223
Funds Encumbered/Expended as of 12/31/92	$854,082

Tank Closure

Total Number Applications Received/Total Funded	291/11
Dollar Amount of Application Requests	$3,162,315
Funds Encumbered/Expended as of 12/31/92	$120,265

on the priority ranking list or held in required reserve for contingencies (Table 7 - Storage Tank Assistance Fund - Appropriation Expended/ Encumbered/ Obligated). For the tank cleanup program, $829,891 had been expended and $810,806 had been encumbered. Obligations of $3,673,502 consisted of loans pending, grants offered but not encumbered, loans for these grants and anticipated loans and grants for the balance of the top 20 on the priority ranking list. This amount plus the required reserve is equal to the total available funds for the program.

In accordance with the UST regulations, the remaining projects which have been denied financial assistance because of insufficient funding will be processed at the earliest date money is available after higher ranked projects have been funded. These applications will remain on file and be reranked with applications for FY 94.

Appendix E is the priority ranking list for all applicants to the Tank Cleanup Grant and Loan Program for FY 93 funding. Shaded entries have already had funds encumbered or expended. The grant award amount and the specific activities funded are also listed.

No loans had been issued or were on file for the FY 93 funded grants on December 31, 1992.

Tank Upgrade and Closure Program

One hundred eight requests were received for tank upgrading and 291 requests were received for tank closure for the FY 93 appropriation. After the elimination of ineligible and incomplete applications, 63 applications were priority ranked for upgrade and 209 were ranked for tank closure.

The priority ranking system adopted by the Board of Storage Tank Assistance gave maximum points to facilities where old tanks were removed from the ground instead of closed in place, the owner was unable to meet EPA financial ability requirements, the upgrade incorporated double walled USTs with double walled piping and the installation design incorporated special features exceeding normal standards. Because funding for this program was limited to $1.5 million, only those owners and operators who could not meet the self insurability requirements and who had removed old tanks and replaced them with double walled tanks with double walled piping could be awarded grants.

The priority ranking procedure for the Tank Upgrade and Closure Program for FY 93 followed the same time frame as described for the Tank Cleanup Program. The priority ranking list of applications appears in Appendix F. All 29 applicants within the first priority rank were notified that they would be eligible to receive grants using FY 93 funds.

As of December 31, 1992, 18 grants had been issued for upgrades from the FY 93 appropriation for a total of $854,082 expended or encumbered. Eleven of these 18 included closure activities for $120,265 expended or encumbered (Table 6).

All funds for the upgrade and closure program have been expended, encumbered or obligated for the FY 93 appropriation. On December 31, 1992, expenditures were $456,002, encumbrances were $611,519. Obligations for grants offered and anticipated grants totaled $688,007 and the required contingency amount was $194,472. The anticipated total of 29 grants will be encumbered within the next two months. Applications not funded this fiscal year will be kept on file and priority ranked

TABLE 7
Storage Tank Assistance Fund
Appropriation Expended/Encumbered/Obligated

	Appropriation #48340-93	Appropriation #48700-93	Total
Tank Cleanup Program			
Expenditures as of 12-31-92	721,636	108,255	829,891
Encumbrances as of 12-31-92	609,471	201,335	810,806
Obligations:			
Loans Pending for Grants Issued Through 12-31-92	177,408	22,405	199,813
Grants Offered but not Encumbered as of 1-25-93	383,910	338,866	722,776
Loan Portion for Grants Offered but not Encumbered	32,605	37,652	70,257
Anticipated Grants for Ranked Projects	372,753	2,039,838	2,412,591
Anticipated Loans for Ranked Projects	41,416	226,649	268,065
Subtotal Obligations	1,008,092	2,665,410	3,673,502
Reserve for Contingencies	79,420	525,000	604,420
Total Tank Cleanup Program	2,418,619	3,500,000	5,918,619
Tank Upgrade/Closure Program			
Expenditures as of 12-31-92	45,861	410,141	456,002
Encumbrances as of 12-31-92	47,313	564,206	611,519
Obligations:			
Grants Offered but not Encumbered as of 1-25-93	0	226,825	226,825
Anticipated Grants for Ranked Projects	312,354	148,828	461,182
Subtotal Obligations	312,354	375,653	688,007
Reserve for Contingencies	44,472	150,000	194,472
Total Tank Upgrade/Closure Program	450,000	1,500,000	1,950,000
Both Programs	**2,868,619**	**5,000,000**	**7,868,619**

with applications for FY 94.

SUMMARY OF ALL PROGRAMS SINCE INCEPTION

From the inception of the Underground Storage Tank Financial Assistance Program on September 5, 1990, until December 31, 1992, $5,609,573 of the allocated amount of $10,798,989 has been expended or encumbered for 524 grants to pay a portion of the costs of tank tightness testing, site assessment, cleanup, upgrade or closure. Table 8 (Financial Assistance Summary Since Program Inception) displays a monthly recap of the number of grants issued by category and the amount of funds expended or encumbered for FY 91, FY 92 and FY 93. The largest amount of funds dispersed to date has been $3,465,396 for tank cleanups, while the largest number of grants encumbered has been for tank tightness testing at 323 facilities.

Funds allocated for grants which have not been expended or encumbered are being held in required contingency reserves, or have already been obligated for high ranking projects on the priority ranking lists. Obligations comprise loans pending, grants which have been offered but not yet encumbered, loan portions of these grants, and anticipated grants.

PROJECTED COSTS FOR FY 94

In order to estimate the funds required in the next fiscal year to adequately address financial assistance requests, it is necessary to summarize unfunded requests from three categories; requests from the FY 94 application period, requests from prior years which were not funded due to inadequate funding, and projected costs to continue cleanup projects already funded by the program. Table 9 (Summary of Unfunded Requests For Financial Assistance Program) lists the number and dollar amount of requests from each of the categories described above.

The application period for FY 94 financial assistance requests ended on December 31, 1992. On that date, 30 applications had been submitted to the tank cleanup program for a total of $3,139,648 and 72 application had been received in the Tank Upgrade and Closure Program for $1,488,972. The Department has not yet had the opportunity to priority rank the applications for FY 94 funding. The Department and the Board of Storage Tank Assistance have recently proposed changes to the priority ranking score system. These are expected to be incorporated into the UST regulations which are currently being revised. Once the proposed changes have been approved, it is expected that the priority ranking for FY 94 will proceed. The summary of requests for the Tank Cleanup Grant and Loan Program and the Tank Upgrade and Closure Program for FY 94 appear in Appendix G and Appendix H, respectively.

A total of 638 applications submitted in previous years were not funded due to inadequate funding levels. These applications were from the FY 93 Tank Cleanup Grant and Loan Program, FY 93 Tank Upgrade and Closure Program and the Reimbursement

TABLE 8
Financial Assistance Summary Since Program Inception
December 31, 1992

	Tightness Testing		Site Assessment		Cleanup		Upgrade		Closure		TOTAL	
	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value	Number	Value
FY91					1	109,460					1	109,460
Aug-91	2	1,800	3	5,375							5	7,175
Sep-91	11	8,758		1,200	8	204,739					19	214,697
Oct-91	5	3,840	3	7,183	3	75,598					11	86,621
Nov-91	8	5,525			3	182,771	1	10,080	17	141,206	29	339,582
Dec-91	3	2,100							5	41,774	8	43,874
Jan-92	24	12,614	1	694	1	46,157	2	68,874	6	33,609	34	161,948
Feb-92	1	250			2	104,311	2	95,444	8	63,070	13	263,075
Mar-92	42	27,930	1	2,000	2	69,839			1	14,532	46	114,301
Apr-92	104	79,724	15	30,031	2	47,080	1	44,572	4	19,156	126	220,563
May-92	97	60,587	31	45,318	5	504,830	4	164,361	5	27,383	142	802,479
Jun-92	24	13,528	8	16,300	2	483,929	1	3,684	3	24,822	38	542,263
Jul-92	1	1,200	1	3,200	6	677,928			1	2,256	9	684,584
Aug-92	1	600			1	26,557					2	27,1[illegible]
Sep-92					2	227,653			1	528	3	228,181
Oct-92(FY92)					4	394,954	1	60,000	1	22,407	6	477,361
Oct-92(FY93)					1	220,090	6	270,215	4	37,223	11	527,528
Nov-92(FY92)									1	2,313	1	2,313
Nov-92(FY93)							11	538,367	6	68,544	17	606,911
Dec-92(FY93)					1	89,500	1	45,500	1	14,500	3	149,500
SUMMARY:												
TOTAL	323	218,456	63	111,301	44	3,465,396	30	1,301,097	64	513,323	524	5,609,573

GRAND TOTAL DISTRIBUTED SINCE PROGRAM INCEPTION **$5,609,573**

TABLE 9

Summary of Unfunded Requests For Financial Assistance Program
December 31, 1992

PROGRAM SUMMARY OF UNFUNDED REQUESTS			
Number of Unfunded Requests			772
Total Dollar Amount of Unfunded Requests			$33,673,874
Requests for FY94			
Number Applications Received for FY 94 Funding		102	
Total Dollar Amount of Application Requests		$4,628,620	
TANK CLEANUP GRANT AND LOAN PROGRAM			
Total Number Application Requests for FY94	30		
Dollar Amount of Application Requests (Grants)	$2,879,096		
Dollar Amount of Application Requests (Loans)	$260,552		
Total Dollar Amount of Application Requests	$3,139,648		
TANK UPGRADING AND CLOSURE PROGRAM			
Program Total			
Total Number Application Requests for FY94	72		
Total Dollar Amount of Application Requests	$1,488,972		
Tank Upgrading			
Total Number Applications Received	31		
Dollar Amount of Application Requests	$1,096,814		
Tank Closure			
Total Number Applications Received	41		
Dollar Amount of Application Requests	$392,158		
Requests From Prior Years Not Funded			
Number of Application Requests Not Funded		638	
Total Dollar Amount of Application Requests Not Funded		$24,145,254	
TANK CLEANUP GRANT AND LOAN PROGRAM			
Total Number Application Requests for FY 93 Not Funded	141		
Total Dollar Amount of Application Requests	$16,930,928		
TANK UPGRADING AND CLOSURE PROGRAM			
Total Number Application Requests for FY 93 Not Funded	339		
Total Dollar Amount of Application Requests	$3,825,889		
REIMBURSEMENT PROGRAM			
Total Number Application Requests for FY 92 Not Funded	158		
Total Dollar Amount of Application Requests	$3,388,437		
Projected Costs for Continuation of Cleanup Projects			
Number of Cleanup Projects Requiring Additional Funds		32	
Total Dollar Amount to Continue Cleanup Projects		$4,900,000	
TANK CLEANUP GRANT AND LOAN PROGRAM			
Estimated Number of Projects to Continue From FY 92	12		
Estimated Dollar Amount to Continue FY 92 Projects	$1,200,000		
Estimated Number of Projects to Continue From FY 93	20		
Estimated Dollar Amount to Continue FY 93 Projects	$3,700,000		

program offered during FY 92. The total amount of prior year's unfunded requests is $24,145,254.

Tank cleanups are funded according to a phased approach so that a number of cleanup projects will continue to require funding the following fiscal year. At this time, it is projected that 12 facilities from FY 92 will require continued funding at an average of $100,000 per site and that the 20 projects expected to be funded during FY 93 will require an average of $185,000 for the following year. The total cost to continue these projects is estimated to be $4,900,000.

From all three categories, the anticipated total number of unfunded requests after FY 93 is 772. The current dollar amount of these requests is $33,673,874. Without funding levels to meet this demand, the Department will continue to fund the higher priority ranked projects while keeping unfunded requests on file until such time that funding becomes available. The Department is currently exploring methods to provide longterm financial assistance to owners and operators by extending the program to FY 99 to coincide with the federal deadline for upgrade and cleanup of December 1998.

APPENDIX A

TANK TIGHTNESS TESTING/SITE ASSESSMENT INCENTIVE PROGRAM SUMMARY

OWNER NAME	FACILITY NAME	FAC ID#	FA APPLICATION		FA AWARDED		FA ENCUMBERED		NOT ELIGIBLE	COMMENTS
			TTT	SA	TTT	SA	TTT	SA		
Ace Supply	Ace Supply	2464	300.00		300.00					Complete
Adams, Jack	Jack's Corner	1776	900.00	2,400.00	900.00			2,400.00		TTT Complete
Aero Flight Tech Svc	Aero Flight Tech Svc, Inc	2131	742.50		742.50					Complete
Ak Bush Carrier Inc	Ak Bush Carrier Inc	2454	237.50		237.50					Complete
AK Farmer's Co-op	Mile 267.5 Richardson Hwy	1076	750.00		600.00				150.00	Complete
AK Helicopters Inc.	AK Helicopters Inc.	1345	1,200.00		1,200.00					Complete
AK Oil Sales Inc.	Soldotna Key Lock	1602	250.00		250.00					Complete
AK Oil Sales Inc.	Homer Bulk Plant	0358	300.00		300.00					Complete
Ak Sales & Service	National Car Rental	1255	300.00		300.00					Complete
AK Transfer & Storage	AK Transfer & Storage	2465	900.00		900.00					Complete
Alamo Rent-A-Car,Inc.	Alamo Rent-A-Car, Inc	1893	250.00		250.00					Complete
Andres, Robert E.	Bob's Corner Service Station	2340	600.00	1,600.00	600.00	1,600.00				Complete
Arctic Circle Air Svc Inc	Arctic Circle Air Svc Inc Bethel Airpor	0515	600.00		600.00					Complete
Auto Service Co. Inc	Auto Service Co. Inc	0766	300.00		300.00					Complete
B-J's Services Inc	B-J's Services Inc	2463	490.00		490.00					Complete
Big Delta Enterprises	Tanana Trading Post	2559	600.00		600.00					Complete
Borden, Shelby	Borden's Roadside	1630	900.00		900.00					Complete
CEM Leasing Inc	Gas 'n Go	1473	885.00		885.00					Complete
CEM Leasing Inc	Market Basket/Plaza Gas	2518	885.00		885.00					Complete
CEM Leasing Inc	Hub Gas	2519	885.00		885.00					Complete
Central Motor Inn	Central Motor Inn	2506	300.00		300.00					Complete
Childers, Dorothy	The Treasure Cache	1191	600.00		600.00					Complete
City of Homer	Public Safety	2531	600.00		300.00				300.00	Complete
City of Homer	Harbor Fuel Floats	0696	900.00		900.00					Complete
City of Homer	Public Works,3575 Heath St	2522	1,200.00		1,200.00					Complete
City of Skagway	PW Maintenance Shop	1978		1,306.67		1,306.67				Complete
City of Skagway	Sewage Treatment	1979		1,456.67		1,456.67				Complete
Cohen, David	Sheep Mt Lodge	2005		1,405.00		1,275.00			130.00	Complete
Crabb, Sandra	Crabb's Corner	0341	600.00		600.00					Complete
Daniel G. Cox	Granite Creek Gen Store	0899	900.00		900.00					Complete
Dyn Air Services Inc	Dyn Air Services Inc	2517	825.00		825.00					Complete
Eames, Mike	St. Elias Auto Ctr	0536		1,511.87		694.28			817.59	Complete
Ellis Air Taxi, Inc.	Ellis Air Taxi(Gulkana)	0353	600.00		600.00					Complete
Enstar	Spenard Rd Office Bldg	0133	296.60		296.60					Complete
Enstar	Sterling\Gurdenrath	1640	300.00		300.00					Complete
Enstar	Soldotna Ops Ctr	1639	600.00		600.00					Complete
Enstar	Eagle River Operations	0141	890.00		890.00					Complete
Enstar	Anchorage Ops Ctr	0120	1,186.40		1,186.40					Complete
ERA Aviation Inc	ERA Helicopters Valdez	1080	900.00		900.00					Complete

APPENDIX A

TANK TIGHTNESS TESTING/SITE ASSESSMENT INCENTIVE PROGRAM SUMMARY

OWNER NAME	FACILITY NAME	FAC ID#	FA APPLICATION		FA AWARDED		FA ENCUMBERED		NOT ELIGIBLE	COMMENTS
			TTT	SA	TTT	SA	TTT	SA		
ERA Aviation Inc	ERA Aviation Center	1476	1,200.00		1,200.00					Complete
Fairbanks U Drive Inc	Hertz Rent-a-Car	0806	600.00		600.00					Complete
Fbks North Star Boroug	Moose Creek VFD Station	0934	233.85		233.85					Complete
Fbks North Star Boroug	Naskaland	2205	233.85		233.85					Complete
Fbks North Star Boroug	Old University Park School	2207	233.85		233.85					Complete
Fbks North Star Boroug	North Pole High School	2569	233.85		233.85					Complete
Fbks North Star Boroug	North Pole Elem School	2211	233.85		233.85					Complete
Fbks North Star Boroug	Lathrop High School	2212	233.85		233.85					Complete
Fbks North Star Boroug	Hutchison Career Ctr	2213	233.85		233.85					Complete
Fbks North Star Boroug	Hunter Elementary School	2629	233.85		233.85					Complete
Fbks North Star Boroug	Main Admin Bldg	2216	233.85		233.85					Complete
Fbks North Star Boroug	Chena Lks Rec Area	1248	467.70		467.70					Complete
Fbks North Star Boroug	Steese Area VFD Sta#1	2208	467.70		467.70					Complete
Fbks North Star Boroug	North Star VFD Station #1	0951	701.55		701.55					Complete
Fbks North Star Boroug	School Dist Svc Facility	0199	701.55		701.55					Complete
Fbks North Star Boroug	FNSB Transit Garage	2209	935.40		935.40					Complete
Fbks North Star Boroug	Big Dipper Ice Arena	1260	935.40		935.40					Complete
Frontier Bldg Partnershi	Frontier Building	2489	300.00		300.00					Complete
Furlong, Dan	Short Stop	0543	600.00		600.00					Complete
Garrett's Tesoro	Garrett's Tesoro Int'l Blvd	2527	600.00		600.00					Complete
Garlk Inc.	Ride N Shine	2186	900.00		900.00					Complete
Greer Tank&Welding	Greer Tank&Welding	0154	900.00		900.00					Complete
Gregoire, Richard	Homer Rental Ctr	2365	900.00		900.00					Complete
Homer Electric Assoc	HEA-Kenai	0231	900.00		900.00					Complete
Howe, John	Wizard Wash	2551		2,599.32		2,599.32				Complete
Johnson's Fuel Svc Inc	Johnson's Fuel Svc Inc	2296	600.00		600.00					Complete
Ken Bunch, Inc	Gulkana Air Service	1700	900.00		900.00					Complete
Ketchikan Public Util	KPU-Telephone	0238	600.00		600.00					Complete
Ketchikan Public Util	KPU-Electric	1724	600.00		600.00					Complete
Kim, Ok Y.	Oceanview Texaco	0762	735.00		735.00					Complete
Lucile E. Smith	Igloo City	0297	1,100.00		1,100.00					Complete
Mapco Express	#5011 1530 Huffman(Anch)	2373	850.86	2,400.00	775.86	2,400.00			75.00	Complete
Mapco Express	#5016 12021 Glenn Hwy(ER)	1907	850.86	2,400.00	775.86	2,400.00			75.00	Complete
Mapco Express	#5003 2730 Spenard(Anch)	0014	850.86		775.86				75.00	Complete
Mapco Express	#5007 5497 E No Lts(Anch)	1510	850.86		775.86				75.00	Complete
Mapco Express	#5008 717 E No Lts(Anch)	0050	850.86		775.86				75.00	Complete
Mapco Express	#5005 491 E Parks(Wasilla)	2372	1,034.48	3,200.00	1,034.48	3,200.00				Complete
Mike's University Svc	Mike's University Service,Inc.	0956	1,200.00		1,200.00					Complete
Milco, Inc.	Frontier Service Texaco	2483	825.00		825.00					Complete

CORRECTION

THIS DOCUMENT
HAS BEEN REPHOTOGRAPHED
TO ASSURE LEGIBILITY

APPENDIX A

TANK TIGHTNESS TESTING/SITE ASSESSMENT INCENTIVE PROGRAM SUMMARY

OWNER NAME	FACILITY NAME	FAC ID#	FA APPLICATION		FA AWARDED		FA ENCUMBERED		NOT ELIGIBLE	COMMENTS
			TTT	SA	TTT	SA	TTT	SA		
Ace Supply	Ace Supply	2464	300.00		300.00					Complete
Adams, Jack	Jack's Corner	1776	900.00	2,400.00	900.00			2,400.00		TTT Complete
Aero Flight Tech Svc	Aero Flight Tech Svc, Inc	2131	742.50		742.50					Complete
Ak Bush Carrier Inc	Ak Bush Carrier Inc	2454	237.50		237.50					Complete
AK Farmer's Co-op	Mile 267.5 Richardson Hwy	1073	750.00		600.00				150.00	Complete
AK Helicopters Inc.	AK Helicopters Inc.	1345	1,200.00		1,200.00					Complete
AK Oil Sales Inc.	Soldotna Key Lock	1602	250.00		250.00					Complete
AK Oil Sales Inc.	Homer Bulk Plant	0358	300.00		300.00					Complete
Ak Sales & Service	National Car Rental	1255	300.00		300.00					Complete
AK Transfer & Storage	AK Transfer & Storage	2465	900.00		900.00					Complete
Alamo Rent-A-Car,Inc.	Alamo Rent-A-Car, Inc	1893	250.00		250.00					Complete
Andres, Robert E.	Bob's Corner Service Station	2340	600.00	1,600.00	600.00	1,600.00				Complete
Arctic Circle Air Svc Inc	Arctic Circle Air Svc Inc Bethel Airpor	0515	600.00		600.00					Complete
Auto Service Co. Inc	Auto Service Co. Inc	0766	300.00		300.00					Complete
B-J's Services Inc	B-J's Services Inc	2463	490.00		490.00					Complete
Big Delta Enterprises	Tanana Trading Post	2559	600.00		600.00					Complete
Borden, Shelby	Borden's Roadside	1630	900.00		900.00					Complete
CEM Leasing Inc	Gas 'n Go	1473	885.00		885.00					Complete
CEM Leasing Inc	Market Basket/Plaza Gas	2518	885.00		885.00					Complete
CEM Leasing Inc	Hub Gas	2519	885.00		885.00					Complete
Central Motor Inn	Central Motor Inn	2506	300.00		300.00					Complete
Childers, Dorothy	The Treasure Cache	1191	600.00		600.00					Complete
City of Homer	Public Safety	2531	600.00		300.00				300.00	Complete
City of Homer	Harbor Fuel Fl	0696	900.00		900.00					Complete
City of Homer	Public Works,35r.. ..th St	2522	1,200.00		1,200.00					Complete
City of Skagway	PW Maintenance Shop	1978		1,306.67		1,306.67				Complete
City of Skagway	Sewage Treatment	1979		1,456.67		1,456.67				Complete
Cohen, David	Sheep Mt Lodge	2005		1,405.00		1,275.00			130.00	Complete
Crabb, Sandra	Crabb's Corner	0341	600.00		600.00					Complete
Daniel G. Cox	Granite Creek Gen Store	0899	900.00		900.00					Complete
Dyn Air Services Inc	Dyn Air Services Inc	2517	825.00		825.00					Complete
Eames, Mike	St. Elias Auto Ctr	0536		1,511.87		694.28			817.59	Complete
Ellis Air Taxi, Inc.	Ellis Air Taxi(Gulkana)	0353	600.00		600.00					Complete
Enstar	Spenard Rd Office Bldg	0133	296.60		296.60					Complete
Enstar	Sterling\Gudenrath	1640	300.00		300.00					Complete
Enstar	Soldotna Ops Ctr	1639	600.00		600.00					Complete
Enstar	Eagle River Operations	0141	890.00		890.00					Complete
Enstar	Anchorage Ops Ctr	0120	1,186.40		1,186.40					Complete
ERA Aviation Inc	ERA Helicopters Valdez	1080	900.00		900.00					Complete

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			TTT	SA	TTT	SA	TTT	SA		
ERA Aviation Inc	ERA Aviation Center	1476	1,200.00		1,200.00					Complete
Fairbanks U Drive Inc	Hertz Rent-a-Car	0806	600.00		600.00					Complete
Fbks North Star Boroug	Moose Creek VFD Station	0934	233.85		233.85					Complete
Fbks North Star Boroug	Alaskaland	2205	233.85		233.85					Complete
Fbks North Star Boroug	Old University Park School	2207	233.85		233.85					Complete
Fbks North Star Boroug	North Pole High School	2569	233.85		233.85					Complete
Fbks North Star Boroug	North Pole Elem School	2211	233.85		233.85					Complete
Fbks North Star Boroug	Lathrop High School	2212	233.85		233.85					Complete
Fbks North Star Boroug	Hutchison Career Ctr	2213	233.85		233.85					Complete
Fbks North Star Boroug	Hunter Elementary School	2629	233.85		233.85					Complete
Fbks North Star Boroug	Main Admin Bldg	2216	233.85		233.85					Complete
Fbks North Star Boroug	Chena Lks Rec Area	1246	467.70		467.70					Complete
Fbks North Star Boroug	Steese Area VFD Sta#1	2208	467.70		467.70					Complete
Fbks North Star Boroug	North Star VFD Station #1	0951	701.55		701.55					Complete
Fbks North Star Boroug	School Dist Svc Facility	0199	701.55		701.55					Complete
Fbks North Star Boroug	FNSB Transit Garage	2209	935.40		935.40					Complete
Fbks North Star Boroug	Big Dipper Ice Arena	1260	935.40		935.40					Complete
Frontier Bldg Partnershi	Frontier Building	2489	300.00		300.00					Complete
Furlong, Dan	Short Stop	0643	600.00		600.00					Complete
Garrett's Tesoro	Garrett's Tesoro Int'l Blvd	2527	600.00		600.00					Complete
Gerik Inc	Fide N Shine	2186	900.00		900.00					Complete
Greer Tank&Welding	Greer Tank&Welding	0154	900.00		900.00					Complete
Gregoire, Richard	Homer Rental Ctr	2365	900.00		900.00					Complete
Homer Electric Assoc	HEA-Kenai	0231	900.00		900.00					Complete
Howe, John	Wizard Wash	2551		2,599.32		2,599.32				Complete
Johnson's Fuel Svc Inc	Johnson's Fuel Svc Inc	2296	600.00		600.00					Complete
Ken Bunch, Inc	Gulkana Air Service	1700	900.00		900.00					Complete
Ketchikan Public Util	KPU-Telephone	0238	600.00		600.00					Complete
Ketchikan Public Util	KPU-Electric	1724	600.00		600.00					Complete
Kim, Ok Y.	Oceanview Texaco	0762	735.00		735.00					Complete
Lucile E. Smith	Igloo City	0297	1,100.00		1,100.00					Complete
Mapco Express	#5011 1530 Huffman(Anch)	2373	850.86	2,400.00	775.86	2,400.00			75.00	Complete
Mapco Express	#5016 12021 Glenn Hwy(ER)	1907	850.86	2,400.00	775.86	2,400.00			75.00	Complete
Mapco Express	#5003 2730 Spenard(Anch)	0014	850.86		775.86				75.00	Complete
Mapco Express	#5007 5497 E No Lts(Anch)	1510	850.86		775.86				75.00	Complete
Mapco Express	#5008 717 E No Lts(Anch)	0050	850.86		775.86				75.00	Complete
Mapco Express	#5005 491 E Parks(Wasilla)	2372	1,034.48	3,200.00	1,034.48	3,200.00				Complete
Mike's University Svc	Mike's University Service,Inc.	0956	1,200.00		1,200.00					Complete
Milco, Inc.	Frontier Service Texaco	2483	825.00		825.00					Complete

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			TTT	SA	TTT	SA	TTT	SA		
MOA Facility Maintenan	Fire Station #3	1342	300.00		300.00					Complete
MOA Facility Maintenan	Performing Arts Center	2300	300.00		300.00					Complete
MOA Facility Maintenan	Fire Station #8	1322	300.00		300.00					Complete
MOA Facility Maintenan	Fire Station #5	1329	300.00		300.00					Complete
MOA Facility Maintenan	Bering Street Maintenance	1403	300.00		300.00					Complete
MOA Facility Maintenan	Loussac Library	1267	300.00		300.00					Complete
MOA Facility Maintenan	Spenard Rec Center	1315	300.00		300.00					Complete
MOA Facility Maintenan	Fire Lake Ice Arena	2299	300.00		300.00					Complete
MOA Facility Maintenan	Fire Station #1	1347	300.00		300.00					Complete
MOA Facility Maintenan	Fire Station #12	1350	600.00		600.00					Complete
MOA Facility Maintenan	Fire Station #9	1318	600.00		600.00					Complete
MOA Facility Maintenan	Fire Station #6	1328	600.00		600.00					Complete
MOA Facility Maintenan	Fire Station #7	1324	600.00		600.00					Complete
MOA Facility Maintenan	Fire Station #4	1336	600.00		600.00					Complete
MOA Facility Maintenan	Anchorage Police Dept	1298	600.00		600.00					Complete
MOA Facility Maintenan	Northwood Street Maintenance	1409	600.00		600.00					Complete
MOA Facility Maintenan	Klatt Street Maintenance	1415	600.00		600.00					Complete
MOA Facility Maintenan	4th & Post Maintenance	1411	900.00		900.00					Complete
MOA Facility Maintenan	New Transit Maintenance	0585	1,200.00		1,200.00					Complete
MOA Solid Waste Svcs	Anchorage Regional Landfill	2086		800.00		800.00				Complete
Moose Creek Gen Store	Moose Creek Gen Store	2199		3,200.00		1,900.00			1,300.00	Complete
Nixon, Willie	ADKO Cleaners	0256	600.00		600.00					Complete
O.Kraft & Son, Inc.	Speedee Krafts	1967	1,200.00		1,200.00					Complete
Omni Enterprises Inc	DeHarts Store	0107	900.00	2,400.00	900.00	1,770.00			630.00	Complete
Oney, Tony	2631 W. 100th, Anchorage	0637	250.00		250.00					Complete
Petrolane Gas Svc	Petrolane Gas Svc-Palmer	0101	1,200.00		1,200.00					Complete
Pink Elephant Stores	Pink Elephant Stores	1452	1,200.00		1,200.00					Complete
Renner, Darrel	Renner's Chevron	2324		2,619.26		2,619.26				Complete
Renner, Terry	Renner's Gas & Save	2326		1,964.47		1,964.47				Complete
Robinson, George	Robinson's	0583	1,200.00		1,100.00				100.00	Complete
Rosencrans, Harry	Knik Texaco	2540	980.00		980.00					Complete
Smyth(Playle, James)	Smyth Moving Service, Inc.	1445	540.00		540.00					Complete
SouthCentral Air	SouthCentral Air	0431	1,200.00		1,200.00					Complete
SouthCentral Air, Inc.	South Central Air, Inc.	0431	1,200.00		1,200.00					Complete
Tesoro Ak Petroleum	Seward Tesoro	1122	850.00		850.00					Complete
Tesoro Ak Petroleum	Garrett's #3(Muldoon)	1502	900.00		900.00					Complete
Tesoro Ak Petroleum	Rodger's Tesoro(Kenai)	1127	900.00		900.00					Complete
Tesoro Ak Petroleum	Homer Spit	1125	1,200.00		1,200.00					Complete
Therriault, Hector	Hector's Welding Inc	2481	300.00		300.00					Complete