



STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION
NASHVILLE, TENNESSEE 37243-0435

DAVID W. SALYERS, P.E.
COMMISSIONER

BILL LEE
GOVERNOR

April 30, 2021

Dear Tank Owner:

We are pleased to share that starting on July 1, 2021, the annual fee for all petroleum underground storage tanks will be suspended for five (5) years. Suspending fees for this period will save tank owners approximately \$10 million in total over the five years. We are also gratified the Underground Storage Tanks and Solid Waste Disposal Control Board has approved a proposal from TDEC's Division of Underground Storage Tanks to modernize rules for the Petroleum Underground Storage Tank Fund by:

- Lowering the deductible for sites in compliance from \$20,000 to \$5,000; and
- Extending the UST Fund coverage umbrella to new sites with violations using a compliance based variable deductible scaled from \$10,000 to \$30,000 based on the severity of the violations.

The Division and Board are taking these actions because of the tremendous progress demonstrated by Tennessee's UST program over the past 17 years. In 2004, the Petroleum Underground Storage Tank Fund was insolvent and unable to pay cleanup claims on a timely basis. The state and tank owners recognized the importance of an actuarially sound UST Fund for the benefit of regulated community and Tennessee's environment – along with the need to meet federal and state financial requirements for UST cleanups. In response, tank owners agreed to a one-time Fund Maintenance Fee that raised nearly \$9.5 million to match \$10 million provided by the State of Tennessee. Those important steps put the UST Fund on a path to solvency and stability.

At the same time funding improved, a renewed partnership was fostered between tank owners, corrective action contractors, the Tennessee General Assembly, the Board, and the UST Division. Enhanced communication, coordination, training, and continuous improvement were the results of this partnership. Our mutual commitment to innovation and performance has helped deliver these outcomes:

- Protecting Tennessee's water with the highest cleanup percentage in the nation while achieving one of the lowest open cleanup project inventories since the UST Act became effective in 1988;
- Ensuring all new and replacement UST systems have improved protection by using secondary containment and interstitial monitoring; and
- Enhanced operator knowledge through free online training, expanded Tank School, an annual Compliance Toolbox, translated materials in six languages, and increased daily interactions with division inspectors.

The results of our shared efforts have produced an actuarially sound UST Fund, a nationally recognized UST program, and a cleaner environment for Tennessee. We are now able to fully recognize these successes and thank each tank owner by taking action to suspend the annual tank fee for five years. There is no UST program in the nation that can mark the kind of success Tennessee celebrates today. We appreciate our partnership with the regulated community and everything tank owners have done to move Tennessee forward in this positive way.

Thank you for what you do each day to protect our state's environment and ensure we keep Tennessee clean and strong for current and future generations.

Sincerely,



David W. Salyers, P.E.
Commissioner



Will Ownby
Chairman
Underground Storage Tanks &
Solid Waste Disposal Control Board

cc: Stan Boyd, Director, TDEC Division of Underground Storage Tanks
Brandon O. Gibson, Chief Operating Officer, State of Tennessee
Greg T. Young, Deputy Commissioner, TDEC Bureau of Environment