



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

MAY 27 2016

REPLY TO THE ATTENTION OF:

Mr. Keith Creagh, Director  
Michigan Department of Environmental Quality  
Constitution Hall  
525 West Allegan Street  
P.O. Box 30473  
Lansing, Michigan 48909-7973

Dear Mr. Creagh:

This letter is in response to the Michigan Department of Environmental Quality's (MDEQ's) request for approval of the Michigan Underground Storage Tank Cleanup Fund (the Fund) my office received on October 1, 2015, as supplemented by emails dated February 24, 2016, March 17, 2016, and April 15, 2016. MDEQ submitted the Fund for U.S. Environmental Protection Agency's review under 40 C.F.R. § 280.101. Under that rule, EPA determines whether the State's assurance is equivalent to the financial responsibility (FR) mechanisms specified in U.S. EPA's regulations at 40 C.F.R. Part 280, Subpart H.

I have evaluated the Fund and deem it an acceptable partial coverage financial responsibility mechanism for owners or operators of petroleum underground storage tanks (USTs) in the State of Michigan covering both corrective action and compensation of third parties for bodily injury and property damage caused by accidental releases. The Michigan Fund we approve is a limited-eligibility, partial-coverage fund, covering only a portion of the dollar amounts and covering only some owners and operators. Part 215 of the Natural Resources and Environmental Protection Act (NREPA), at Mich. Comp. Laws §§ 324.21501 - 324.21548 (2015), among other things, imposes eligibility and deductible requirements and limits the amounts covered. It may be used, in conjunction with other FR mechanisms allowable under 40 C.F.R. § 280.94, to satisfy federal FR requirements at 40 C.F.R. § 280.93. Our approval of your State financial responsibility mechanism is based upon the State Law provided for our review. Since modifications to the law, regulations, or supporting procedures could invalidate this approval, please submit all modifications to the Region as they occur.

The Fund can be used in Indian Country, which is defined at 18 U.S.C. § 1151, and includes all lands (including fee lands) within the exterior boundaries of federally recognized Indian reservations and lands held in federal trust. Our approval is limited to approval of the Fund's potential use by UST owners and operators as a mechanism equivalent to other UST financial mechanisms.

Within 60 days after receipt of this letter, the State must provide to each owner or operator, for which it is assuming financial responsibility, a letter or certificate, describing the nature of the State's assumption of responsibility, as specified at 40 C.F.R. § 280.101. The owner or operator must maintain this letter or certificate on file as proof of financial responsibility.

If I can be of further assistance, please feel free to contact me or your staff may contact Sherry Kamke at (312) 353-5794.

Sincerely yours,

A handwritten signature in blue ink that reads "Robert A. Kaplan". The signature is written in a cursive style with a large initial "R" and a long, sweeping underline.

Robert A. Kaplan,  
Acting Regional Administrator