



MICHIGAN DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY

MUSTA FINANCIAL RESPONSIBILITY

Aneitra Vance– Dearborn

Tapring Andersen - Gaylord

Sarah Sackrider – Grand Rapids

Michigan Underground Storage Tank Authority

FINANCIAL RESPONSIBILITY (FR) PRESENTATION OUTLINE

- Ø What is Financial Responsibility
- Ø History/Overview of the Fund
- Ø Application Submittal Process
 - Forms (Request for Determination of Eligibility and Documentation of Financial Responsibility Submittal)
 - Deductibles (\$2,000 or \$10,000)
 - Financial Responsibility Mechanisms
- Ø Application Review Process
- Ø Financial Responsibility Annual Renewal Process
- Ø Revocations
- Ø Amendments
- Ø Frequently Asked Questions

FINANCIAL RESPONSIBILITY

Owners and Operators of petroleum UST's must show proof of **Financial Responsibility (FR)** for taking corrective action and compensating third parties for bodily injury and property damage caused by accidental releases arising from the operation of petroleum UST's

HISTORY/OVERVIEW OF THE UNDERGROUND STORAGE TANK CLEANUP FUND (USTCF)

HISTORY/OVERVIEW OF THE USTC FUND

The Michigan Underground Storage Tank Authority (MUSTA) and the Underground Storage Tank Cleanup Fund (USTCF) were created in Public Act 416 on December 30, 2014.

The Fund was created to assist owners and operators (O/O's) of petroleum underground storage tank systems (USTs) in meeting their financial responsibility (FR) requirements, to fund corrective actions to address releases from USTs, and to help O/O's in achieving compliance with Part 213, Leaking Underground Storage Tanks of Act 451.



The background of the slide features several stacks of US dollar bills, including a prominent \$100 bill in the upper left and a \$20 bill in the lower left. The bills are arranged in a way that creates a sense of depth and abundance. A semi-transparent grey rectangular box is centered over the stacks, containing the text 'MUSTA FUNDING' in a bold, black, sans-serif font.

MUSTA FUNDING

ENVIRONMENTAL PROTECTION REGULATORY FEE

**DATE**

August 12, 2019

INVOICE NO

2

ABC BULK FUEL SUPPLY

123 Bulk Tank Lane

Detroit, Michigan

(555)123-4567

INVOICE TO:

XYZ Little Gas Stop

456 Fuel Receiver Lane

Lansing, Michigan 48912

(555) 897-6543

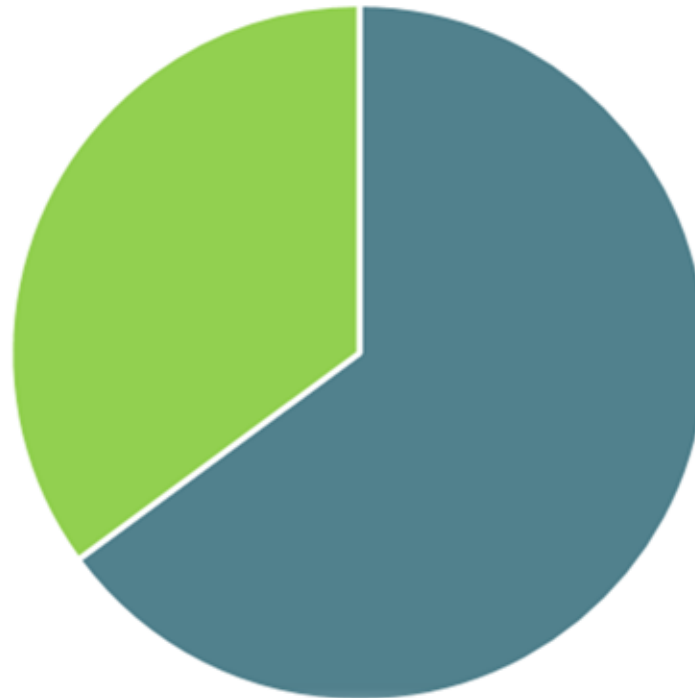
FUEL DELIVERY**DUE BEFORE: 9/12/19**

| QUANTITY | DESCRIPTION | UNIT PRICE | LINE TOTAL |
|----------------|--------------------------|----------------------|-----------------|
| 10,000 Gallons | Gasoline (Premium) | \$1.36/Gallon | \$13,600.00 |
| | MI Excise Tax | \$0.263/Gallon | \$2,630.00 |
| | Environmental Fee | \$0.01/Gallon | \$100.00 |
| | Subtotal | | \$16,330.00 |
| | Sales Tax | | \$735.00 |
| | Total | | 17,065.00 |

REFINED PETROLEUM FUND

Annual Revenue Allocations
(\$.01 per gallon fee on refined petroleum products)


**Underground Storage Tank
Cleanup Fund
(AKA MUSTA Fund)
\$20,000,000**

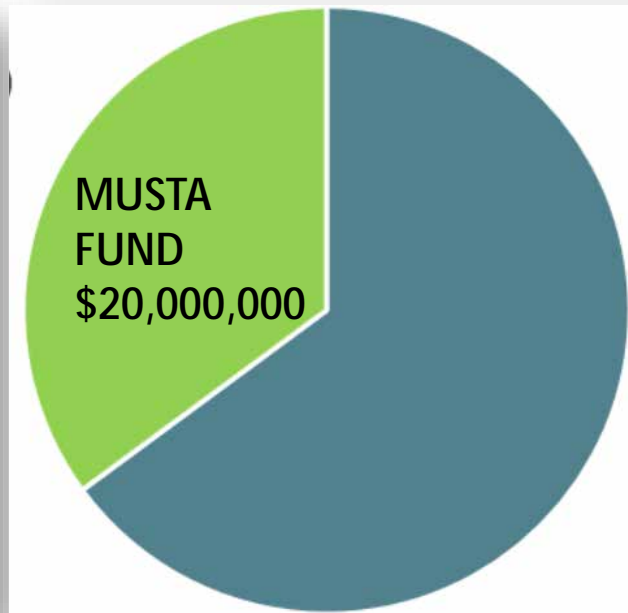


**Refined
Petroleum Fund**

**Approximately
\$37,000,000**

ENVIRONMENTAL FEE → REFINED PETROLEUM FUND → MUSTA FUND

| | | | |
|--|----------------------------|---|-------------------|
| DATE August 12, 2019 | INVOICE NO 2 |  ABC BULK FUEL SUPPLY 123 Bulk Tank Lane Detroit, Michigan (555) 123-4567 | |
| INVOICE TO: XYZ Little Gas Stop 456 Fuel Receiver Lane Lansing, Michigan 48912 (555) 897-6543 | | | |
| FUEL DELIVERY | DUE BEFORE: 9/12/19 | | |
| QUANTITY | DESCRIPTION | UNIT PRICE | LINE TOTAL |
| 10,000 Gallons | Gasoline (Premium) | \$1.28/Gallon | \$13,800.00 |
| | MI Excise Tax | \$0.263/Gallon | \$2,630.00 |
| | Environmental Fee | \$0.01/Gallon | \$100.00 |
| Subtotal | | | \$16,530.00 |
| Sales Tax | | | \$735.00 |
| Total | | | \$17,265.00 |



A pair of black-rimmed glasses is positioned at the top of the frame, resting on a document. The document is titled 'APPLICATION' and has a section labeled 'PERSONAL INFORMATION'. A fountain pen is visible in the lower right corner. The background is a blurred document with various fields and text.

FR APPLICATION PROCESS

MUSTA FR FORMS REQUIRED

- Ø Request for Determination of Eligibility Form
- Ø Documentation of FR Submittal Form
- Ø FR Mechanism

MUSTA WEBSITE

Michigan.gov/egleMUSTA



Search

- LAND
- Remediation
- BEAs
- Due Care
- Enforcement & Response Activity
- Land or Resource Use Restrictions
- Leaking Underground Storage Tanks Program
- Site Investigation and Remediation
- Superfund Program
- Vapor Intrusion
- Redevelopment
- Oil & Gas
- Mining
- Mineral Wells
- Dunes
- Soil Erosion and Construction Storm Water

EGLE / LAND / REMEDIATION

Michigan Underground Storage Tank Authority

Michigan Underground Storage Tank Authority

The Michigan Underground Storage Tank Authority (MUSTA) serves Michigan's petroleum underground storage tank owners and operators, local units of government, and country road commissions by managing the Underground Storage Tank Cleanup Fund, Legacy Release Program, and Public Highway Cleanup Program on a sound fiscal basis. We provide prompt and consistent service in assisting stakeholders in meeting their financial responsibility requirements and efficiently providing financial assistance to remediate contamination caused by releases from petroleum underground storage tanks.

Contact: Bob Reisner 517-284-5141

This page can be accessed as Michigan.gov/egleMUSTA.



Join us at the Michigan Petroleum Storage Tank Conference Series - Register now! Only \$35!

Answers to Frequently Asked Questions

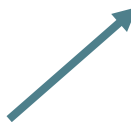
- Financial Responsibility**
- Financial Responsibility Guidance
- Financial Responsibility Forms

Underground Storage Tank Cleanup Fund

- Submitting an Underground Storage Tank Cleanup Fund (aka MUSTA) Claim
- USTCF Claim and Work Invoice Forms
- MUSTA Ineligible Cost Information/Bidding
- Schedule of Costs
- Professional and Technician Position Classifications

Legacy Release Program

- Legacy Release Program Forms



Financial Responsibility Guidance

Steps to take to establish the Underground Storage Tank Cleanup Fund as a financial responsibility mechanism.

If an owner or operator chooses to use the Underground Storage Tank Cleanup Fund (Fund) as their means of demonstrating financial responsibility for a facility, the steps outlined below must be followed.

1. Submit a [Documentation of Financial Responsibility Submittal Form](#) and proof of financial responsibility for the appropriate deductible amount to MUSTA. The owner or operator must utilize one of the following mechanisms to show proof of financial responsibility for the deductible amount:
 - Federal financial test of self-insurance
 - State financial test
 - Certificate of Deposit (or other restricted access deposit account)
 - Guarantee
 - Insurance and risk retention group coverage
 - Surety bond
 - Letter of credit
 - Trust fund
 - Fully funded trust fund
 - Other methods for local units of government.

Templates for these mechanisms are available by contacting Sarah Sackrider at sackriders@michigan.gov or 517-284-5001.

The financial responsibility requirements are cited in Rule 61, Section 280.90, of the Michigan Underground Storage Tank Rules (MUSTR), 2008 AACR, R 29. 2161 et seq. For local units of government allowable mechanisms see MUSTR Sections 280.95 through 280.103 and Sections 280.104 through 280.107

The information in step #1 may be provided at the same time as step #2 below.

2. Submit a [Request for Determination of Eligibility](#) to MUSTA.
3. Upon approval of a Request for Determination, MUSTA will send the owner or operator a letter describing the approval, the conditions for maintaining eligibility for a claim, and the amount of coverage provided by the Fund. The Department of Licensing and Regulatory Affairs, Bureau of Fire Services, Storage Tank Division (LARA) will be copied on this approval letter and will keep it as your proof of financial responsibility. The owner or operator should maintain their copy of the letter as well.

MUSTA FR FORMS

Request for Determination of Eligibility Form



REQUEST FOR DETERMINATION OF ELIGIBILITY

Authority: Section 21510(8) of Part 215, Underground Storage Tank Corrective Action Funding, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended

| FACILITY ID NUMBER: | | FACILITY NAME: | | | | | | |
|---|---|--|-------------------------------|-----------------|------------------|--|---|--|
| REGISTERED OWNER NAME WITH LARA: | | | AFFILIATE OF (IF APPLICABLE): | | | | | |
| DOES REGISTERED OWNER, OPERATOR, OR ITS AFFILIATE OWN: | | | | | | | | |
| 8 Petroleum USTs or <u>more</u> Yes ___ No ___ 100 Petroleum USTs or more ___ Yes ___ No | | | | | | | | |
| STREET ADDRESS OF REGISTERED OWNER: | | CITY: | | ST: | ZIP CODE | | | |
| CONTACT PERSON: | | CONTACT PHONE: | | CONTACT EMAIL: | | | | |
| TANKS COVERED BY THIS REQUEST (add additional sheets if necessary): | | | | | | | | |
| Tank ID | Capacity (gal) | Substance Stored | Tank ID | Capacity (gal.) | Substance Stored | | | |
| | | | | | | | | |
| | | | | | | | | |
| | | | | | | | | |
| CERTIFICATION OF OWNER OR AUTHORIZED AGENT | | | | | | | | |
| I hereby certify that the information provided above is accurate and true. | | | | | | | | |
| SIGNATURE: | | | DATE: | | | | | |
| PRINTED NAME: | | | TITLE: | | | | | |
| <p>Prior to or along with the submittal of this form, you must complete and submit a Documentation of Financial Responsibility Form which shall have the actual documentation of the mechanism being used to demonstrate financial responsibility for the appropriate deductible amount attached.</p> <p>SUBMITTAL INSTRUCTIONS – PLEASE SUBMIT COMPLETED AND SIGNED FORM TO:</p> <table border="0"> <tr> <td style="vertical-align: top;"> Email: EGLE-MUSTA@Michigan.gov Fax: 517-241-7428 </td> <td style="vertical-align: top;"> Regular Mail: Michigan Department of Environment, Great Lakes, and Energy Underground Storage Tank Authority P.O. Box 30473, Lansing, MI 48909 </td> <td style="vertical-align: top;"> Overnight Delivery: Michigan Department of Environment, Great Lakes, and Energy Underground Storage Tank Authority Constitution Hall, 6th Floor South 525 West Allegan Street Lansing, MI 48909 </td> </tr> </table> | | | | | | Email: EGLE-MUSTA@Michigan.gov Fax: 517-241-7428 | Regular Mail: Michigan Department of Environment, Great Lakes, and Energy Underground Storage Tank Authority P.O. Box 30473, Lansing, MI 48909 | Overnight Delivery: Michigan Department of Environment, Great Lakes, and Energy Underground Storage Tank Authority Constitution Hall, 6 th Floor South 525 West Allegan Street Lansing, MI 48909 |
| Email: EGLE-MUSTA@Michigan.gov Fax: 517-241-7428 | Regular Mail: Michigan Department of Environment, Great Lakes, and Energy Underground Storage Tank Authority P.O. Box 30473, Lansing, MI 48909 | Overnight Delivery: Michigan Department of Environment, Great Lakes, and Energy Underground Storage Tank Authority Constitution Hall, 6 th Floor South 525 West Allegan Street Lansing, MI 48909 | | | | | | |
| ADMINISTRATION USE ONLY | | | | | | | | |
| <u>POLICY NUMBER:</u> | | | ASSIGNED TO: | | | | | |

For information or assistance on this publication, please contact the Underground Storage Tank Authority, through the Environmental Assistance Center at 800-662-9278. This publication is available in alternative formats upon request.

REQUEST FOR DETERMINATION OF ELIGIBILITY FORM COMPLETED EXAMPLE

REQUEST FOR DETERMINATION OF ELIGIBILITY

Authority: Section 21510(8) of Part 215, Underground Storage Tank Corrective Action Funding, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended

| FACILITY ID NUMBER: 00012345 | | FACILITY NAME: XYZ Little Gas Shop | | | |
|--|----------------|---|---|--|-----------------------|
| REGISTERED OWNER NAME WITH LARA: XYZ Corp. | | | AFFILIATE OF (IF APPLICABLE): None | | |
| DOES REGISTERED OWNER, OPERATOR, OR ITS AFFILIATE OWN: | | | | | |
| 8 Petroleum USTs or more ___ Yes <input checked="" type="checkbox"/> No ___ Yes <input checked="" type="checkbox"/> No | | | | | |
| STREET ADDRESS OF REGISTERED OWNER: 456 Fuel Receiver Lane | | CITY: Lansing | | ST: MI | ZIP CODE 48912 |
| CONTACT PERSON: M. Smith | | CONTACT PHONE: (555) 897-6543 | | CONTACT EMAIL: smithm@littlegasshop.com | |
| TANKS COVERED BY THIS REQUEST (add additional sheets if necessary): | | | | | |
| + | | | | | |
| Tank ID | Capacity (gal) | Substance Stored | Tank ID | Capacity (gal.) | Substance Stored |
| UTK-1234567-15 | 10,000 | Gasoline | | | |
| UTK-7654321-15 | 15,000 | Gasoline | | | |
| | | | | | |
| CERTIFICATON OF OWNER OR AUTHORIZED AGENT | | | | | |
| I hereby certify that the information provided above is accurate and true. | | | | | |
| SIGNATURE: M. Smith | | | DATE: 8/13/19 | | |
| PRINTED NAME: M. Smith | | | TITLE: Owner | | |

MUSTA FR FORMS

Documentation of Financial Responsibility (FR) Submittal Form



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DOCUMENTATION OF FINANCIAL RESPONSIBILITY SUBMITTAL FORM

Authority: Section 21510(1)(f) of Part 215, Underground Storage Tank Corrective Action Funding, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

| FACILITY INFORMATION (you may attach a list of facilities) | | |
|--|----------------|----------------|
| FACILITY ID NUMBER: | | FACILITY NAME: |
| STREET ADDRESS: | CITY: | COUNTY: |
| OWNER INFORMATION | | |
| REGISTERED OWNER NAME WITH LARA: | | |
| CONTACT PERSON: | CONTACT PHONE: | CONTACT EMAIL: |
| FINANCIAL RESPONSIBILITY INFORMATION | | |
| APPROPRIATE DEDUCTIBLE AMOUNT: | | |
| <input type="checkbox"/> \$2,000 (for owners or operators and their affiliates who own or operate 7 or fewer refined petroleum USTs) | | |
| <input type="checkbox"/> \$10,000 (owners or operators and their affiliates who own or operate 8 or more refined petroleum USTs) | | |
| FINANCIAL RESPONSIBILITY MECHANISM BEING USED: | | |
| <input type="checkbox"/> State Financial Test (per Section 21510(d)(i) of Part 215) <input type="checkbox"/> Federal Financial Test (per CFR §280.95) | | |
| <input type="checkbox"/> Deposit Account (CD) <input type="checkbox"/> Letter of Credit <input type="checkbox"/> Surety Bond <input type="checkbox"/> Commercial Insurance | | |
| <input type="checkbox"/> Guarantee <input type="checkbox"/> Trust Fund <input type="checkbox"/> Local Unit of Government Test | | |
| <input type="checkbox"/> Previously Supplied Mechanism Automatically Renews so only this form is being submitted (Letter of Credit or Surety Bond) | | |
| A COPY OF THE MECHANISM BEING USED MUST BE SUBMITTED WITH THIS FORM UNLESS A PREVIOUSLY SUBMITTED VERSION AUTOMATICALLY RENEWS | | |
| CERTIFICATION OF OWNER OR AUTHORIZED AGENT | | |
| I certify that the information provided above is true and accurate and that the facilities are affiliated | | |
| SIGNATURE: | | DATE: |
| PRINTED/TYPED NAME: | | TITLE: |
| Submit the completed and signed form along with the appropriate documentation to: | | |
| Email: EGLE-MUSTA@Michigan.gov Fax: 517-241-7428 | | |
| Regular Mail: EGLE-Underground Storage Tank Authority, P.O. Box 30473, Lansing, MI 48909 | | |
| Overnight Mail: EGLE-Underground Storage Tank Authority, 525 West Allegan Street, Lansing, MI 48909 | | |

FR SUBMITTAL FORM COMPLETED EXAMPLE

DOCUMENTATION OF FINANCIAL RESPONSIBILITY SUBMITTAL FORM

Authority: Section 21510(1)(f) of Part 215, Underground Storage Tank Corrective Action Funding, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended.

| FACILITY INFORMATION (you may attach a list of facilities) | | |
|--|------------------------------------|---|
| FACILITY ID NUMBER: 00012345 | FACILITY NAME: XYZ Little Gas Shop | |
| STREET ADDRESS: 456 Fuel Receiver Lane | CITY: Lansing | COUNTY: |
| OWNER INFORMATION | | |
| REGISTERED OWNER NAME WITH LARA: XYZ Corp. | | |
| CONTACT PERSON: M. Smith | CONTACT PHONE: (555) 897-6543 | CONTACT EMAIL: smithm@littlegasshop.com |
| FINANCIAL RESPONSIBILITY INFORMATION | | |
| APPROPRIATE DEDUCTIBLE AMOUNT: | | |
| <input checked="" type="checkbox"/> \$2,000 (for owners or operators and their affiliates who own or operate 7 or fewer refined petroleum USTs) | | |
| <input type="checkbox"/> \$10,000 (owners or operators and their affiliates who own or operate 8 or more refined petroleum USTs) | | |
| FINANCIAL RESPONSIBILITY MECHANISM BEING USED: | | |
| <input checked="" type="checkbox"/> State Financial Test (per Section 21510(d)(i) of Part 215) | | |
| <input type="checkbox"/> Federal Financial Test (per CFR §280.95) | | |
| <input type="checkbox"/> Deposit Account (CD) | | |
| <input type="checkbox"/> Letter of Credit | | |
| <input type="checkbox"/> Surety Bond | | |
| <input type="checkbox"/> Commercial Insurance | | |
| <input type="checkbox"/> Guarantee | | |
| <input type="checkbox"/> Trust Fund | | |
| <input type="checkbox"/> Local Unit of Government Test | | |
| <input type="checkbox"/> Previously Supplied Mechanism Automatically Renews so only this form is being submitted (Letter of Credit or Surety Bond) | | |
| A COPY OF THE MECHANISM BEING USED MUST BE SUBMITTED WITH THIS FORM UNLESS A PREVIOUSLY SUBMITTED VERSION AUTOMATICALLY RENEWS | | |
| CERTIFICATION OF OWNER OR AUTHORIZED AGENT | | |
| I certify that the information provided above is true and accurate and that the facilities are affiliated | | |
| SIGNATURE: M. Smith | DATE: 8/13/19 | |
| PRINTED/TYPED NAME: M. Smith | TITLE: Owner | |

FR MECHANISM OPTIONS

- **State Financial Test**
- Federal Financial Test
- Certificate of Deposit
- Letter of Credit
- Surety Bond
- Commercial Insurance
- Guarantee
- Trust Fund
- Other Methods for Local Units of Government

STATE FINANCIAL TEST

MICHIGAN UNDERGROUND STORAGE TANK AUTHORITY (MUSTA) State Financial Test

I am the **[Insert Title of: Owner, President, CEO, CFO, Member, Managing Member, Clerk]** of **[Insert Owner Corporation Name and Owner Address]**. This letter is in support of the use of the Underground Storage Tank Cleanup Fund to demonstrate financial responsibility (FR) for taking corrective action and/or compensating third parties for bodily injury and property damage caused by an unauthorized release of petroleum in the amount of \$1 million per occurrence and **[\$1 million for owners and operators and their affiliates who own or operate 100 or fewer refined petroleum USTs or \$2 million for owners and operators and their affiliates who own or operate 100 or more refined petroleum USTs]** annual aggregate coverage.

Underground storage tanks at the following facilities are assured by this letter:

Facility ID:
Facility Name:
Facility Address:
Tank Info: UTK-

| | |
|---|----|
| 1. Amount of aggregate coverage being assured by this letter (\$2,000 for owners or operators and their affiliates who own or operate 7 or fewer refined petroleum USTs; \$10,000 for owners or operators and their affiliates who own or operate 8 or more refined petroleum USTs) | \$ |
| 2. Total tangible assets | \$ |
| 3. Total liabilities | \$ |
| 4. Tangible net worth (subtract line 3 from line 2. Line 4 must be at least 3 times the amount shown in line 1) | \$ |

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge and belief. Executed at _____ on _____
(Address of Location Where Present When Signing)

(Date)

[Print Name], [Insert Title]

WHAT IS A TANGIBLE ASSET?

Anything that is physical in form and has value.

- Buildings
- Inventory
- Vehicles
- Land
- Equipment/Machinery
- Cash



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WHAT IS A LIABILITY?

A company's legal financial debts or obligations that arise during the course of business operations.



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MICHIGAN UNDERGROUND STORAGE TANK AUTHORITY (MUSTA) State Financial Test

I am the **Owner of XYZ Corp. of 456 Fuel Receiver Lane, Lansing, Michigan 48912.** This letter is in support of the use of the Underground Storage Tank Cleanup Fund to demonstrate financial responsibility (FR) for taking corrective action and/or compensating third parties for bodily injury and property damage caused by an unauthorized release of petroleum in the amount of \$1 million per occurrence and **\$1 million for owners and operators and their affiliates who own or operate 100 or fewer refined petroleum USTs** annual aggregate coverage.

Underground storage tanks at the following facilities are assured by this letter:

Facility ID: 00012345
Facility Name: XYZ Little Gas Shop
Facility Address: 456 Fuel Receiver Lane, Lansing, Michigan 48912
Tank Info: UTK-1234567-15, 10,000, gasoline; UTK-7654321-15, 15,000, gasoline

| | |
|---|-------------------|
| 1. Amount of aggregate coverage being assured by this letter (\$2,000 for owners or operators and their affiliates who own or operate 7 or fewer refined petroleum USTs; \$10,000 for owners or operators and their affiliates who own or operate 8 or more refined petroleum USTs) | \$2,000 |
| 2. Total tangible assets | \$ 550,000 |
| 3. Total liabilities | \$ 250,000 |
| 4. Tangible net worth (subtract line 3 from line 2. Line 4 must be at least 3 times the amount shown in line 1) | \$ 300,000 |

I declare under penalty of perjury that the foregoing is true and correct to the best of my

knowledge and belief. Executed at **456 Fuel Receiver Ln. Lansing, MI 48912** on
(Address of Location Where Present When Signing)

8/13/19

(Date)

M. Smith

M. Smith, Owner

**E-MAIL ALL COMPLETED FORMS TO:
EGLE-MUSTA@MICHIGAN.GOV**

**OR FAX TO:
(517) 241-7428**

A pair of black-rimmed glasses is positioned at the top of the frame, resting on a document. The document contains various text elements, including the word 'Application' on the left and 'PROFESSIONAL' in the center. A black pen is visible in the lower right corner. The background is a light, slightly blurred document with a grid pattern.


MUSTA FR APPLICATION REVIEW PROCESS

MUSTA ELIGIBILITY REQUIREMENTS


1. Owner/Operator must maintain FR for their deductible amount
2. The UST's must be in compliance with the registration requirements of Part 211
3. The Owner/Operator cannot be the United States government
4. The Owner/Operator cannot be a public utility with more than 500,000 customers who's refined petroleum USTs are used to generate steam electricity
5. Contents in UST must be a refined petroleum product



REQUEST FOR DETERMINATION OF ELIGIBILITY APPROVAL LETTER


GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
LANSING


LIESL EICHLER CLARK
DIRECTOR

August 13, 2019

VIA E-MAIL

XYZ Corp.
456 Fuel Receiver Lane
Lansing, Michigan 48912

ATTENTION: Mr. M. Smith

SUBJECT: Approval of Request for Determination of Eligibility
Facility ID 00012345, XYZ Little Gas Shop, Lansing

Your request for a determination of eligibility under Section 21510(8) of Part 215, Underground Storage Tank Corrective Action Funding, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Part 215) was received on August 13, 2019. The review of your request has been completed and you are hereby determined to be eligible for funding in the event of an eligible confirmed release or confirmed releases discovered and reported on or after December 30, 2014 from petroleum underground storage tank numbers UTK-1234567-15 and UTK-7654321-15 located at the above-referenced facility (assuming that eligibility is maintained as described below).

It is critical that you remain in compliance with the requirements of Section 21510(1) of Part 215 to maintain your eligibility because if a claim is filed, the Administrator shall make the determinations required under that section to determine whether the claim is eligible for funding. In addition to the registration and fee requirements, a claim review will include whether you have maintained financial responsibility requirements for your deductible amount, and whether the release was properly reported within 24 hours after its discovery. The determination will be based on the compliance status at the time of the reporting of the confirmed release(s) for which you are requesting reimbursement and the compliance status at such time the claim is filed.

If you file a claim or claims, you will be subject to a limit of \$1 million minus the appropriate deductible in reimbursement costs for any single claim and \$1 million total aggregate for all claims submitted for your company or its affiliates based on releases discovered during a claim period. A claim period means a one-year period from October 1st of each year through September 30th of the following year.

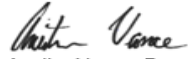
The Department of Licensing and Regulatory Affairs, Bureau of Fire Services (LARA), Storage Tank Division is being copied on this approval letter and will keep it as your proof of financial responsibility. You should maintain a copy of this letter as well. If for any reason you become ineligible for funding, LARA will be notified as to the change in their status and you will be required to secure another financial responsibility mechanism.

CONSTITUTION HALL • 525 WEST ALLEGAN STREET • P. O. BOX 30473 • LANSING, MICHIGAN 48909-7973
Michigan.gov/EGLE • 800-662-6278

Mr. M. Smith 2 August 13, 2019

If you have any questions or require additional information, please contact me at vancea3@michigan.gov or 517-284-5192.

Sincerely,


Aneitra Vance, Departmental Analyst
Michigan Underground Storage Tank Authority

cc: Mr. Kevin Wieber, LARA

DOCUMENTATION OF FR APPROVAL LETTER



GRETCHEN WHITMER
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF
ENVIRONMENT, GREAT LAKES, AND ENERGY
LANSING

EGLE

LIESL EICHLER CLARK
DIRECTOR

August 13, 2019

VIA E-MAIL

XYZ Corp.
456 Fuel Receiver Lane
Lansing, Michigan 48912

ATTENTION: Mr. M. Smith

SUBJECT: Approval of Documentation of Financial Responsibility
Facility ID 00012345, KYZ Little Gas Shop, Lansing

Your recently submitted Documentation of Financial Responsibility Submittal form for the above-mentioned facility has been reviewed and it is hereby determined to be acceptable. This information will be used in making determinations if you have or choose to submit Requests for Determination or claims to the Michigan Underground Storage Tank Cleanup Authority in the future.

The mechanism that you provided to document your financial responsibility for the deductible amount expires on **August 13, 2020**. To maintain compliance, you will be required to submit a separate Documentation of Financial Responsibility form and appropriate documentation showing that you have maintained financial responsibility for the time-period beginning on **August 14, 2020**.

If you have any questions or require additional information, please contact me at vancea3@michigan.gov or 517-284-5192.

Sincerely,

Aneitra Vance, Departmental Analyst
Michigan Underground Storage Tank Authority

MUSTA FR ANNUAL RENEWAL PROCESS

FR RENEWAL REQUIREMENTS



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Email reminders for renewals will be sent out approximately **one month** prior to your expiration date.

Forms Needed for Renewal:

- FR Submittal Form
- Updated FR Mechanism (required for State Financial Test)

FR REVOCATIONS

REASONS FOR REVOCATION OF FR

- The applicant has not provided documentation that they have FR in place for their deductible amount
- The applicant no longer owns the facility
- All the refined petroleum underground storage tanks have been removed from the facility
- All tanks have been closed in place

FR AMENDMENTS

REASONS TO AMEND YOUR FR COVERAGE

Any Changes that Affect the Scope of Coverage

- Removal/Addition of Tanks
- Change in Substance Stored in Tanks
- Facility/Owner Name Change
- Physical Address Change (Rare)
- Tank Number Change (Rare)

FREQUENTLY ASKED QUESTIONS

Q: Do FR documents need to be submitted every year?

A: Yes. Every year, you are required to submit a Documentation of FR form along with an eligible mechanism, to provide proof of FR for the deductible amount.

FREQUENTLY ASKED QUESTIONS

Q: Can both the owner and operator (lessor/lessee) apply for financial responsibility?

A: No. Only one may apply for FR. They should look to their contract to see who is responsible for coverage and that person/entity should register as the owner with the Department of Licensing and Regulatory Affairs, Bureau of Fire Services Storage Tank Division (LARA) and then apply for coverage with MUSTA.

FREQUENTLY ASKED QUESTIONS

Q: How much is the premium?

A: There is no premium paid to MUSTA.

FREQUENTLY ASKED QUESTIONS

Q: How much is the deductible?

A: The deductible is determined on the total number of tanks an owner/operator (O/O) is affiliated with and/or operates.

-7 or Less Tanks, Deductible is \$2,000

-8 or More Tanks, Deductible is \$10,000

ADDITIONAL QUESTIONS?





THANK YOU

Michigan Department of
Environment, Great Lakes, and Energy

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