



Developing A Third-Party Underground Storage Tank Inspection Program

A Guide To Assist States



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Background

EPA is providing this information as a resource for states developing new third-party inspection programs or enhancing their existing programs. In EPA's booklet *State Third-Party Service Provider Programs* (EPA 510-B-97-003, March 1997), Part 2 titled "Developing a Third-Party Inspection Program" first addressed third-party inspection program implementation. The information provided here replaces that part of the document to include requirements contained in *Grant Guidelines To States For Implementing The Inspection Provisions Of The Energy Policy Act Of 2005* (inspection grant guidelines).¹ EPA defined a third-party inspection program in the inspection grant guidelines as a state program in which a state-authorized third-party inspector is paid by the owner or operator of an underground storage tank (UST) to perform an on-site inspection.

The Energy Policy Act of 2005 contains provisions that amend the Solid Waste Disposal Act to significantly affect state underground storage tank programs, including new inspections requirements. The Energy Policy Act added Subsection (c) to Section 9005 of the Solid Waste Disposal Act, requiring all states that receive Subtitle I funding² to perform on-site inspections by August 8, 2007 on all tanks that had not been inspected since December 22, 1998. After this initial inspection, states must conduct on-site inspections of all regulated UST systems at least once every three years. EPA's inspection grant guidelines describe the requirements states must meet when using a third-party inspection program to meet Section 9005(c) inspection requirements.

Inside you'll find:

- ✓ Reasons to develop a third-party inspection program, primarily with regards to meeting the three-year inspection requirements of the Energy Policy Act
- ✓ Steps to take before developing a third-party inspection program
- ✓ How to develop a third-party inspection program

¹ See EPA's Web site at: http://www.epa.gov/OUST/fedlaws/final_i.htm to view the inspection grant guidelines in their entirety.

² Subtitle I is part of the Solid Waste Disposal Act that authorizes EPA to provide states with federal funding for their UST programs.

Who Is A Third-Party Inspector?

A third-party inspector is certified by the state to conduct on-site UST inspections for compliance with Subtitle I and 40 CFR §280 requirements, or in the case of a state program approved under Section 9004 of Subtitle I, compliance with the requirements of that program. Inspectors document the results of on-site inspections and any off-site document review, and then submit the report to the state. Third-party inspectors are hired directly by tank owners and operators. They are hired to report facts, not enforce laws.

New Inspection Provisions

- ✓ USTs not inspected since December 22, 1998 were required to have an on-site inspection performed by August 8, 2007.
- ✓ After the completion of the initial inspections, all USTs subject to the inspection grant guidelines must be inspected by August 8, 2010, and be inspected at least once every three years thereafter.

You'll also see examples of existing state third-party inspection programs which provide context and further assistance in developing a new program or modifying an existing program. More detailed information on existing state third-party inspection programs is in the appendix. The examples presented in this guide meet the requirements of the grant guidelines, but be aware that not all aspects of these states' programs necessarily meet all of the requirements. Please note this is a general guide; processes and procedures for developing a third-party inspection program will vary by state.

***Minimum Requirements From Inspection Grant Guidelines
For States Choosing To Implement A Third-Party Inspection Program***

- ✓ Third-party inspectors must be certified, licensed, or registered by the state. Inspectors must successfully complete training on state protocols and perform inspections pursuant to the inspection grant guidelines.
- ✓ Third-party inspectors must meet conflict of interest requirements developed by the state.
- ✓ State third-party inspections programs must use an inspection report form developed by the state.
- ✓ Inspectors must complete and submit the inspection report to the state.
- ✓ The state must review each inspection report and make a compliance determination.
- ✓ State third-party inspection programs must perform audits to monitor inspectors on a regular basis.
- ✓ States must retain the capacity to conduct oversight inspections and for-cause inspections.
- ✓ States must take appropriate enforcement action against any third-party inspectors who do not perform adequate inspections.

States that implemented a third-party inspection program by April 24, 2007 (Alaska, Iowa, Maine, Maryland, Montana, and Pennsylvania) have until August 8, 2010 to meet these requirements. States implementing programs after April 24, 2007 must meet the inspection grant guidelines requirements at the time the program is implemented.

Why Should You Develop A Third-Party Inspection Program?

If your state currently has an inspection cycle greater than three years, a third-party inspection program is a cost-effective alternative for your state to meet the three-year inspection cycle requirement. Implementing a third-party inspection program can greatly increase the number of eligible inspectors without increasing the number of inspectors who are paid by the state. For example, before Maryland implemented its third-party inspections program, it used 14 state inspectors to assess compliance; but during its first year using a third-party program, Maryland certified 90 private inspectors to conduct inspections.

Increased numbers of inspectors and greater inspection frequency offer benefits beyond simply meeting the requirements of the Energy Policy Act. For instance, increased inspection frequency can increase compliance, which, over time, can lead to a reduction in the number and severity of releases. With more third-party inspectors, state UST programs will have more resources available for other activities, such as compliance assistance, that could also have a positive impact.

There will be initial start-up costs associated with ensuring and obtaining statutory authority and in developing the third-party inspection program. Once established, however, the program will be less expensive to maintain over time because your program should become more efficient and your state will be able to focus its resources on activities such as training and oversight.

How Can A Third-Party Inspection Program Help You?

- ✓ Increase number of inspections performed and increase inspection frequency
- ✓ Free state resources for compliance assistance
- ✓ Reduce program costs over the long term

Third-party inspections allow us to accomplish so much more. The third-party inspection program [will help] Maryland achieve... the three-year cycle goals. We have also seen an increase in tank removals, which is an environmental benefit.

Herb Meade (MD Department of the Environment)

How Can You Prepare To Develop A Third-Party Inspection Program?

Before your state develops a third-party inspection program, you:

- ✓ Must ensure statutory authority for the program is in place
- ✓ Should gather stakeholder input to help shape the program's design
- ✓ Should set program goals

After considering these issues, you will be ready to develop a third-party inspection program. However, remember that these issues and the order in which you address them may vary depending on how your state functions.

The rule authorizing Iowa's third-party inspection program was finalized in May 2006, but our program was under development for almost a year after that.

Elaine Douskey (IA Department of Natural Resources)

Ensure Statutory Authority

You must first ensure the statutory authority for a third-party inspection program exists in your state. Your state's legal personnel can assist you in determining if the necessary authority exists. If authority for the third-party inspection program does not exist, then your state will need to establish it through new legislation. Please note that the process for obtaining authority to develop a third-party inspection program and actual program development may vary by state. In some states, you must obtain authority before developing the program; in other states, these two processes may occur concurrently.

If your state needs to establish new authority, there are several items you should remember when developing the legislation. The legislation should give the state sufficient authority to establish a third-party inspection program in accordance with EPA's inspection grant guidelines. For example, in Maryland, the state's Environmental Article gives the Maryland Department of the Environment broad authority to write regulations regarding inspections; and in Pennsylvania, the third-party inspection program is authorized by Pennsylvania's Storage Tank and Spill Prevention Act of 1989. Legal authority does not necessarily need to be specific, but it must be sufficient enough to allow states to develop third-party inspection programs that include:

- ✓ Certification requirements for third-party inspectors
- ✓ Conflict of interest requirements
- ✓ Uniform inspection reports
- ✓ Inspection reporting requirements
- ✓ Auditing

- ✓ Retention of state ability to conduct on-site inspections as needed
- ✓ Authority to discipline poorly performing third-party inspectors

While your state may delegate inspections and compliance assessments to third-party inspectors, your state – and not third-party inspectors – must make compliance determinations for each site. You will find more details about this subject in the “How Can You Develop A Third-Party Inspection Program?” section of this guide.

Gather Stakeholder Input

When designing your state’s third-party inspection program, you should review your regulatory environment and priorities to identify the primary stakeholders. You should also determine the timing of this process.

After identifying the stakeholders, you should consider the stakeholders’ roles in designing the program and establishing its goals. To ensure success, you should work with stakeholders in the program design process. Note the perspectives shared by interested stakeholders and use them to help develop the third-party inspection program.

You should also continue to communicate with stakeholders once you have designed and implemented the program. You can use a variety of methods to communicate program requirements, inform those affected by the new program, and provide any future program updates. For example, as a part of its oversight responsibilities, the Pennsylvania Department of Environmental Protection solicits comments from UST owners and operators regarding inspectors and the inspection process. In addition, the Iowa Department of Natural Resources creates newsletters and maintains a Web site as part of their public outreach and information sharing activities.

Who Are Some Potential Stakeholders?

- ✓ Tank owners and operators
- ✓ Private sector inspectors
- ✓ Trade associations and interest groups
- ✓ Local government
- ✓ Certification or training organizations
- ✓ Private individuals
- ✓ State and local regulatory agencies and regional offices
- ✓ EPA

How Do You Communicate With Stakeholders?

- ✓ Phone calls or meetings
- ✓ Direct mailings
- ✓ Press releases
- ✓ Newsletters
- ✓ Internet or e-mail messages
- ✓ Announcements at trade fairs or to trade associations



Set Program Goals

You should establish goals before your state develops a third-party inspection program; setting goals early will result in a more effective program. Goals can relate to any aspect of the program and may differ across states to encompass regional or local priorities. In

general, deciding what goals the third-party inspection program will have, settling on specific targets to mark progress toward those goals, and identifying audiences who will receive updates on your progress will help your state clarify what type of program it should develop.

Sample Program Goals And Targets

Sample Program Goals	Sample Targets For Program Goals
Inspector proficiency	Each inspector must be recertified every X years
Inspection quality	Each inspection must address all relevant items on the inspection checklist
Inspector audits	Audit all third-party inspectors at least once every X years
Owner notification	Each owner or operator receives an information packet X days prior to inspection date and receives results of inspection within X days
Facility inspections	Inspect all facilities at least once every three years, in accordance with the Energy Policy Act
High compliance rate	The state will achieve X percent compliance rate for all regulated tanks within three years

After you gather information on your state’s UST inspection needs and options, establish statutory authority, involve stakeholders, and set program goals, you are ready to develop a third-party inspection program. The following section provides details on the various steps in this process.

In 2007, nearly all of Iowa's UST facilities, approximately 2,900 in total, were inspected. Third-party inspectors made it possible to achieve more than a 100 percent increase over the number of inspections in 2006.
 Elaine Douskey (IA Department of Natural Resources)

How Can You Develop A Third-Party Inspection Program?

This section of the guide tells you how your state can develop a third-party inspection program, including estimating the program's potential costs. In this section, you'll read about how to:

- ✓ Develop program structure
- ✓ Identify potential inspectors
- ✓ Develop a training and certification program
- ✓ Develop standard inspection protocols and design the inspection process
- ✓ Develop inspection reporting requirements
- ✓ Develop an inspector audit program
- ✓ Manage data
- ✓ Estimate program costs

The keys to a successful third-party inspection program are to follow up on inspections, clearly communicate expectations to inspectors, and perform oversight to ensure standards are met.

Ray Powers (PA Department of Environmental Protection)

Develop Program Structure

Your state should identify the work that will be done through the third-party program and who is responsible for this work. State programs may be highly centralized or the state may duly designate responsibility to regional or local offices to take advantage of existing capacity. Inspection programs may encompass a variety of activities; you should create a list of program activities that fits your program's structure, resources, and priorities.

Below is a list of activities your state might undertake as you develop a third-party inspection program:

- ✓ Develop regulations, policy, or guidance
- ✓ Involve stakeholders
- ✓ Determine and distribute management responsibilities
- ✓ Publicize the program's mission and goals
- ✓ Identify training needs and coordinate inspector trainings
- ✓ Provide technical assistance to local or regional staff
- ✓ Develop or review existing certification programs
- ✓ Review and approve applications of potential inspectors
- ✓ Disseminate information to tank owners and inspectors
- ✓ Develop inspector oversight tools
- ✓ Develop or modify inspection databases
- ✓ Determine inspection frequency



On-site inspection at a tank facility in Maine

www.maine.gov/dep

Your state must establish and enforce the rules under which the third-party inspection program operates. The agency enforcing these rules may be your state’s environmental department, commerce department, or other appropriate state agency. There has been significant variation in how states have administered their third-party inspection programs. Alaska’s program is jointly administered by the Department of Conservation and the Division of Corporations, Business, and Professional Licensing; while Iowa’s program is administered by the Department of Natural Resources. However you choose to organize your program, your state should oversee all UST inspections, including activities of third-party inspectors, and must conduct audits, reviews, and follow-up activities.

Prior to initiating the program, you should clearly define which agency is responsible and the exact nature of that agency’s responsibilities and powers. You can also choose to separate the program oversight from the day-to-day implementation of the program. For example, in Maine the Department of Environmental Protection oversees and regulates the individual inspections accomplished by their third-party inspection program, while the Board of UST Installers qualifies and regulates the inspectors who accomplish those inspections. The department with program oversight can choose to reach out to the regional offices or implementing agency to provide them with information on the latest technologies and new testing techniques. It can also provide details on how the state may wish to apply the regulations and procedures that define the inspection program.

Examples Of Different Structures For Third-Party Inspection Programs

	Program Oversight	Day-To-Day Implementation
Alaska 	Department of Environmental Conservation	Department of Environmental Conservation
Maine 	Department of Environmental Protection	Board of UST Installers
Montana 	Department of Environmental Quality	Department of Environmental Quality

Your state or local government agencies must make a compliance determination for each third-party inspection. For example, in Montana, if an inspection report indicates violations, the owner or operator must correct the violations within 60 to 90 days, obtain a follow-up inspection within 30 days, and mail a copy of the follow-up inspection report to the Department of Environmental Quality (DEQ). Based on the inspection report and other available information, DEQ then determines whether the UST is in compliance.

Identify Potential Inspectors

Most existing third-party inspector certification and licensing programs require a minimum level of education and experience (such as being a certified installer or having inspected a certain number of USTs), a specific level of achievement on a test, and some mandatory training. The tests and training may be written, oral, practical, or some combination, depending on your state's preference and available testing and training services. You should review potential inspectors' applications and determine which candidates meet the qualifications necessary to proceed with the additional examinations and trainings necessary to become a certified inspector. To facilitate this process, your state might certify one or more private sector inspection companies, training providers, or test administrators or may develop its own training materials, as discussed in the next subsection.

In addition, EPA's inspection grant guidelines require any state implementing a third-party inspection program to develop conflict of interest requirements for potential inspectors and ensure inspectors meet these standards. These guidelines specify that third-party inspectors cannot be:

- ✓ The owner or operator of an UST
- ✓ Employed by the owner or operator of an UST
- ✓ The person with daily on-site responsibility for the operations and maintenance of an UST

Montana has an additional specification that prohibits the installer of an UST from inspecting that UST for the first three years after the tank's installation. Some states provide facility owners or operators with a list of certified inspectors who are eligible to perform the inspection and these inspectors are rotated to reduce the potential for conflicts of interest. This system of rotating inspectors can help reduce conflict of interest by ensuring that different inspectors evaluate a facility's compliance over time.

Develop A Training And Certification Program

Third-party inspectors must be certified, licensed, or registered by your state to perform on-site inspections. EPA's inspection grant guidelines specify these inspectors must:

- ✓ Be trained in the state-specific inspection protocols and perform inspections that meet these standards
- ✓ Complete the state's required training program, which must be comparable to the training program for state inspectors

In establishing a third-party inspection program, you should consider whether your state will offer training or certify another public or private agency to train inspector candidates. If your state chooses to rely on private trainers to provide third-party inspector training, then it should design training standards and criteria to approve private trainers.

As outlined in the table on page 11, Alaska relies in part on continuing education credits from privately offered training by equipment manufacturers and requires potential inspectors to be certified in installation and cathodic protection every two years. Pennsylvania also approved a technical training course taught by a private industry instructor as part of its certification process.

Your state may also wish to train inspectors, rather than certifying private trainers. Maryland chose this route and requires inspectors to attend a one-day orientation class taught by Maryland Department of the Environment (MDE) officials and to pass a test administered by the department. You will also need to specify any re-training requirements to ensure continuing education for inspectors. Existing state programs have a variety of different recertification requirements, as described in the table on page 11. By limiting the time for which a certification is valid and requiring continuing education, you will increase the probability of consistent and high quality inspections.

Training and coursework are only one facet of the certification process. In addition to training, states usually require inspectors to pass examinations. You should determine what type of competency exam will be required at the end of the training. Exams may be oral, written, practical, or a combination of these. You may also want to provide some hands-on training and assist third-party inspectors with their initial inspections. State-specific examples are included in the table on page 11.

Once you have trained and certified inspectors, states should take steps to ensure they maintain this pool of qualified inspectors. The following activities help keep inspectors up-to-date:

- ✓ Publishing newsletters or sending out mailings regarding changing procedures, regulations, or technology
- ✓ Periodic training (including continuing education) or meetings
- ✓ Joint inspections
- ✓ State feedback on inspection reports

Examples Of Third-Party Inspector Training And Certification Requirements

	Pre-requisites	Training Required	Examinations	Practice	Continuing Education	Re-certification
Alaska 	Work experience	Nationally recognized UST training within last two years Orientation by regulatory agency	Must pass International Code Council general and Alaska-specific exams	Complete at least two inspections in each two-year period	None	Every two years by passing both exams again
Iowa 	Licensed UST installer	Training approved by regulatory agency	Must pass exam approved by regulatory agency Complete EPA Web-based UST training	Must have professional liability insurance and perform at least 25 inspections a year	Eight hours of training approved by regulatory agency required for renewal	Every two years
Maryland 	None	Week long training approved by regulatory agency One day orientation	Must pass written exam (technical and regulatory)	Complete at least 10 UST inspections every two years	Retesting or completion of a training approved by regulatory agency for renewal	Every two years
Pennsylvania 	Company employing inspector must be certified Potential inspector must have tightness testing certification Previous experience with UST installation	One day seminar	Must pass a simulated inspection and two written exams (technical and regulatory)	State inspector may accompany new third-party inspector on first few inspections	Department of Environmental Protection training every three years	Department of Environmental Protection training every three years

Develop Standard Inspection Protocols And Design The Inspection Process

Standardizing inspections helps ensure consistency in a third-party inspection program; it ensures each inspector reviews the same items during the inspection. Your state must develop standardized inspection report forms covering all parts of the inspection, and your state should consider standardizing other aspects of the on-site inspection. In general, the purpose of the on-site inspection is to determine compliance with Subtitle I and 40 CFR §280 requirements or, if the state has an approved program under Section 9004 of Subtitle I, then compliance with the requirements of that program.

To initiate an inspection, you can inform the facility owner of his or her obligation to prepare for an inspection and present the timeframe for conducting the inspection. Pennsylvania mails an information packet to the owner or operator, notifying the facility that an inspection is due within 45 days. The information packet includes: a list of certified inspectors, a list of certified inspection companies, information on the inspection, state requirements and how to prepare for them, a facility inspection form, and explanations of procedures and deadlines. Inspection due dates are also shown on the owner's tank registration certificate. Depending on how your program is set up, tank owners may be responsible for selecting a third-party inspector, scheduling the inspection date, and providing you with this

What Is An On-Site Inspection?

An on-site inspection includes:

- ✓ Physical inspection of each UST and its related equipment
- ✓ On-site or off-site review of applicable records

What Is Not An On-Site Inspection?

On-site inspections are not:

- ✓ Desk-only reviews
- ✓ Self-certifications
- ✓ Information requests



What, At A Minimum, Must An On-Site Inspection Assess?

- ✓ Whether or not the state was properly notified of the operation of an UST system
- ✓ Verification of corrosion protection (on both tanks and piping), which should be documented through testing, inspections, or other records
- ✓ In place and operational spill and overfill prevention mechanisms
- ✓ Appropriate release detection methods and equipment for both tanks and piping, which should be documented through monitoring and testing records
- ✓ Reporting of any suspected releases
- ✓ Review of records of any repairs to tanks or piping
- ✓ Secondary containment, when required
- ✓ Documented financial responsibility
- ✓ Assess status of temporary closure, if applicable



information. In Iowa, the inspector must notify the state of the scheduled inspection date. In Pennsylvania, the UST owner or operator must return to the state a postcard in the inspection notification packet which provides the name of the selected inspector and the scheduled inspection date.

Inspectors must use an inspection report form as discussed above. This is crucial to ensure consistent inspections and tank compliance. The form should be designed to clearly record the nature of any problems the inspector detected. On the form, you should use precise questions that do not lend themselves to open-ended questions; this will help achieve consistency during inspections. The form could also include a comments section to allow the inspector to record, if applicable, efforts by the tank owner to address any problems found during the inspection and any unusual aspects of the inspection not documented elsewhere on the form.

Develop Inspection Reporting Requirements

The third-party inspector must complete and submit the inspection report form to the state within the timeframe established by the state. For example, in Iowa, the inspector has 90 days after the inspection to submit the final electronic report. Online submission of forms can speed the sharing of this information and when linked to a database for maintaining these records, can play an important role in allowing the state to more easily complete its reporting requirements. Iowa is working on linking its online inspection report form to its inspection tracking database, allowing inspectors to review previous inspections records and submit new reports online. In Pennsylvania, the inspector must submit a report within 60 days following the inspection. The inspector should include all compliance violations and any actions taken to correct violations in the inspection report form before submitting it to the state. Inspectors or the state must retain inspection-related documentation.

When the state receives inspection reports from inspectors, program staff should review them for completeness and accuracy. Pertinent information from each report should be entered into the state's inspection tracking database and these reports should be retained for future reference. Through this process, the state could become aware of any compliance or inspector-related problems and take necessary steps to address them.

Develop An Inspector Audit Program

EPA's inspection grant guidelines require each state with a third-party inspection program implement an audit program to monitor third-party inspectors and their work on a regular basis. The audit program may take a variety of forms, but must include a sufficient number of on-site inspections to effectively assess inspector performance.

One way to ensure inspectors conduct high quality inspections is to maintain individual files which document each inspector's performance. This type of documentation is critical if suspension or revocation of an inspector's license becomes necessary. Another

important way to ensure high quality inspections is through quality assurance activities. You can use any of these approaches, which are discussed further below, to audit inspectors:

- ✓ Review inspection reports for discrepancies
- ✓ Conduct random spot inspections
- ✓ Conduct joint inspections
- ✓ Solicit owner or operator comments

When auditing inspection reports, you should look for completeness, accuracy, inconsistencies, level of detail, and any other factors necessary to evaluate the quality of the inspection. State personnel should also perform random spot inspections at facilities which have already been visited by a third-party inspector. Spot inspections can be conducted with or without giving prior notice to the third-party inspector. Another alternative is to conduct joint inspections, where both a third-party inspector and a state inspector visit the facility together to coordinate on the review of the facility and correct procedures for conducting inspections. States may consider conducting joint inspections extensively in the early stages of a program or for the first several inspections for each new inspector who becomes certified under the program. Finally, inspector oversight include owner or operator comments and feedback. Soliciting and reviewing these comments can help identify problems with inspectors so problems can be addressed in a timely manner.

Audit Inspections Are Useful For...

- ✓ Ensuring the integrity of the third-party inspection program
- ✓ Identifying and removing or improving poorly performing third-party inspectors
- ✓ Identifying potential training needs
- ✓ Following up on complaints or inspecting additional USTs that warrant inspection

When questions arise about an inspector's performance, you should review the inspector's previous inspection reports and gather any other necessary information such as his or her credential documentation.

Sometimes a simple, documented discussion and follow-up training with the inspector can address any inconsistencies or inaccuracies in the inspector's reports. For example, Pennsylvania contacts those inspectors and initially attempts to resolve problems through supplemental training, discussion, and correspondence. Other times, additional action is necessary. The state must have procedures in place to



Inspecting a tank sump

assess whether a third-party inspector achieves the state's standards for on-site inspections. If the inspector does not meet these standards, the state should have a

protocol for what actions may be taken against inspectors who fail to maintain the standards established by the state.

States must take action against inspectors who do not adhere to program guidelines. Examples of action include re-training, additional examinations, imposing fines or penalties, temporary suspension of the inspector’s license, or permanent revocation of the inspector’s license. Each state must devise its own enforcement mechanisms to ensure inspectors comply with requirements of the program.

You have to communicate with the third-party inspectors like you do with your own staff.

Ray Powers (PA Department of Environmental Protection)

Examples Of State Inspector Audit Programs

	Report Review	Audit Goal	Audit Method	Enforcement
Alaska 	DEC reviews all inspection reports for inconsistencies within the report and between the report and the database	DEC audits all inspectors over a three-year period	Compare inspection reports to facility conditions as assessed by DEC inspectors	Revocation of certification
Iowa 	DNR ensures that all reports can be electronically submitted for inclusion in the state’s report database	DNR initially plans to audit 10 percent of all third-party inspections	Audit inspections by DNR staff can occur either during or after the third-party inspection	DNR can send a notice of deficiency or probation and can also suspend or revoke the inspector’s certification
Maryland 	MDE reviews all reports for falsified information	At least five percent of all third-party inspections that indicate full compliance	Inspection by MDE inspector	Revocation of certification and criminal penalties are possible for falsified reports
Pennsylvania 	DEP reviews all inspection reports for completeness and accuracy	DEP oversight and follow-up inspections	Conduct joint inspections	Can require additional training, suspend or revoke certification, or pursue criminal penalties

Manage Data

A tracking system, such as a database, that contains information on both inspections and compliance is an important part of a third-party inspection program. This tracking system should include:

- ✓ Name and location of the facility
- ✓ Facility and UST details (e.g. tank and piping types, leak detection type, etc.)
- ✓ Name of the inspector
- ✓ Date of inspection
- ✓ Violations noted and dates they were corrected
- ✓ Historic compliance issues at the facility
- ✓ Tank's and facility's compliance status

Adding fields to the tracking system can help to capture notes on follow-up actions or other comments.

The tracking system is an information repository about USTs and their inspections, but these data should also be used to assess program performance. Before-and-after performance measures can help assess program effectiveness and show results of the third-party inspection program. Some examples of performance measures states can use to evaluate their programs include:

- ✓ Changes in rate of compliance
- ✓ Number of inspections completed and inspection frequency
- ✓ Types of violations
- ✓ Number of enforcement actions taken
- ✓ Cost per inspection to the state
- ✓ Percent of inspections audited
- ✓ Other state-specific performance measures

You should also perform periodic interviews of state staff, inspectors, and tank owners or documentation reviews to augment data from the tracking system and add depth to the assessment of program effectiveness. States should undertake some combination of these activities periodically to identify problem areas and improve program performance. States may wish to develop official surveys or conduct less formal interviews, but should document all results as a record of the program evaluation activity.

Checklist For Developing A Third-Party Inspection Program

The checklist on page 18 provides a brief overview of key steps your state might take to design and develop a third-party inspection program. You can find more information on each of these topics in the previous sections of the guide.

EPA compiled the information contained in this guide as a resource to help your state develop a new third-party inspection program or enhance its existing program. The information in this guide, combined with the skills of your state staff, should make it possible for your state to design a program that will achieve the required on-site inspection of all regulated UST systems every three years. A third-party inspection program should help your state achieve this goal at a lower cost than a system based on the use of state staff alone. Examples presented throughout this document offer the experience of existing state programs as a guide for states developing a third-party inspection program for the first time. Additional materials and information are available in the inspection grant guidelines and in the appendix.

Summary Checklist Of State Third-Party Inspection Program Design And Implementation Activities

Activity	Page
<input type="checkbox"/> Ensure statutory authority exists to establish a third-party inspection program	4
<input type="checkbox"/> Gather stakeholder input	5
<input type="checkbox"/> Raise program awareness	7
<input type="checkbox"/> Define targeted facilities	9
<input type="checkbox"/> Ensure available inspector certification program	9
<input type="checkbox"/> Define conflict of interest provisions	9
<input type="checkbox"/> Develop or certify a training program	10
<input type="checkbox"/> Define regulations establishing criteria for retraining and license renewal	10
<input type="checkbox"/> Develop and distribute standard inspection form or owner information packet	12
<input type="checkbox"/> Design a report review protocol	13
<input type="checkbox"/> Develop an inspector audit program	13
<input type="checkbox"/> Establish enforceable penalties against third-party inspectors	15
<input type="checkbox"/> Develop an inspection tracking database	16
<input type="checkbox"/> Assess program effectiveness	16
<input type="checkbox"/> Ensure program meets requirements of Energy Policy Act and EPA's inspection grant guidelines (available at: http://www.epa.gov/OUST/fedlaws/final_i.htm)	2



Appendix: Summary Table Of Existing State Third-Party Inspection Programs

In this table, you will find information about third-party inspection programs for each state which currently has a program in place. For each state, you will see a summary of the major aspects of the existing program, including: inspector certification requirements, enforcement options, audit policy, and other pertinent information. You can find more details about each state's program on individual states' Web pages. See <http://www.epa.gov/oust/states/statcon1.htm> on how to contact state underground storage tank programs.

State	Program Summary	Inspector Certification Requirements	Enforcement Options	Audit Policy And Quality Assurance Procedures	State UST Homepage
Alaska	Private sector third-party inspector conducts operations inspection every three years; program administered by Department of Environmental Conservation (DEC). The Department of Commerce, Community & Economic Development administers the licensing process in cooperation with DEC.	Certified by the Department of Commerce, Community & Economic Development; pass the ICC installation, cathodic protection, and Alaska regulatory exams; a certified inspector must verify that he or she has experience on two inspections in the past two years or has attended a nationally-recognized training and attended the DEC orientation course. To renew every two years must pass the three exams again (after six years, exams only needed at every third renewal if performed two inspections in past year).	Regulations provide mechanism to revoke certification, but this has never been necessary.	DEC audits all inspectors over a three-year period by comparing their reports against facility conditions; DEC reviews all reports for inconsistencies.	http://www.dec.state.ak.us/spar/ipp/tanks.htm

State	Program Summary	Inspector Certification Requirements	Enforcement Options	Audit Policy And Quality Assurance Procedures	State UST Homepage
Iowa	Private certified inspectors perform compliance inspections every two years; program administered by the Department of Natural Resources (DNR).	UST compliance inspector certification issued by DNR; must be Iowa-licensed UST installer or installation inspector, attend DNR-approved training, pass exam administered or approved by DNR, complete and pass EPA Web training, have professional liability insurance, renew certification every two years (must get eight hours of DNR-approved training and perform 25 inspections per year). Temporary certifications will be issued until training and testing procedures are developed.	DNR can give notices of deficiency and probationary notices; DNR can suspend or revoke certification for good cause; DNR can require inspector to complete special training.	DNR plans to audit 10 percent of inspections (sometimes during the third-party inspection and sometimes afterwards).	http://www.iowadnr.com/land/ust/index.html
Maine	Annual inspection by certified UST installer or inspector; program administered by the Department of Environmental Protection (DEP) and the Board of UST Installers (BUSTI).	Installers and inspectors certified by BUSTI. Installer certification requires six references, initial exam, apprenticeship, and a final exam. Inspector certification requires six references and an exam; both must be renewed every two years with eight hours of continuing education.	Procedure specified in BUSTI rules; disciplinary actions have included penalties, suspensions, and loss of certification.	State-led inspections serve as QA/QC.	http://www.maine.gov/dep/rwm/ust/index.htm
Maryland	Private UST inspector conducts inspection every three years; program administered by Maryland Department of the Environment (MDE).	Complete MDE-approved training; attend one-day MDE orientation class, pass MDE test; renew every two years by retesting or completing MDE-approved training and performing inspections at 10 UST sites within past two years.	Falsified reports will be referred for criminal prosecution and certification revocation; suspension and revocation in accordance with §10-226 Annotated Code of Maryland.	Fines and prison for false statements and/or tampering with, or knowingly rendering inaccurate any monitoring device or method required to be maintained; at least five percent of third-party inspections that indicate full compliance will be targeted for an MDE inspection.	http://www.mde.state.md.us/Programs/LandPrograms/Oil_Control/USThome/index.asp

State	Program Summary	Inspector Certification Requirements	Enforcement Options	Audit Policy And Quality Assurance Procedures	State UST Homepage
Montana	Licensed inspector conducts inspection every three years; program administered by the Department of Environmental Quality (DEQ).	Provide three references; complete DEQ-approved training; pass DEQ written exam and field practical exam; be least 18 years old. May not be UST owner, employee of owner, or (for first three years after installation) installer of the UST; renew every three years by taking 16 hours of DEQ-approved continuing education.	Can suspend or revoke licenses for unprofessional conduct.	Oversight inspections performed by third-party, DEQ-licensed compliance oversight inspectors. State aims for 10 percent oversight of each inspector.	http://www.deq.state.mt.us/ust/
Pennsylvania	Third-party inspectors perform inspections every three years or sooner; program administered by the Department of Environmental Protection (DEP).	DEP certification required for both inspector and company; inspector must pass two exams (technical and regulatory). Renewal is every three years by passing exam or attending DEP training; must have tightness testing certification or similar training; must have experience with UST installation and modification; must attend one-day seminar about inspection process and pass simulated inspection at end of seminar.	Use appealable consent or compliance orders or criminal penalties (two successful prosecutions) and civil penalties (13 suspensions since 1994; one revocation since 1994; at least five inspectors have voluntarily turned in their certification when faced with suspension or revocation).	Inspection reports are reviewed; oversight inspections performed (both joint and followup); try to have a DEP inspector join a new third-party inspector on first few inspections.	http://www.depweb.state.pa.us/landrecwaste/cwp/view.aspx?a=1240&Q=453631&landrecwasteNav= 30786 30715

