

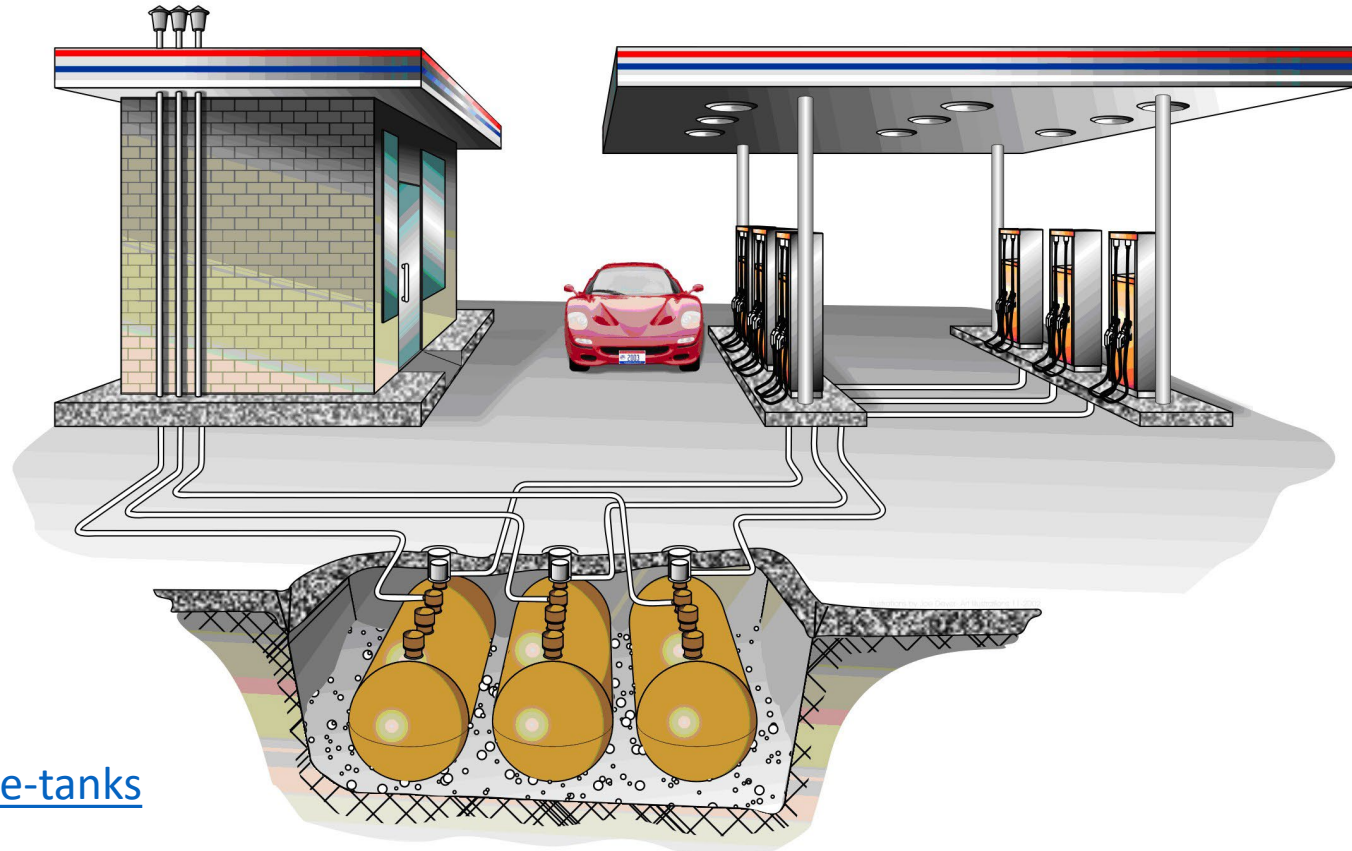
Underground Storage Tanks and Brownfields

Opportunities for Partnership and
Success



What is an Underground Storage Tank (UST)?

An underground storage tank system is a tank and any underground piping connected to the tank that has at least 10 percent of its combined volume underground.



<https://www.epa.gov/ust/learn-about-underground-storage-tanks>

Leaking Underground Storage Tanks (LUST)

- There are roughly 60,000 LUST sites nationwide – some of these may be a good fit for brownfields funding.
- While operating gas stations and many responsible party-lead tanks cleanups would not be candidates for Brownfields program assistance, potentially eligible tank sites could include:
 - Lower priority abandoned LUST sites
 - Abandoned USTs and UST facilities



Lower priority abandoned LUST sites have known contamination but are not moving forward because there is no viable responsible party and/or no money available to clean up the site.

Abandoned UST facilities, including former gas stations or fueling facilities, are a blight on communities and the presence or perceived presence of contamination inhibits reuse of the property. In addition, abandoned USTs associated with former facilities are often encountered during construction and redevelopment.

*criteria: the site must be of relatively low risk; there can be no viable responsible party; the applicant cannot be potentially liable for cleaning up the site; and the site must not be subject to a RCRA corrective action order

Opportunities for Partnership

Last year EPA Region 6 recently finalized a new resource, [Underground Storage Tanks and Brownfields: Opportunities for Partnership and Success](#). This document highlights opportunities for tanks and brownfields programs to partner at the national, regional, state, tribal and local levels to assess, cleanup, and help prepare abandoned UST and LUST sites for sustainable reuse.

State Brownfield Programs

- Coordinate with the EPA regional Brownfields program.
- Explore flexibilities offered through 128(a) State Response Programs; consider possibility of site-specific work at eligible tanks sites.
- Determine site eligibility (required before EPA Brownfields grant funding can be spent on a site contaminated with petroleum).
- Connect with state tanks partners to understand state-specific funding sources; if a state has a [financial assurance fund](#), explore the possibility of using brownfields funding to meet the fund's deductible to gain access to the fund so that the fund can continue the cleanup.
- Track progress on tanks sites that are being assessed or cleaned up through the Brownfields program, report progress and cleanups completed to state tanks partners.
- Share the list of competitive grant winners and successful petroleum eligibility determinations with state tanks staff to determine if potentially eligible tanks sites fall within grantee's target areas.
- Encourage grantees with unspent funds to consider evaluating eligible tanks sites.
- Check to see if there are revolving loan funds (RLFs) in the state that could cover potentially eligible tanks sites, see previous RLF recipients receiving supplemental funding and [FY24 RLF supplemental funding fact sheets](#).
- Examine the [Cleanups in My Community database](#) for brownfields properties that may have tanks on site; keep a state inventory of brownfields sites with tanks.
- Promote tanks/brownfields successful practices with partners and during regional and state meetings.

Local Brownfield Programs

- Coordinate with the EPA regional Brownfields program and state Brownfields program.
- Request inventory of potentially eligible tanks sites from state Brownfields and Tanks programs.
- Consider using Brownfields grant funding on eligible tanks sites that fall within the grant's target area and scope of work.
- Evaluate reuse options and consider prioritizing based on environmental justice, climate vulnerability, and [Justice40](#) criteria.
- Include subsequent redevelopment visioning through non-EPA funding sources in the process.



[Villa Montgomery, California](#)

Common Reuse Options

- Housing
- Commercial / business
- Environmental and recreational
- Public (e.g., fire stations, health centers)

Success Stories:

[ASTSWMO redevelopment successes at UST sites](#)



[St. Johns, Arizona](#)

Best Practices

1. Involve stakeholders at all levels, including federal, state, tribal, and local groups
2. Collaborate between regional and tribal brownfields and tanks programs
3. Leverage brownfields and tanks resources



[Henry's Service Station](#)

OUST Resources

[Underground Storage Tanks \(USTs\) | US EPA](#)

Petroleum Brownfields: Developing Inventories

<https://www.epa.gov/ust/petroleum-brownfields-developing-inventories>


Opportunities For Petroleum Brownfields

<https://www.epa.gov/ust/opportunities-petroleum-brownfields>

Petroleum Brownfields: Selecting A Reuse Option

<https://www.epa.gov/ust/petroleum-brownfields-selecting-reuse-option>

Additional Resources

- [Catalyzing Redevelopment: Innovative Approaches and Emerging Best Practices in State Petroleum Brownfield Initiatives | Environmental Law Institute](#)
 - [Smart Growth OPTIONS Community Engagement Workbook](#)
 - [Redevelopment Successes at Petroleum Underground Storage Tank Sites - ASTSWMO](#)
 - [Summary of State Programs and Data on Abandoned Underground Storage Tanks and Facilities - ASTSWMO](#)
- 



CONTACTS

Mikaela Brown

brown.mikaela@epa.gov

214-665-6541

Rachel Snavely

snavely.rachel@epa.gov

214-665-6736



UST Brownfields: A State Perspective

Madeline Dillner | Project Manager (she/her)

Brownfield Program & Oklahoma Historical Aerial Digitization Project
Oil and Gas Conservation Division | Oklahoma Corporation Commission
p. 405-522-2750

Madeline.Dillner@occ.ok.gov

ROAD MAP

**Grant
Success**

**BF & UST
Partnership**

About Us



OKLAHOMA
Corporation
Commission



OKLAHOMA
Environmental
Quality

**128(a)
Grants**



WINNER
NATIONAL PHOENIX AWARD

First Americans Museum
OCC Brownfield Program

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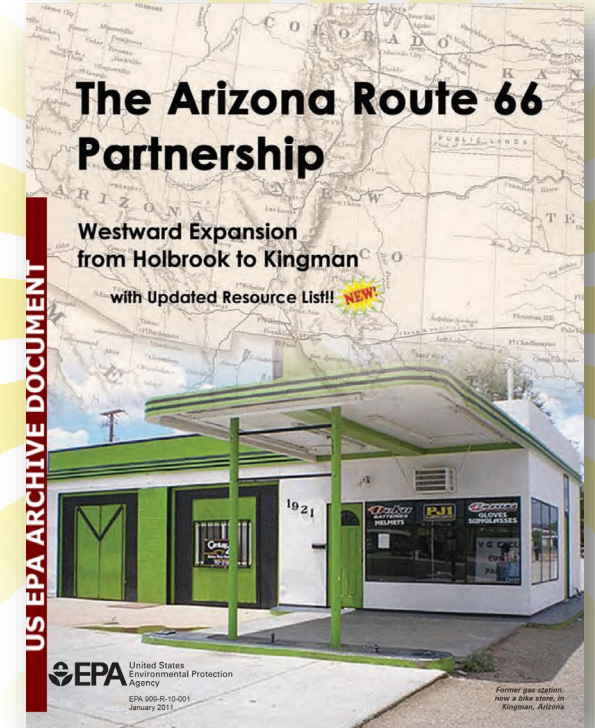
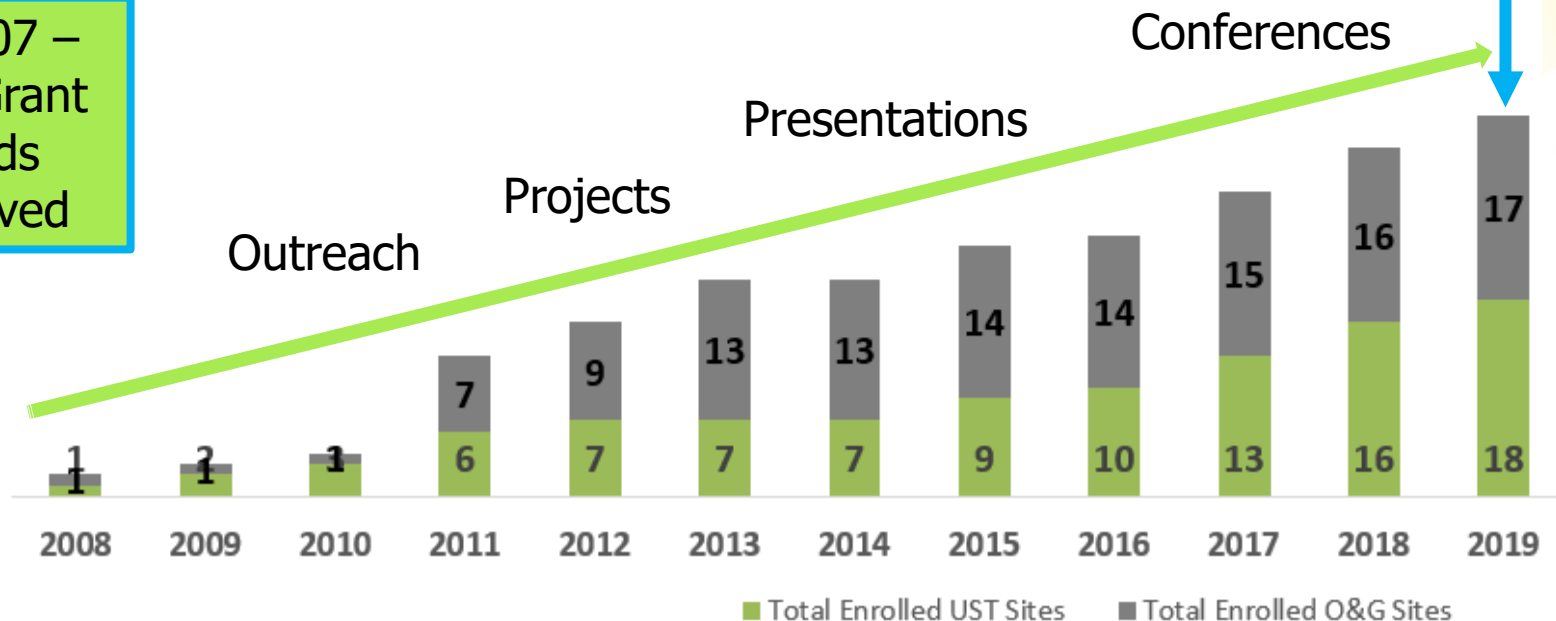
OKLAHOMA



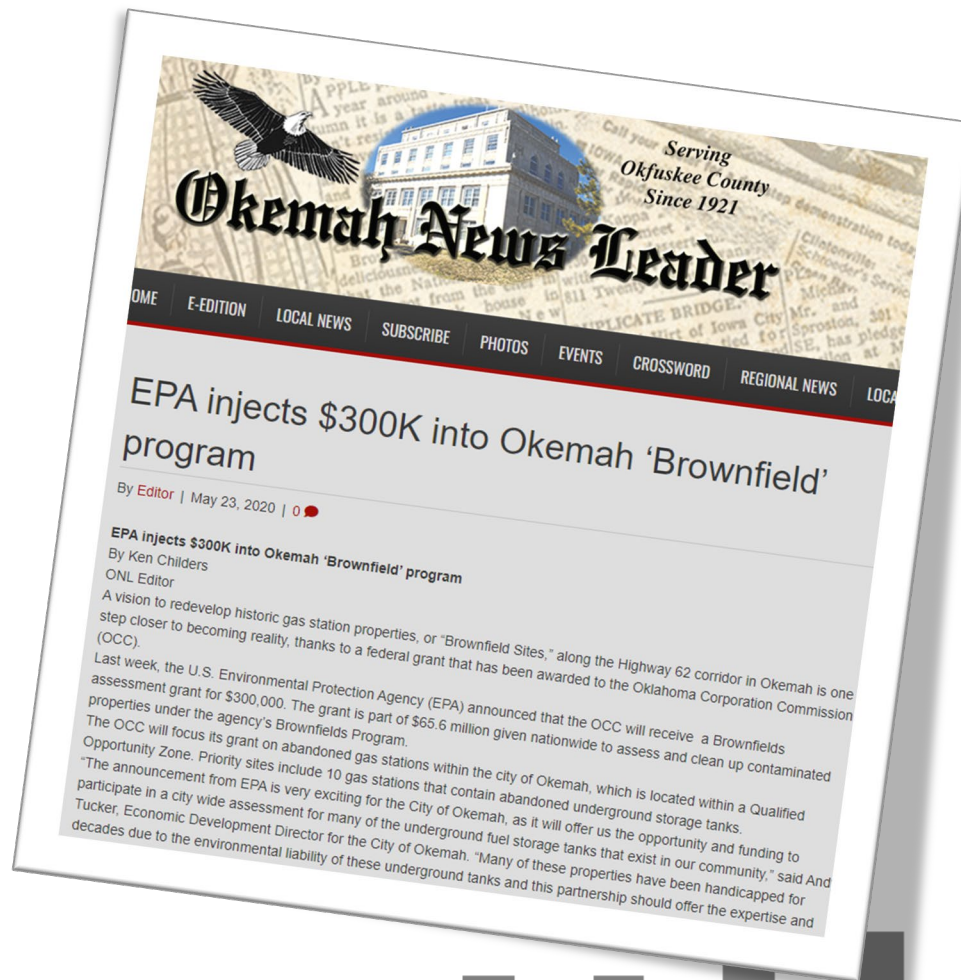
“The good news program.”

On September 19, 2019, we had a call with our EPA Grant Officer

Oct. '07 – First Grant Funds Received



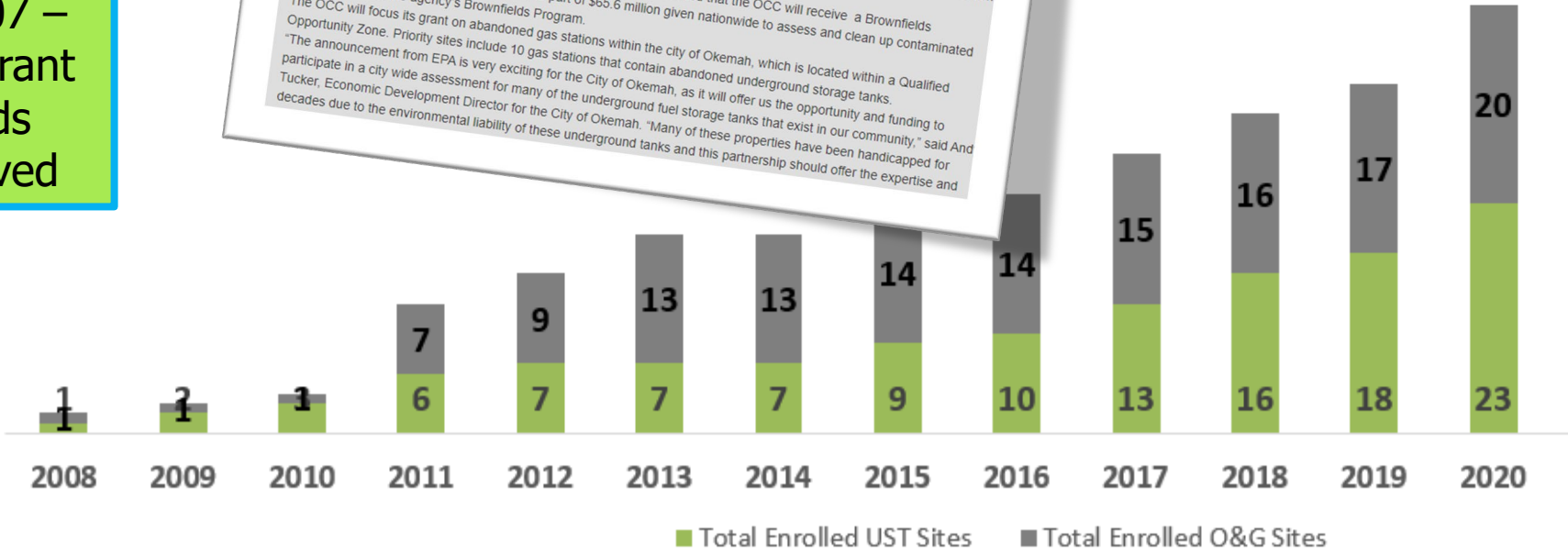
"We will try!"



Oct. '07 –
First Grant
Funds
Received



Oct. '20 –
\$300K Grant
Awarded



[View
Okemah
Grant
StoryMap](#)

Oklahoma to get \$2 million from Environmental Protection Agency

The EPA chose the Oklahoma Corporation Commission for the grant.

Share



Updated: 10:19 PM CDT May 23, 2022

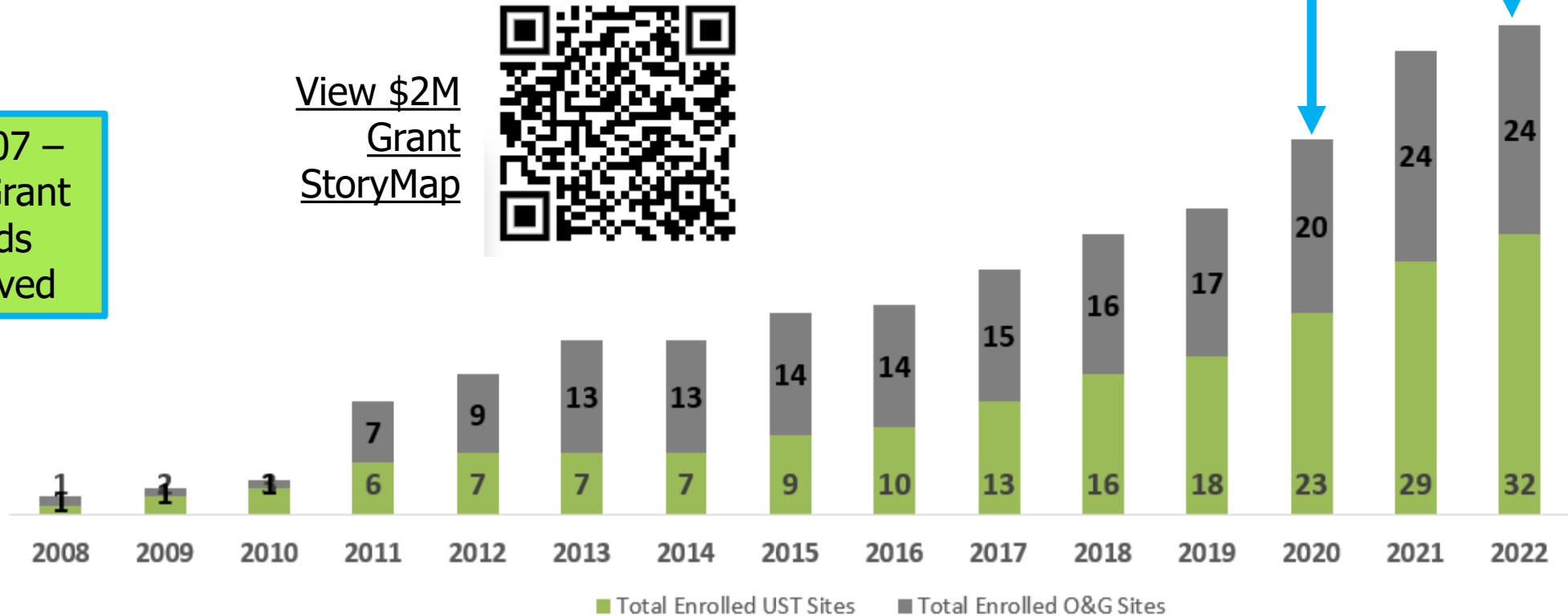
[View \\$2M Grant StoryMap](#)



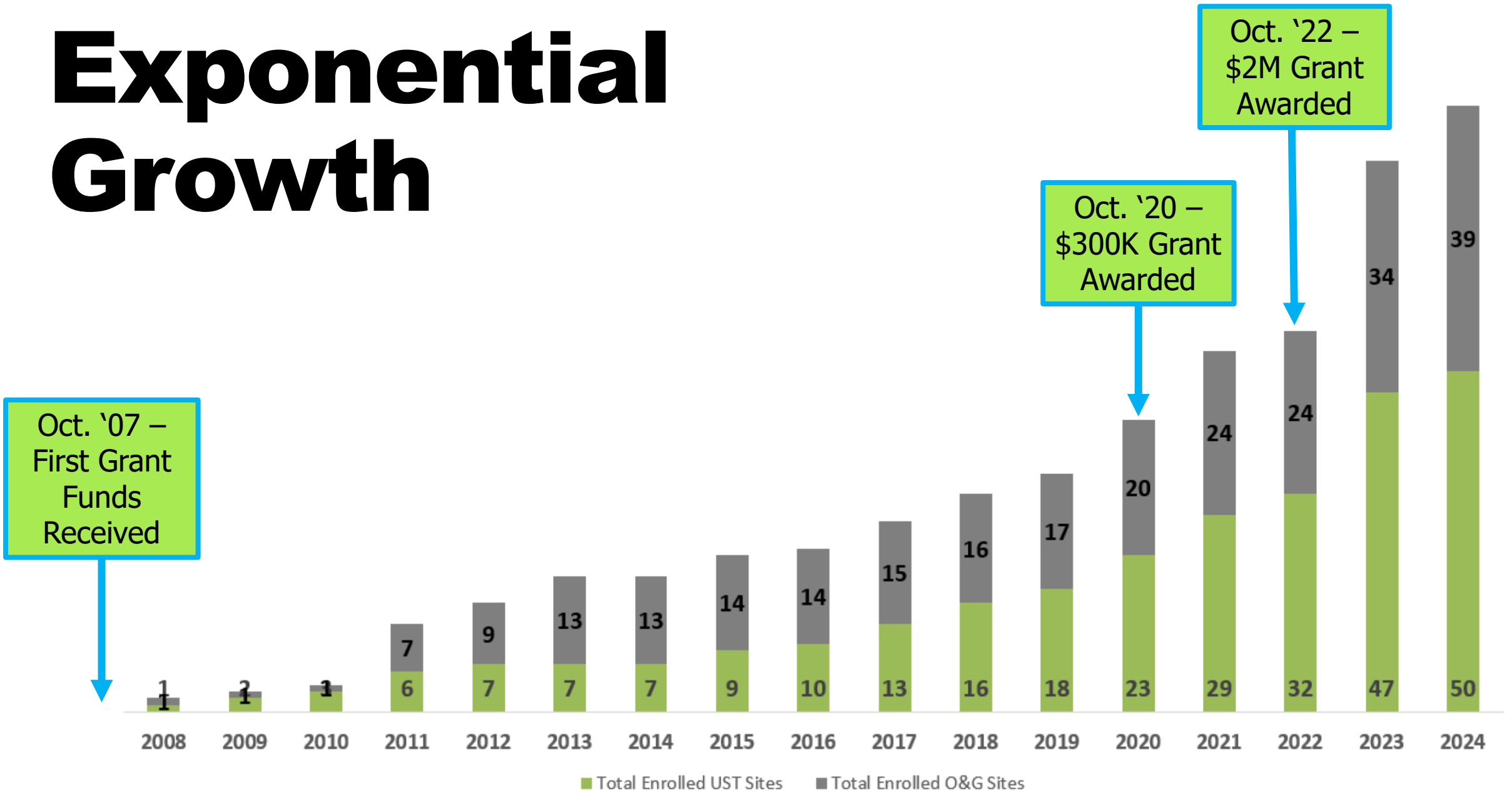
Oct. '07 –
First Grant
Funds
Received


Oct. '20 –
\$300K Grant
Awarded

Oct. '22 –
\$2M Grant
Awarded



Exponential Growth





Brownfield Program and Petroleum Storage Tank Division Partnership



EPA Region 6 Brownfields Conference

July 23-25, 2024 – Dallas, TX

Partnership by Design

- The OCC Brownfield Program was established in Oklahoma Statute and in OCC Rules
- It was designed to be used with Oil and Gas Exploration Sites *and* Petroleum Storage Tank Division sites.



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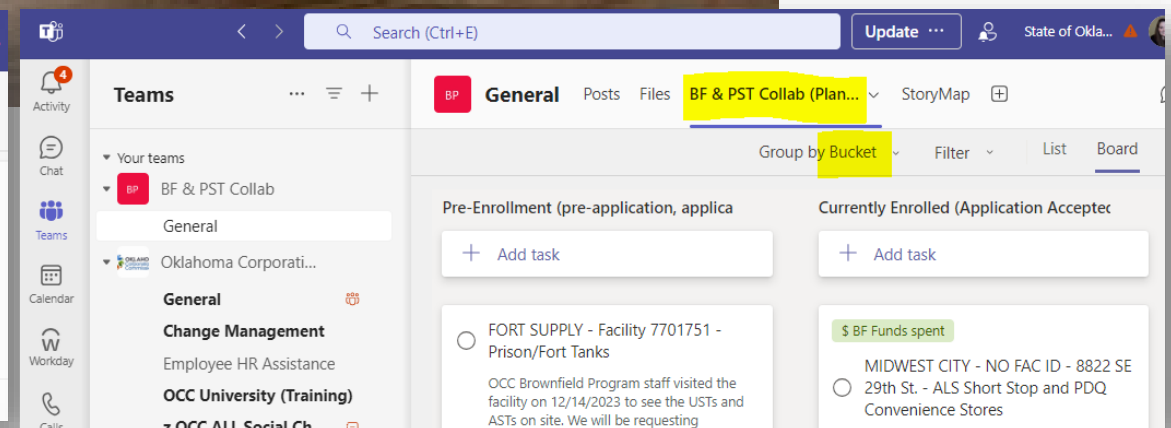
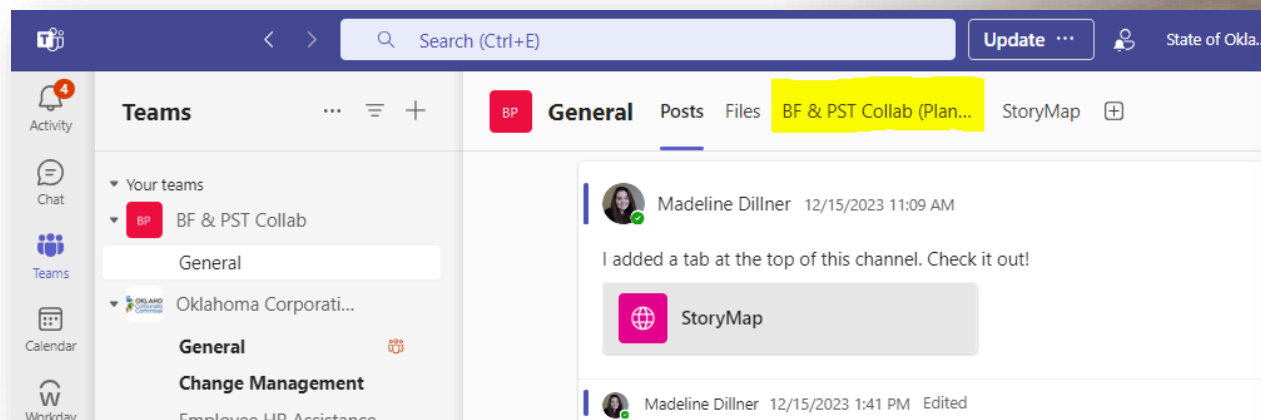
Two Departments: Same Agency, Same Director

- Easy to build rapport, ask questions, keep each other informed
- Statewide Contract template was borrowed and adapted from PSTD
- We use Teams and Microsoft Planner to keep track of sites and comments

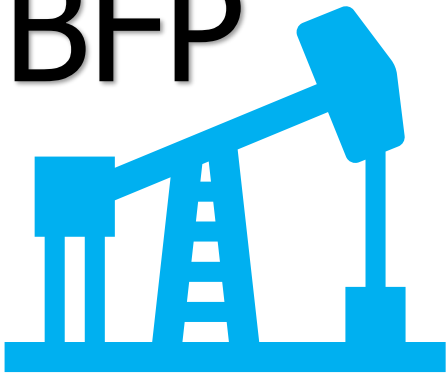
*Will Rogers and Sequoyah
Buildings*
*2401 N. Lincoln Blvd.,
Oklahoma City, OK 73098*

Brownfield
Program

PST
Division

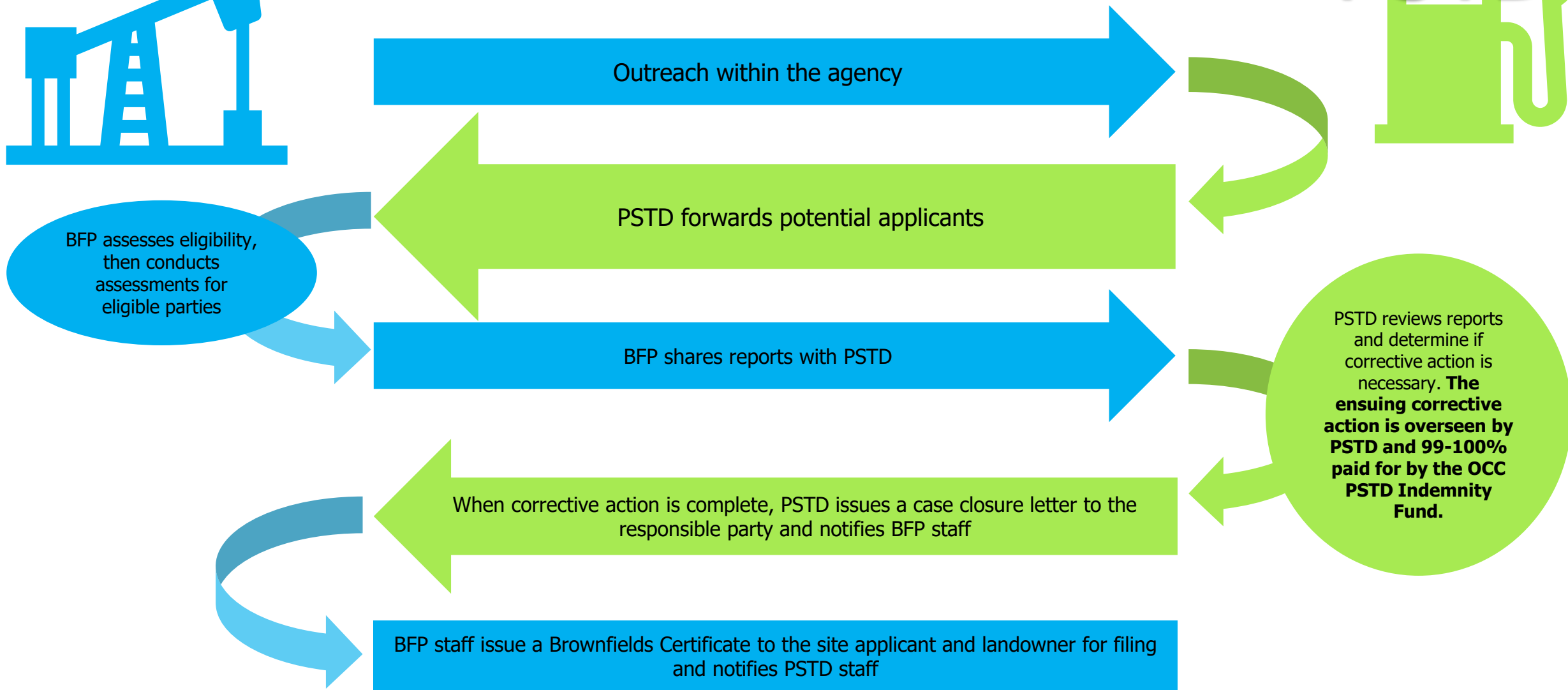


BFP



TEAMWORK

PSTD



Assessment Grants for Gas Stations



1. Met EPA's Need

- Persistent regional pressure on agencies to promote 104(k) grant competition among their cities and nonprofits
- Barriers:
 - Most of Oklahoma is RURAL
 - Grants are difficult to get (competitive, proving programmatic capability...)
 - And complicated to manage, especially when cities are understaffed, and staff has minimal time and/or expertise

104(k) grants won and wielded by the state allow us to do the same work *on behalf of cities.*





2. There's A Built-In Corrective Action Pathway

★
Guaranteed Follow-Up on Assessments

★
Immediate ROI

★
*Potential 10,000% * return on investment of Grant funds*

- Once Grant funds have been used to provide initial Phase I and II assessments on the target properties, the Petroleum Storage Tank Indemnity Fund (IF) can cover all subsequent assessments and cleanup.
- The IF is a multi-million-dollar fund managed by the OCC PSTD, funded by an assessment on station operators as they purchase fuel. Any gas station owner can access this fund, **but only after contamination has been found at their facility.**
- If contamination is found and PSTD opens a case, the IF pays for up to \$2,500,000 in cleanup costs at facilities, with the owner paying a 1% copay, capped at \$5,000.
- So, at a \$25,000 Phase II site, up to \$2,500,000 of IF cleanup dollars are available, at no extra cost to the Grant, and at minimal cost to the property owner.

** Based on 2019 grant estimates*

2. Community Need and Community Engagement

2.a. Community Need

2.a.i. The Community's Need for Funding

This Assessment Grant, administered by the OCC BFP, is the best hope of getting these gas stations into the hands of local people who will do great things with the properties. Although these properties are inexpensive, the presence of these tanks and any related contamination is enough to stop sales before they begin. The cost of a Phase II at these properties is between \$20,000 and \$30,000—two or three times the current value of the property. That's not a lot of money to a large business or corporation, but these gas stations in small rural towns are extremely attractive to local individuals and small business owners.

3. Promotes Local Entrepreneurship

- **Abandoned gas stations are attractive to local entrepreneurs.** They are often on old highways, on small lots, and are therefore inexpensive and not attractive to bigger businesses who want a more visible location.
- **The presence of tanks and uncertainties around contamination can make redevelopment impossible.**
 - The cost of removing the tanks and getting a Phase II at these properties is between \$50,000 and \$80,000 — which is often more than the current value of the property.
 - Someone who has a redevelopment plan for the property may have funds to purchase the property and fix it up but may not have the funds to remove the tanks and test the soil and groundwater.
- There is no other fund to assist business owners with the tank removal and environmental assessments that could get them access to the state's Indemnity Fund.
- ***Brownfield Program assistance at abandoned gas stations allows redevelopment to stay local and promotes the growth of local businesses.***



4. Protects Neighborhoods

- Of the 10 properties identified for work under the Okemah Grant, all of them were neighbors to residential properties.

OCC Brownfield Program StoryMap



The Oklahoma Corporation Commission Brownfield Program

OGBrownfields@occ.ok.gov

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EPA Region 6 Brownfields Conference
July 23-25, 2024 – Dallas, TX



Contacts

Jeff Myers

Jeffery.Myers@occ.ok.gov
(405) 522-2764

Madeline Dillner

Madeline.Dillner@occ.ok.gov
(405) 522-2750

Bell Krivanek

Bell.Krivanek@occ.ok.gov
(405) 521-2757

