



An Ounce of Prevention

EPA National Tanks Conference

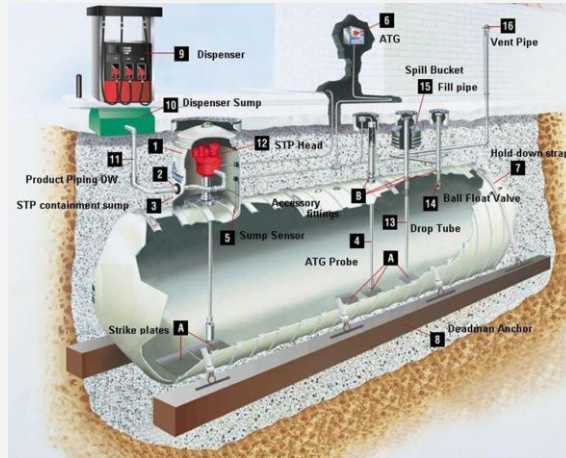
September 23, 2025

Mahesh Albuquerque
Director

OPS Petroleum Program

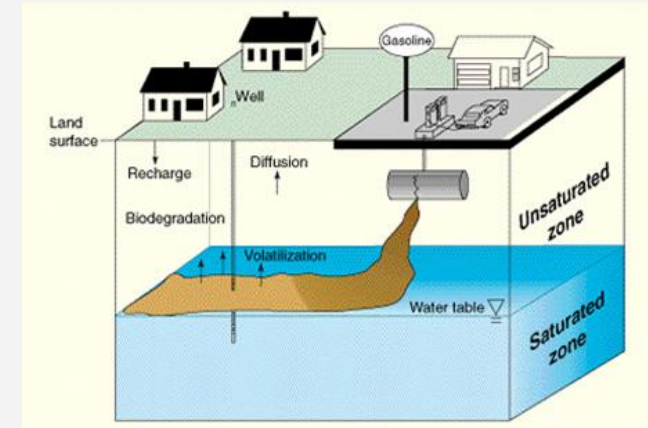
Storage Tank Compliance

Petroleum USTs 110+ gallons and ASTs between 660 and 40,000 gallons; liquefied petroleum gas (LPG) and retail sale of compressed natural gas (CNG), liquefied natural gas (LNG), and hydrogen



Petroleum Remediation

Reduce damage to the environment and risk to the public caused by leaking petroleum storage tanks



Weights and Measures

Marketplace equity, fuel quality, and consumer complaints



Petroleum Storage Tank Fund

Reimbursement of costs related to assessment and cleanup of petroleum contaminated sites



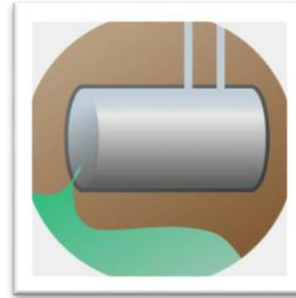
12,139

OPS regulated petroleum storage tanks – aboveground and underground



90.8%

Technical Compliance Rate



\$32 million

2024 reimbursement to tank owners for petroleum cleanup



98%

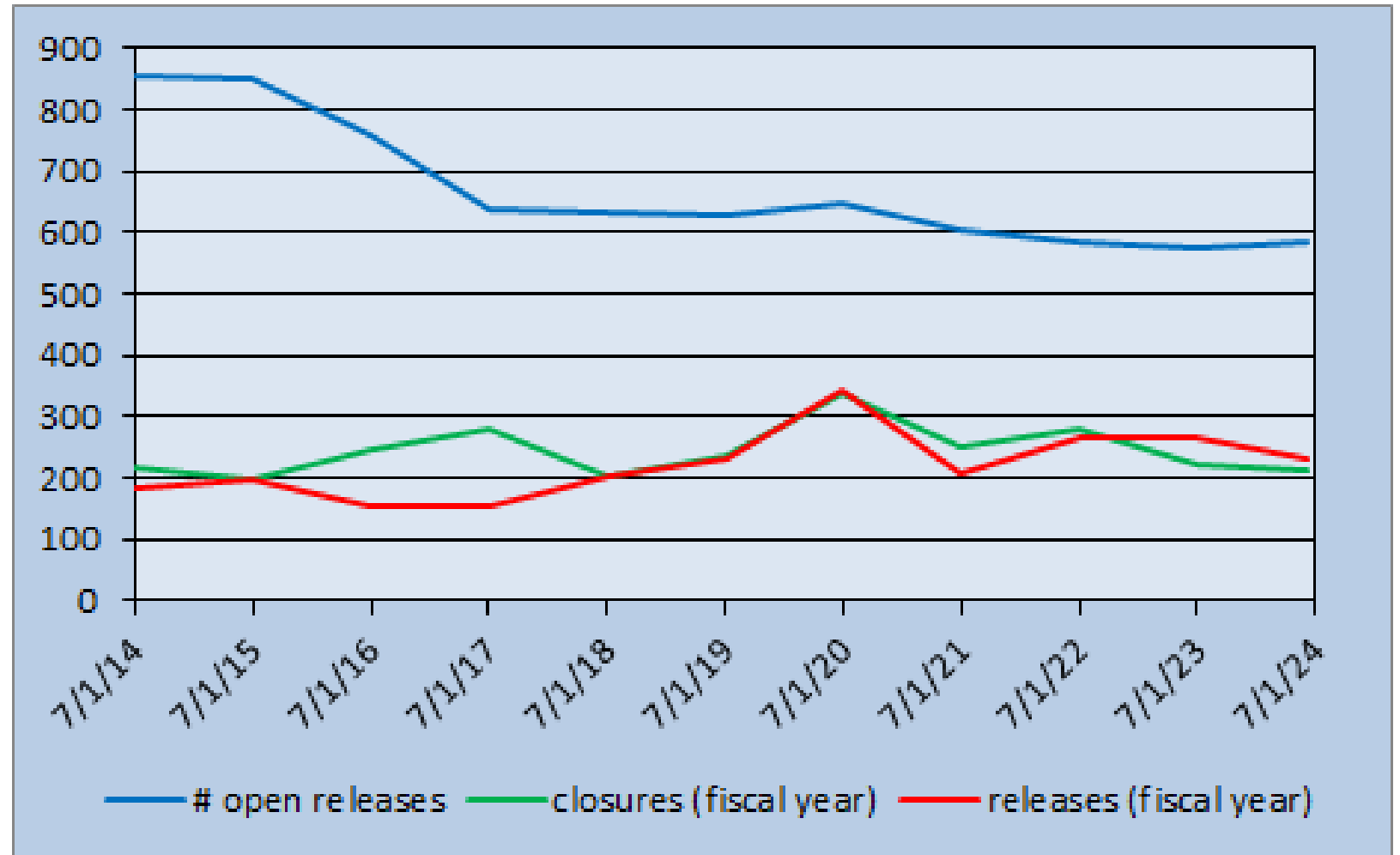
Consumers get what they pay for at the pump



\$5.4 million

to date in compliance incentives for upgrades and tank removals

Release Trends



UST Regulation Highlights

Adopted UST Provisions
in EPCRA of 2005. UDC,
double walled piping

2007

2017

Adopted EPA 2015
UST requirements,
equipment
functionality

Began paying for
tank removals

2019

2025

Lower
deductible
for smaller
releases

Observations

- Correlation between Operational Compliance and early release detection
- Earlier detection usually resulted in smaller, quicker and cheaper cleanups
- Thirty-year tank warranties beginning to expire
- Aging UST infrastructure equates to higher risk
- What if the PST Fund was to sunset

What could we improve?

Incentivize Release Prevention

Address Aging Tank Infrastructure

Support Voluntary Upgrades by O/O's

Reward compliant O/O's



"An ounce of prevention
is worth a pound of cure."
Benjamin Franklin

Implementing Change Considerations



**LEGITIMACY AND
SUPPORT**



**OPERATIONAL
CAPACITY**



PUBLIC VALUE

Senate Bill 07- 247

- Colorado adopted 2005 EPA Act UST provisions requiring Operator Training and Secondary Containment on new installations
- Authorized PST Fund monies to be used as incentives for UST upgrades
- Required O/O to be in full compliance with regulations



SENATE BILL 07-247

BY SENATOR(S) Veiga, Hagedorn, Taylor, and Tochtrop;
also REPRESENTATIVE(S) Frangas, and Kerr A.

CONCERNING PETROLEUM STORAGE TANKS, AND, IN CONNECTION
THEREWITH, ALLOWING MONEYS IN THE PETROLEUM STORAGE TANK
FUND TO BE USED AS INCENTIVES TO UPGRADE EXISTING STORAGE
TANKS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. 8-20.5-103, Colorado Revised Statutes, is amended
BY THE ADDITION OF A NEW SUBSECTION to read:

**8-20.5-103. Petroleum storage tank fund - creation - rules -
repeal.** (3.5) MONEYS IN THE PETROLEUM STORAGE TANK FUND MAY BE
USED AS INCENTIVES TO UNDERGROUND STORAGE TANK OWNERS AND
OPERATORS TO UPGRADE EXISTING SYSTEMS. THE DIVISION OF OIL AND
PUBLIC SAFETY SHALL PROMULGATE RULES TO IMPLEMENT THIS SUBSECTION
(3.5).



House Bill 15-1299

HOUSE BILL 15-1299

BY REPRESENTATIVE(S) Hammer and Nordberg, Lontine, Mitsch Bush, Priola, Saine, Williams, Young;
also SENATOR(S) Scott, Sonnenberg.

CONCERNING USE OF THE PETROLEUM STORAGE TANK FUND FOR
INCENTIVES FOR SIGNIFICANT OPERATIONAL COMPLIANCE WITH
REGARD TO PETROLEUM STORAGE TANKS.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 8-20.5-103, amend (3.5) as follows:

8-20.5-103. Petroleum storage tank fund - petroleum cleanup and redevelopment fund - creation - rules - repeal.

(3.5) (a) Moneys in the petroleum storage tank fund may be used as incentives to underground OR ABOVEGROUND storage tank owners and operators FOR SIGNIFICANT OPERATIONAL COMPLIANCE OR to upgrade existing systems. The DIRECTOR OF THE division of oil and public safety shall promulgate rules to implement this subsection (3.5).

- House Bill 15-1299 authorized PST Fund monies to be used as incentives for SOC and upgrades
- Colorado adopted EPA's 2015 regulations in Jan 2017 with a three-year implementation timeline – by Jan 1, 2020
- Created Policy 29 for Tank Removal Incentives

PSTC Policy 29 – Tank Removal Incentive

- Reimbursement not contingent on the presence or absence of contamination or precluded by the installation of new USTs on the property.
- UST Piping must be included in the removal.
- Applicant must be in compliance with tank closure requirements, including notification and assessment.
- Tank removal reimbursement application must be submitted within 120 days of tank closure.

2017 Financial Incentives in place

 **COLORADO**
Department of
Labor and Employment

Division of Oil and Public Safety

Home Petroleum Amusement Rides Boilers Conveyances Explosives Rules Outreach 2019

UDP Safety Commission



UST REMOVAL??

**REIMBURSEMENT
UP TO \$30,000
per facility
with Policy 29**

Click [HERE](#) for more information on how to qualify!

PSTC Policy 29 - Tank Removal Reimbursement

[VIEW POLICY 29](#)

Waive cleanup deductible
for certain secondarily
contained upgrades
or UST removals

A dollar per gallon of
tank volume removed

 **COLORADO**
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UDP Safety Commission



Apply for the 2019
Tank Removal
Incentive!!

OPS
wants to
HELP YOU
**SAVE
\$10,000!**

2019 Tank Removal Incentive

[VIEW THE INCENTIVE](#)

Waiver of \$10,000 cleanup deductible

- Confirmed release discovered during the testing, upgrade or tank removal.
- No tank replacement and the facility is no longer an active fuel dispensing facility.
- Tanks closed in place do not qualify for the incentive.

		Colorado Department of Labor and Employment Division of Oil and Public Safety – Petroleum Storage Tank Fund 633 17 th Street, Suite 500 Denver, CO 80202-3610		Phone: 303-318-8525 Fax: 303-318-8488 Email: cdle_fund@state.co.us Web: www.ops.colorado.gov	
Request for Waiver of Deductible Incentive (Revised 3/23/2023)					
This form should be used when an applicant has discovered a new release as the result of tank removal and is requesting an incentive in the form of a waiver of the deductible. Please note the following requirements: • The applicant must sign this form. • The confirmed release must have been discovered during the testing, upgrade or tank removal. • The removed tanks are not replaced and the facility is no longer an active fuel dispensing facility. • Tanks that are closed in place do not qualify for the incentive. • The applicant must be in compliance with permanent tank closure requirements, including notification and assessment.					
Applicant Information					
Applicant Name:					
Applicant Mailing Address:		Street:			
		City:		State:	
Applicant Representative Name:					
Site Name:					
Site Address:		Street:			
		City:		State:	
Description of Work Performed					
☐ I certify all tanks, lines and dispensers have been removed from the facility and will not be replaced.					
Invoice Information <i>Attach the invoices that document the work performed to this form.</i>					
Invoice #	Invoice Date	Amount Paid	Invoice #	Invoice Date	Amount Paid
Applicant Certification					
I hereby certify that the foregoing information is correct to the best of my knowledge, information and belief. I understand that there are severe civil and/or criminal penalties for any false statement or misrepresentation of a material fact, knowing it to be false or failing to disclose a material fact with the intent to defraud.					
Signature:					Date:

Colorado Division of Oil and Public Safety | Page 1 / 1 | www.ops.colorado.gov



The newsletter of the Petroleum Equipment Institute

November 7, 2019 | Vol. 69, No. 21

“Will our state provide funds to help replace aging USTs?”

Aging USTs affect all PEI members involved with retail fueling systems. That’s why PEI’s convention session on aging USTs drew 500 attendees and [PEI/RP1700: Recommended Practices for the Closure of Underground Storage Tank and Shop-Fabricated Aboveground Storage Tank Systems](#) has become such an important industry resource.

Nevertheless, so far, state financial assistance for tank removals remains spotty. At this point, Colorado wins the gold medal for shifting the focus of its petroleum storage tank fund from cleanup to release prevention. Among other benefits, owners and operators replacing USTs in the Centennial State can receive grants of \$1 per gallon of tank volume removed.

How can Colorado be that generous? Three reasons top the list: the state’s fund is healthy; the Department of Oil and Public Safety has excellent aging data for the state’s UST population; and the regulatory authorities have adopted a long-term perspective.

States without one or more of these characteristics might not be as generous.

2024 Doubled UST Removal Incentive

 **COLORADO**
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UST REMOVAL??

REIMBURSEMENT
UP TO ~~\$30,000~~ **\$60,000**
per facility
with Policy 29

Click [HERE](#) for more information on how to qualify!

PSTC Policy 29 - Tank Removal Reimbursement

[VIEW POLICY 29](#)

\$2/gallon USTs installed prior to 2008
\$1/gallon USTs installed after 2008

Waive cleanup deductible for certain secondarily contained upgrades or UST removals

 **COLORADO**
Department of Labor and Employment

Division of Oil and Public Safety

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UDP Safety Commission



Apply for the 2019 Tank Removal Incentive!!

OPS wants to
HELP YOU
SAVE \$10,000!

2019 Tank Removal Incentive

[VIEW THE INCENTIVE](#)



House Bill 23-280

SENATE BILL 23-280

BY SENATOR(S) Mullica, Priola, Rodriguez;
also REPRESENTATIVE(S) Snyder, Bird, Boesenecker, Brown, Dickson,
Joseph, Ricks, Titone, Young, McCluskie.

CONCERNING THE MITIGATION OF CERTAIN TRANSPORTATION-RELATED ENVIRONMENTAL HAZARDS, AND, IN CONNECTION THEREWITH, CREATING THE FUELS IMPACT ENTERPRISE TO ADMINISTER PROGRAMS AND IMPOSE FEES THAT ARE RELATED TO THE TRANSPORTATION OF FUEL WITHIN THE STATE, MODIFYING THE FEE COLLECTED FOR THE DISTRIBUTION TO THE PERFLUOROALKYL AND POLYFLUOROALKYL SUBSTANCES CASH FUND, MODIFYING THE PETROLEUM STORAGE TANK FUND, ALLOWING THE COLORADO STATE PATROL TO CONFORM HAZARD MATERIALS ROUTING REGULATIONS TO TRANSPORTATION COMMISSION RULES, AND MAKING AN APPROPRIATION.

Be it enacted by the General Assembly of the State of Colorado:

SECTION 1. In Colorado Revised Statutes, 8-20.5-103, amend (3) introductory portion, (3)(f)(II), (9)(a)(III), and (9)(a)(IV); and add (3.7) and (9)(a)(V) as follows:

8-20.5-103. Petroleum storage tank fund - petroleum cleanup

- Extended PSTF Sunset date by 10 years
- Allowed transfer of money from PSTF to PCRF
- Authorized a percent deductible in lieu of a flat \$10,000 deductible
- Incentive for compliant owner/operators with small releases

10% deductible on first \$100,000

Scenario A: Cleanup Cost = \$9,500

- Applicant does not meet \$10,000 deductible, no reimbursement
- With 10% deductible, applicant reimbursed \$8,550

Scenario B: Cleanup Cost = 30,000

- After \$10,000 deductible applicant reimbursed \$20,000
- With 10% deductible applicant reimbursed \$27,000

Scenario C: Cleanup Cost = 150,000

- No difference, \$10,000 deductible, applicant reimbursed \$140,000

Takeaways on Financial Incentives

- Enabled voluntary removal of over 750 tanks, reducing the average tank age by almost 25%
- Enabled operators to remove tanks that they would otherwise have not been able to afford
- Made it more viable for operators to consider replacing tanks and upgrading UST systems
- Rewards proactive operators who detect releases early and have cost effective cleanups.

