

ND Petroleum Tank Release Compensation Fund Tank Removal and Cleanup Guidelines



Petroleum storage tank cleanup costs

When a petroleum release occurs, you must immediately contact two entities:

- North Dakota Petroleum Tank Release Compensation Fund (PTRCF) at (701)328-9600 or jbitz@nd.gov

– and –

- For underground storage tanks – North Dakota Department of Health (NDDH), Underground Storage Tank (UST) Program at (701)328-5166
- For aboveground storage tanks – NDDH Division of Municipal Facilities for Aboveground Tank Releases at (701)328-5210

The PTRCF and the NDDH must be notified thirty (30) days before beginning removal, change in service or permanent closure of an underground storage tank. This allows the PTRCF and the NDDH to be at your site for the tank removal which is required by law.

The PTRCF only reimburses for “reasonable and necessary” cleanup expenses. In order to determine what expenses are “reasonable and necessary,” the tank owner or operator is required to obtain three bids for the removal of a UST. The bids need to detail unit costs for each piece of equipment or laborer. This can be done by the tank owner or operator requesting bids according to the Excavation Expense Worksheet, [SFN 17331](#). Any additional authorized work will be reimbursed according to unit costs on the original bid.

The following expenses are not eligible for reimbursement by the PTRCF:

- The cost of replacement, repair and maintenance of tanks and associated piping
- The cost of pumping out of any product, including water, from any tanks being removed
- The cost of upgrading existing affected tanks and associated piping
- The loss of income, profits or petroleum products
- Decreased property value
- Bodily injury or property damages except for those suffered by third parties
- Attorney’s fees
- The cost of preparing and filing an application for reimbursement
- The cost of making repairs beyond those required for corrective action
- Cleanup costs resulting from negligence or misconduct by the owner or operator
- Costs in excess of those considered reasonable by the PTRCF
- Fines or penalties imposed by order of the federal, state or local government
- Finance charges, interest charges or late payment charges

Hiring an excavation contractor

Prior to hiring an excavation contractor for removal or upgrading work:

1. Check with the PTRCF to make sure you are eligible to receive reimbursement.
2. Ask other owners or operators about who they have hired to find reputable options.
3. Obtain written bids from three excavation contractors. Make sure the bids have specific unit costs (backhoe, loader, trucking, etc.). Use the Excavation Expense Worksheet, [SFN 17331](#). Make sure all costs are listed.

Overseeing the excavation contractor

Take charge of the operation. You need to manage the contractor and not let the contractor manage you. The PTRCF will assist you as much as possible.

Be aware of the tasks the contractor is doing and question them on the need to perform certain tasks you feel they might be overdoing.

Make sure you and the contractor keep a daily log of activities. This protects you from being overcharged. It will also provide information for the PTRCF should questions arise regarding “reasonable and necessary” costs.

Make sure you understand the excavation contractor’s bill. Know what the specific expense charges are and how they are determined. This is essential to keep the costs of cleanup under control. Make sure the bills you receive match the bid or contract submitted. It is the tank owner’s responsibility to verify the charges are legitimate and correct.

You must visit with the NDDH regarding the ability to perform onsite treatment of soil or landfarming instead of hauling the contaminated soil to a landfill. The PTRCF will only reimburse landfarming costs. The NDDH needs to approve the disposal or treatment method of the contaminated soil. If handled properly, this can be a substantial savings to you.

Environmental consultants

If you have a petroleum release that causes contamination, the NDDH may require you to complete a site assessment. The assessment must be performed by a qualified environmental consultant. The PTRCF will only reimburse consultant expenses when the NDDH requires it.

Obtain three separate bids from environmental consulting firms. Use the Environmental Expense Worksheet, [SFN 18731](#). This worksheet must be completed and accompany each bid. This helps you and the PTRCF understand and compare bids.

For bidding purposes, a minimum “site assessment” should include:

- A work plan approved by the NDDH explaining the procedures, type and amount of work to be done. This needs to be pre-approved by the NDDH.
- Soil borings—three soil borings at a site is generally sufficient. If the consultant believes more soil borings are necessary, approval should be obtained from the NDDH while the contractor is onsite with his drilling rig.
- If petroleum contamination is encountered in the ground water table at any borings, they may need to be converted to ground water monitoring wells. If the consultant feels more than three wells are needed to delineate the ground water flow and contamination extent, they will need to get prior approval from the NDDH for additional work.
- One soil sample from each boring and one water sample from each monitoring well is usually sufficient to determine the extent and degree of contamination.
- The consultant firm must complete a report and submit it to the tank owner. This report needs to be forwarded to the NDDH for their review.
- Once the report is submitted, your initial site assessment is finished. If more work needs to be done, the NDDH will notify you.

When the work is completed, submit all receipts and a completed Excavation Expense Worksheet, [SFN 17331](#) or Environmental Expense Worksheet, [SFN 18731](#) to the PTRCF for review and reimbursement consideration. All claims must be submitted no later than one year after the work has been completed.

All reimbursement is subject to the availability of funds in the PTRCF.