

ICE Picks

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Visit our web-site at www.ice-texas.org

Editor – Shelly Harris, Secretary

Words from our Chairman.....

By Ken Hilliard, Chairman

First of all, let me begin by saying the year has gotten off to a rousing start. We have had excellent meetings with good speakers and BEST of all, great attendance. Secondly, we have begun the year like we ended it, BUSY. Many environmental issues face the industry this year and I'm sure ICE will be there to assist in getting them resolved.

TRRP has gotten a lot of attention, and rightfully so, and ICE has many members involved in the writing of the guidelines, as well as many other industry groups. Under the leadership of the TNRCC, it is almost certain we will have workable guidance documents to implement this program. But while this is happening other critical issues are slowly developing. The rules to implement the passage of HB 2815 are in the drafting stages, and they WILL cover MUCH more than just compliance self certification. TAC 334, is being re-written (except sub-chapter B) and it will be vital that we all take the time to carefully review this draft rule when it makes it to the Texas Register within the month and submit our comments both as individual companies and industry groups. The possible de-certification of CARB and the fall-out will be a major issue for those in non-attainment areas.

The 2000 UST Management & Compliance Assistance Seminar planning is already underway. The Steering Committee of industry groups and the TNRCC has been



formed and by this writing, two meetings will have already been held. The Seminar is scheduled for December 4 & 5 in Austin. Many hands will be needed to make light work (credit Dick Patyrak) for everyone and Co-Chairman, Marc Buffkin (ICE) and Scott Fisher (TPCA) will be asking for help. PLEASE when asked, do your part. Dick Patyrak will be ICE's official representative on the Steering Committee and in his absence Cal Chapman will be the alternate. If you have ANY questions about the seminar or want to be involved, see these two gentlemen.

This is also the year planning for the 2001 Texas Legislative session begins, where bills and issues will be introduced. Chairman Bill Martin will do his best to keep us informed and we will have some speakers during our meetings that will address environmental issues that we may need to be involved in.

Chairman Robert List has arranged some interesting Governmental Relations meetings during the course of this year and they are being planned well in advance to allow you the opportunity to participate. Robert is also providing for this newsletter a summary of these meetings.

Chairman John Coll is getting excellent speakers who are addressing a broad range of topics and again he is scheduling these speakers well in advance to give you as much opportunity as possible to arrange your schedule so you can attend the meetings.

In my 11 year involvement with ICE, I have seen it grow from 5 individuals around a conference table to what we see today. We have faced many challenges, met many outstanding people, attended many meetings on all sorts of issues. Hopefully, we have made a difference, not only for the companies we represent or ourselves, but for the industry and the regulators we work with and those responsible for managing them.

I like what I see in Texas (I see many other states). I like where we are going and I'm impressed with the quality of leadership at the regulator level. Jeff Saitas, Executive Director, TNRCC really sets the tone for Texas. His comments at our meeting of "look at the big picture"; "build relationships" and "go from manual to electronic" tells me Texas is heading in the right direction, but something else he said is just as important. "Follow the Law"; "Follow the Science" and "Be Honest" just about sums up why I think Texas is the place to be.

See you at the meetings.

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“UST Compliance – So much more than just getting the equipment in the ground”

By Marc Buffkin – Compliance Chairman

UST maintenance is the key to maximizing your investment. Routinely overlooked items may cause more damage than good.

Cathodic Protection, which is designed to prevent corrosion, will be my focus for this newsletter. The installation of the system provides a cost-effective solution to what can be a very expensive adventure. Properly maintaining and recording all documentation will prove to be the best practice to ensure all your bases are covered. The following are recommended practices by NACE (National Association of Corrosion Engineers) which I feel is the baseline for maximizing a C/P system.

Perform a 3-6 month inspection after the installation to ensure the system is properly adjusted and designed. Many times the original setting can be turned down which will increase the life expectancy of the system.

For impressed current systems ensure 60-day checks are performed and logged for documentation. This is a quick check to see the rectifier is operating. Several times I have found the breaker which controls the power has been turned off. A dedicated breaker marked “DO NOT TURN OFF” tends to eliminate possible issues and if the breaker is shared this should be corrected.

Annual surveys recommended by NACE provide the best coverage rather than the 3-year EPA requirement. (Annual surveys are required in some states, but not in Texas)

Since this system prevents corrosion, i.e. leaks – this can be considered a risk management program.

Post construction testing is not only a NACE practice, but is an EPA requirement. 50% of construction projects damage C/P systems due to excavation around the tank pad or associated piping. If bonding wires are cut and go undetected a key element to your C/P system is gone and now your system is causing damage because it is not continuous! Therefore your tanks or lines become an anode and all the corrosion will be directed to those areas not bonded in to the C/P system.

To ensure regulatory compliance, a NACE certified corrosion expert should review all C/P installations, designs, surveys and repair documentation. Using the above recommendations has prevented and corrected corrosion problems in the past and hopefully it will prevent many more tanks from leaking in the future. If you have corrosion questions or need a name of a NACE corrosion expert in your area, please feel free to contact me for assistance.

Lastly, if you have a desired “Compliance Topic” for the next newsletter, please drop me a note at mbuffkin@tanknology.com and I will get to work on it!

Aboveground Storage Tanks

By Wendell Smith – AST Chairman

In hope of bringing new interests and members to ICE, an Aboveground Storage tanks (AST) committee is being developed. Because my responsibilities at Central and South West deal mainly with AST’s, the Board has asked me to chair the committee. Below are some topics and programs that are applicable to aboveground tanks and common to industry.

- Oil Pollution Act of 1990 (Facility Response Plans & SPCC Plans)
- Stormwater Permits/Plans
- Agency inspections
- Cathodic Protection for AST’s and associated piping
- Tank Inspections
- AST registration

To initiate the program, Richard Franklin with EPA Region 6 will speak on the OPA-90 program at the July 20th ICE meeting. If we’re fortunate, we may also get Don Smith (main On-Scene Coordinator) to speak with Richard. Don is an excellent speaker and has been with the OPA program since its inception. The Oil Pollution Act of 1990 requires facilities with over one million gallons of oil storage capacity to prepare and implement a Facility Response Plan. These are detailed plans that require seven spill exercises (drills) per year and regular self-inspections. The plans are reviewed and approved by the EPA via plan review and site inspections.

Thielsch Engineering will speak on tank inspections at our August 17th meeting. Bob Smoske (Regional Manager) and Michael Cortney (certified inspector) will be the speakers. They will focus on tank inspection protocol (e.g., API standards) and what is and what is not practical for inspections. I’m looking forward to this talk. Once the committee is fully developed, I will anticipate it will include:

- Track proposed legislative and regulatory initiatives
- Comment on proposed rules
- Obtain speakers for ICE meetings
- Develop newsletter articles

Everyone is welcome to join the AST committee. There will be plenty to do, and any assistance would be appreciated. Thus far, Rick Bowles with SEAS, Inc. has offered his time to assist with the committee.

Business to Business Opportunities in the Environmental Services Market

By Pete Balwin, Treasurer

What is a company's most valuable asset? Plant and machinery? Cash reserves? People? Consider the value of **information**. Your information assets set you apart from your systems and data management applications. These systems are good at what they do, but they do not let you re-use or re-purpose your information. What about exchanging information with vendors and suppliers? What if you could share your environmental data with regulators so that everyone's databases are synchronized?

Data and information sharing are challenges for every business today, as alliances between various entities have developed solely for this purpose. In many instances, our rivals are becoming partners. Consider the psychological thresholds that Ford, GM and Chrysler must have overcome when they formed a centralized supplier network early this year. What made them do it? Information sharing efficiencies were too great to ignore. It is apparent that someone else would have beaten them to the punch other than the auto makers.

What about our industry? How do we exchange information? What data involves trade secrets that outsiders cannot have access to? By keeping vital data secure, we may discover

that the advantages of setting up information sharing alliances far outweigh the potential disadvantages of a vendor learning who you are working for and what your scope of work entails. By defining how each vendor, consultant, contractor and UST owner/operator participates in the "information chain", and then how the regulators use the information furnished to them, considerable inefficiencies and redundancies would disappear and the cost savings would be enormous to all parties.

The Internet has changed the ways in which we view and share information. With security protocols firmly in place, associations can develop information chains along with supply chains for completing objectives more cost effectively by using a central repository of data. Recent agreements involving Chevron, McLane, and Oracle built a Retailers MarketXchange to allow retail stores the ability to manage operations, technology, supply chains and procurement over the Internet. A recent meeting held in Chicago on March 30, 2000 by the National Association of Convenience Stores (NACS) convened for the sole purpose of developing industry standards for Business to Business (B-to-B or B2B) information sharing, with a 60 day window for lining up partners. The goal is to have a fully functional information exchange

in place by September, 2000. Why the urgency? Things are simply moving that fast due to competitive "first-mover" advantage.

B-to-B enhances bottom-line profits through the creation of competitive advantages. This is done by increasing competition and globalization, increasing efficiencies and cost savings, and enhancing market and customer reach. By identifying the vertical markets and bundling them into one large industry-based Industry Vertical Portal (Vortal) on the web, participating companies can reach their customers within a single web-based source.

NACS is building a vortal that will integrate the information exchange for selling and distributing goods and services in an estimated \$300-400 dollar market.

ICE is in a unique position in our industry to affect how environmental information chains can be developed and implemented between our member companies and their suppliers. We can address the standards and begin to form our own strategies, or we can wait for other industry vortals to build them for us. If information truly is our most valuable asset, we must take steps to leverage the value by forming a group to establish industry standards for exchanging it. The ways we manage and share our information will define how we perform our jobs in the future.

Opportunity.....

By Dick Patyrak, Board Member

Hopefully, you are by now aware that your Board has committed ICE to participate in another "Compliance Assistance Seminar". As of this writing, the seminar is under development, but it is anticipated that it will be similar in scope to last years' very successful seminar, but with some exciting new topics which will be bigger and better! Our target attendance level for this year is 400 people.

Sponsoring organizations include ICE, the Texas Association of Storage Tank Professionals (TASTP), the Texas Petroleum Marketers and Convenience Store Association (TPCA), the Texas Tank Truck Carriers Association (TTTCA) and of course, the TNRCC.

Our watchword again this year will be "many hands make light work". Marc Buffkin, Shelly Harris, and Pete Baldwin have again agreed to work actively in the seminar organization. Some of you have already volunteered to assist as well. If you have not already considered working on the seminar, please do so. From experience, I can assure you that you will find it very gratifying and well worth the effort.

The additional networking and contacts you will acquire alone make the seminar and working in its development a benefit. ICE has made a commitment to the seminar Steering Committee to provide five or six session chairs. As a session chair you have the opportunity to input directly to the seminar! Do you know a good speaker? Do you have a particular area of compliance that interests you or that you would like to see emphasized? If you have an interest, please contact Marc Buffkin or myself.

In addition to your time, the seminar will again be soliciting corporate donations to keep registration fees low. In addition, an increased level of vendor participation is anticipated. A dedicated vendor registration position will be filled by TASTP and we plan on having this aspect of the seminar bigger than last year. Please consider your company's involvement in this area as well.

In case you were wondering, the seminar is tentatively scheduled for early December 2000.

SEE YOU THERE!!!!!!

2000 Meeting Schedules

Membership Meetings:

January 20th	Embassy Suites
February 17th	Jenkens/Gilchrist
March 16th	Jenkens/Gilchrist
April 20th	Embassy Suites
May 18th	Jenkens/Gilchrist
June 15th	Jenkens/Gilchrist
July 20th	Jenkens/Gilchrist
August 17th	Jenkens/Gilchrist
September 21st	Jenkens/Gilchrist
October 19th	TBA-Election
November 16th	Jenkens/Gilchrist
December 7th	Jenkens/Gilchrist Legislative Mtg

Board Meetings:

January 11th	Reliant Energy
February 8th	Handex
March 14th	Fina
April 19th	Austin
May 9th	Reliant Energy
June 13th	ENSR
July 19th	Austin
August 8th	7-Eleven
September 12th	Handex
October 18th	Austin
November 15th	Austin
December 12th	ENSR

Words of Wisdom

Compassion.....

*Resolve to be tender with the young, compassionate with the aged, sympathetic with the striving, and tolerant with the weak & wrong –
Because sometime in your life you will have been all of these.*

Relations Meeting <<Rewind>>

By Robert List, Industry & Government Relations Chairman

The Industry & Government Relations Committee is off to a great start for the new millennium and a new year for ICE. The Committee welcomes new Board Member Diane Combs as their new leader. The Relations Committee plans to hold meetings with various groups and /or individuals following the ICE Membership meetings in the months of June, August, and November 2000.

The year started out with a survey in order to receive valuable feedback, input and comments from ICE members. Thank you to those who returned the survey. As indicated in the survey, the Relations Committee will be sending out email notices of upcoming meetings in advance of the monthly membership meeting. This will allow those who wish to attend the Relations meeting an opportunity to schedule accordingly. In this effort, it is important that I have everyone's current email address. Please take the time to provide your current email address on the sign-in sheet available during the next membership meeting. A common theme that was evident from the survey was that there is significant interest in issues pertaining to Real Estate, Banking, Insurance, the Railroad Commission of Texas (RRC), and other areas outside the immediate umbrella of PST.

In this effort, the Board of ICE and the Relations Committee met with Stephen Halasz, Deputy Director of the Oil and Gas Division of the Railroad Commission of Texas on February 17, 2000. On March 16th, a meeting was held with representatives from the Texas Association of Realtors.

February 17, 2000 Meeting

Several interesting things were discussed with Stephen Halasz during our meeting. The RRC believes more than one million bores have been opened in oil and gas exploration historically in Texas. They estimate there are approximately 175,000 producing oil and gas wells in Texas. Whereas they estimate that 25,000 of these bores are improperly abandoned, which could be significantly higher when you consider the total number of bores, less producing wells, and the ones that are actually plugged properly. The implication is that there could be actually 250,000 improperly plugged and abandoned bores in the state, and this is a priority of the RRC to address. The RRC intends to plug 1,200 bores/wells per year at a cost of approximately \$4,000 per well using funds from fines/penalties and oil and gas production. He stated that the money would not come from the States general fund.

There is roughly \$1.6M in cleanup activities planned for this year and over \$5 earmarked over the next two years. The cleanup activities will involve partnerships with the EPA, TNRCC, Lower Colorado River Authority. In addition, they intend to be involved in a partnership with the General Land Office to spend nearly \$50M to respond to surface spills.

The RRC is currently working with API and GRI to develop a revised risk assessment reporting format. Their revised risk assessment program will include issues pertaining to salt water. Those of us that have been involved in risk assessments with both the TNRCC and the RRC are all too familiar with the consistent inconsistencies that we see crossing the regulatory arena.

Lastly, as a result of the recent fines levied against Koch Industries by the EPA, the RRC will receive approximately \$6M for assessment and remediation efforts, primarily involving pipelines.

March 16, 2000 Meeting

The Board of ICE and the Relations Committee met with Mr. Mark Lehman, Director of Governmental Affairs and Mr. Bill Stinson, VP with the Texas Association of Realtors (TAR). The main focus of the meeting involved the TRRP rules and the issue of deed recordation and restrictive covenant language. TAR was slightly familiar with the TRRP rules, but it became evident early on that they were not aware of the full impact that TRRP could have on their market/business. TAR stated that the issue of deed restrictions was a significant concern for them, especially concerning property de-valuation. Mr. Lehman asked if under the TRRP, there was any way around the use of deed recordation/restrictions. The answer, probably not now that the TRRP rules are in effect. Making the issue more troubling was that once language is put on the deed, it is difficult at best to have it actually removed later on. Mr. Lehman and Mr. Stinson agreed that prospective property buyers will need to closely examine all due diligence documents and be aware of the slightest potential for contamination, more now than ever. Cal recommended that TAR contact Scott Fisher. TAR is very active on the lobbying front when the legislature is in session. TAR expressed an interest in learning more about TRRP from ICE.

As the Relations Committee begins preparations for the next meeting to be held in June, we welcome all comments and suggestions. In June, we are considering a meeting with the Texas Department of Transportation. We are off to a great start for the year and look forward to several new and exciting opportunities for the future.

Key Web-sites to Check out.....

Industry Associations:

Petroleum Marketers Association of America (PMAA)
www.pmaa.org

American Petroleum Institute (API)
www.api.org

Petroleum Equipment Institute (PEI)
www.peinet.org

National Association of Convenience Stores (NACS)
www.cstorecentral.com

Industry News/Information:

Petroretail News, National Petroleum News, Fuel Oil News
www.petroretail.net

Environmental Protection Agency:

Office of Underground Storage Tanks
www.epa.gov/oust

State Agency Web Sites:

Alaska	www.state.ak.us
Alabama	www.adem.state.al.us
Arkansas	www.adeq.state.ar.us
Arizona	www.adeq.state.az.us
California	www.swreb.ca.gov
Colorado	www.oil.cdle.state.co.us
Connecticut	www.dep.state.ct.us
D.C.	www.environ.state.dc.us
Delaware	www.dnrec.state.de.us
Florida	www.dep.state.fl.us
Georgia	www.dnr.state.ga.us

State Agency Web Sites (Cont.):

Hawaii	www.state.hi.us
Iowa	www.state.ia.us
Idaho	www.state.id.us
Illinois	www.epa.state.il.us
Kentucky	www.nr.state.ky.us
Louisiana	www.deq.state.la.us
Massachusetts	www.magnet.state.net.us
Maryland	www.mde.state.md.us
Michigan	www.deq.state.mi.us
Minnesota	www.pca.state.mn.us
Missouri	www.dnr.state.mo.us
Mississippi	www.deq.state.ms.us
Montana	www.deq.state.mt.us
North Carolina	ust.enr.state.nc.us
North Dakota	www.ehs.health.state.nd.us
Nebraska	www.deq.state.ne.us
New Hampshire	www.state.nh.us
New Jersey	www.state.nj.us
New Mexico	www.nmenv.state.nm.us
Nevada	www.state.nv.us
Ohio	www.com.state.oh.us
Oklahoma	www.occ.state.ok.us
Oregon	www.deq.state.or.us
Pennsylvania	www.dep.state.pa.us
South Carolina	www.state.sc.us
South Dakota	www.state.sd.us
Tennessee	www.state.tn.us
Texas	www.tnrcc.state.tx.us
Utah	www.eq.state.ut.us
Virginia	www.deq.state.va.us
Washington	www.wa.gov
Wisconsin	www.dnr.state.wi.us

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