



**Alaska Department of
Environmental Conservation**



Financial Responsibility Guide for Alaskan Underground Storage Tanks(UST)

**UST Financial Responsibility Coordinator
Questions?**

Email: decustfr@alaska.gov

Or Call: 907-465-5233

My proof of financial responsibility is expiring!

What do I need to do?

1. Submit proof of insurance.

AND

**2. Submit the form called the
“Alaska Certification of Financial Responsibility”.**

SECTION 1: PROOF OF INSURANCE

This section applies to UST owners who buy insurance policies for their tanks, instead of owners who self insure.

Section 2 applies to ALL owners, regardless of how their insurance is proven!

Submitting proof of insurance:

Take a look at your insurance policy.

Make sure the following are present on the insurance forms you submit to your UST FR Coordinator:

1. The language, “for taking corrective action and compensating third parties for bodily injury and property damage cause by accidental releases”
2. The limit of liability are \$ _____ each occurrence and \$ _____ annual aggregate
3. Policy number, effective date and expiration date.
4. Name and mailing address of insured, along with producer.
5. Policy must be signed.
6. TANK SCHEDULE (list of tanks and their location)

If any of the above are missing on the paperwork submitted, your insurance information will not be accepted!

Here's an example of what to send!

1. The language, "for taking corrective action and compensating third parties for bodily injury and property damage cause by accidental releases"

2. The limit of liability are \$ _____ each occurrence and \$ _____ annual aggregate

3. Policy number, effective date and expiration date.

4. Name and mailing address of insured, along with producer.

Certificate of Insurance Storage Tank Systems

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Eff. Date of End.	Producer	Add'l Prem	Return Prem
USC 12345678	07/15/2010	07/15/2011	07/15/2010	Example Insurance Co.	\$0	\$0

Named Insured and Mailing Address:

Example Facility Name
 Example Facility Address
 Example, AK 11111

Producer:

Example Insurance Co.
 Example Insurance Address
 Example, EX 11111

CERTIFICATE:

1. _____ Insurance Company, the Insurer, as identified above, hereby certifies that it has issued liability insurance covering the following underground storage tank(s):

"for taking corrective action and compensating third parties for bodily injury and property damage caused by accidental releases"

for _____ releases; in accordance with _____ policy, arising from operating the underground storage tank(s) identified above.

The limits of liability are \$ 000,000 each occurrence and \$ 000,000 annual aggregate, exclusive of legal defense costs which are subject to a separate limit under the policy. This coverage is provided under policy # USC. The effective date of said policy is 07/15/2010.

2. The Insurer further certifies the following with respect to the insurance described in Paragraph 1:
 - a. Bankruptcy or insolvency of the insured shall not relieve the Insurer of its obligations under the policy to which this certificate applies.
 - b. The Insurer is liable for the payment of amounts within any deductible applicable to the policy to the provider of corrective action or a damaged third party, with a right of reimbursement by the insured for any such payment made by the Insurer. This provision does not apply with respect to that amount of any deductible for which coverage is demonstrated under another mechanism or combination of mechanisms as specified in 40 CFR 280.95-280.102.
 - c. Whenever requested by a Director of an implementing agency, the Insurer agrees to furnish to the Director a signed duplicate original of the Policy and all endorsements.
 - d. Cancellation or any other termination of the insurance by the Insurer, except for non-payment of premium or misrepresentation by the insured, will be effective only upon written notice and only after the expiration of 60 days after a copy of such written notice is received by the Insured. Cancellation for non-payment of premium or misrepresentation by the Insured will be effective only upon written notice and only after expiration of a minimum of 10 days after a copy of such written notice is received by the insured.



5. Make sure insurance policy is signed!

I hereby certify that the wording of this instrument is identical to the wording in 40 CFR 280.97 (b) (2) and that the insurer is licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in one or more states.

Signature

Example only

One Liberty Plaza
New York, New York 10006

6. Tank schedule

1. Tank address.

2. Number of tanks.

Here's an example of a tank schedule
For a facility that has two tanks
at the same site!

Some policies have the tank schedule on the
same page of the policy, but most are on a
separate page.

Example only – Do not fill out

Scheduled Storage Tank Systems Attachment

Policy Number: [REDACTED]

Named Insured: [REDACTED]

Location Number: [REDACTED]

Location Name: [REDACTED]

Location Address: [REDACTED]

Total Number of Tanks: 002

Tank #	Type	Installation Date	Capacity	Contents	Cleanup Costs Retroactive Date	Bodily Injury & Property Damage excluding Cleanup Costs Retroactive Date
1	UST	07/01/1995	12,000	Gasoline	02/28/2002	02/28/2002
2	UST	07/01/1995	12,000	Diesel Gasoline	02/28/2002	02/28/2002

Please don't send this, either!

What is wrong with this proof?

1. No tank schedule
2. Not the proper language
3. No signature



Storage Tank System Third Party Liability And Cleanup Policy

Declarations

Claims Made Coverage

Policy Number:

Renewal of Number:

Item 1. Named Insured and Mailing Address:

Producer:

Item 2. Policy Period: From: 06/01/2010 12:01 am to 06/09/2011 12:01 am at the address of the NAMED INSURED

Item 3. LIMITS OF LIABILITY: \$ 1,000,000 Each Claim
\$ 1,000,000 Total for all Claims

Item 4. DEDUCTIBLE: \$ 0,000 Each Claim

Item 5. SCHEDULED STORAGE TANK SYSTEMS: See attached schedule of storage tank systems attachment.

Item 6. FORMS AND ENDORSEMENTS: See attached forms schedule

Item 7. POLICY PREMIUM: \$

Item 8. RETROACTIVE DATE: See attached schedule of storage tank systems attachment.

Item 9. EXTENDED REPORTING PERIOD: Refer to the applicable coverage section of your policy.

Please note that if a Financial Compliance Certificate of Insurance has been issued with this policy the Each Claim and Total for all Claims Limit of Liability referred to in Item 3., above shall also be known as the Each Occurrence and Annual Aggregate Limits of Liability.

SECTION 2:

Alaska Certification of Financial Responsibility Form

**This section applies to ALL Underground
Storage tank owners regardless if they buy
their insurance or self insure!**

What does the Alaska Certification of Financial Responsibility form look like?

One piece of paper! Front and back!

Alaska
Certification of Financial Responsibility
In accordance with 40 CFR 280.111(b)(11)(i).

_____, [Name of Owner or Operator]
hereby certifies that he / she is in compliance with the requirements of Subpart H of 40 CFR Part 280 and 18 AAC 78.910. The financial assurance mechanism(s) used to demonstrate financial responsibility under Subpart H of 40 CFR Part 280 and 18 AAC 78.910 are as follows:

Type of Mechanism (circle all that apply):
Insurance, Risk Retention Group, Self Insurance, Guarantee, Letter of Credit,
Fully Funded Trust Fund, Standby Trust Fund, Surety Bond, Local Government Bond,
Local Government Guarantee, Local Government Test.

Name of Insurer or company providing financial responsibility:

Mechanism Number (insurance policy number): _____

Amount of Coverage:
Per occurrence: \$ _____ Annual aggregate: \$ _____

Effective Period of Coverage:
From _____ to _____

Included Coverage (circle all that apply or All if all apply): ALL
"Taking corrective action", "Compensating third-party damages" for "sudden accidental",
"non-sudden accidental" or "accidental" releases.

Signature of witness or notary Signature of owner or operator

Name of witness or notary Name of owner or operator

Date Title

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Please mail this Certification and Proof of FR to: ADEC, UST FR Coordinator, 410 Willoughby Ave.,
Suite 303, P.O. Box 111800, Juneau, AK 99811-1800 or fax to (907) 465-5245.

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ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION
UNDERGROUND STORAGE TANK PROGRAM

SUPPLEMENTAL INFORMATION TO
CERTIFICATION OF FINANCIAL RESPONSIBILITY

Owners or Operators of Underground Storage Tank (UST) systems are required to provide proof of Financial Responsibility (FR) to the Alaska Department of Environmental Conservation (ADEC) when installing a new UST, responding to a cleanup, changing FR mechanisms, or when requested by ADEC. The need to provide proof of FR began January 1, 1998, and has been required annually thereafter.

Financial Responsibility is required for underground storage tanks owned or operated by private parties or local governments. State and Federal owners and operators are exempt from this requirement.

A. Owner/Operator Information

1. Owner ID: _____ 2. Owner Name: _____

3. Owner Type: Please Check one: [] Petroleum Marketer [] Petroleum Non-Marketer

4. Monthly Throughput*: Please check one:
[] Less than 10,000 gallons [] 10,000 gallons or more

5. Number of Tanks*: Total number of regulated tanks _____ *nationwide if applicable

B. Facility Information (please use additional forms if you have more facilities)

1. ADEC ID #	FACILITY NAME & LOCATION:
2. ADEC ID #	FACILITY NAME & LOCATION:
3. ADEC ID #	FACILITY NAME & LOCATION:
4. ADEC ID #	FACILITY NAME & LOCATION:
5. ADEC ID #	FACILITY NAME & LOCATION:
6. ADEC ID #	FACILITY NAME & LOCATION:

C. Financial Responsibility Information

I have provided the following completed and signed Certificate of Financial Responsibility form to ADEC because of one of the following (please check applicable boxes):

[] Newly installed UST system [] Response to a cleanup [] Request by ADEC or EPA

[] Annual proof to ADEC [] FR mechanism changed [] Other _____

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Please return completed forms to: ADEC, UST FR Coordinator 410 Willoughby #303, P.O. Box 111800, Juneau, AK 99811-1800	Financial Responsibility Questions? ADEC, FR Coordinator 907-465-5233/ Fax 907-465-5245 http://www.dec.state.ak.us/epa/ust/tanks.htm	General Underground Storage Tank Questions? UST Manager: (907) 269-8149 (rev. 02/00)
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If you print it out, it will probably be two pieces of paper. If your UST FR Coordinator sends it to you, it will be on one piece of paper.

Let's take a look at the first page!

If you are the owner or operator, fill out your name



Circle which applies to you

Now is the time to look at your policy!

Does your insurance policy say:

Taking corrective action?

Compensating third party damages for releases?

If not, you have the wrong paperwork.
See the previous section on insurance.

Have a witness OR notary (notary not required)
watch you sign it!

Circle which applies to you

Then have your witness OR notary (notary
NOT required) sign, print and date.

Alaska
Certification of Financial Responsibility
In accordance with 40 CFR 280.111(b)(11)(i).

Name of owner or operator _____ [Name of Owner or Operator]
hereby certifies that he / she is in compliance with the requirements of Subpart H of 40 CFR Part 280 and 18 AAC 78.910. The financial assurance mechanism(s) used to demonstrate financial responsibility under Subpart H of 40 CFR Part 280 and 18 AAC 78.910 are as follows:

Type of Mechanism (circle all that apply):
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Fully Funded Trust Fund, Standby Trust Fund, Surety Bond, Local Government Bond,
Local Government Guarantee, Local Government Test.

Name of Insurer or company providing financial responsibility:

Mechanism Number (insurance policy number): _____ **Policy number** _____

Amount of Coverage:

Per occurrence: \$ **Amount** Annual aggregate: \$ **Amount**

Effective Period of Coverage:

From **Date policy effective** to **Date policy expires**

Included Coverage (circle all that apply or All if all apply): ALL
"Taking corrective action", "Compensating third-party damages" for "sudden accidental",
"non-sudden accidental" or "accidental" releases.

Signature of witness or notary _____	Signature of owner or operator _____
Signature of witness or notary _____	Signature of owner or operator _____
Name of witness or notary _____	Name of owner or operator _____
Name of witness or notary _____	Name of owner or operator _____
Date notary or witness signed _____	Date owner or operator signed _____
Date _____	Title _____

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Now, let's take a look at the next page!

Enter Owner ID.

You will find your owner ID on the letter from the UST FR Coordinator.

Call 907-465-5233 if you still can't find it.

Now enter your ADEC ID#, Facility Name and location.



If there are stickers in this box, that means your UST FR Coordinator took care of filling that in for you.

Please verify that the sticker matches your information.

If there is no sticker, look on the notice from your UST FR Coordinator. Your facility # will be there. If you are still having problems, please call 907-465-5233.

Now send the completed form, FRONT AND BACK, to your UST FR Coordinator at this address.

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION UNDERGROUND STORAGE TANK PROGRAM

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4. ADEC ID #		FACILITY NAME & LOCATION:	
5. ADEC ID #		FACILITY NAME & LOCATION:	
6. ADEC ID #		FACILITY NAME & LOCATION:	

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- Newly installed UST system Response to a cleanup Request by ADEC or EPA
- Annual proof to ADEC FR mechanism changed Other _____

Please return completed forms to:
ADEC, UST FR Coordinator
410 Willoughby #303, P.O. Box
111800, Juneau, AK 99811-1800

Financial Responsibility Questions?
ADEC, FR Coordinator
907-465-5233/ Fax 907-465-5245
<http://www.dec.state.ak.us/spar/tp/tanks.htm>

General Underground Storage Tank Questions?
UST Manager: (907) 269-8149
(rev. 9/2/00)

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Why do I have to prove my financial responsibility to the State of Alaska?

1. Regulations for submitting proof of insurance:

Federal Regulation - 40 CFR Part 280 Subpart H

State of Alaska Regulations - 18 AAC 78.910

2. Regulation for submitting certification of Financial Responsibility form:

Federal Regulation - 40 CFR 280.111(b)11(i)



Once you have submitted your Proof of insurance AND your Certification of Financial Responsibility form, you will Receive a Certificate from your UST FR Coordinator to post at Your facility!

If you do not have the paperwork on site to prove financial responsibility, you will be fined!

Why do we have to go through all of this paperwork trouble?



Photo credit: AJ Self



Photo credit: Utah Department of Environmental Quality

Because if this happens, everybody will be glad that you are properly insured.

Environmental Protection Agency(EPA) inspectors review your financial responsibility paperwork during inspections.

Fines are quite severe!



Alaska Department of Environmental Conservation



Financial Responsibility Program
Alaska Department of Environmental Conservation
Division of Spill Prevention and Response
410 Willoughby Avenue, Suite 303
P.O. Box 111800
Juneau, Alaska 99811-1800
Telephone: (907) 465-5233
Fax: (907) 465-5245
Email: decustfr@alaska.gov

For more information, please go to: http://dec.alaska.gov/spar/ipp/fr_ust.htm

To download the Alaska Certification of Financial Responsibility Form, go to:

http://dec.alaska.gov/spar/ipp/docs/guidance/ust/forms/ust_cfr.pdf

Your UST FR Coordinator, is here to help UST owners get and stay in compliance.
Please call or email if you have any questions.