

**New AST Rules.** The new AST Rules went into effect on August 15, 2017 and require inspections of all petroleum ASTs and a fuel delivery prohibition for non-compliant tanks using a physical and electronic “red tag.” The Vermont Fuel Dealers Association has estimated that there are approximately 120,000 residential heating oil ASTs and many are aging tanks that are several decades old. As previously detailed under “*Risks to Fund Solvency*,” historically the heating fuel account has not been sustainable. Since, most cleanup costs are from preventable AST releases emanating from older tank systems that do not meet standards, it was determined that more action was needed to prevent releases rather than raise additional revenue. Act 76 was passed in fiscal year 2016, which led to new rules being promulgated on Aug. 15, 2017. Aside from the routine inspections and “red tagging” of non-compliant tanks (there are five reasons that an inspector would red-tag a tank that relate to high risk conditions for a release resulting in environmental/human health impact), the Rules also require inspector training and training certification. With the lack of sustainability in the heating fuel account, these new rules are critical to reducing the number and severity of annual AST spills. The new rules require that all tanks be inspected by Aug. 15, 2020, a three-year phase in period. As the remaining inventory of ASTs is inspected for the first time, a great deal of additional repairs and replacements are anticipated. We are optimistic that the number and severity of AST releases will significantly be reduced after Aug. 2020 and we are already seeing evidence of fewer and less severe releases.

ANR created and maintains an online list of red-tagged tanks, which records tanks that should not receive deliveries due to high risk of a release. Inspectors are required to not only physically tag a non-compliant tank, but also utilize ANR’s online “red tag” form to add tanks to the red-tag list. Expanded usage of this red-tagged tank list began in fiscal year 2018 in response to routine inspections being required by the new rules. Since May 2018, ANR’s Tanks Program has been collaborating with ANR’s Environmental Compliance Division to follow-up on ASTs that were red tagged. This has included two phases of letters to assist tank owners come into compliance, and in select cases interaction with Environmental Enforcement Officers. Similar future efforts are planned. Below, Table 1 summarizes a program summary for both ANR’s red-tag list and return to compliance list.

<b>Table 1. Summary of ANR Red Tag Data</b>		
Tanks red-tagged since program started	2528	
Tanks brought into compliance	1737	
Tanks remaining on red-tag list	791	
Tanks red-tagged in 2018	443	
Tanks red-tagged in 2019	556	
	<b>Violations Listed on the Red Tag List</b>	
<b><u>Source of Red tag</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>
Buried Fuel Lines	70	93
Cracks, leaks, etc.	362	426
Improper fill/vent	255	438
No stable foundation	242	312
No vent alarm	68	169
Tanks Red-Tagged for more >1 item	375	521

<b>Total Tanks Still on Red-Tag List</b>	656	<b>791</b>
	<b>Violations Returned to Compliance List</b>	
<b><u>Source of Red tag</u></b>	<b><u>2018</u></b>	<b><u>2019</u></b>
Buried Fuel Lines	53	130
Cracks, leaks, etc.	562	1185
Improper fill/vent	243	850
No stable foundation	177	413
No vent alarm	33	245
Tanks Red-Tagged for more >1 item	358	762
<b>Total Tanks Returned to Compliance</b>	805	<b>1,737</b>

There has also been a great deal of outreach and coordination to assist with the implementation of the new AST Rules. Direct communications with homeowners by fuel dealers and outreach to the media including television interviews and public service announcements have been used to educate the public on the state's AST regulations. This outreach has occurred without taxpayer expense, thanks to the partnerships with businesses and non-profits such as VFDA, VPA and the VT Association of Realtors. These partnerships will continue to be used for outreach and education of new regulations. One important outreach in late fall 2017 and again in fall 2019 involved discouraging routine inspections during the heating season to minimize any heating emergencies. To that end, ANR collaborated with industry to develop a joint guidance sent out to all fuel dealers and inspectors via VFDA. In addition, ANR issued a press releases to provide general guidance on inspection timing, and where to get assistance on any required repairs or replacements. Another effort involved ANR collaborating with DCF's Weatherization Program, including meeting with their community action partners and assisting with development of their internal guidance for administering DCF funds for responding to "heating emergency" situations that may result from red-tagged tanks during the winter. This guidance has also helped them in responding to AST related calls from their clientele. DCF has made additional monies available for other types of heating emergencies, e.g., heating appliance repairs. ANR also developed our own policies for responding to any heating emergencies, which included establishing criteria for waiving competitive bids to expedite necessary tank upgrades or replacements.