

Financial Responsibility for Underground Storage Tanks

Guide to Annual Submittal



Webpage: [Financial Responsibility for Underground Storage Tank Owners \(alaska.gov\)](http://alaska.gov)
Contact the UST Financial Responsibility Coordinator: decustfr@alaska.gov

What is Underground Storage Tank Financial Responsibility?

Underground Storage Tank Financial Responsibility, also known as **UST FR**, is both a Federal and State Regulation that ensures protection of your business, the environment, and third parties from pollution, injuries, and damage resulting from a leaking underground storage tank.

Federal Regulations: [eCFR :: 40 CFR Part 280 Subpart H -- Financial Responsibility](#)

- Alaska requirements are based on the Federal regulations. The US Environmental Protection Agency (EPA) verifies State Financial Responsibility Certifications at inspections.

State of Alaska Regulations: [18 AAC 78.910 UST Financial Responsibility \(alaska.gov\)](#)

- UST FR documentation must be submitted when a new UST facility is registered with ADEC, and annually thereafter (you can expect email reminders for upcoming expiries). Submittals are processed by Alaska's UST Financial Responsibility Coordinator. Upon approval, a certificate is issued, which must be publicly posted at the facility(ies).



Requirements for Annual Submittal to Alaska DEC

1. A completed **Underground Storage Tank Financial Responsibility Form**
2. **Proof of coverage:**
 - The most common coverage mechanism is commercially available **insurance**, often referred to as 'pollution liability insurance'.
 - Other options are a Letter of Credit, Surety Bond, Fully Funded Trust Fund, and Guarantee.
 - Local governments are also eligible to submit a Local Government Financial Test, Local Government Fund, Local Government Bond Rating Test, or Local Government Guarantee as proof of coverage.

*Note: Due to the popularity of insurance in a large majority of UST FR submittals, this guide only covers insurance as a form of proof. Please contact us with questions related to other proof mechanism options, or reference [eCFR :: 40 CFR Part 280 Subpart H -- Financial Responsibility](#).



ADEC Underground Storage Tank Financial Responsibility Form

ALASKA DEPARTMENT OF ENVIRONMENTAL CONSERVATION

Underground Storage Tank Financial Responsibility Form

Owners or Operators of Underground Storage Tank (UST) systems are required to provide proof of Financial Responsibility (FR) annually to the Alaska Department of Environmental Conservation (ADEC). FR submittals or verification of FR are also required when installing a new UST, responding to a cleanup, changing ownership or FR mechanisms, or at the request of ADEC. Financial Responsibility is required for USTs owned or operated by private parties or local governments.

A. Owner/Operator Information

- Owner ID: _____ 2. Owner Name: _____
- Owner Type: Please Check one: Petroleum Marketer Petroleum Non-Marketer
- Monthly Throughput*: Check one: Less than 10,000 gallons 10,000 gallons or more
- 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 FACILITY ID #	NAME & LOCATION:	
2. ADEC FACILITY ID #	NAME & LOCATION:	
3. ADEC FACILITY ID #	NAME & LOCATION:	
4. ADEC FACILITY ID #	NAME & LOCATION:	
5. ADEC FACILITY ID #	NAME & LOCATION:	
6. ADEC FACILITY ID #	NAME & LOCATION:	

C. Financial Responsibility Information

I have provided this completed and signed Certification of Financial Responsibility form to ADEC because of one of the following (check all that apply):

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

Return completed forms to:
ADEC, UST FR Coordinator
Email: decustfr@alaska.gov
Fax: (907) 465-5245
Mail: see bottom of page 2

General UST Questions?
UST Unit: (907) 465-5283
or (907) 269-7679

Financial Responsibility Questions?
UST FR Coordinator: (907) 269-7579

Underground Storage Tank Financial Responsibility Form

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 is (are) as follows:

Type of Mechanism (check all that apply):

- Insurance Self-insurance Guarantee
 Letter of Credit Surety Bond Standby Trust Fund
 Local Government Bond Local Government Test Other: _____

Name of Insurer or company providing FR: _____

Mechanism Number (insurance policy number): _____

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

Effective Period of Coverage: From _____ to _____

Included Coverage (check all that apply):

- Covers: "Taking corrective action"
 "Compensating third-parties for bodily injury and property damage"
 Caused by: "Sudden accidental" "Non-sudden accidental" "Accidental" releases

Note: This certification form must be signed by the owner or operator and a witness to be considered complete. Incomplete forms will be returned.

Signature of owner or operator _____ Signature of witness _____
 Printed name of owner or operator _____ Printed name of witness _____
 Title _____ Date _____

This form and supporting documents can be submitted by email, fax or mail. Email or fax is preferred. If the documents are submitted by email or fax the hard copies do not need to be mailed.

Email: decustfr@alaska.gov Fax: (907) 465-5245
 Mail: ADEC FR Unit, P.O. Box 111800, Juneau AK 99811

The two-page application (found on the UST FR webpage) prompts for information required to process your UST FR certification (i.e. ADEC Owner ID, Facility Names, ID #s & addresses, and FR coverage details). Please be sure to entirely fill out the application.

If you are unsure about any required information (such as Owner ID or Facility ID #s), please reach out for assistance.

In addition to a required owner/operator signature, it will also need the signature of a witness.



Proof of Insurance Requirements

The document needed to process your UST FR submittal is generally known as a 'Certificate of Insurance'. To be accepted, it will need the following:

1. Policy number, effective and expiration dates;
2. Name and mailing address of insured and insurer;
3. The exact language provided in [40 CFR 280.97\(b\)\(2\)](#);
4. The dollar limit of liability for each occurrence and annual aggregate (see [40 CFR 280.93](#) for \$ amount requirements);
5. Signature of insurance representative;
6. and a tank schedule (list of tanks and their location)

*Note: If you are obtaining insurance and the full policy has not yet been returned, an insurance binder (Certificate of Liability Insurance, "Acord", Confirmation of Binding) can be used temporarily. Once the full insurance policy comes back, we will need the 'Certificate of Insurance' described above.

Certificate of Insurance

Policy No.	Eff. Date of Pol.	Exp. Date of Pol.	Premium
XXXXXXXXXX	XX/XX/2023	XX/XX/2024	\$XXXX.XX

Named Insured and Mailing Address:

Name of Insurer:

CERTIFICATION:

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

Per Attached Scheduled Locations and Scheduled Storage Tank(s) Systems

for taking corrective action and compensating third parties for bodily injury and property damage caused by accidental releases; in accordance with and subject to the limits of liability, exclusions, conditions, and other terms of the policy; arising from operating the underground storage tank(s) identified above.

The limits of liability are: \$1,000,000 Each Occurrence and: \$1,000,000 Annual Aggregate Policy Limit, exclusive of legal defense costs which are subject to a separate limit under the Policy. This coverage is provided under Policy Number: XXX. The effective date of said policy is: XX/XX/2023.

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 and 280.104-280.107.
 - 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.
 - e. The insurance covers claims otherwise covered by the Policy that are reported to the Insurer within six (6) months of the effective date of cancellation or non-renewal of the Policy except where the new or renewed policy has the same retroactive date or a retroactive date earlier than that of the prior policy and which arise out of any covered occurrence that commenced after the policy retroactive date, if applicable, and prior to such policy renewal or termination date. Claims reported during such an extended reporting period are subject to the terms, conditions, limits, including limits of liability, and exclusions of the policy.

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 lines insurer, in one or more states.

Signature Required

Name, Title

Authorized representative of XXX Insurance Company

Approval of ADEC Underground Storage Tank Financial Responsibility and Final Notes



Following timely submittal of required documents to decustfr@alaska.gov, the UST FR coordinator will process the documents and issue a certificate by email for posting at your facility.

DEC requires proof of Financial Responsibility from all applicable owners and operators:

- prior to operating a newly installed UST system;
- annually, 30 days prior to the expiration of the FR;
- for a change of owner, prior to operation by the new owner;
- within 30 days after a release from an UST;
- if requested by DEC; and
- during a facility audit.

*UST Financial Responsibility MUST be maintained throughout the permanent closure process, defined as when corrective action is officially complete (40 CFR 280.113, adopted by reference under 18 AAC 78.910).



Contact Us:



Webpage for additional resources:
[Financial Responsibility for UST Owners \(alaska.gov\)](http://alaska.gov/decustfr)

Phone: See [UST FR Webpage](http://alaska.gov/decustfr)

Email: decustfr@alaska.gov

Fax: (907) 465-5245

Alaska Department of Environmental Conservation
Division of Spill Prevention and Response
Financial Responsibility Unit
P.O. Box 111800
Juneau, Alaska 99811