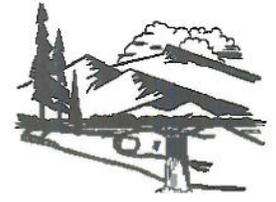




Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor

John Corra, Director

October 3, 2012

Ms. Francisca M. Chambus
US Environmental Protection Agency
1595 Wynkoop Street MC: 8P-W-GW
Denver, CO 80202-1129

RE: Wyoming STP LUST Prevention Grant and LUST Trust Fund Cleanup Grant
Semi-Annual Status Report (April 1, 2012 – September 30, 2012)

Dear Ms. Chambus:

This report provides required information for Wyoming's LUST Prevention Grant and LUST Trust Fund Cleanup Grant. The report includes data for "Indian Owned" facilities that are in our program. Financial Status Report requirements listed under 40 CFR 31.41 are completed annually by WDEQ/Administration and submitted to EPA, Region 8, Grants Office, with a copy to EPA, Region 8, UST/LUST Office. That reporting is not duplicated in this report.

BACKGROUND: The Wyoming Storage Tank Program (STP) regulates underground storage tanks (USTs) that meet the definition of an UST found in the federal Underground Storage Tank Regulations. STP-regulated aboveground storage tanks (ASTs) are defined as ASTs used by a fuel dealer to dispense gasoline or diesel to the public. This report contains information for STP-regulated USTs only.

TABLE 1 – UST OVERVIEW

	3/31/2012	09/30/2012
Number of UST <i>Facilities</i> not Permanently Out-of-Use (POU) (Active and Temporarily Out-of-Use [TOU])	712	703
Number of Petroleum UST <i>Systems</i>	10,048	10,053
Number of UST <i>Systems</i> Temporarily Out of Use (TOU)	125	136
Number of Active Petroleum UST <i>Systems</i> (Not POU)	1,861	1,841
Number of Hazardous Substance UST <i>Systems</i>	29	29
Number of Active Hazardous Substance UST <i>Systems</i> (Not POU)	6	6



SECTION 1 – SUMMARY OF ACTIVITIES

A. LUST Prevention: The STP compliance section continued to perform routine and follow up inspections; installation inspections; tank removal inspections; Operator Annual Inspection Report reviews; facility testing result reviews; operator, tester, and installer licensing; and issuing Notices of Violations for facilities out-of-compliance with STP rules and regulations. Owners/operators were contacted, as needed, to notify the facility of upcoming testing deadlines. The STP received and responded to calls from the regulated community and the public.

B. LUST Trust Fund Cleanup: The STP remediation section continued remediation efforts at contaminated sites in on-going and new projects. This work included subsurface investigation, design, on-going operation and maintenance activities, construction of designed remedial alternatives, and decommissioning.

SECTION 2 – ACCOMPLISHMENTS/PROBLEMS

A. LUST Prevention:

Cathodic Protection Testing: There are 641 USTs in Wyoming that are protected against corrosion using sacrificial anodes. This number includes both active and TOU tanks. As of September 30, 2012, only 24 of these tanks had not been tested within the last 3 years. These tanks are located at 10 facilities. This is a 96.3% compliance rate. There are 418 tanks in Wyoming that are protected against corrosion by impressed current systems. Only 9 tanks at 4 locations have not been tested within the last 3 years. This is a 97.9% compliance rate.

Inspections: There is 1 facility remaining for state inspection during this calendar year. This includes inspections to meet the 3-year schedule, inspections scheduled at less than the required 3-year interval because of violations found during a previous inspection, and any new facilities that have not yet been inspected for the first time. We expect to complete this inspection by the end of the year. From April 1, 2012, through September 30, 2012, the STP conducted 298 on-site compliance inspections. The STP conducted 480 on-site compliance inspections during the current federal fiscal year.

Significant Operational Compliance (SOC) Measures: The STP conducted 478 compliance inspections outside “Indian Country” during the past 12 months. SOC compliance rates are:

SOC-1: 95.6%
SOC-2: 95.6%
SOC-3: 91.8%

Operator’s Annual Inspection (OAI) Reports: During an OAI, the operator is required to complete all tasks the STP does during a field inspection and fully document the inspection in a report to the program. Between October 1, 2011, and September 30, 2012, operators conducted, documented, and reported 668 inspections. All OAI Reports submitted have been reviewed by the STP.

Enforcement: Since the beginning of the current federal fiscal year, the STP issued three Notices of Violation. These were issued to: Common Cents Food Store 202 (Casper), Panhandle Cooperative Association (Torrington), and Nield Oil Company (Afton).

Fourteen Notices of Violations were resolved: Hudson Gas, Grill and Goods (Hudson), Dornan's (Moose), Sunmart #586 (Rock Springs), McClintock (Thermopolis), Fuel Depot #2 (Cody), Collins Car Wash (Casper), Common Cents Food Store 202 (Casper), Suzy's (Laramie), Rapid Stop Conoco (Sundance), Mountain Towers Health (Cheyenne), Etna Trading Company (Etna), Wamsutter Sinclair (Wamsutter), Torrington Travel Terminal (Torrington), and Powder River Travel Plaza (Buffalo).

During the current federal fiscal year, the STP issued (and lifted) one red-tag at Dornan's in Moose and lifted one red-tag at the County Valley Store in McKinnon, which was issued in 2009.

Compliance with the Underground Storage Tank Compliance Act of 2005.

- *Inspect every facility not inspected since December 22, 1998:* This has been completed.
- *Inspect every facility on a three (3) year schedule:* We are on track with this work.
- *Write compliance report of government owned tanks:* This was completed on schedule and updated on schedule. This report is available on our website.
- *Require new tanks and lines within 1,000 feet of a community water supply or a potable water supply well to be installed as double wall tanks and lines:* The state statute was amended to require double-wall tanks and lines regardless of distance from a water system.
- *Make available a list of all facilities and underground tanks, statewide:* This list is available on our website. The public records information is available on our website and will be updated annually every September 30.
- *All states must have the ability to prohibit deliveries to non-compliant tanks:* This rule was passed into law by the Governor on August 1, 2008.
- *States must require that operators of underground storage tanks be certified:* The STP chose to require operators to pass either the International Code Council (ICC) - Underground Storage Tank Operator's Test (U6) or the International Code Council - Wyoming State Specific Test (W7). The rule was passed into law by the Governor on November 10, 2008. The Office of Underground Storage Tanks (OUST) has determined that our rule is less stringent than the federal guidance on this matter. The STP agrees with OUST's comments and is currently in rulemaking to make necessary changes. Our rules will be heard before the Environmental Quality Council on October 5, 2012. If the rules are approved at the meeting, the governor will likely sign them before the end of the calendar year.

Problems: None.

B. LUST Trust Fund Cleanup: As of September 30, 2012, there were 2,736 confirmed releases. We have initiated cleanup at 2,165 releases using state funds and 64 releases using LUST Trust Funds. A total of 1,615 releases have been cleaned up using state funds and 14 (including 2 releases using ARRA funds) releases using LUST Trust Funds. During the current federal fiscal year, 95 releases were resolved.

During the reporting period, we entered into engineering contracts for subsurface investigation and design for 5 projects comprising 59 sites. Those projects are Pilot Butte (Rock Springs), Pinedale 2, Green River 2, Jeffrey City/Bairoil, and Worland 2. During the reporting period, we did not implemented corrective action at any sites; however, construction of remedial alternatives is currently underway for the SW Casper Project, the Rawlins #2 Project, and the North Evanston Project.

During the next reporting period, we anticipate entering into engineering contracts for the East Casper Project and Fort Bridger Project.

Problems: None. The program continues to start projects as funds are available.

SECTION 3 - SCHEDULES

A. LUST Prevention: The STP is on schedule to complete required compliance activities within timelines established in the grant work plan.

B. LUST Trust Fund Cleanup: By statute, the STP must begin corrective action based on a site's placement on the priority list. Lower priority sites in close geographic proximity to a high priority site are placed in projects because it is more cost effective to complete corrective action at a group of sites in close proximity rather than one site at a time. Funding for the program is limited to the balance in the Corrective Action Account. When funding becomes available, new projects are started. Based on current projections the last known contaminated site will be investigated during state fiscal year 2020 (calendar year 2019), and remediated in the year 2028 (calendar year 2027).

SECTION 4 – FUNDS

A. LUST Prevention: Wyoming received a federal fiscal year 2012 LUST Prevention grant in the amount of \$355,465. The state match was \$118,489, for a total of \$473,954. The total federal fiscal year 2012 LUST Prevention Grant (federal plus state match) used between October 1, 2011, and September 30, 2012, was \$403,670.59. These funds were used to complete LUST prevention activities authorized in the work plan. This expenditure met planned expenditures for the period.

B. LUST Trust Fund Cleanup: Wyoming received a federal fiscal year 2012 LUST Trust Fund Cleanup grant in the amount of \$608,250. The state match was \$67,583, for a total of \$675,833. The total federal fiscal year 2012 LUST Trust Fund Cleanup Grant (federal plus state match) used between October 1, 2011, and September 30, 2012, was \$942,860.99. Typically sites are not remediated using the LUST Trust Fund Cleanup Grant, as the majority of facilities in Wyoming are in the state-funded cleanup program. STP project manager salaries and fringe benefits are paid using the federal LUST Trust Fund Cleanup Grant for remediation project contracts administered by the state.

SECTION 5 – ESTIMATES

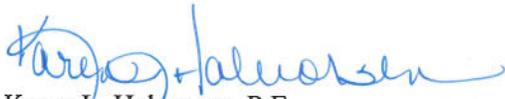
A. LUST Prevention: The federal fiscal year 2012 LUST Prevention Grant remaining as of the end of the reporting period was \$99,406.95 (includes the state match). The state has applied for a federal fiscal year 2013 grant of \$464,096.00.

B. LUST Trust Fund Cleanup: The federal fiscal year 2012 LUST Trust Fund Cleanup Grant remaining as of the end of the reporting period was \$0.00 (includes the state match). The State has expended \$222,843.06 above the required match. The State's Corrective Action Account will continue to be used to complete remediation at eligible sites. The state has applied for a federal fiscal year 2013 grant of \$526,667.00.

SUMMARY: At this time, the Wyoming STP has an excellent compliance rate. Corrective action is proceeding as quickly as possible, given the financial and technical constraints that we work under. The STP has met the requirements of the Underground Storage Tank Compliance Act of 2005.

Numbers presented in this report were obtained from the STP database as of October 1, 2012. As previously noted, this report contains both non-Indian owned sites and Indian-owned sites. Indian-owned sites are those sites identified by EPA as in "Indian Country." While the STP reports the Indian-owned sites separately as requested by EPA, the State of Wyoming does not agree with the Federal definition of Wyoming "Indian Country." Lists generated as a result of the database queries are on file with the STP and are available upon request.

Sincerely,



Karen L. Halvorsen, P.E.
Storage Tank Program Manager
Solid and Hazardous Waste Division

Cc: Carl Anderson, PhD, SHWD Administrator
Steve Toalson, WDEQ Administration