



UNDERGROUND STORAGE TANK (UST) PREAPPROVAL PROGRAM (A.R.S. § 49-1051) Eligibility Screening Form

The UST preapproval program is available to assist eligible leaking UST owners and operators with characterization, cleanup, and associated costs. Please review the information below and use the documents in this packet to ensure that all requirements for reimbursement are met.

To be eligible, applicants must meet all three requirements below:

1. **Owner or Operator** – Eligibility is limited to applicants who are the **owner or operator of a UST** with a confirmed release and satisfy the criteria set forth in Arizona UST regulations A.R.S. § 49-1006 A. If you are not the UST owner or operator for an open confirmed release, contact ADEQ to discuss potential options for other assistance.
2. **Open Leaking UST Release** – The Preapproval Program is only available to conduct corrective actions on regulated UST sites that have an open confirmed release. *Note: if a release was recently closed the site may be eligible for site closure activities such as system decommissioning and well abandonment.*
3. **Compliance with Financial Responsibility (FR) Requirements** – UST owners or operators are required to demonstrate FR compliance at the time of the release. If using insurance as an FR mechanism to participate in the preapproval program, a timely claim must be filed with the insurance company.

Options for Demonstrating FR

A.R.S. § 49-1006. UST owners and operators must satisfy the criteria set forth in Arizona UST regulations including financial responsibility A.R.S. 49-1006 and Chapter 6, Article 3. For more information on FR requirements please refer to Arizona Administrative Code (A.A.C.) R18-12-300 through R18-12-323, A.R.S. § 49-1006 and 40 C.F.R. § 280, subpart H.

UST Insurance Coverage	Surety Bond	Certificate of Deposit
Risk Retention Group Coverage	Letter of Credit	Local Government Bond Rating Test
Financial Test of Self-Insurance	Trust Fund	Local Government Financial Test
Guarantee	Standby Trust Fund	Local Government Guarantee

For an eligibility consultation or assistance with completing this packet, please email ustpreapproval@azdeq.gov with the subject header: "Eligibility Consultation"

- Continued on next page -

To be approved for participation, applicants must receive preapproval of work and costs:

- To qualify for reimbursement under this program, applicants must submit a complete preapproval application (including a detailed scope of work, schedule, and cost sheets).
- Written approval from ADEQ must be received prior to implementing the preapproved corrective actions and incurring associated costs. Any work or costs incurred without prior written approval from ADEQ are not eligible for reimbursement.
- Submissions must be emailed to: ustpreapproval@azdeq.gov

To receive reimbursement, participants must pay for work up front:

- When requesting reimbursement for preapproved work and costs, applicants are required to demonstrate that the costs have been paid by the applicant.
- Applicants are required to certify that these costs have not been reimbursed by their financial assurance mechanism. Reimbursement requests that do not include adequate proof of payment documentation will not be paid.
- Prior to submitting a request for reimbursement, applicants are required to provide documentation of completed work and associated backup (i.e. itemized receipts, subcontractor invoices, etc.). This assures work meets applicable standards and is reimbursable.

I have reviewed the Preapproval Program requirements listed above	
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Preapproval Program Checklist

Please use the following checklist to track the required documents needed as part of each step.

Application and Supporting Documents

Page Facility and Applicant Information (Page 2)

Leaking UST Release Potential Eligibility Path for Evaluation (Page 3-5)

Applicant Certification Statement (Page 6)

UST Insurance Policy (for insurance mechanism)

Insurance Claim (for insurance mechanism)

Denial Letter OR Evidence of Continued Pursuit of Coverage (for insurance mechanism)

Financial Assurance Mechanism Documentation (for any other mechanism)

Work and Cost Approval

Detailed Scope of Work Schedule of Work

Cost Sheets

Other Documents to Show Work and Cost

Request for Reimbursement

Proof of Payment by Applicant (not via financial assurance mechanism)

Proof of Completed Work and Associated Backup (i.e. itemized receipts, subcontractor invoices, etc.)

LUST ID Number: _____

Facility and Applicant Information Form

Facility Information

UST Facility ID: 0-0 _____ Facility Name: _____

UST Facility Address: _____

City: _____ State: _____ Zip Code: _____

Leaking UST release numbers: _____

Applicant Information

Name of Applicant: _____

Applicant name should match the legal name (including Trade Name, if applicable) on file with the Internal Revenue Service (IRS) or Arizona Corporate Commission (ACC) for the business entity or individual.

If the Applicant is not an individual (e.g. company, school district, etc.) - The Authorized Individual listed below should be an individual with the authority to bind the Applicant. **Please provide documentation showing the Authorized Individual has the authority to represent the Applicant using Attachment 2.**

Applicant Role (check all that apply): Leaking UST Owner Leaking UST Operator Other
(describe): _____

Name of Applicant's Authorized Individual: Mr. Ms. _____

Title of Authorized Individual: _____

Email: _____

Primary Phone: _____ Secondary Phone: _____

Address: _____

City: _____ State: _____ Zip Code: _____

Leaking UST Release Potential Eligibility Path for Evaluation

Please select the appropriate Eligibility Path for the release(s) at your facility using the table below.

Eligibility Paths

The following table will help in determining the applicable regulatory requirements for the release(s).

Identify applicable leaking UST release number(s) for selected evaluation:

If the following criteria are met;

Criteria for Eligibility under Statute ARS 49-1006.02 (A): UST INSURANCE Mechanism, Deductible Less Than 50K
UST insurance was relied upon as a financial assurance mechanism at the time of the release;
The insurance policy deductible was less than \$50,000;
A timely claim for coverage was filed with the insurance company; and
The claim is being pursued or a coverage determination has been issued by the insurance.

The documents below are required:

Complete Policy	Notice of Claim Acceptable Documents (Only Need One from this column)	Continued Pursuit of Correspondence (Only need one from this column)
<ul style="list-style-type: none">•Is typically over thirty pages, that is comprised of the Declarations Page, Insuring Agreement, Definitions, Exclusions, and Conditions.	<ul style="list-style-type: none">•Acknowledgement of claim from insurance company; or•Claim form completed by insured; or•Email from insured requesting claim be opened;	<ul style="list-style-type: none">•Email between insured and insurance company in regards to the claim or•Claim Denial Letter from the insurance company.

If the following criteria are met;

Criteria for Eligibility under Statute 49-1006.02 (B): UST INSURANCE MECHANISM, Deductible Greater than 50K
UST insurance was relied upon as a financial assurance mechanism at the time of the release;
The insurance policy has a deductible of \$50,000 or greater;
A timely claim for coverage was filed with the insurance company; and
The claim is being pursued or a coverage determination has been issued by the insurance.
Important- Subject to a cost-sharing obligation by payment of the first \$50,000 per facility for corrective action work conducted on or after January 1, 2016

The documents below are required:

Complete Policy	Notice of Claim Acceptable Documents (Only Need One from this column)	Continued Pursuit of Correspondence (Only need one from this column)
<ul style="list-style-type: none"> •Is typically over thirty pages, that is comprised of the Declarations Page, Insuring Agreement, Definitions, Exclusions, and Conditions. 	<ul style="list-style-type: none"> •Acknowledgement of claim from insurance company; or •Claim form completed by insured; or •Email from insured requesting claim be opened; 	<ul style="list-style-type: none"> •Email between insured and insurance company in regards to the claim or •Claim Denial Letter from the insurance company.

If the following criteria are met;

Criteria for Eligibility under Statute ARS 49-1006.02 (B): Alternative Financial Responsibility Mechanism
A Financial Assurance Mechanism other than UST insurance was relied upon at the time of the release;
Important - Subject to a cost-sharing obligation by payment of the first \$50,000 per facility for corrective action work conducted on or after January 1, 2016

The documents below are required:

<p>Alternative Financial Responsibility Mechanism <i>E.g. Financial test of self-insurance, Trust Fund, Guarantee, Surety Bond, Letter of Credit, Certificate of deposit, bond rating test, bond financial test, local government fund.</i> https://www.azdeq.gov/node/5127; https://www.azdeq.gov/node/5128</p>
<ul style="list-style-type: none"> •For example for a corporate guarantee, ADEQ would require the guarantee agreement.

If the following criteria are met;

Criteria for Eligibility under Statute ARS 49-1006.02 (C): UST INSURANCE MECHANISM [Time Frame Specific]
UST insurance was relied upon as a financial assurance mechanism at the time of the release;
The UST release was reported between [July 1, 2006 and December 31, 2015] ;
Important - Subject to a cost-sharing obligation by payment of the first \$50,000 per facility for corrective action work conducted on or after January 1, 2016

The documents below are required:

Complete Policy dated between 2006 through 2015
•Is typically over thirty pages, that is comprised of the Declarations Page, Insuring Agreement, Definitions, Exclusions, and Conditions.

Acknowledgement Statement

Please read and sign the following Preapproval Program Eligibility Screening Agreement Statement.

PREAPPROVAL PROGRAM ELIGIBILITY SCREENING AGREEMENT STATEMENT:

By my signature below, I am requesting ADEQ to evaluate this facility for participation in the Preapproval Program.

I understand that whether or not I qualify for the preapproval Program, I am responsible for complying with the requirements of the underground storage tank statutes and regulations set forth in A.R.S. § 49-1001 through 49-1057 and Arizona Administrative Code, Title 18, Chapter 12.

I understand that ADEQ will use the information I've provided and other information available to ADEQ to evaluate my eligibility for this program.

If approved, I agree to participate in a Kickoff Meeting to discuss my facility and submittal of my preapproval application.

I understand that it is my responsibility to contract with an Arizona Professional Engineer or Registered Geologist who will be conducting the corrective actions and to ensure their availability for the Kickoff meeting.

I understand that it is my responsibility to manage the corrective action work and to ensure that all work is conducted in accordance with the preapproved scope of work, implementation schedule, and budget.

I understand that the reimbursement under the Preapproval Program is limited to eligible corrective actions and associated costs.

This form was prepared by me. The information submitted is, to the best of my knowledge and belief, true, accurate, and complete.

I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.

UST Owner/UST Operator Authorized Individual Signature: **Date:**

Submit Eligibility Screening Packet with Required Documents for ADEQ Approval

The last step is to submit a copy of the signed Eligibility Screening Packet with all required documents in the respective manner listed on the “Eligibility Paths” tables (see pages 3 to 5).

Please select the required documents being attached with the submittal:

UST Insurance Policy
Insurance Claim
Denial Letter OR Evidence of Continued Pursuit of Coverage
Financial Assurance Mechanism Documentation
N/A

Below is a guide for submitting the Preapproval Eligibility Screening Packet.

Electronic Submittals

1. Email documents to: ustpreapproval@azdeq.gov
2. Use the following Subject line format:
 - a. [Date]_[Four-Digit Leaking UST Number]_Preapproval Eligibility Screening
“YYYY.MM.DD_XXXX_Preapproval Eligibility Screening”
3. Save and submit documents with the following file naming convention:
[Date]_[Four-Digit Leaking UST Number]_[Submittal Description]
 - a. Submittal Examples:
“YYYY.MM.DD_XXXX_Eligibility Screening Packet”
“YYYY.MM.DD_XXXX_Insurance Policy with Deductible”
“YYYY.MM.DD_XXXX_Insurance Claim”
“YYYY.MM.DD_XXXX_Denial Letter”



ATTACHMENT 1

PREAPPROVAL PROGRAM

FR Requirement Matrix

The following is a table that displays when FR requirements began and what type of coverage was required. It can be used to see if a UST release pre-dates FR requirements.

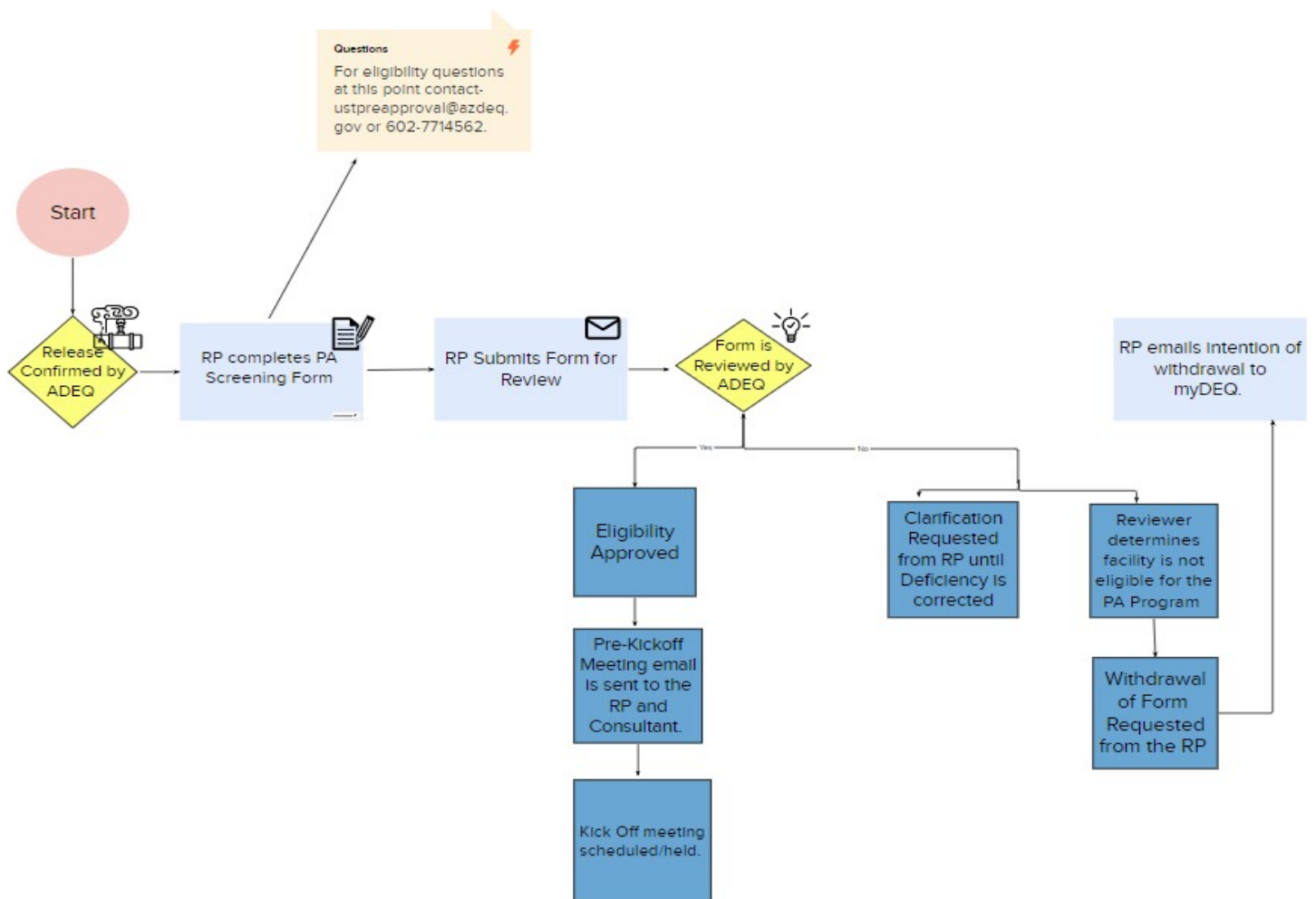
Petroleum marketers are in the business of selling petroleum-based products.

Non-petroleum marketers are not in the business of selling petroleum-based products.

Group Classifications	FR Requirement Start Date	Per Occurrence Coverage	Aggregate Coverage
GROUP 1: <ul style="list-style-type: none"> Petroleum marketers with 1,000+ tanks <p>OR</p> <ul style="list-style-type: none"> Non-petroleum marketers with a net worth of \$20 million+ (for non-petroleum marketers, the "per occurrence" amount is the same as Group 4-B below) 	January 1989	\$1 million	\$2 million if you have 100+ tanks OR \$1 million if you have 100 or fewer tanks
GROUP 2: Petroleum marketers with 100-999 tanks	October 1989		
GROUP 3: Petroleum marketers with 13-99 tanks	April 1991		
GROUP 4-A: Petroleum marketers with 1-12 tanks	December 1993		
GROUP 4-B: Non-petroleum marketers with a net worth of less than \$20 million	December 1993	\$1 million if throughput is more than 10,000 gallons monthly	
GROUP 4-C: Local governments	February 1994	OR \$500,000 if throughput is 10,000 gallons monthly or less	



ATTACHMENT 2 PREAPPROVAL PROGRAM Eligibility Preapproval Customer Process





ATTACHMENT 2

PREAPPROVAL PROGRAM

Documentation for Authorized Individual

If the Applicant is not an individual (e.g. company, school district, etc.) - The Authorized Individual listed below should be an individual with the authority to bind the Applicant.

Please provide documentation showing the Authorized Individual has the authority to represent the Applicant. Examples include information from the Arizona Corporation Commission, written authorization on company letterhead, etc.