

US EPA ARCHIVE DOCUMENT

State Innovation Grant Project
Rhode Island Department of Environmental Management (DEM)
Progress Report #1
September 2006 to March 2007

Project Title: Underground Storage Tanks—Alternative Inspection Programs and the U.S. Energy Policy Act of 2005

Section 1 – Summary of Activities. The major activities that took place during the reporting period included administrative start-up, baseline data gathering, meetings/conference calls, and preliminary economic analysis. DEM finalized the contract with the University of Rhode Island (URI) for a January 1, 2007 start date. Project personnel also spent time to become familiar with the new tracking software used to store all UST inspection checklists. As part of the Environmental Results Program (ERP), baseline information for the randomly selected 100 facilities was segregated and checked for completeness. Several meetings were held with DEM and URI project participants. As part of the interstate comparative model development with Florida, a conference call with FL UST program representatives and Michael Crow, an EPA consultant, took place to begin the effort to compare ERP with the traditional inspection program in Florida. As part of the comparative model, an economic analysis was started to evaluate costs for each program.

Section 2 – Accomplishments/Problems. After finalizing the URI contract, URI project staff began to work closely with DEM staff to understand the new tracking software for UST inspections that was recently implemented at DEM. The objective of this new system was to organize the data in one central location and allow inspectors to use computer tablets in the field to provide for easy download capabilities into the central database. Overall, the software is working satisfactorily though some glitches still exist (faulty connection to mainframe, unexplained inability to change or correct responses). Efforts to correct these issues are on going with the consultant who developed and installed the software at DEM.

For the statistical analysis portion of ERP, 100 baseline inspections were selected at random from the total universe of 639 facilities that certified. These inspections were carried out in 2004. Since certification is mandatory, most facilities did certify though 25 facilities have yet to submit certification forms. The post-ERP inspections for the first round are currently ongoing and expected to be completed by the summer of 2007; another 100 facilities will also be selected at random to gather all the information needed for the first round statistical analysis. Key Environmental Business Practice Indicators (EBPI's) have not been selected, but project staff have begun to evaluate potential EBPI's based on regulations in the 7-8 major areas (e.g., tank corrosion protection, tank leak detection). A total of 249 facilities submitted 1097 return-to-compliance forms (RTC's).

A key goal of the project is to compare the ERP approach with an established, traditional UST inspection program such as that found in Florida. A conference call took place on March 14 to begin discussions on the best approach to develop the comparative model. URI and DEM project staff spoke with Marshall Mott and his staff from FL, and Michael Crow also participated. The key issues that were brought up included:

- *Demographics* – what is the best way to compare data, state to state or select a FL county that is similar in size to RI? Depending on how many factors need to be accounted for,

the analysis could get quite complex: should the model take into account average travel time to visit facilities? Should population characteristics be taken into account like racial distribution or average income? Are weather differences a factor?

- *Costs* – The cost of administering the traditional inspection program vs. ERP is also being compared. One major difference in the administration of the different state programs is that FL utilizes primarily contractors whereas RI DEM staff perform all the inspections. FL spends \$9.5 million per year to hire contractors (40 contracts for 67 counties); it is estimated that FL spends \$200-240 per facility inspection. Preliminary analysis has begun to determine the costs associated with the RI program and ERP.
- *Inspection Checklists* – In order to properly compare the two different types of programs, the common indicators have to be gathered and organized. Indicators, which cover regulation-related topics and some best management practices, are found in the inspections checklists. One unforeseen difficulty in this part of the project is that FL performs all the inspections electronically and does not keep hard copies of checklists. The software that they are using is presently not available to RI. Efforts are ongoing to resolve this issue since it is critical that FL's checklist be analyzed for indicators and overall cost determination. RI project personnel intend to visit FL to help resolve this issue and discuss further the development of the comparative model.

Section 3 – Schedules. In reference to the original project schedule, the main milestone for this reporting period was to finish all administrative requirements (finalize work plan/QA and URI contract), and complete the preliminary project scope and design. For the most part, the general approach and strategy have been formulated: baseline data for ERP is being organized and reviewed, and the comparative model is being developed with FL. As mentioned in the previous section, work is needed to create an acceptable model, which is contingent on a reasonable approach that takes into account demographics, facility performance and economics.

Section 4 – Funds. *Financial information removed by EPA as confidential business information.*

Section 5 – Estimates. It is anticipated that the original timeline and funding schedule will be followed for the remainder of the project. Updates will be provided in future progress reports.