



NEW UST REGULATION TRAINING WEBINAR

PMMIC is hosting several online-only webinars to review new UST requirements specific to Iowa facilities. The 2-hour training will include an overview of requirements, owner/operator responsibilities and a Q&A session. Classes are limited to 100 participants. To register, go to:

<https://www.jotform.com/pmmic/course-registration-form>

Once PMMIC has reviewed your registration, you will be sent an email invitation to the online training via the videoconferencing platform Webex. The webinar schedule is:

- Tuesday, August 3rd, 10 am-12 pm (CST)
- Thursday, August 5th, 2 pm-4 pm (CST)
- Tuesday, August 10th, 2 pm-4 pm (CST)
- Thursday, August 12th, 10 am-12 pm (CST)

SUMP WATER DISPOSAL

Liquid removed from a sump will be a hazardous waste if it exhibits any of the characteristics of hazardous waste described in federal regulations, under 40 CFR 261.21-24. At a UST facility, the most likely characteristics are the toxicity characteristic (TC) in 40 CFR 261.24 and ignitability characteristic in 40 CFR 261.21. In general, liquids removed from a sump, including water introduced into the sump for the purposes of testing liquid tightness, will be classified as a hazardous waste.

Question: If sump water is a hazardous waste, how must it be properly managed?

Answer: The storage and disposal of hazardous waste is highly regulated and varies depending on the local jurisdiction. Possible disposal options include:

- If the liquid is not ignitable, i.e., no petroleum sheen, no visible free petroleum, it may be acceptable to dispose of it via the sanitary sewer. Approval from the local sewer authority is required. Check with your state, tribal, and local authorities for rules or other restrictions regarding such a disposal method.
- You may drum and store the liquid properly (accumulation time and management standards may apply, see EPA's hazardous waste generator website for more information) and contract with a hazardous waste hauler to dispose. Check with your state, tribal, and local authorities for requirements for hazardous waste stored on site and also to determine if there are licensing requirements for hazardous waste haulers.
- You may filter the liquid through an oil-water separator and properly dispose of the oil and water. Check with your state, tribal, and local authorities for requirements regarding disposal of the oil and water from the oil-water separator.

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CHAIRMAN'S CORNER

Is compliance good enough?

More than 20 years after the original federal regulations were implemented, the newest federal regulations add significant obligations for tank owners with detailed requirements for testing and inspections. By October 13th, you will be required to document walkthrough inspections and test all your spill containments, overfill devices, ATG probes and for some of you, your piping sumps.

With all these new rules, will regulatory compliance be good enough? Is "good enough" keeping you from being great?

John D. Rockefeller, who founded Standard Oil Company, is quoted as saying, "Don't be afraid to give up the good to go for the great," while Voltaire, the French philosopher, taught, "Don't let the perfect be the enemy of the good." For most of us, the question is whether the cost to become great (perfect) is justified compared to the risk of only being good.

Assessment of a suspected release can cost \$25,000. Stopping one leak before it becomes a release saves an average of \$150,000 in corrective action costs. One "emergency response" to address odors in a sewer can cause significant damage to your reputation. Socially responsible customers want to spend their money with environmentally proactive businesses, not ones that do the minimum. Will compliance alone eliminate these risks? What is the cost to be better?

Since our founding, PMMIC has focused on doing what is best for our insureds. Our loss control program has focused on risk, not regulations. We created and offered operating training for our insureds years before it became required. Our annual third-party loss control inspections have identified thousands of compromised system components and thousands of leaks that would have become greater liabilities. We have prevented millions in corrective action costs. As a result, our corrective action costs are 1/3 of the national average. Our inspections have kept our premiums competitive and allow us to insure older tank systems.

We have studied state and private loss control programs throughout the US and determined that frequent third-party, independent, professional inspections are the best practice for managing UST systems. Compromised components are identified before they fail. Small leaks are identified before they become releases. We utilize inspectors that are licensed, highly skilled, trained and experienced professionals. Our inspectors are not motivated to sell equipment or perform corrective action. Their only goal is to evaluate and document the operational status of your tank system.

While our goal continues to be the protection of our insured's financial interests, our inspection is accepted as the biennial regulatory inspection in Iowa and our inspections will satisfy the new federal annual walkthrough inspection requirements for all of our insureds.

If your compliance plan is to utilize a store clerk or field service technician to perform the 30 day walkthrough inspections, ask yourself if your goal is to be good or great. Is your staff trained and equipped to identify and document compromised components? Will they be able to satisfy the 30 day frequency? Will they follow safety protocol? Will your employees be at risk opening fill port lids when there is no tanker parked nearby to alert traffic?

Conducting 30 day inspections of spill buckets with untrained personnel and testing equipment once every three years may be good enough for compliance purposes, but it may not be the best practice.

We recommend utilizing trained professionals for inspections; add dispensers to your 30 day walkthrough inspection (that's where the leaks occur); emphasize written safety protocols including high visibility clothing and use of temporary barriers or high visibility traffic cones at the fill ports; and create proper disposal protocols for liquids found in sumps.

In today's environment, good enough tank management really isn't. Be great.

As always,

Ronald Burmeister, Chairman

WHAT YOU NEED TO KNOW ABOUT THE NEW UST REGULATIONS

The deadline for all UST systems to be in compliance with the new federal regulations is **October 13th, 2021**. For many states, the deadline has already occurred. See PMMIC's blog for the deadlines of the states in which PMMIC offers coverage. The federal regulations address the following new requirements:

1. Walkthrough inspections
2. Electronic and mechanical leak detection testing
3. Overfill prevention equipment inspections
4. Spill basin testing
5. Testing of containment sumps used for interstitial monitoring

Each state determines who may perform the various tests and inspections and if specific forms are required. For more information, please check with the appropriate state regulatory agency.

1. Walkthrough Inspections

The first round of walkthrough inspections must be started prior to October 13, 2021. Once started, inspections must be performed within 30 day cycles and the next annual inspection must be completed within one year. Walkthrough inspections may be completed by anyone with some basic knowledge of the UST system.

Most states have developed their own walkthrough inspection forms. The following are the required action items according to EPA guidance:

Every 30 Days

- Check spill prevention equipment for damage and remove liquid or debris
- Check for and remove obstructions in delivery fill pipes
- Check fill cap to ensure it is securely on the delivery fill pipe
- For double-walled spill prevention equipment with interstitial monitoring, check for a leak in the interstitial area
- Check release detection equipment to ensure it is operating with no alarms or unusual operating conditions present (Example: ATG consoles, pressure or vacuum gauges)
 - NOTE: You do not need to check release detection equipment in containment sumps. Release detection equipment in these areas is tested annually according to item #2, as discussed below.
- Review release detection records and ensure they are current

Annually

- Check containment sumps for damage and leaks to the containment area or releases to the environment
- Remove liquid and debris from containment sumps
- For double-walled containment sumps with interstitial monitoring, check for leaks in the interstitial area
- Check hand-held release detection equipment, such as groundwater bailers and tank gauge sticks, for operability and serviceability

PMMIC has received approval from the Iowa DNR to use the PMMIC annual inspection process to comply with the Annual Walkthrough requirement. Our inspection also addresses all requested information in Arizona. Wisconsin inspection requirements greatly exceed the federal requirements. Wisconsin owners should coordinate with their chosen vendors to address the requirements. Owners must consult their regulatory agency in other states to determine if they will accept the PMMIC inspection.

2. Electronic & Mechanical Leak Detection Testing

Federal regulations require all automatic line leak detectors (electronic and mechanical) to be tested annually for proper operation and functionality. The self-test performed by electronic line leak detectors is not adequate. Both leak detector styles must be tested to confirm that the leak detector will detect a simulated leak of 3 gph or less.

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WHAT YOU NEED TO KNOW ABOUT NEW UST REGULATIONS *Continued from Page 3*

Testing and inspection of all leak detection system components must be completed prior to October 13, 2021. Also included in the EPA federal requirements:

- Automatic tank gauge (ATG) and other controllers - test alarm, verify system configuration, test battery backup
- ATG probes and liquid sensors - inspect for residual buildup, ensure floats move freely, ensure shaft is not damaged, ensure accessible cables are free of kinks and breaks, test alarm operability and communication with controller
- Vacuum pumps and pressure gauges - ensure proper communication with sensors and controller
- Hand-held electronic sampling equipment for groundwater and vapor monitoring - ensure proper operation

In Iowa, the above tests and inspections must be performed annually by an individual licensed in Iowa by the IDNR. For all other states, please refer to the requirements established by the state regulatory agency.

3. Overfill Prevention Equipment Inspections

Overfill prevention devices must be inspected. The inspection must address the auto shutoff valves in the fill pipe, overfill alarms, and ball float (vent) valves. Each device must be removed from the tank and evaluated for proper operation and then returned to the appropriate location in the tank. New or replacement ball float (vent) valves are not allowed. Ball float valves may only remain in operation if they are successfully removed, pass the evaluation criteria, and are properly reinstalled.

Overfill inspections must be completed by October 13, 2021 and then every 3 years thereafter. In Iowa, no license is required to perform overfill equipment inspections. The device must be evaluated in accordance with manufacturer specifications or a recognized industry standard. For all other states, please refer to the requirements established by the state regulatory agency.

4. Spill Basin Testing (Buckets)

Each spill basin must be tested to confirm the basin is 'liquid tight.' Basins must be tested in accordance with manufacturer specifications or a recognized industry standard. Testing must be completed by October 13, 2021 and then every 3 years thereafter.

Iowa does not require an Iowa licensed individual to perform spill basin testing. For all other states, please refer to the requirements established by the state regulatory agency.

5. Testing of Containment Sumps Used for Interstitial Monitoring



This item only applies to UST systems that utilize sumps for interstitial monitoring as their primary leak detection method. In Iowa, it applies to all tank systems that were installed (or if piping was replaced) after November 28, 2007.

If applicable, containment sumps must be tested in accordance with manufacturer specifications or a recognized industry standard. Testing must be completed by October 13, 2021 and then every 3 years thereafter.

Iowa does not require an Iowa licensed individual to perform containment sump testing. For all other states, please refer to the requirements established by the state regulatory agency.

Maintaining Records

In most states, owners and operators must maintain records of all systems tested and of the operational status of the UST system. If the equipment fails a test or is deemed inoperable, the equipment must be repaired or replaced, and tested to verify operability.

Mandatory availability of records varies by state. In Iowa, owners and operators must keep the required records either: (1) at the UST site and immediately available for inspection by the department; or (2) at a readily available alternative site and be provided for inspection to the department within two business days of the department request. For all other states, please refer to the requirements established by the state regulatory agency.



ANNUAL MEETING OF SHAREHOLDERS

The Annual Meeting of PMMIC shareholders was held April 14, 2021, via remote video and teleconference. At the meeting, shareholders elected Randall Meyer, Robert Renkes, and Terry Handley to three-year terms on the Board of Directors.

This is Terry Handley's first term on the PMMIC Board. Terry is the Former President and Chief Executive Officer of Casey's General Stores, Inc. in Ankeny, Iowa. He retired in June 2019 after more than 38 years of leadership, including positions in Store Operations, Marketing and Food Service. He is a member of the PMMIC Marketing and Underwriting Committees.



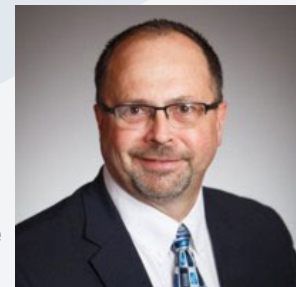
Immediately following the annual meeting of shareholders, the Board met and elected the following officers for the company:

- Ronald Burmeister, Chairman
- Patrick Rounds, President & CEO
- Randy Meyer, Vice Chairman
- Brian Wiegert, Vice President
- Jeff Yurgae, Secretary
- Tony Song, Vice President
- Jerry Woods, Treasurer

New Faces at PMMIC

PMMIC Insurance is proud to announce and welcome Mitchell Roggemann, Linda Buckalew, and James Jennings to our team!

Mitch Roggemann came aboard as the company's Director of Sales & Marketing in January of 2021. Mitch is responsible for growing sales in new and existing markets, as well as seeking out opportunities to develop new coverage options. Prior to joining the team, Mitch worked for nationally recognized carriers in sales and business development for over 20 years. Mitch is a licensed agent and earned his BBA in Marketing at Iowa State University.



Linda Buckalew joined our team in July of 2021 as the Front Desk Receptionist/Office Assistant. Linda has worked in the administrative support area for over 15 years and has an AAS Administrative Assistant degree from Des Moines Area Community College. She provides administrative support to all staff and is responsible for implementing day-to-day office tasks. Linda's responsibilities include processing and distributing all incoming documents, posting payments, scanning paperwork, assisting customers with inquiries, and various other administrative tasks.

James Jennings, Underwriter & Insurance Producer/Agent, also joined PMMIC in July 2021. James is responsible for reviewing all pertinent documents relating to new/renewal insurance applications and inspections for insurance coverage. He has over 5 years of experience in Communications, Finance, and Risk Management, having worked in several industries throughout Iowa and Colorado. James attended Des Moines Area Community College with a focus on Business Administration and Accounting.



SUMP TEST WATER WARNING

State and federal regulations require that all spill containment sumps (and piping, transition, and under dispenser containment [UDC] sumps if used for interstitial monitoring), be tested to determine if they are liquid tight at least once every three years. The first test is due by October 13, 2021. The most common test is hydrostatic or liquid testing. This method introduces water into the sump being tested. The testing protocol requires that the liquid level be measured at the beginning and end of a test period in order to determine if there has been a loss of liquid. After completion of the test, the test liquid is a hazardous waste that must be disposed of properly.

PMMIC has reviewed currently available hydrostatic test methods and has determined that the intentional introduction of water into an operational spill containment, sump, or UDC presents serious risks and any release that occurs during testing is not covered by PMMIC's insurance policy.

In addition, any release resulting from the direct discharge of petroleum contaminated water to the surface of a facility is not covered by PMMIC's insurance policy. If you insure your tank system with PMMIC, DO NOT discharge any sump liquids to the ground surface. All liquids removed from sumps must be disposed of properly. (See *Page 1* for details on disposal.)



**Water in the sump?
DON'T DUMP!**