

From: **Barolo, Mark** <Barolo.Mark@epa.gov>
Date: Wed, Oct 20, 2021 at 7:58 AM
Subject: Obtaining Insurance For Aging USTs
To:

Dear UST Colleagues:

I am writing to share information about obtaining insurance for aging underground storage tank (UST) systems—those that are 30 years old or older. This information may help owners and operators of aging USTs as they consider options for obtaining or keeping insurance to satisfy the financial responsibility (FR) requirement. Because the issue of insuring aging USTs has been raised by regulators, marketers, and industry groups, I am sending this to all our partners and stakeholders.

To better understand the current market for insuring aging USTs, we talked with several insurance providers about trends in the industry and factors they consider when underwriting UST systems. Although many current providers are unwilling to insure 30-year-old and older USTs, we learned that a few companies continue to insure aging USTs. Each provider identified different conditions under which they insure aging USTs. Because insuring USTs involves many equipment and site-specific factors, owners and operators should contact their insurance agent or broker to discuss their unique risk profile and insurance options. A list of insurance providers is available on EPA's UST website; see the link below.

The insurance providers generally agreed owners and operators can increase the likelihood of obtaining coverage by taking certain actions. For example, owners and operators can demonstrate compliance by maintaining thorough inspection and system maintenance records; see the link to *EPA's UST Technical Compendium*, Question 13 below for more information. The following resources from EPA and the Association of State and Territorial Solid Waste Management Officials (ASTSWMO) provide information to help you assess options when obtaining UST insurance.

- *EPA's List Of Insurance Providers For UST Financial Responsibility Requirements* web page contains names of providers and information about financial responsibility www.epa.gov/ust/list-insurance-providers-ust-financial-responsibility-requirements
- *EPA's UST Technical Compendium: Financial Responsibility* web page contains two recently added questions and answers www.epa.gov/ust/ust-technical-compendium-financial-responsibility
 - Question 13 addresses what UST owners and operators of aging USTs can do to renew or obtain insurance to meet the financial responsibility requirement

- Question 14 covers state-developed alternative compliance mechanisms to help UST owners and operators satisfy financial responsibility for deductibles

- ASTSWMO's *Guide to Tank Insurance* at <https://astswmo.org/guide-to-tank-insurance/> provides information on tank insurance, including definitions and resources, regulatory requirements, types of insurance, reporting requirements, and questions to ask when purchasing tank insurance.

We recognize that obtaining insurance for aging USTs is a challenge and will continue to be difficult going forward, but we hope the resources listed above are will be helpful to those looking to acquire or maintain insurance policies for their older USTs. Please contact Emma Krulick at Krulick.emma@epa.gov or 202-564-5653 with questions.

Mark Barolo, Acting Director
Office of Underground Storage Tanks
U.S. Environmental Protection Agenc