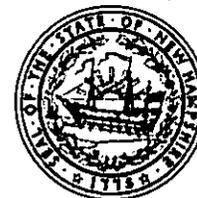




The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

Rep. Chris Christensen, Chairman

Oil Fund Disbursement Board

October 22, 2018

His Excellency, Governor Christopher T. Sununu
 and the Honorable Council
 State House
 Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to RSA 146-D:5, II, accept the 2018 annual report of the Oil Fund Disbursement Board (Board).

EXPLANATION

The Board hereby submits its annual report on the status of the New Hampshire Petroleum Reimbursement Fund Program for the State Fiscal Year that ended on June 30, 2018.

The reimbursement fund program has a history of service to New Hampshire citizens, in providing financial resources to remedy environmental impacts due to releases of petroleum products. The Oil Discharge and Disposal Cleanup Fund (ODDCF) operates as comprehensive excess insurance that protects petroleum storage facility owner assets and ensures timely and cost-effective cleanup of contamination. In addition to protecting public health and the environment, this assistance plays a significant and important role in economic development. The fund also provides financial assistance for the problem of methyl tertiary-butyl ether ("MtBE") contamination. MtBE impacts owners of public and private water supply wells statewide, despite a ban on the gasoline additive that was effective January 1, 2007. It is important to note that the ODDCF covers cleanup work for on-going projects and a limited number of new MtBE projects. In addition to, and separate from the ODDCF, settlement monies from the State's 2003 MtBE lawsuit, fund additional preventative and corrective measures related to MtBE throughout the state. The ODDCF also provides financial assistance for heating oil contamination cleanup and replacement of substandard on-premise-use heating oil storage tank systems. The tank replacement program for low-income homeowners is part of NHDES efforts to reduce the incidence of heating oil releases to the environment and thus reduce cleanup expenses.

The Board and NHDES monitor fund program revenues and expenses and prioritize cleanup projects in consideration of public health/environmental risk, demand, and availability of funds. NHDES personnel work diligently to assist owners of contaminated public and private water supply wells, and to bring cleanup projects to regulatory closure. NHDES also directs significant effort toward petroleum storage facility owner/operator outreach and training for release prevention. However, existing groundwater contamination in many areas of the state will be slow to degrade, and new contamination projects will still be discovered in future years despite highly effective release prevention efforts. Thus, continuation of the ODDCF and adequate program funding are vital to protect public health and environmental quality in New Hampshire.

DES Web Site: www.des.nh.gov

P.O. Box 95, 29 Hazen Drive, Concord, New Hampshire 03302-0095

Telephone: (603) 271-3899 Fax: (603) 271-2181 TDD Access: Relay NH 1-800-735-2964

His Excellency, Governor Christopher T. Sununu
and the Honorable Council
Annual Report of the Oil Fund Disbursement Board
Page 2 of 2

We respectfully request your acceptance of this report.



Rep. Chris Christensen, Chairman
Oil Fund Disbursement Board



Robert R. Scott, Commissioner
Dept. of Environmental Services

Attachments

cc: Hon. Chuck Morse, President of the Senate
Hon. Gene G. Chandler, Speaker of the House
Hon. Kevin Avar, Chair Senate Energy & Natural Resources Committee
Hon. Norman Major, Chair House Ways & Means Committee
Tammy L. Wright, Clerk of the Senate
Paul C. Smith, Clerk of the House
N.H. State Library

STATE OF NEW HAMPSHIRE

Petroleum Reimbursement Fund Program

RSA 146-D

2018

Annual

Report



Oil Fund Disbursement Board

October 22, 2018

EXECUTIVE SUMMARY

Pursuant to RSA 146-D:5, this document presents the Annual Report of the Oil Fund Disbursement Board on the Oil Discharge and Disposal Cleanup Fund for the Fiscal Year (FY) ending June 30, 2018. The report includes Fund program background and objectives, FY 2018 activity, current and historic financial activity, and revenue and expense projections for the next two fiscal years. The report and related program information is available at:

<http://des.nh.gov/organization/divisions/waste/orcb/fms/prfp/orcb/fms/prfp/index.htm>

Rep. Chris Christensen, Chairman
Kevin A. Sheppard, P.E., Vice Chairman
Sen. Regina Birdsell
Sen. Jeffrey Woodburn
Rep. Karen Ebel
Thomas Klemm
Shane McKinney
Thomas J. Frawley
Dana G. Jones
Daniel S. Freihofer
Scott R. Bryer, CPA
Michael J. Wimsatt, P.G.

Oil Fund Disbursement Board – RSA 146-D: 4, I
October 22, 2018

TABLE OF CONTENTS

	<u>Page</u>
Program Background	1
Objectives & Activity	2
Community Assistance & Economic Development	2
Program Recognition	3
Legislation, Rulemaking & Related Activity	3
Cleanup Project Activity	3
Financial Activity	4
Management Discussion of Income & Expenses	
Operating Revenues	
Program Management & Administrative Costs	
Cleanup Project Expenses	
Release Prevention Expenses	
Total Available Funds	
Appendix	7
Table 1 - Historic Financial Performance	A-1
Table 2 - Total Cleanup Costs (Active and Closed) by Community as of June 30, 2018	A-2
Table 3 - Distribution of Cleanup Projects as of June 30, 2018	A-3
Table 4 - Fiscal Year 2017/2018 Comparative Financial Performance	A-4
Table 5 - Fiscal Year 2019 & 2020 Projected	A-5
Figure 1 - Distribution of Total Cleanup Costs by Project Type as of June 30, 2018	A-6

Program Background

The New Hampshire Petroleum Fund program is a financial assistance program for owners of petroleum storage facilities, owners of public and private water supplies, and owners of properties identified as a source of gasoline ether contamination, predominately methyl tertiary-butyl ether (MtBE). Prior to 2016, the program included four separate dedicated funds authorized by state statute for the cleanup of petroleum contamination: the Oil Discharge & Disposal Cleanup Fund (ODDCF) authorized by RSA 146-D, the Fuel Oil Discharge Cleanup Fund authorized by RSA 146-E, the Motor Oil Discharge Cleanup Fund authorized by RSA 146-F, and the Gasoline Remediation & Elimination of Ethers Fund authorized by RSA 146-G. With passage of HB 664, which became effective July 1, 2016, these four funds were consolidated into a single reimbursement fund established under RSA 146-D.

RSA 146-D was originally enacted into law in July 1988. The program serves New Hampshire citizens by providing financial resources to protect public health, remedy environmental impacts, and avoid financial hardship.

The ODDCF provides "excess insurance" coverage for owners of underground storage tank (UST) facilities, owners of above ground storage tank (AST) facilities, owners of on-premise-use heating oil facilities (primarily residential properties), and owners of land where facilities are or were located. Under federal and state regulations, UST owners are required to demonstrate financial responsibility for contamination cleanup. The ODDCF satisfies both the federal and state financial responsibility requirement. To qualify for state fund coverage, facilities must be in compliance with all applicable state and federal rules for operation and maintenance. Thus, the Fund program provides an incentive to reduce the risk of releases. Out-of-use facilities must be properly closed, which is typically accomplished by removal of the storage tanks from the property. The fund provides a comprehensive excess insurance program that protects facility owners from financial devastation and ensures timely and cost-effective cleanup of petroleum contamination. Owners of petroleum storage facilities may request reimbursement for cleanup costs incurred due to facility releases.

In addition, low-income homeowners may receive up to \$2,250 in funds for repair or replacement of substandard on-premise-use fuel oil storage tank systems, to prevent releases and avoid cleanup expenses.

The ODDCF is also available to specifically address the problem of MtBE contamination in public and private drinking water supply wells throughout the state. Although MtBE was banned as a gasoline fuel additive effective January 1, 2007, it remains a contaminant of concern in groundwater.

The Fund program is administered by the Oil Fund Disbursement Board (Board), which is composed of twelve members representing the N.H. Legislature, the petroleum industry, state agencies and the general public. The Board is administratively attached to the Department of Environmental Services (DES), which performs program support services. The Board meets

regularly to approve activity reports, review policies and procedures, consider rule waiver requests, and hear appeals.

Reimbursements from the ODDCF are subject to N.H. Administrative Rules Chapter Odb 400 and Board policies.

Objectives & Activity

The Board and DES work cooperatively to ensure that the purpose and goals (protection of public health and the environment through the funding of cleanup activities for petroleum contamination in soil and water and funding of activities to prevent releases that cause petroleum contamination) established by statute for the fund are met. DES program staff work to move cleanup projects toward regulatory closure in a timely manner. This activity includes review and approval of cleanup work scopes and budgets, corrective action reports, and reimbursement requests. In a typical month, DES staff will review and approve 90 work scopes/budgets, 450 corrective action reports, and 180 reimbursement requests ranging from under \$1,000 to over \$400,000. Whenever possible, innovative and performance-based strategies are employed to improve cleanup results and decrease the time to complete regulatory closure of a project.

The Board oversees financial management of the fund, including development and implementation of rules, policies, and procedures for fund eligibility and reimbursement request processing. In its efforts, the Board may employ independent auditors or consultants and relies on the Department of Justice for legal counsel.

Community Assistance & Economic Development

Since program inception, \$297,800,606 has been disbursed from the fund to individuals, small and large business owners, political subdivisions, and state agencies for cleanup cost reimbursement, with comparatively low program management and administrative costs. Petroleum storage facility owners or individuals in nearly every community have received Fund program cleanup cost assistance. In addition, \$4,708,911 has been disbursed to low-income homeowners for fuel oil release prevention. See Tables 1 and 2 in the Appendix.

The fund provides benefits in protecting public health and in environmental damage prevention and restoration. Further, the program provides ancillary economic development benefits by offsetting unplanned costs that would otherwise be incurred by property owners and by encouraging property revitalization and reuse. Numerous blighted properties in the state have been successfully redeveloped, including municipally-owned properties where cleanup cost funding often facilitates or leverages private development funds. Properties with low taxable value due to contamination are restored to productive use.

Program Recognition

The New Hampshire Petroleum Fund program continues to receive high marks from USEPA, the consulting community, petroleum industry representatives, and facility owners. New Hampshire has achieved nearly 100% regulatory compliance in its efforts to remove or upgrade substandard underground storage tanks to prevent releases. Therefore, the risk of financial impact to the ODDCF is greatly reduced as compared to when the program began and the rate of releases was much greater. Our compliance standards place us at the top tier nationally among the states.

Completing regulatory closure of existing ODDCF cleanup projects depends on adequate revenues. In addition, the Safetank Release Prevention Program, which also relies on adequate revenues, can greatly reduce future cleanup expenses at on-premise-use heating oil facilities. Thus, the Board and DES work to ensure continuous improvement in management of the fund and make recommendations to the Governor and Legislature on addressing future revenue needs for this vital program.

Legislation and Rulemaking

In June of 2017 HB 380-FN was signed into law, increasing the Safetank reimbursement limit for low-income homeowners from \$1,500 to \$2,250. This increase went into effect for State Fiscal Year (FY) 2018 and is reflected in this report.

The most recent revisions to the Fund program rules under N.H. Administrative Rules Chapters Odb 100, 200 and 400 were adopted in September 2011, December 2013, and April 2014. An update to the rules is expected in 2019.

Cleanup Project Activity

For a typical project, the sequence of “phased” cleanup work from discovery of a release through regulatory closure is: emergency services, initial response, site characterization, site investigation, remedial plan preparation, remedial plan implementation, and monitoring. Monitoring may also occur at projects if remediation is delayed. The nature of the product released dictates the type of work needed to complete cleanup and achieve site closure. A gasoline release will typically spread further in the soil and groundwater than a fuel oil release. Therefore, a comprehensive site investigation is usually required prior to remedial plan development and implementation. In contrast, contamination from a fuel oil release is frequently limited to soil, and cleanup work typically occurs under the initial response phase. These projects can move more quickly to regulatory closure without a comprehensive site investigation.

ODDCF cleanup expenses from 1990 through the present were fairly evenly distributed among the initial response, site investigation, remedial, and monitoring phases as new projects were initiated and existing projects closed. In FY 2018 there were 904 active ODDCF-eligible projects, with 110 new projects reported during the fiscal year. Of the new projects, the majority were

releases from on-premise-use fuel oil storage tank systems, with 100 discovered in FY 2018. In future years, DES anticipates the percentage of remedial costs will increase as regulatory closure of active projects is completed and the discovery of new releases requiring investigation diminishes for regulated AST, UST, and on-premise-use heating oil facilities.

Table 3 and Figure 1 in the Appendix, respectively, provide cleanup project statistics and illustrate the historic distribution of cleanup project costs for purposes of comparison among the four categories of ODDCF projects, based on the type of release.

Financial Activity

Management Discussion of Income and Expenses: Annual operating revenue to the ODDCF is provided through import fees on petroleum products collected by the Department of Safety. The statute sets a “ceiling” and “floor” on the unobligated balance of the fund such that import fee collections are suspended when the ceiling is reached and collections resume when the balance is paid-down to the floor. However, current and future demand on the ODDCF will likely preclude reaching the ceiling. Ensuring that sufficient funds are available to support present and future cleanup projects is a primary focus of program planning.

Fund program financial operations follow the State FY calendar of July 1st to June 30th, and the state biennium budget cycle.

The Board is pleased to report the majority of program revenues are directed to achieving established goals and objectives, with overall program management and administrative costs for the ODDCF averaging approximately 12% of total expenses. DES supervisory, project management, facility compliance, and administrative staff are able to work under the fund on a program basis, through the use of a single administrative expense account that is supported by the fund. Overtime and compensatory time is also available to provide additional staff-hours as needed to meet peak workload demands, versus maintaining sufficient full-time staff to cover all potential workload demands. DES staff processed cleanup and release prevention claims, reimbursed for contracted cleanup costs, and managed cleanup work totaling \$12,150,299 in FY 2018.

Operating Revenues: ODDCF revenues decreased 0.38% from \$15,974,482 in FY 2017 to \$15,913,503 in FY 2018. A level motor fuel import trend would reasonably be expected due to increases in vehicle miles traveled in the state being offset by increasing fuel efficiency. Retail price fluctuation of gasoline and diesel fuel may influence imports in future years and the impacts cannot be fully predicted. Revenues from fuel oil imports have generally declined with decreasing imports due to changing weather patterns and conversion to alternate heating fuels, such as natural gas, propane, or wood. The ODDCF balance increased 9.6% from \$11,050,729 at the end of FY 2017 to \$12,107,717 at the end of FY 2018. The increases in the balance are primarily due

to significant turnover in program staff at DES, resulting in extended period with vacant positions and the resultant reduced pace of corrective action work approvals.

Program Management & Administrative Costs: Total program management and administrative cost allocations increased 1% between FY 2017 (\$2,679,312) and FY 2018 (\$2,706,216). As noted previously, program management and administrative costs are historically approximately 12% of total expenses. Administrative cost allocation budgets for FY 2019 are based on an assumption that all positions remain filled, and applying conservative estimates for operating expenses and inter-agency transfers for program support costs.

Cleanup Project Expenses: ODDCF cleanup project reimbursements including contracted cleanup costs increased 10.3% from \$10,746,548 in FY 2017 to \$11,853,137 in FY 2018. Demand is expected to remain steady due to the number of remediation projects. Such projects take time to complete the required preliminary investigations, cost analysis, planning, design, and bidding (if applicable.) Thus, total cleanup project expenses may increase or decrease from year to year. More projects are expected to be completed in FY 2019. The steady average annual demand for cleanup funds is attributable to a relatively slow decline in the number of active projects due to the high percentage with continuing groundwater impacts. Closing these projects requires considerable investment in active remediation or long-term monitoring of natural attenuation. In addition, the average annual demand resulting from on-premise-use facility projects is expected to be steady as new AST projects come to light as old heating oil tanks are removed. The proposed reimbursed cleanup budget for FY2019 and FY2020 is \$12,000,000 per year.

Release Prevention Expenses: Between FY 2017 and FY 2018, Safetank reimbursements increased 36%, from \$190,269 to \$297,162. This increase is primarily due to the passage of HB 380-FN in June of 2017, which increased the Safetank reimbursement limit from \$1,500 to \$2,250. Average annual demand of approximately \$450,000 is expected to continue for a number of years. The 2015 passage of HB 664-FN allows DES the opportunity to address the excess demand. Fully funding this important program will continue to offer benefits in future years through reduced cleanup expenses.

Total Available Funds: If total available funds, i.e., new revenues plus fund balance, are not sufficient, cleanup work may be delayed or postponed indefinitely. Delay or postponement increases the risk to public health and the environment as contaminants move further from the source property, through soil and water media. It is also important that reserve funds be available to respond to increases in petroleum releases that can occur following events like floods or ice storms. The total available funds provide DES with flexibility to address these unforeseen events and allow cleanup projects and Safetank work that may have been delayed in prior years to be completed.

Tables 4 and 5, respectively, in the Appendix summarize comparative FY 2017 and FY 2018 financial performance, and FY 2019 and FY 2020 projected revenues and expenses for the program.

Appendix



Table 1 - Historic Financial Performance

Category	Oil Discharge & Disposal Cleanup Fund (RSA 146-D)
Year Statute Effective	1988 ⁽¹⁾
Revenues & Start-up Funds	\$362,837,022
Program Management & Administrative Costs	(\$43,178,704)
Loan Expenses ⁽²⁾	(\$2,400,000)
Program Management & Administrative Costs - % of Total Expense	12.4%
Reimbursed Cleanup Expenses	(\$297,800,606)
Release Prevention (SafeTank) Expenses & Research/Contracted Cleanup Expenses	(\$6,200,000)
Transfers	(\$1,150,000)
Balance	\$12,107,712

NOTES:

(1) Original cleanup fund established in 1988. Additional were established in 1993 (RSA 146-E), 1995 (RSA 146-F), and 2001 (RSA 146-G). In 2016, all funds were consolidated under RSA 146-D.

(2) Loan expenses result from repayment of program start-up funds and other inter-fund loans (included in revenues.)

Oil Fund Disbursement Board FY 2018 Annual Report

Table 2 - Total Cleanup Costs (Active and Closed) by Community as of June 30, 2018



ACWORTH	\$19,292.80	CLAREMONT	\$2,857,506	GRAFTON	\$265,113	LOUDON	\$316,423
ALBANY	\$550,924	CLARKSVILLE	\$106,345	GRANTHAM	\$628,574	LYMAN	\$58,984
ALEXANDRIA	\$14,484	COLEBROOK	\$416,205	GREENFIELD	\$246,540	LYME	\$781,982
ALLENSTOWN	\$1,274,317	COLUMBIA	\$35,035	GREENLAND	\$1,849,411	LYNDEBOROUGH	\$15,039
ALSTEAD	\$557,597	CONCORD	\$10,295,576	GREENVILLE	\$473,871	MADBURY	\$265,271
ALTON	\$2,133,045	CONWAY	\$5,156,631	GROTON	\$105,787	MADISON	\$203,599
AMHERST	\$411,244	CORNISH	\$122,702	HAMPSTEAD	\$1,670,860	MANCHESTER	\$20,639,893
ANDOVER	\$306,741	CROYDON	\$36,085	HAMPTON	\$1,896,582	MARLBOROUGH	\$392,904
ANTRIM	\$715,447	DALTON	\$772,818	HAMPTON FALLS	\$277,758	MARLOW	\$393,294
ASHLAND	\$854,710	DANBURY	\$399,501	HANCOCK	\$49,322	MASON	\$992,707
ATKINSON	\$596,610	DANVILLE	\$284,376	HANOVER	\$2,419,882	MEREDITH	\$4,337,633
AUBURN	\$2,552,597	DEERFIELD	\$500,449	HARRISVILLE	\$199,601	MERRIMACK	\$1,700,852
BARNSTEAD	\$666,493	DEERING	\$155,989	HAVERHILL	\$1,672,536	MIDDLETON	\$47,770
BARRINGTON	\$517,690	DERRY	\$7,690,274	HEBRON	\$39,196	MILAN	\$92,594
BARTLETT	\$556,164	DIXVILLE	\$861,601	HENNIKER	\$594,369	MILFORD	\$4,300,824
BATH	\$31,155	DORCHESTER	\$21,382	HILL	\$42,712	MILTON	\$559,520
BEDFORD	\$3,021,136	DOVER	\$12,302,534	HILLSBOROUGH	\$4,567,547	MONROE	\$12,721
BELMONT	\$2,524,408	DUBLIN	\$154,931	HINSDALE	\$507,269	MONT VERNON	\$475,596
BENNINGTON	\$276,686	DUNBARTON	\$569,385	HOLDERNESS	\$253,373	MOULTONBOROUGH	\$3,309,169
BERLIN	\$1,334,798	DURHAM	\$1,425,229	HOLLIS	\$283,105	NASHUA	\$10,031,978
BETHLEHEM	\$932,544	EAST KINGSTON	\$99,227	HOOKSETT	\$1,548,415	NELSON	\$334,740
BOSCAWEN	\$1,605,137	EFFINGHAM	\$52,107	HOPKINTON	\$1,394,947	NEW BOSTON	\$565,688
BOW	\$848,648	ENFIELD	\$2,353,070	HUDSON	\$1,836,011	NEW CASTLE	\$243,116
BRADFORD	\$1,995,922	EPPING	\$3,248,669	JACKSON	\$149,679	NEW DURHAM	\$174,768
BRENTWOOD	\$456,599	EPSOM	\$2,932,804	JAFFREY	\$1,541,395	NEW HAMPTON	\$516,343
BRIDGEWATER	\$317,689	ERROL	\$769,520	JEFFERSON	\$241,716	NEW IPSWICH	\$2,010,776
BRISTOL	\$858,235	EXETER	\$4,787,255	KEENE	\$4,428,396	NEW LONDON	\$1,334,449
BROOKFIELD	\$16,210	FARMINGTON	\$732,947	KENSINGTON	\$269,492	NEWBURY	\$562,148
BROOKLINE	\$69,138	FITZWILLIAM	\$802,741	KINGSTON	\$2,142,646	NEWFIELDS	\$143,913
CAMBRIDGE	\$10,779	FRANCESTOWN	\$428,547	LACONIA	\$8,879,878	NEWINGTON	\$1,458,778
CAMPTON	\$829,472	FRANCONIA	\$355,658	LANCASTER	\$1,503,877	NEWMARKET	\$1,029,551
CANAAN	\$1,713,706	FRANKLIN	\$2,084,082	LANGDON	\$26,025	NEWPORT	\$3,111,739
CANDIA	\$609,939	FREEDOM	\$837,675	LEBANON	\$7,249,817	NEWTON	\$589,256
CANTERBURY	\$474,198	FREMONT	\$569,798	LEE	\$4,799,776	NORTH HAMPTON	\$1,101,695
CARROLL	\$887,493	GILFORD	\$1,963,695	LEMPSTER	\$833,602	NORTHFIELD	\$633,942
CENTER HARBOR	\$109,253	GILMANTON	\$567,694	LINCOLN	\$1,083,912	NORTHUMBERLAND	\$994,634
CHARLESTOWN	\$526,660	GILSUM	\$61,656	LISBON	\$397,948	NORTHWOOD	\$2,527,956
CHESTER	\$259,051	GOFFSTOWN	\$2,879,099	LITCHFIELD	\$552,914	NOTTINGHAM	\$676,982
CHESTERFIELD	\$466,783	GORHAM	\$1,552,510	LITTLETON	\$2,397,064	ORANGE	\$19,947
CHICHESTER	\$2,240,156	GOSHEN	\$504,962	LONDONDERRY	\$3,349,819	ORFORD	\$186,287

Oil Fund Disbursement Board FY 2018 Annual Report

Table 2 - Total Cleanup Costs (Active and Closed) by Community as of June 30, 2018



OSSIPEE	\$3,418,927	TAMWORTH	\$518,830
PELHAM	\$1,563,220	TEMPLE	\$29,318
PEMBROKE	\$678,955	THORNTON	\$77,596
PETERBOROUGH	\$1,814,254	TILTON	\$3,009,976
PIERMONT	\$427,429	TROY	\$174,234
PINKHAMS GRANT	\$317,880	TUFTONBORO	\$1,156,800
PITTSBURG	\$224,052	UNITY	\$358,301
PITTSFIELD	\$1,030,830	WAKEFIELD	\$3,102,459
PLAINFIELD	\$294,663	WALPOLE	\$885,246
PLAISTOW	\$3,657,930	WARNER	\$437,405
PLYMOUTH	\$4,830,609	WARREN	\$476,440
PORTSMOUTH	\$8,309,295	WASHINGTON	\$9,384
RAYMOND	\$1,716,541	WATERVILLE VALLEY	\$509,857
RICHMOND	\$1,891,187	WEARE	\$3,903,507
RINDGE	\$344,058	WEBSTER	\$29,435
ROCHESTER	\$7,908,080	WENTWORTHS LOCATI	\$99,181
ROLLINSFORD	\$1,146,548	WESTMORELAND	\$95,540
RUMNEY	\$234,483	WHITEFIELD	\$1,384,330
RYE	\$847,944	WILMOT	\$117,564
SALEM	\$7,925,319	WILTON	\$551,240
SALISBURY	\$119,615	WINCHESTER	\$1,438,387
SANBORNTON	\$590,573	WINDHAM	\$6,930,357
SANDOWN	\$302,009	WINDSOR	\$113,387
SANDWICH	\$355,504	WOLFEBORO	\$2,967,088
SEABROOK	\$1,413,168	WOODSTOCK	\$436,527
SHARON	\$10,114		
SOMERSWORTH	\$3,015,475		
SOUTH HAMPTON	\$122,429		
STARK	\$48,795		
STEWARTSTOWN	\$101,044		
STODDARD	\$487,791		
STRAFFORD	\$882,715		
STRATFORD	\$977,057		
STRATHAM	\$1,700,954		
SUGAR HILL	\$66,801		
SULLIVAN	\$56,227		
SUNAPEE	\$633,893		
SURRY	\$515,812		
SUTTON	\$478,904		
SWANZEY	\$1,239,715		



Table 3 - Distribution of Cleanup Projects as of June 30, 2018

Project Type		Total New Projects in FY 2018	Eligible Projects in Progress by Cleanup "Phase"					Eligible Projects Completed	
			Initial Response Action	Site Investigation	Remedial Action	Monitoring	Total In Progress	Number	Average Years to Complete
Gasoline and Diesel Releases	Above Ground Storage Tank (AST)	0	0	4	8	24	36	60	6.2
	Underground Storage Tank (UST)	8	0	81	76	403	560	1,076	7.6
Gasoline Ethers (MtBE and Related Compounds) Releases		1	0	5	12	26	43	174	4.9
Heating Oil Releases	Above Ground Storage Tank (AST)	0	0	0	1	6	7	20	6
	On Premise Use Fuel (OPUF)	100	118	66	10	51	245	2,024	1.3
Motor Oil & Used Motor Oil Releases		1	0	3	2	8	13	40	4.3

Initial Response Action includes activities to contain a petroleum discharge and abate immediate environmental and public health risks. The work may include soil removal, petroleum recovery and vapor mitigation. Less complex projects, e.g., on-premise-use fuel oil discharges at private homes, may remain in this phase from start to completion.

Site Investigation is needed at more complex projects to determine the magnitude and extent of contamination to develop a remedial plan. A typical investigation involves installation of groundwater monitoring wells and sampling/analysis to determine groundwater flow and receptors.

Remedial Action is needed at more complex projects to remove or treat contamination in soil and groundwater, and abate vapor problems.

Monitoring is performed to determine if/when groundwater contamination has decreased to State standards. For some projects under Monitoring, completion could be accelerated with active remediation. For gasoline ether projects, monitoring also includes a public water supply that is performing additional periodic water quality analysis due to the presence of MtBE.

**Oil Fund Disbursement Board FY 2018
Annual Report**



**Table 4 - 2017/2018 Comparative Financial
Performance**

	FY 17	FY 18
Beginning Balance	\$8,692,412	\$11,050,729
Revenues (1)	\$15,974,482	\$15,913,503
Program Management & Administrative Costs (2)	(\$2,679,312)	(\$2,706,216)
Reimbursed Cleanup Expenses (3)	(\$10,696,689)	(\$11,800,950)
Contracted Cleanup Expenses (4)	(\$49,859)	(\$52,187)
Release Prevention Expenses (SafeTank) (5)	(\$190,305)	(\$297,162)
Ending Balance	\$11,050,729	\$12,107,717

NOTES:

- (1) Total revenues include import fees, interest and inter-fund transfers.
- (2) Program management and administrative costs include: DES project management, fund administration and facility compliance services, Dept. of Safety import fee collection activities, and Dept. of Justice legal services.
- (3) Cleanup expenses are for reimbursement of costs incurred by eligible parties.
- (4) Contracted cleanups are for locations where the MtBE contamination source is unknown. At such locations NHDES may provide temporary water supplies and perform investigations and other work to address the contamination.
- (5) Release prevention expenses are for reimbursement of up to \$2,250 for low-income homeowners to replace substandard heating oil storage tanks.

Oil Fund Disbursement Board FY 2018

Annual Report



Table 5 - FY 2019 & FY 2020 *Projected*

Category	Oil Discharge & Disposal Cleanup Account (RSA 146-D)	
	2019	2020
Beginning Balance	\$12,107,717	\$12,007,717
Revenues	\$16,000,000	\$16,000,000
Program Management & Administrative Costs	(\$3,500,000)	(\$3,500,000)
Reimbursed Cleanup Expenses	(\$12,000,000)	(\$12,000,000)
Contracted Cleanup Expenses	(\$150,000)	(\$250,000)
Release Prevention	(\$450,000)	(\$450,000)
Ending Balance	\$12,007,717	\$11,807,717

Figure 1 - Distribution of Reimbursed Costs by Project Type as of June 30, 2018

