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The State of New Hampshire
Department of Environmental Services



Robert R. Scott, Commissioner

Kevin Sheppard, P.E., Chairman

Oil Fund Disbursement Board

September 15, 2020

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 2019 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, 2019. We regret the delay of this report, which was primarily caused by administrative issues associated with the COVID-19 pandemic.

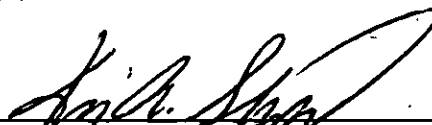
The reimbursement fund program has a history of service to New Hampshire citizens, in providing financial resources to remedy environmental impacts due to releases of petroleum products. The Oil Discharge and Disposal Cleanup Fund (ODDCF) operates as comprehensive excess insurance that protects petroleum 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

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

We respectfully request your acceptance of this report.



Kevin Sheppard, P.E., Chairman
Oil Fund Disbursement Board



Robert R. Scott, Commissioner
Dept. of Environmental Services

Attachments

cc: Hon. Donna Soucy, President of the Senate
Hon. Stephen Shurtleff, Speaker of the House
Hon. Martha Fuller Clark, Chair Senate Energy & Natural Resources Committee
Hon. Susan Almy, 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

2019
Annual
Report



Oil Fund Disbursement Board

January 27, 2020

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, 2019. The report includes Fund program background and objectives, FY 2019 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>

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Oil Fund Disbursement Board – RSA 146-D: 4, I
January 28, 2020

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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 above ground 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, \$308,758,271 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, \$5,093,687 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

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 February 2020.

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 2019 there were 894 active ODDCF-eligible projects, with 121 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 115 discovered in FY 2019. 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 13% 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 \$11,385,796 in FY 2019.

Operating Revenues: ODDCF revenues increased 3.56% from \$15,974,503 in FY 2018 to \$16,543,015 in FY 2019. 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 19.5% from \$12,107,712 at the end of FY 2018 to \$14,473,802 at the end of FY 2019. 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 3.1% between FY 2018 (\$2,706,216) and FY 2019 (\$2,791,129). As

noted previously, program management and administrative costs are historically approximately 13% of total expenses. Administrative cost allocation budgets for FY 2020 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 decreased 7.2% from \$11,853,137 in FY 2018 to \$11,001,020 in FY 2019. 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 2020. 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 FY2020 and FY2021 is \$12,000,000 per year.

Release Prevention Expenses: Between FY 2018 and FY 2019, Safetank reimbursements increased 29.5%, from \$297,162 to \$384,776. 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 2018 and FY 2019 financial performance, and FY 2020 and FY 2021 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	\$379,380,037
Program Management & Administrative Costs	(\$45,969,833)
Loan Expenses ⁽²⁾	(\$2,400,000)
Program Management & Administrative Costs - % of Total Expense	12.7%
Reimbursed Cleanup Expenses	(\$308,758,271)
Release Prevention (SafeTank) Expenses & Research/Contracted Cleanup Expenses	(\$6,628,131)
Transfers	(\$1,150,000)
Balance	\$14,473,802

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.)

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Table 2 - Total Cleanup Costs (Active and Closed) by Community as of June 30, 2019



ACWORTH	\$19,292,80	CLAREMONT	\$3,028,348	GRAFTON	\$167,449	LOUDON	\$355,383
ALBANY	\$550,924	CLARKSVILLE	\$115,659	GRANTHAM	\$717,890	LYMAN	\$63,497
ALEXANDRIA	\$14,484	COLEBROOK	\$422,336	GREENFIELD	\$246,540	LYME	\$865,165
ALLENSTOWN	\$1,368,074	COLUMBIA	\$35,035	GREENLAND	\$1,864,671	LYNDEBOROUGH	\$15,039
ALSTEAD	\$561,851	CONCORD	\$9,766,832	GREENVILLE	\$459,348	MADBURY	\$277,455
ALTON	\$2,104,822	CONWAY	\$5,069,124	GROTON	\$105,787	MADISON	\$274,245
AMHERST	\$416,034	CORNISH	\$122,702	HAMPSTEAD	\$1,791,457	MANCHESTER	\$20,919,024
ANDOVER	\$270,468	CROYDON	\$36,085	HAMPTON	\$1,928,299	MARLBOROUGH	\$407,432
ANTRIM	\$742,179	DALTON	\$783,260	HAMPTON FALLS	\$290,755	MARLOW	\$411,011
ASHLAND	\$804,348	DANBURY	\$420,353	HANCOCK	\$49,322	MASON	\$992,707
ATKINSON	\$390,962	DANVILLE	\$284,376	HANOVER	\$2,485,347	MEREDITH	\$4,340,982
AUBURN	\$2,875,952	DEERFIELD	\$513,993	HARRISVILLE	\$199,601	MERRIMACK	\$1,624,445
BARNSTEAD	\$617,880	DEERING	\$155,989	HAVERHILL	\$1,571,223	MIDDLETON	\$47,770
BARRINGTON	\$521,579	DERRY	\$5,030,372	HEBRON	\$39,196	MILAN	\$109,125
BARTLETT	\$666,920	DIXVILLE	\$864,979	HENNIKER	\$524,243	MILFORD	\$4,541,074
BATH	\$69,204	DORCHESTER	\$21,382	HILL	\$42,712	MILTON	\$513,662
BEDFORD	\$3,101,816	DOVER	\$10,826,865	HILLSBOROUGH	\$4,672,616	MONROE	\$12,721
BELMONT	\$2,539,358	DUBLIN	\$164,562	HINSDALE	\$540,139	MONT VERNON	\$498,954
BENNINGTON	\$246,285	DUNBARTON	\$569,385	HOLDERNESS	\$263,608	MOULTONBOROUGH	\$3,418,295
BERLIN	\$1,299,676	DURHAM	\$1,446,214	HOLLIS	\$299,271	NASHUA	\$10,276,415
BETHLEHEM	\$920,115	EAST KINGSTON	\$99,227	HOOKSETT	\$1,568,038	NELSON	\$335,957
BOSCAWEN	\$1,581,935	EFFINGHAM	\$52,107	HOPKINTON	\$1,415,279	NEW BOSTON	\$571,642
BOW	\$821,120	ENFIELD	\$2,371,557	HUDSON	\$1,825,375	NEW CASTLE	\$253,086
BRADFORD	\$1,785,682	EPPING	\$3,299,568	JACKSON	\$164,691	NEW DURHAM	\$195,460
BRENTWOOD	\$463,834	EPSOM	\$2,835,294	JAFFREY	\$1,551,094	NEW HAMPTON	\$610,793
BRIDGEWATER	\$368,077	ERROL	\$635,548	JEFFERSON	\$270,732	NEW IPSWICH	\$1,754,444
BRISTOL	\$893,047	EXETER	\$4,699,733	KEENE	\$5,057,800	NEW LONDON	\$1,369,081
BROOKFIELD	\$16,210	FARMINGTON	\$706,107	KENSINGTON	\$274,334	NEWBURY	\$598,782
BROOKLINE	\$44,140	FITZWILLIAM	\$818,018	KINGSTON	\$2,204,570	NEWFIELDS	\$143,913
CAMBRIDGE	\$10,779	FRANCESTOWN	\$416,147	LACONIA	\$8,907,000	NEWINGTON	\$1,480,507
CAMPTON	\$802,435	FRANCONIA	\$366,740	LANCASTER	\$1,587,504	NEWMARKET	\$1,078,288
CANAAN	\$1,741,110	FRANKLIN	\$1,997,034	LANGDON	\$26,025	NEWPORT	\$3,123,780
CANDIA	\$609,939	FREEDOM	\$626,916	LEBANON	\$7,461,868	NEWTON	\$594,255
CANTERBURY	\$479,149	FREMONT	\$576,307	LEE	\$4,821,726	NORTH HAMPTON	\$1,233,680
CARROLL	\$899,980	GILFORD	\$1,998,902	LEMPSTER	\$865,324	NORTHFIELD	\$655,013
CENTER HARBOR	\$109,253	GILMANTON	\$531,342	LINCOLN	\$1,114,627	NORTHUMBERLAND	\$1,004,756
CHARLESTOWN	\$504,683	GILSUM	\$61,656	LISBON	\$477,251	NORTHWOOD	\$2,615,009
CHESTER	\$236,806	GOFFSTOWN	\$2,836,566	LITCHFIELD	\$509,956	NOTTINGHAM	\$687,475
CHESTERFIELD	\$483,150	GORHAM	\$1,616,306	LITTLETON	\$2,399,683	ORANGE	\$19,947
CHICHESTER	\$2,104,184	GOSHEN	\$513,058	LONDONDERRY	\$3,208,131	ORFORD	\$134,955

Oil Fund Disbursement Board FY 2019 Annual Report

Table 2 - Total Cleanup Costs (Active and Closed) by Community as of June 30, 2019



OSSIPEE	\$3,559,651	TAMWORTH	\$458,694
PELHAM	\$1,436,699	TEMPLE	\$29,318
PEMBROKE	\$685,160	THORNTON	\$77,596
PETERBOROUGH	\$1,782,328	TILTON	\$2,928,239
PIERMONT	\$433,830	TROY	\$159,040
PINKHAMS GRANT	\$321,496	TUFTONBORO	\$1,166,391
PITTSBURG	\$278,632	UNITY	\$358,301
PITTSFIELD	\$1,045,777	WAKEFIELD	\$3,093,719
PLAINFIELD	\$296,760	WALPOLE	\$859,806
PLAISTOW	\$3,077,754	WARNER	\$444,960
PLYMOUTH	\$4,873,183	WARREN	\$489,165
PORTSMOUTH	\$7,991,373	WASHINGTON	\$9,384
RAYMOND	\$1,767,461	WATERVILLE VALLEY	\$509,857
RICHMOND	\$1,524,296	WEARE	\$3,910,265
RINDGE	\$351,890	WEBSTER	\$29,435
ROCHESTER	\$7,597,939	WENTWORTHS LOCATI	\$63,069
ROLLINSFORD	\$1,155,297	WESTMORELAND	\$95,540
RUMNEY	\$192,628	WHITEFIELD	\$1,423,406
RYE	\$832,364	WILMOT	\$117,564
SALEM	\$7,915,683	WILTON	\$551,240
SALISBURY	\$133,349	WINCHESTER	\$1,459,876
SANBORNTON	\$638,943	WINDHAM	\$5,783,357
SANDOWN	\$305,107	WINDSOR	\$131,725
SANDWICH	\$357,504	WOLFEBORO	\$3,012,814
SEABROOK	\$1,428,352	WOODSTOCK	\$504,397
SHARON	\$10,114		
SOMERSWORTH	\$3,072,933		
SOUTH HAMPTON	\$135,571		
STARK	\$48,795		
STEWARTSTOWN	\$101,044		
STODDARD	\$487,791		
STRAFFORD	\$894,099		
STRATFORD	\$977,022		
STRATHAM	\$1,415,350		
SUGAR HILL	\$66,801		
SULLIVAN	\$51,101		
SUNAPEE	\$638,630		
SURRY	\$521,545		
SUTTON	\$487,132		
SWANZEY	\$1,183,488		

Oil Fund Disbursement Board FY 2019 Annual Report



Table 3 - Distribution of Cleanup Projects as of June 30, 2019

Project Type		Total New Projects in FY 2019	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)	1	0	4	7	25	36	61	6.7
	Underground Storage Tank (UST)	4	0	71	57	408	536	1,105	8.4
Gasoline Ethers (MtBE and Related Compounds) Releases		0	0	5	13	28	46	175	5.4
Heating Oil Releases	Above Ground Storage Tank (AST)	0	0	0	1	5	6	21	7.3
	On Premise Use Fuel (OPUF)	115	145	60	5	47	257	2,118	1.8
Motor Oil & Used Motor Oil Releases		1	1	3	1	8	13	42	4.7

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 2019
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Table 4 - 2018/2019 Comparative Financial Performance

	FY 18	FY 19
Beginning Balance	\$11,050,729	\$12,107,712
Revenues (1)	\$15,913,503	\$16,543,015
Program Management & Administrative Costs (2)	(\$2,706,216)	(\$2,791,129)
Reimbursed Cleanup Expenses (3)	(\$11,800,955)	(\$10,957,665)
Contracted Cleanup Expenses (4)	(\$52,187)	(\$43,355)
Release Prevention Expenses (SafeTank) (5)	(\$297,162)	(\$384,776)
Ending Balance	\$12,107,712	\$14,473,802

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 2019
Annual Report**



Table 5 - FY 2020 & FY 2021 *Projected*

Category	Oil Discharge & Disposal Cleanup Account (RSA 146-D)	
	2020	2021
Beginning Balance	\$14,473,802	\$14,010,802
Revenues	\$16,000,000	\$16,000,000
Program Management & Administrative Costs	(\$3,800,000)	(\$3,900,000)
Reimbursed Cleanup Expenses	(\$12,000,000)	(\$12,000,000)
Contracted Cleanup Expenses	(\$213,000)	(\$270,000)
Release Prevention	(\$450,000)	(\$450,000)
Ending Balance	\$14,010,802	\$13,390,802

Figure 1 - Distribution of Reimbursed Costs by Project Type as of June 30, 2019

