

**PENNSYLVANIA UNDERGROUND
STORAGE TANK
INDEMNIFICATION FUND**

CLAIM MANUAL

February 1, 2022



Revision

This claim manual is intended as a guideline for the handling of claims for the Pennsylvania Underground Storage Tank Indemnification Fund. It was originally distributed in 1995, and completely revised in 2000 and 2006.

Revisions

October 13, 2006

October 29, 2007*

April 30, 2008

July 31, 2009

April 30, 2010

August 31, 2012*

April 10, 2015

November 29, 2018

February 1, 2022**

[REDACTED]

[REDACTED]

**UNDERGROUND STORAGE TANK INDEMNIFICATION FUND
CLAIM MANUAL
TABLE OF CONTENTS**

I. GENERAL INFORMATION

A. List of Contacts 1-4

B. Pennsylvania Department of Environmental Protection (“PA DEP”) Information5, 6

II. CLAIM HANDLING

A. Introduction and Overview7

B. General Claim Handling Procedures7, 8

 1. Claim Handling Flow Chart.....7

 2. Modification to Standard Procedures.....8

C. Detailed Claim Investigation Procedures..... 8-23

 1. Reserves8, 9

 2. Deductible(s).....9

 3. Ceilings and Aggregates9, 10

 4. Proration.....10, 11

 5. Other Insurance11

 6. Subrogation 11-13

 7. Third Party Claims 14-17

 8. Direction Requests17

 9. Technical Assistance from Team Subcontractors/Third Party Reviewers..... 17-19

 10. Status Reports19, 20

 11. Work Plans.....20

 12. Competitive Bidding.....21

 13. Cooperation.....21, 22

 14. Reservation of Rights Letters.....22, 23

 15. Excess Coverage Letters23

 16. Post Remedial Care Plan File Handling.....23, 24

[Revised 8/31/2012]

D. Investigation Focus/Compliance.....24, 25

E.	Completed Investigations.....	25, 26
1.	Reopening Closed/Eligible Claims	25
2.	Payments made on Closed/Eligible Claims	25
3.	Appeal Procedures	25, 26
4.	Denied Claims.....	26

III. INVOICE HANDLING PROCEDURES

A.	Invoices Associated with Cleanup Activities	27-31
1.	Initial TPA Activities.....	27
2.	Claim Investigator Invoice Review Activities	27-29
3.	Claim Investigator Invoice Handling Activities	29, 30
4.	Final TPA Activities	30
5.	Deadlines.....	30, 31
B.	Invoices Associated with Third Party Claims.....	31
C.	Invoices Associated with Legal Activities.....	31
D.	Closure of Eligible Claim Files.....	32

IV. CLAIM MANAGEMENT SYSTEMS

A.	Claims Tracking System.....	33
B.	ImageRight Document Management System	33
C.	Systems Security.....	33
D.	Systems Protection.....	33
E.	Quality Control/Quality Assurance.....	34

V. REPORTS

A.	Fund Reports	35
B.	Commonwealth Reports.....	35

C. Internal Reports.....36

VI. DOCUMENT HANDLING PROCEDURES

A. New Claims37

 1. New Claims Reporting.....37

 2. Receiving New Claim Assignments37

B. Handling Claim Investigator Related Documents37

C. Handling Claim Related Documents from the Claimant, Consultant,
 and PA DEP37

D. Handling Claim Related Documents from Attorneys37, 38

E. Handling Claim Related Documents from Third Parties38

F. Handling Requests for Claim Files38

VII. PROCEDURAL CHANGES

A. Modification to Claim Handling Procedures39

B. Date Change in the Master Claim Manual.....39

ATTACHMENTS

- Attachment 1 - Claim Handling Flow Chart
- Attachment 2 - First Request for Information Form Letters
- Attachment 3 - Authorization for Payment Form
- Attachment 4 - Competitive Bid Form Letter
- Attachment 5 - First Report
- Attachment 6 - Status Report
- Attachment 7 - Memo
- Attachment 8 - Eligible Form Letter
- Attachment 9 - Prorated Eligible Form Letter
- Attachment 10- Denial Form Letters
- Attachment 11- General Release by Tank Owner/Operator to USTIF
- Attachment 12- Subrogation Notice Form Letter
- Attachment 13- General Release by Third Party Claimant
- Attachment 14- Work Plan Letter
- Attachment 15 - Competitive Bidding Agreement Letter

Attachment 16 - Request for Bid Review & Approval Letter
Attachment 17 - Invoice Authorization
Attachment 18- Claim Reporting Notice Form Letter
Attachment 19- Other Insurance Notification Letter
Attachment 20- Cooperation Letters
Attachment 21- Excess Coverage Letters
Attachment 22- PAUSTIF Bulletins
Attachment 23- Notice of TPR Involvement to Tank Owner

[Replaced 2/1/2022]

I. GENERAL INFORMATION

A. List of Contacts.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

This page intentionally left blank.

B. [REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

II. CLAIM HANDLING

A. Introduction and Overview.

Claim handling is the core activity performed by the Third Party Administrator (“TPA”). The claim investigator is the most active team member involved in handling a claim, but almost every member of the staff is involved at some level. While each claim presents its own unique characteristics, the process for claim investigation contains many routine steps that can be captured in standard claim handling procedures.

B. General Claim Handling Procedures.

1. Claim Handling Flow Chart. The Claim Handling Flow Chart describes the process flow for routine claim investigation. (See Attachment 1). The flow chart also includes deadlines that apply to key steps in the investigation. The claim investigator is aided in the investigation by the availability of several standardized forms. Forms used by the claim investigator during the initial investigation include:

- First Request for Information Form Letters (See Attachment 2)
- Authorization for Payment Form (See Attachment 3)
- Competitive Bid Form Letter (See Attachment 4)
- First Report (See Attachment 5)

Forms used during the follow up investigation include:

- Status Report (See Attachment 6)
- Memo (See Attachment 7)

Throughout the investigation, the claim investigator prepares standardized reports that provide the TPA Claims Manager and the Fund with important information concerning the Fund's potential liability for covering the claim. These include the first report and the status report.

Once sufficient information is available to propose a determination of claim eligibility, the claim investigator prepares a draft coverage letter and a memo to the TPA Claims Manager that provides justification for the proposed disposition of the claim. Proposed determinations fall into several categories. While the wording of specific responses may change over time, the categories of responses remain relatively constant. These categories include the following:

- Eligible (See Attachment 8)
- Prorated Eligible (See Attachment 9)
- Denial (See Attachment 10)
- Negotiated Settlement/Release (See Attachment 11)

2. Modification to Standard Procedures. The procedures described in the Claim Handling Flow Chart are subject to modification and amplification in certain circumstances.

Site Visit Required by Fund. Before transmitting a claim to the TPA, the Fund may determine that the claim investigation warrants a site visit. In such a situation, the Fund will make a notation on the claim form and instruct the claim investigator to perform a site visit and conduct interviews in person. Most claims do not require a site visit. If during the course of handling a claim the TPA claim investigator determines that a site visit is beneficial in terms of investigating the claim and/or estimating potential damages, the Fund will be consulted.

Initial contact. Initial contact with tank owner operator or installer is required within one business day of assignment. The contact should be meaningful, allowing the claim investigator to collect information including a recorded statement.

Claim Investigator Deviations from Standard Procedures. A claim investigator may be unable to meet a standard deadline. In this instance, the claim investigator must notify the Fund of the reason[s] for deviating from standard procedures and obtain Fund approval for the change. An electronic mailed (“emailed”) log note from the Claims Tracking System (“CTS”) is used to request an extension when a claim investigator does not have sufficient information to prepare a first report. An emailed log note or a memo is used to update the Fund when there have not been significant changes since the last status report. In addition, a correspondence is occasionally used in place of a routine status report when the correspondence clearly indicates the status of the investigation. The Fund is copied at all times on all outgoing correspondence to tank owners/operators, their respective consultants, third party reviewers, and attorneys.

C. Detailed Claim Investigation Procedures.

The following sections explain procedures identified in the Claim Handling Flow Chart in detail:

1. Reserves. The claim investigator and TPA Claim Manager play a vital role in the proper reserving of the claim file. Reserves should represent the total cost to the Fund for the ultimate cost of remediation and any third party losses associated with the claim. Initial reserves are set at \$125,000 when the claim is reported. Once eligibility is determined, the claim investigator will set the reserve to represent the historical average cost (at this time that amount is \$175,000) of remediation of open and closed eligible claims. The initial reserve is incorporated in the first report and comments involving the adequacy of the reserve are included in all subsequent reports.

If the claim investigator through his/her investigation, has reason to adjust the reserve (e.g., a proration agreement, additional facts, cost to close estimate, etc.) the claim investigator will include the initial reserve, the adjusted reserve and the rationale for the adjustment in the next report to the Fund. Prior reimbursement payments should not be deducted from reserves reported in status reports, since the deductions for payments are reported periodically to the Fund in a separate report. The claim investigator will include however the amount of payments authorized to date in the reserve section of the report in addition to the specification of reserves. The claim investigator will also estimate reserves for any potential third party exposure[s] that have been identified and include the third party reserves in each report.

Once eligibility has been confirmed and the number of deductibles and/or amount of proration established, the reserves will be evaluated with each invoice payment to ensure that the stated reserve represents the realistic cost to remediate the site, settle any third party claims and bring the file to closure.

The TPA Claim Manager will establish and maintain an active diary on all open claims. The files will be reviewed no less than annually.

After the TPA Claims Manager reviews the file, a log note will be entered in Image Right. A reporting format review document will be completed after each review and is to be placed in the Administrative drawer in Image Right entitled "Claim Manager". These reports will also be forwarded to the Fund's Claim Manager on a monthly basis. *[Revised 8/31/2012]*

Individual claim investigator reserve authority will be set by the TPA Claim Manager in conjunction with the Fund's Claim Manager. Authority will be based upon experience and past performance. A document identifying the authority limits will be provided to the Fund. The TPA Claim Manager reviews and approves all reserve changes. *[Revised 8/31/2012]*

2. Deductible(s). A \$5,000 deductible is applied to the reimbursement of cleanup costs due to a release from a tank system. If the claim investigator determines that the claim is based on releases from more than one tank system, the \$5,000 deductible is multiplied by the number of tank systems involved. The application of multiple deductibles expands Fund coverage to all tank systems contributing to the release covered under the claim. As a result, the number of deductibles must be increased to match the number of tank system releases before payment is afforded by the Fund. Each tank system is investigated separately to determine contribution to the release.

If the release has caused personal injury or property damage to a third party that results in a payment, the claim investigator will apply a \$5,000 deductible per tank, per occurrence. Attempts to apply the appropriate deductible will continue even in situations where a claim participant claims financial hardship. This will be accomplished by sending at least two certified letters to the tank owner requesting reimbursement; allowing 60 days between each letter. If there is no response or payment from the tank owner, the matter will then be referred to the Fund for direction. *[Revised 11/16/2018]*

The first report or status report recommending eligibility will note any additional deductibles that are being applied or any ongoing investigation of the cause of the release that is likely to increase the deductible. In addition, the first report will address any deductible for potential third party damages.

3. Ceilings and Aggregates. The ceiling for Fund payment for an eligible release during the Fund year (i.e., January 1 through December 31) is \$1,500,000 per tank per occurrence for eligibility determined after December 13, 2001.

4. Proration. There are situations where prorating claims is necessary. Releases that occurred before February 1, 1994, the creation date of the Fund, are not eligible for coverage by the Fund. Proration may be used in cases where several tanks could be contributing to the release and not all of the tanks are eligible for coverage.

Claim investigators will look for situations warranting proration during the initial site investigation. The possibility that a claim will be subject to proration should be mentioned in the first report and discussed with the TPA Claim Manager early in the investigation.

Prorating the Release. Third-party reviewers are available to assist in determining proration. The Fund will be consulted and asked to approve any assignment to a subcontractor prior to referral.

Calculating Prorated Payment. The claim investigator will specify the percentage of the total cleanup costs that will be eligible for reimbursement when reporting proration. The claim investigator shall keep in mind that the deductible applies to the percentage of cleanup costs that are eligible for reimbursement (i.e., the deductible is applied after proration has been factored into the calculation).

5. Other Insurance. The claim investigator will investigate and determine if the tank owner/operator has other environmental pollution insurance from a private insurance company. In the event that a private pollution insurance company exists, the claim investigator will be required to obtain the name and address of the insurance company and the associated policy number. The claim investigator will then place the provider company on notice that the Fund has received a claim and that the Fund considers itself primary over any other insurance. See Attachment 20 – Other Insurance Notification Letter. *[Revised 8/31/2012]*

6. Subrogation. Subrogation is defined as "the right of one who pays another's debt to recover the amount paid which should be paid by the one primarily liable for the loss." One of the TPA's fiduciary responsibilities is to assure that Fund assets are not expended on costs for which the Fund is not responsible. The claim investigator should be vigilant for parties whose actions or relationship to the claimant render those parties liable for all or part of the cost of cleanup or third party damages.

Subrogation Investigations. Subrogation must be investigated in a thorough and timely manner. When subrogation potential is identified during the course of the routine investigation, the following investigative steps will be followed:

- Develop factual information pertaining to the cause of the loss. Was the loss caused by the negligence of another?
- Determine if the negligent act of the tortfeasor(s) was the proximate cause of the damages.
- Evaluate liability. Is the tortfeasor(s) completely liable for the loss or is the claimant partly responsible? What are the percentages of negligence on the part of each entity involved? How much is the Fund likely to recover?
- Develop a theory of liability against the tortfeasor(s). What exactly did the tortfeasor do wrong? The burden of proof is on the Fund. In many instances, especially in product or improper installation cases, an expert may be needed to support the case. *[Revised 8/31/2012]*
- Obtain documentation and evidence to support the subrogated claim. Obtain surveillance videos if available. In the case of a product defect or improper installation, the evidence is to be photographed (professional photos may be needed if the claim is substantial) and all evidence preserved in the same condition. The evidence must be kept in a safe location in case further inspection is needed. A chain of custody log will be retained for any physical evidence retained as part of the investigation. Serial numbers, manufacturer identification

numbers and the exact location of defects should be photographed. In the case of a product defect, copies of any warranties should be requested. A technical expert may be hired if warranted. Subrogation potential and preservation of evidence is addressed in the Fund's Technical Bulletin #3. See Technical Bulletin #3, Subrogation in Attachment 23. *[Revised 8/31/2012]*

- Request copies of all contracts, if any, between the tortfeasor(s) and claimant and review them for hold harmless agreements in favor of the claimant. In addition, contractors will sometimes name claimants as additional insurers under their insurance policies. Determine if certificates of insurance were provided.

Once the investigation has begun, the claim investigator must determine if subrogation should be pursued. If there is no insurance or a limited policy, determine if it would be worthwhile to pursue the tortfeasor(s) directly. An asset investigation may be needed to determine if this course of action should be taken. If the tortfeasor(s) has limited assets, then it may not be cost effective to pursue subrogation. If the cost of remediation exceeds the Fund's limit, any subrogation recovery will be shared with the tank owner on a pro rata basis based upon the monies expended by both the Fund and the tank owner. The TPA Claim Manager and the Fund are to be consulted if this situation exists.

Notice. The TPA Claim Manager will instruct the claim investigator when a letter should be drafted putting the party potentially subject to a subrogation action on notice of the party's potential liability (See Attachment 12). The claimant should also be notified of the potential for subrogation since the claimant may want to collaborate with the Fund in settling the claim for any amounts for which the Fund is not liable, typically the deductible. Standard notice procedures are as follows:

- Place tortfeasor(s) on notice in a timely fashion. As soon as it is determined that a subrogation claim is viable, all tortfeasor(s) must be placed on notice immediately. For example, in a product liability action, all entities involved in the chain of distribution should be placed on notice (i.e., manufacturer, distributor, supplier and retailer). The tortfeasor(s) must be made aware of the subrogation claim as soon as possible in the event that the tortfeasor(s) intends to settle directly with the claimant which could result in releasing the tortfeasor(s) from further liability. The claimant is to be told to do nothing which would prejudice or waive the Fund's subrogation rights.
- The tortfeasor(s) are told to notify insurance carrier(s) and to provide identification, address and policy number of the carrier along with the policy limits. Once the carrier has been identified, direct contact should be made with the carrier and appropriate follow-ups maintained. If a tortfeasor retains counsel to represent its interest the claim investigator will deal directly with their chosen representative.

Even after the parties have been put on notice, the claim investigator is responsible for continuing the investigation. For example, the claim investigator will verify names and contact information, and obtain further evidence of the relationship between the claimant and the party subject to the subrogation investigation. The claim investigator will obtain records and any missing sale, warranty or insurance policy information. The results of this investigation should be recorded promptly in a status report. Copies of pertinent documents and correspondence from the parties or their legal representative should be forwarded to the TPA Claim Manager when received.

In the event that an eligible claim participant initiates subrogation action on his own behalf; the claim investigator should notify the Fund and place the claim participant on notice of the Fund's rights to recovery should any settlement take place. See Attachment 12. *[Added 11/16/2018]*

Negotiation and Settlement. The Claim Manager will determine whether a subrogation action should be pursued based, in part, on the claim investigator's recommendation. After approval of a subrogation recommendation by the Fund, the claim investigator should probe the possibility of a settlement and the value of the settlement. The first step is to determine the total cleanup costs. The claim investigator should request a total cleanup cost estimate from the cleanup contractor to determine the amount of the subrogated claim. Settlement discussions should not commence until the total costs are known. The Fund, after any payment, shall be subrogated to all of the rights of recovery of an owner or operator against any person for the costs of the remediation.

While the claim investigator does not have the authority to settle a claim (only the Fund has this authority) the claim investigator is able to determine what settlement can be reached with a party. The claim investigator is obligated to maintain frequent communication with the TPA Claim Manager during this process. Any settlement proposal obtained from a third party should be confirmed in writing and submitted to the TPA Claim Manager for submission to the Fund. Once approved by the Fund, the claim investigator should prepare a letter to the party verifying the settlement agreement.

Litigation.

The Fund, thru the Office of General Counsel (OGC), will appoint outside counsel for any action. If outside counsel is appointed, the TPA shall provide copies of files, and any assistance necessary for successful pursuit of the claim, including technical and investigative support. The TPA will also review all attorney invoices using rate schedules provided by the Fund. Review of legal invoices is handled in the same fashion as the review of invoices for outside counsel hired to handle claim appeals.

7. Third Party Claims. In addition to the costs of cleanup, the Fund covers the costs of eligible claims for personal injury and property damage suffered by third parties. Please note the Fund does not provide any type of coverage for punitive damages. The claim investigator is to place high priority on examining all potential third party claims during the initial site visit and/or investigation. If the claim investigator identifies a potential third party claim, the claim investigator must act quickly to determine the amount of potential Fund exposure if the amount is likely to exceed the deductible. This information should be provided in writing to the Fund. The claim investigator will also estimate third party reserves, in addition to cleanup reserves, in the first report. Deductibles related to third party claims and access agreements are addressed in the Fund's Bulletin #4. See Technical Bulletin #4, Deductibles Related to Third Party Claims/Access Agreement in Attachment 23. *[Revised 8/31/2012, 11/16/2018]*

The claim investigator will identify and describe all potential third party claimants. If claims are made contacts will be made with the third party claimants and interviews conducted accordingly. The following considerations apply during the investigation and resolution of a third party claim:

Investigation.

- Is the third party represented by an attorney? If so, the claim investigator shall maintain contact with the attorney.
- Who is making the claim? Owner? Tenant?
- What type of claim is being made? Property damage or bodily injury?
- Investigate and document the damages. Photographs of the damage are to be taken. If the damages or demand is in excess of the Fund limit of \$1,500,000, the claimant will be notified immediately and any excess carriers, if known, must be placed on notice.
- In those situations where actual payments reach \$1,250,000, the claim investigator is required to generate an excess letter to the tank owner/operator immediately following payment of that amount.
- Determine liability. Is the owner/operator of the facility solely responsible for the damages? Should contribution be sought from other responsible parties?
- Determine the value of the claim and adjust, if appropriate. Investigating the value of the claim is covered below.

Notice. If the claim investigator determines that a legitimate third party claim is likely, the claim will be identified in the first report or subsequent status reports.

Bodily injury. Physical injury, sickness, disease, or death sustained by a third-party resulting from a release from a UST.

Property damage. Destruction of, contamination of, or other physical harm to real property or tangible personal property including the resulting loss of use of that property which occurred from a release from a UST.

Settlement. Once the size of the claim has been determined, the claim investigator should begin to explore the possibility of a settlement. The claim should then be handled and resolved according to the following procedures:

- Present an estimate of settlement amount and determination of likelihood of settlement to the TPA Claim Manager and the Fund. Obtain settlement authority from the Fund.
- Negotiate and settle the claim for a fair amount.
- Secure a full release from the third party claimant (See Attachment 13).
- Request payment from the Fund in the same manner as reimbursement for cleanups are prepared.
- Close the third party file.

Third Party Claims

- Third Party Litigation. Should the TPA Claim Investigator be informed by the tank owner or his attorney that a Writ of Summons or Complaint has been served upon them, the claim investigator should immediately put the designated Fund Evaluator on notice and move to obtain a copy of the document(s) as soon as practical. Upon receipt of the Writ or Complaint, it should be forwarded to the Fund Evaluator for further handling.

- If a Writ of Summons is received, a decision will be made by the Fund Evaluator and Fund Claims Manager as to the need to assign outside counsel. In most circumstances, counsel will not be assigned until an actual Complaint is filed.
- Should an actual Complaint be filed, the Fund Evaluator is responsible for requesting assignment of outside counsel after consultation with the Fund Claims Manager. The Fund will select a legal firm from the list of OGC firms based on the geographic area of the matter, the experience of the firm and the firms' current workload and other relevant factors such as conflicts of interest. An Attorney Assignment memo is created by the Fund Evaluator and then routed to in-house counsel for review and then submission to the PID Chief Counsel for final approval. If the selected firm accepts the assignment, the Fund Evaluator will send a notification to the TPA Claim Investigator requesting they document the legal assignment and open the Legal folder in Image Right. The TPA investigator will then contact the designated outside counsel and arrange for the transfer of all appropriate claim file documents via a Secure File Transfer. In addition, the TPA investigator is responsible for advising the tank owner that outside counsel has been assigned on his/her behalf and will relay the name of the firm as well the appropriate contact information. The TPA Claim Investigator and Fund Evaluator will work in conjunction with each other to provide technical and investigative support to the assigned outside counsel and staff.
- Invoices for outside counsel services are to be submitted to the TPA and will be reviewed according to the rate schedules contained within the Contract for Legal Services executed with the various outside counsel firms. The legal invoices are then routed to the Fund Evaluator for review and then eventually to the Fund Claims Manager for final approval and processing.

8. Direction Requests. The Fund communicates with the TPA on claim specific matters through a variety of both written and electronic documents. The communication typically seeks claim specific information or instructs the claim investigator in the handling of a claim. For example, to confirm whether a proposed action is acceptable to the Fund and to provide guidance in handling the proposed action. All direction requests are to be communicated in writing either through a status report or electronic mailing. The direction request is answered or approved by the Fund through electronic mail or CTS log note imported into Image Right.

Claim investigators typically will need to prepare a direction request to the Fund to obtain Fund approval before taking a number of actions, including the following: (1) sending correspondence that has been sent previously to the Fund for review; (2) securing technical assistance in an investigation or oversight of a claim; (3) resolving an uncertainty in the directions provided previously; or (4) foregoing a standard procedure or knowingly missing a standard deadline. The claim investigator should prepare a brief direction request for submission to the Fund. The TPA's office will monitor direction requests from the Fund through the CTS diary to assure timely and thorough responses. All communications to and from the Fund are recorded in the DMS.

9. Technical Assistance from Team Subcontractors/Third Party Reviewers. Our team subcontractors/third party reviewers are experienced, professional, environmental consultants. They are under contract with the TPA and have been approved by the Fund to provide technical assistance and evaluation of Fund claim procedures and individual claim files.

Specific procedures have been developed for engaging and monitoring the progress, distribution, and costs of third party reviews.

The third party review process normally begins as the result of a file review conducted by the TPA Claim Investigator and/or TPA Claim Supervisor. The review has identified one or more circumstances that would trigger a recommendation to the Fund for a third party review. The following is a list of individual circumstances that could trigger a third party review.

- Cost of SCR exceeds \$100,000 or is projected to exceed
- RAP cost projection in excess of \$300,000
- Pump & treat chosen remediation may not be suitable for site
- Marginal reductions in monitoring of remediation system
- Eligibility, prior contamination, previous release at site, other
- Static conditions reached, 4 years plus remediation system.
- Delay in SCR approval & RAP submission or RAP approval & RAP implementation
- Offsite receptors (water supply wells) multiple impacts
- Separate phase liquid (extensive) in subsurface.
- Industrial solvent release (specialized consultant skills needed)
- Catastrophic release, high profile/potentially expensive cleanup
- Remediation methods of reinjected groundwater with nutrients, oxygen bugs
- Remediation methods or investigation thereof are unusual/unconventional
- Ineffective cookie cutter approach to cleanup on a complex site
- FP/PFP/Competitive bidding

Following a claim being identified as a candidate for a third party review, the TPA Claim Investigator solicits approval from their Claim Supervisor to submit a third party review recommendation to the Fund. The recommendation to the Fund Claim Handler should be done via e-mail and needs to include thorough rationale to justify the recommendation. The Fund's response needs to be in writing and all documentation pertaining to the third party review process needs to be inserted into the claim file and CTS log notes.

After the Fund grants approval, the TPA Claim Investigator will meet with his/her Supervisor to determine which third party reviewer should receive the assignment. The decision is predicated upon site location, area of expertise required, availability of the third party reviewer, and review of the third party review assignment log. The TPA Claim Investigator is responsible for documenting the claim file with the rationale for using a particular third party reviewer.

The TPA Claim Investigator is then responsible to contact the third party reviewer to make sure there is no Conflict of Interest (COI) and to ensure that they have the manpower available to complete the assignment on time. The TPA Claim Investigator is also responsible for advising the claimant that a third party review is being conducted.

The next step is the preparation of the Statement of Work (SOW) by the TPA Claim Investigator. The SOW must include one of following assignment categories:

- **Fixed Price and/or Competitive Contract Bidding** – this category includes but is not limited to, all technical review activity required to develop adequate site information so that a professional bid package can be prepared. This category also includes all oral and written communications between the reviewer and appropriate parties, preparation and distribution of the bid package, attending the pre-bid site meeting, the evaluation of the

bids once submitted, and the evaluation of contract goal achievement activities when warranted including but not limited to split sampling, i.e., PFP.

- **Technical Peer Review** - this category pertains to situations where the third party reviewer is conducting a technical review of the work being performed or proposed by the claimant's consultant. These reviews are conducted only on eligible claims and the emphasis of the review is to determine both the necessity and reasonableness of the work being conducted by the claimant's consultant.
- **Eligibility Review** – this category pertains to situations where technical assistance/expertise is required to ascertain if an eligible release did in fact occur. Examples of sites that in most cases requiring this review are sites with prior histories of contamination, spike claims, spill bucket claims, claims that are reported to be vapor releases, and claims where the source cannot be identified.
- **Appeal/Expert Assistance** – this category pertains to situations where the Fund directs ICF to assign a third party reviewer to a claim after an appeal has been received. The purpose of the assignment is usually to assist the Fund in evaluating the validity of the appeal. This category would include the technical file review, report preparation, hearing preparation time, and time required to testify if needed. Additionally this category pertains to expert services required for investigating subrogation potential.
- **Work Plan Review** – this category involves the review and comment on the site characterization Work Plan submitted by the claimant's consultant to ICF. In August 2008 the Fund established the Work Plan Program. Claimants are required to submit a Site Characterization Work Plan. Third party reviewers are compensated a flat fee for their review and comment of a Work Plan. *[Revised 8/31/2012]*
- **Training and/or General Technical Projects** – this category pertains to third party review staff conducting training seminars on appropriate topics as requested by the Fund. This category would also include activities where the third party reviewer acts as a resource to the Fund on general technical topics and/or assists in the development of overall policies or procedures not associated with a specific claim.

Also, the SOW must include a completion date that was mutually agreed upon by the TPA and the third party reviewer. The completion date is subject to change after the claim file is received by the third party reviewer but any change must be the result of the amount of work anticipated to complete the assignment and must be discussed and agreed to in advance of any delay in completing the assignment by the previously agreed to date. The SOW and claim file are sent to the third party reviewer by the TPA Claim Investigator's Administrative Assistant. A copy of the SOW goes to the third party review coordinator.

The TPA Claim Investigator will notify the claim participant when a third-party reviewer is engaged to provide technical support. If an environmental consulting firm has been retained by the claim participant; that party is to be copied on the correspondence. *[Revised 11/16/2018]*

The TPA Claim Investigator is responsible for monitoring the scope of work, progress, and cost of the third party reviewer. The third party reviewer's report gets sent to the TPA Claim Investigator.

[Revised 4/30/2008]

10. Status Reports. Claim investigators are responsible to report on the status of all open claim files beginning 7 months from the date notice received; then every 6 months for the life of the claim.

Within such reports, the claim investigators should provide a summary of the efforts made to obtain and evaluate information for the purpose of determining claim eligibility, evaluate the overall progress of the remedial effort, and provide an assessment of the validity and cost-effectiveness of corrective action measures being implemented to ensure that on-going and planned remedial efforts are reasonable and necessary. *[Revised 11/16/2018]*

Varying the Reporting Period. The period for reporting may vary greatly under the appropriate circumstances and the claim investigator has discretion to specify a reporting period. The claim investigator shall use common sense in setting reporting deadlines and submission of status reports to the Fund. If the claim investigator discovers a significant fact during the investigation, a status report modified to highlight the new information will be sent, rather than held until the standard report is due. Additionally, if the claim investigator has a status report due and is awaiting a technical analysis by a claimant's contractor or a team technical subcontractor and the results are not expected until a specific date, a status report should not be generated. Instead, the claim investigator should explain this sequence of events to the Fund through use of an electronic mailing in CTS log notes to provide the projected date when the results and a status report can be anticipated

There may also be instances where a copy of a correspondence will provide the Fund with the status of a claim, such as a letter to the claimant requesting documentation that was requested previously but not received. An important thing to remember is not to generate a report just because a report is due if you can bring the Fund up to date in a more sensible and cost efficient way.

When a claim investigator is overseeing cleanup of eligible claims, the status report and the reporting period should be adapted to the circumstances of the cleanup. For example, the reporting period should be synchronized to track cleanup events, such as contractor status reports or PA DEP mandated quarterly reporting.

The claim investigator will maintain his/her diary dates on every claim. It is good practice to pull diaries one week in advance to allow for review of telephone calls and reports due. If this procedure is followed, all reports should be received on time.

Oversight of Diary Dates. The claim investigator will track diary dates for status reports in the CTS. If the claim investigator sets a different diary date, the system will record the modified date and hold the claim investigator to the new date. Accordingly, claim investigators should be careful to use realistic diary dates. The TPA Claim Manager will use the system to identify upcoming diary dates and periodically review each investigator's record on meeting diary commitments.

11. Work Plans. A concise Work Plan for all proposed initial site characterization activities as described on the Fund's website Bulletin #6 and following the Chapter 245 (Sections 309 and 310) "Administration of the Storage Tank and Spill Prevention Program" Regulations for site characterization may be requested. (See Attachment 14)

Work Plans are sent to and evaluated by the TPA team subcontractors/third party reviewers. The third party reviewer evaluates the proposed Site Characterization Work Plan to ensure it is in compliance with applicable PaDEP regulations and guidance documents and evaluates the associated estimated costs to ensure they are both reasonable and necessary. Comments are provided directly to the claimant within fifteen (15) business days.

Reasonable costs up to \$5,000 to develop the Work Plan are reimbursed. Claimant approval for service related to submission of the requested Work Plan is not required.

Additional information pertaining to Work Plans may be found on the Fund's website as Technical Bulletin #6, Revised January 27, 2011. See also Technical Bulletin #6, Initial Site Characterization Work Plan Documentation in Attachment 23. *[Added 8/30/2012]*

[Revised 4/30/2010]

12. Competitive Bidding.

Competitive bidding is advantageous in some cases to obtain competitive bids for corrective action. Among the key advantages are (a) facilitate Fund's fiduciary responsibilities, (b) secures competitively priced corrective actions that satisfy Pennsylvania Department of Environmental Protection (PADEP) requirements. (c) ensures correction actions whose costs are reasonable and necessary, (d) obtains good value for claimants, and (e) offers consultants the opportunity to operate in a fair bidding environment. *[Added 8/31/2012]*

There are two type of bids utilized in competitive bidding: a defined scope of work, or a bid to result. The defined scope of work outlines tasks necessary to complete work while the bid to result forces consultants to outline tasks necessary to complete work. The type of bid requested is usually dependent on where the site is in the corrective action process. *[Added 8/31/2012]*

Competitive bidding is discussed with all claimants during the initial contact phase of file handling. Situations may arise during claim handling that may lead to a comprehensive review of a file for the purpose of recommending competitive bidding; these situations include; but are not limited to:

- Little-to-no site characterization or failure to implement a remedial remedy; site is 'stalled'.
- Multiple submissions of SCR/RAPs to PADEP which result in PADEP denials.
- Significant costs associated with SCR and/or RAP proposals.
- Significant costs associated with an existing remedial system yielding marginal results.
- Catastrophic release.

After a claimant agrees to competitively bid the claim a team subcontractor/third party reviewer is assigned to create a request for bid ("RFB") on behalf of the claimant. (See Attachment 15) A draft RFB is presented to the claimant for review and approval. (See Attachment 16) Notification of the RFB is completed through posting the RFB along with all related attachments/resource materials on the USTIF website. Detailed instruction for submission of a bid package including mandatory due dates are found in the RFB.

All bids are received by the TPA and remain sealed until 3:00 p.m. on the bid due date. Bids are reviewed by the team subcontractor/third party reviewer and presented to the Bid Committee. Bid Committee members consist of at least 1 member of the USTIF staff and 1 member of TPA staff and the third party reviewer who assisted in developing the bid package. The claimant is provided bids whose numerical score places them in the category of meeting reasonable and necessary criteria. The claimant is strongly encouraged to interview all bidders whose bid package has been determined to be acceptable for USTIF funding. *[Revised 8/31/2012]*

Also see Fund's website, Bulletin #5, Competitive Bidding, also found in Attachment 23 herein. *[Added 8/31/2012]*.

13. Cooperation. As set forth in § 977.32, the participant must cooperate with the Fund in its eligibility determination process, claims investigation, etc. This is vital in keeping the claims adjustment process proceeding at an effective rate and limiting the exposure to offsite third party entities. Although it is done reluctantly, coverage has been denied for failure to cooperate by providing the necessary claim information. If a claim is reported and the claim investigator is experiencing difficulty in obtaining the required eligibility information, the uncooperative participant will be sent a series of letters as referenced in Attachment 21. The Fund has established a practice where there will be at *least* three documented written attempts to obtain the requested information before the claim is formally denied for lack of cooperation. The first documented attempt will be the initial First Request for Information letter sent shortly after the claim is established. If, after a reasonable amount of time, the requested information is not received from the Fund participant, the claims investigator will issue a second citing the date the initial request was sent. Before issuing a second letter, the ICF investigator will make personal contact with the site owner via a telephone call to explain the cooperation requirements and document the contact accordingly in Image Right. If the required information is not received after the allotted time period, then a third letter will be issued. All non-cooperation letters are to be sent via Certified Mail Return Receipt Requested and U.S. First Class Mail. On all cases where it is necessary to issue a second letter, a copy is to be provided to the Fund Claims Manager and investigator. If the participant still fails to submit the required claim documentation after the above procedures have been followed, then the claim is to be denied utilizing the non-cooperation denial after obtaining Fund approval. All attempted contact methods and dates must be referenced in the denial letter. See Denial Letter Citing Cooperation Language found in Attachment 10. *[Added 8/31/2012, 11/16/2018]*

For eligible claims, in situations where, after requested, a participant fails to provide timely or adequate status updates with respect to ongoing or planned remedial actions such that the claim investigator cannot properly assess the reasonableness or necessity of ongoing remedial actions, § 977.32 also allows for the cessation of further payments on a claim. The investigator shall follow the same process described above of sending at least three documented written attempts to obtain the requested update/information prior to formally ceasing payments on a claim. If the participant fails to submit the required information, after obtaining Fund approval, a letter advising that claim payments have been stopped shall be issued utilizing the non-cooperation language. All attempted contact methods and dates must be referenced in the letter, and the letter must include appeal language. *[Added 3/24/2015]*

14. Reservation of Rights Letters.

A Reservation of Rights letter is a formal notice to the owner/operator that the loss or portion of the loss may not be reimbursable under the terms of the Storage Tank and Spill Prevention Act. They are utilized to inform the owner/operator of the Fund's assumption of defense subject to various coverage reservations. Through proper use, the document allows the Fund to withdraw from or deny a portion of the claim expenses if the claim, after the investigation is initiated, is determined to be ineligible. It allows the claim investigation to proceed until a final eligibility determination is made without waiving any of the Fund's rights to raise coverage issues after the investigation is completed and a coverage determination is made.

A Reservation of Rights letter is to be issued when the claims investigator realizes that certain coverage defenses should be raised during the course of the investigation of the claim. An example would be the discovery of MTBE on a newly reported release although that additive has not been in use for a number of years and would most likely be indicative of a historic release at the facility. Another example would involve the receipt of legal documents as the first notice of claim that reference a historic release that was never reported to the Fund.

There are many instances where the use of a letter of this nature would be beneficial to the Fund and the claims representative must use his/her judgment on whether to issue one accordingly. Reservation of Rights letters must be tailored to claim specifics but will all contain similar language. See example reservation of rights language during an eligibility investigation:

Subject to a full and complete reservation of rights, the Fund through its third party administrator, [TPA name], is investigating to determine the eligibility of coverage for the claim. All actions undertaken by the Fund, [TPA name] and any investigators and experts retained by them for the purposes of investigating this claim, are being conducted under a complete reservation of rights. These actions should not be deemed or construed as a waiver by the Fund of any of its rights, including but not limited to terms, conditions, or limitations of eligibility or as an extension of the duties which may be owed by the Fund to eligible participants. This initial response shall not be considered evidence of the existence of eligibility or the extent of coverage which may be applicable to this claim.

The Fund is investigating subject to a full reservation of rights whether there [insert claim specifics]. Your complete cooperation is required as the potential for coverage is investigated. The Fund specifically reserves the right to decline coverage if there has not been a release as a result [insert claim specifics]. Waiving none, but on the contrary reserving to the Fund all of its rights and defenses under the Storage Tank and Spill Prevention Act and at law.

TPA Claim Manager and Fund approval of a Reservation of Rights letter is required prior to sending. Each letter will incorporate specific language tailored to the nature of claim and be sent Certified Mail Return Receipt Requested and U.S. First Class Mail.

[Added 8/31/2012]

15. Excess Coverage Letters. These types of letters are to be utilized by the claims investigator when he/she realizes that the amount of remediation payments made on the claim file are approaching or are expected to exceed the maximum coverage limit available as established by Regulation for the specific time period when the claim occurred. These letters are to be issued

to the claimant via Certified Mail-Return Receipt Requested and U.S. First Class Mail. There are two versions of this type of letter located in Attachment 22; one is to be utilized on a claim without litigation and one is to be used on a claim that involves litigation or pending third party claims. By Statute, the Fund's obligation to provide a legal defense of the claim ends when the limit of liability is exhausted. The claim investigator should be cognizant of the limit on claims involving litigation and issue the letter early enough to the claimant in order to ensure the transition of the defense from Fund counsel to the claimant's personal counsel. In addition, Fund counsel needs to be aware of these types of cases where letters are issued in order that they may develop an exit strategy from the defense of the claim as well. *[Added 8/31/2012]*

16. Post Remedial Care Plan File Handling. The PADEP requires Environmental Covenants onsite and offsite in order to obtain a site specific closure. Covenants follow the property deed and place restrictions on property usage (no private wells, surface must remain paved, etc.). PADEP requires a submission of a report verifying the property usage has not changed. These reports may be required on an annual, biannual or tri-annual basis. There are also files where the contamination limits are relatively low but still require perpetual monitoring by PADEP to ensure the contaminant levels decline or remain stable. In these instances, the TPA will close the file but will maintain an active diary as "closed with monitoring." If an invoice is presented, the TPA will process payment and generate a memo readjusting the reserves to the total paid to date on the closed claim file. In order to supply proper information to the actuary, the TPA will maintain a record of these files and supply a spreadsheet containing the number of files being monitored, yearly payments made, and estimated monitoring costs for the future. *[Added 8/31/2012]*

D. Investigation Focus/Compliance.

The primary purpose of the investigation is to determine if the release is eligible for funding. Eligibility decisions depend on whether or not the claimant is in compliance with the regulations/requirements outlined in the Pennsylvania Storage Tank and Spill Prevention Act. Eligibility requirements are summarized below:

- The claimant is the owner, operator or certified tank installer of the tank which is the subject of the claim.
- The current fee required under Section 705 of the Act (35 P.S. § 6021.705) has been paid.
- The UST has been registered in accordance with the requirements of Section 503 of the Act (35 P.S. § 6021.503).
- The participant has obtained the appropriate permit or certification, as required under Sections 105, 501 and 504 of the Act (35 P.S. §§ 6021.08, 6021.501 and 6021.504).
- The release that is the subject of the claim occurred after the date established by the Board for the payment of the fee required by Section 705(d) of the Act (February 1, 1994).
- The participant cooperates, as defined in § 977.32 (relating to participant cooperation), with the Fund in its eligibility determination process, claims investigation, the defense of any suit, the pursuit of a subrogation action and other matters as requested.
- The participant has met the notification requirement of § 877.34 (relating to claims reporting).

Critical issues during an investigation include confirmation of fee payment as well as determining if the release occurred on or after the date the Fund was established, February 1, 1994.

Payment of Fees.

- Have the Fund's capacity fees been paid? The Fund will advise the TPA if the Fund capacity fee was paid at the time the loss is assigned to the TPA. *[Revised 8/31/2012]*
- Has the tank registration fee been paid? Determining whether or not PA DEP registration fees were paid is the responsibility of the claim investigator. The claim investigator should request a copy of the registration document from the tank owner during initial contact. *[Revised 7/31/2009]*
- Has the through put fee been paid? The claim investigator is responsible for determining if the tank owner paid the per gallon fee to the distributor. The claim investigator is required to obtain delivery receipts. The delivery receipts in some cases will show a price per gallon and also a separate charge of the through put fee per gallon. When the through put charge is not broken out on the delivery receipt, the claim investigator must call the distributor and determine if the through put fee is included in the per gallon price and secure written confirmation.

Date of Release/February 1, 1994, Fund Established. Did the release occur on or after the date the Fund was established, February 1, 1994? Contamination that occurred prior to February 1, 1994, is not eligible for funding; therefore, determining when the contamination took place is an important and often difficult aspect of the claim investigation. The following is a list of possible investigative steps that can be used to determine the approximate time frame during which a release took place:

- Review of DEP records. PADEP has agreed to waive records production fees; see attached (Attachment # 23 (move bulletin #'s)letter. *[Revised 11/16/2018]*Review of local fire department records.
- Recorded statement from tank owner.
- Tank closure report.
- Interviews with neighbors.
- Fingerprinting and age analysis of product found in groundwater or soil (if necessary).
- Inventory records.
- Tank and line tightness test reports.
- Third party review (if necessary).

E. Completed Investigations.

When the investigation is completed, the claim investigator will prepare a first report/status report and make an eligibility recommendation to the Fund. The claim investigator will also provide the Fund with a draft coverage letter which will be sent to the claim participant, subject to Fund approval, explaining the rationale for the coverage determination. Investigations that result in a recommendation of coverage denial will first be reviewed between TPA claim managers to ensure that the evaluation and application of eligibility criteria is consistent with Fund guidance and expectations. The TPA will receive final direction from the Fund with respect to the eligibility recommendation and act accordingly. Final coverage determination letters will be sent to the claim participant via certified mail.

- 1. Reopening Closed/Eligible Claims.** No claim will be reopened without first obtaining written direction from the Fund.
- 2. Payments made on Closed/Eligible Claims.** If additional reimbursement is required on a closed/eligible claim, the claim investigator will prepare a memo explaining the reason for the additional reimbursement. Depending upon the reason for the additional reimbursement, the claim investigator shall recommend whether the claim should be reopened or remain closed. Payments made on closed/eligible claims will be processed in accordance within the TPA's standard auditing guidelines. The Fund will be notified of the payment and corresponding change to reserves in writing.
- 3. Appeal Procedures.** The claim investigator will be informed by the Fund via e-mail if a claim appeal has been received and will be provided with a copy of any supporting documentation included with the appeal request. Any inquiries received by the claim investigator relating to the appeal should be directed to the Fund evaluator. The claim investigator will place the request and supporting documentation into the "Appeal" folder within ImageRight. The claim investigator will complete a memo placing the claim on appeal status.

The claim investigator will review the appeal request and supporting documentation and determine whether any new information has been provided. If new/additional information has been received, the claim investigator, in consultation with the Claim Manager, will determine if the information has any effect on the Fund's decision that is the subject of the appeal. The claim investigator shall convey their findings to the Fund claim evaluator and the Fund will complete the appeal process.

- 4. Denied Claims.** To prevent the premature closing and re-opening of denied claims, the TPA will not close a denied claim file until the "appeal by" date has expired or the appeal process is complete. If an appeal has been filed within the allotted 35 day appeal window, the claim investigator will complete a Memo placing the claim on an appeal status and will re-diary the claim. If no appeal has been filed, the claim will be closed.

[Revised 11/16/2018]

III. INVOICE HANDLING PROCEDURES

A. Invoices Associated with Cleanup Activities.

One of the primary TPA functions after a claim is granted eligibility is reviewing invoices submitted in connection with cleanup activities and preparing invoices for payment. Invoice review must be performed according to set guidelines provided by the Fund, and must also be done rapidly to comply with tight deadlines. Claim investigators must also be aware that the procedures are likely to change as the program evolves or new requirements are imposed. The TPA Claim Manager will be responsible for assuring that changes in procedures are rapidly and clearly transmitted to all parties involved in the invoice handling process.

1. Initial TPA Activities. Invoices are received in the TPA's office, date stamped, scanned into the electronic claim file, and entered into the CTS. The invoices are manually routed to the Invoice Coordinator for review and assignment. Invoice copies are required by the Commonwealth of Pennsylvania for documenting reimbursable charges. The claimant is informed of invoice requirements in the eligibility letter. *[Revised 4/30/2010]*

2. Claim Investigator Invoice Review Activities. The claim investigator is responsible for reviewing each invoice received for payment by the Fund. The primary goals of invoice review are to ensure that (1) the work being billed is covered by the Fund, (2) the invoice is properly supported by employee time sheets, subcontractor invoices and receipts, and (3) the work being performed and the associated billing is reasonable and necessary. Part of the invoice review should include a check of the contractor's rate sheet, contractor's workplan, and other guidance documents acceptable to the Fund. *[Revised 7/31/2009]*

Identifying Invoice Charges Not Reimbursable. The Pennsylvania Storage Tank and Spill Prevention Act states in part that the Fund shall indemnify for "...reasonable and necessary corrective action costs..." Many of the costs submitted for claims are associated with tank removals and facility upgrading. It is important to separate these costs. The primary way to identify non-covered costs is to request the contract for the original scope of work. This contract will typically describe the work associated with the tank removal and upgrades. Cleanup work that would not typically be covered by the Fund would be identified in the contract as extras. It is important to disallow the costs associated with the removal and disposal of sludge from the bottoms of tanks. Other items that should be closely scrutinized are landscaping, paving and backfill charges. In this review, the claim investigator must be flexible in determining what costs are to be excluded. When the claim investigator is in doubt, it is appropriate to discuss the charge with the TPA Claims Manager and the Fund.

Determination of "Reasonable and Necessary." An important function of the review process is to assure that costs incurred by the Fund for an eligible claim are reasonable and necessary. While it is the claimant's responsibility, through signature on the invoice, to certify that the invoices being submitted to the Fund are true, correct and the work was completed, it is the claim investigator responsibility to validate that the tasks invoiced are reasonable and necessary. This validation involves a review of the contractor's billing against the work performed and comparison of like tasks typically seen within the industry. This process of validating reasonable and necessary involves an integration of invoices and technical review. The contractor should be advised that his or her invoices will be compared to the description of work performed, the

proposal for work, the industry standard costs to complete the tasks, and the end product will all be reviewed for technical merit.

There are a number of items that must be checked when reviewing a contractor for quality control. The first item to check is time sheets. Is the claimant being billed for the same thing on multiple days? Is the billing not reflected in the work product? How often is the site visited?

The second item is staffing. The job activity should reflect the personnel utilized. Principal level employees should not be involved in everyday activities. Fieldwork should not include multiple visits by senior level personnel. Should a problem with hours billed or staffing become apparent, the claim investigator should contact both the claimant and the contractor for an explanation.

The third, and probably the most important task, is tracking costs against the scope of work. A well prepared scope of work will identify the hours apportioned to each task. Invoices and time sheets that are properly documented will reference the related task. By tracking work billed against work proposed, the claim investigator has a good tool to monitor the claim.

Examining Documentation. Proper invoice review starts with a properly documented invoice. Any invoice that includes the contractor's time and materials (T&M) cost must be fully supported with time sheets including a detailed description of work for each employee. All subcontractor charges, supply charges, external rental charges, and travel charges must be fully documented with receipts for purchases.

Time sheets are important because they allow the claim investigator to determine whether or not the invoice accurately reflects the time recorded by each employee. In addition, by reviewing the time sheets, the claim investigator can determine how the hours were accumulated. Subcontracting of tasks is standard procedure for site remediation. It is also an opportunity for contractors to over bill. Industry protocol allows the contractor to mark up the subcontractor's invoice by a multiplier. The maximum multiplier reimbursed through the Fund is 10%. See Fund's website, Bulletin #1; also found in Attachment 23 herein. *[Revised 8/31/2012]*

Materials purchased to support the cleanup need to be documented properly. The claim investigator must assure that receipts are produced and no more than the maximum multiplier is applied. Some contractors supply their own materials from stock. Rate sheets should be reviewed to ascertain that prices being charged are reasonable and correct.

With lump sum agreements, the claim investigator must scrutinize the contract prior to execution. It must be determined if an agreement is equitable. In order to do so, the claim investigator should request a line item breakdown of the agreement. This should include a description of the task, the time to be spent, rate per hour and staffing. In addition, a breakdown should be provided for outside services such as laboratory analysis and/or drilling. The information provided should be utilized to determine if the price is reflective of the work to be conducted.

With lump sum invoices/agreements for soil disposal, a claim investigator must determine what is included in the price. The claim investigator must check to see if the price includes excavation, loading, hauling and disposal fees. If excavation is not included, there will be an additional labor and equipment charge. As with other subcontracted work, invoices should be

requested, as should weight tickets from the disposal point and truck manifests. The claimant should be instructed that costs for soil disposal that exceed what is acceptable to the Fund will not be reimbursed.

Lease Versus Purchase of Equipment. Claims that involve emergency response or long term cleanup obligations typically require the use of capital equipment. To address costs, it is important that the claim investigator make a rapid decision as to whether it would be more cost effective to the Fund for the claimant to lease or purchase the equipment. A long term lease can greatly exceed the purchase price of the equipment. When equipment is purchased by the Fund for a claimant, upon completion of the cleanup, it can be sold. In this instance, the Fund regains the salvage value.

Site Visits. Typically, the claim investigator will be able to monitor cleanup activities through the review of cleanup contracts, contractor activity reports and invoices. In addition, the claim investigator should be in contact with the claimant and the contractor during the course of the cleanup and reflect these contacts through status reports or log note entries in the CTS system to the Fund.

In certain circumstances, the claim investigator may be required to make one or more site visits to responsibly monitor cleanup activities. First, the claim investigator may need to view site activities when there is discrepancy between the claimant and the contractor over the scope of the cleanup. This circumstance may arise when there is a third party claim and the claimant and the third party have different expectations for the contractor's cleanup activities.

Second, if the cleanup costs appear excessive and/or will extend over an excessive time period, the claim investigator may visit the site during the cleanup to ensure that the cleanup activities itemized in invoices are actually occurring and continue to be reasonable and necessary. The claim investigator may also visit the site to ensure that the cleanup is proceeding at a reasonable pace to minimize the damages and attendant cleanup costs.

Finally, the claim investigator, in consultation with the TPA Claim Manager and the Fund, may randomly select claims for review and site visit to assure that fraudulent activities are not taking place. This type of field presence need only be used sparingly to advise claimants and contractors that any site work could be subject to direct oversight by the TPA. *[Revised 8/31/2012]*

3. Claim Investigator Invoice Handling Activities. Each invoice item must have backup material, copies of time sheets, explanations of work done, etc. Any laboratory analysis or subcontractor expense must have a copy of the invoice from the subcontractor and/or the analytical results attached. A signed authorization for payment form must be in the file when paying a service provider directly (See Attachment 3). In addition, all invoices require approval by the claimant. The claimant must enclose a cover letter or sign the invoice indicating he has reviewed the invoice against the work that was performed and believes all charges are appropriate. *[Revised 7/31/2009]*

The claim investigator is responsible for ensuring application of the appropriate deductible from the invoices submitted for payment. The claim investigator must: (1) obtain proper documentation for all charges; (2) review them according to the procedures applied to any other invoice received by the TPA; (3) adjust the amount allowed, if appropriate, and; (4) maintain documentation of the invoice review in the files.

After the invoices have been reviewed and either approved in whole or in part, an invoice authorization is prepared (See Attachment 17). The invoice authorization will contain the following: *[Revised 4/30/2010]*

- When payment is made to the claimant, the CTS affixes on the top left corner of the invoice authorization the claim number, preceded by a sequential number in parenthesis, indicating the number of payments made to the claimant (e.g., for Claim Number 94-002, the sequence would be: (1)1994002, (2)1994002, (3)1994002, etc.
- USTIF Authorization Number
- Name of claimant.
- Loss location.
- Claim number.
- Reported date of discovery. *[Revised 7/31/2009]*
- The service provider's or claimant's Federal Tax Identification number, depending on who is to receive payment.
- Dates of provided service.
- Vendor Identification Number, as required by the Commonwealth of Pennsylvania.
- The name of the service provider, the date of the invoice, the invoice number (if there is no invoice number, the invoice date should be substituted as an invoice number) and the amount of the invoice.
- An explanation of any changes made to an invoice amount. (i.e., deductions, math errors, etc.)
- Signature of the claim investigator.
- The Commonwealth of PA Insurance Department account number. D79 GL6602000 F20196[05]000 CC7955330000. The account number remains the same except for the numbers within the brackets which change yearly to reflect the Fund's fiscal year.
[Revised 4/30/2010]

Individual invoices totaling \$25,000 or greater after any proration and/or deductible(s) are applied, must be approved by the Fund. The invoice authorization and invoice are manually routed to the Fund for approval. The Fund provides approval through electronic signature, which is affixed to the invoice for payment processing. *[Revised 7/31/2009]*

4. Final TPA Activities. Invoices are electronically sent and hard copies are physically sent to the Commonwealth of Pennsylvania Comptroller's Office each week. The TPA assigns a date for electronic submission of the invoices. The hard copies are made and placed in a holding file. Each Monday morning the hard copy invoices along with the invoice authorization are proofread for accuracy, mistakes are corrected to both hard copy and electronic copy, and the hard copy invoices are mailed to the Comptroller's Office. The electronic invoices are then transmitted electronically the following Wednesday.

5. Deadlines. Invoices are entered in the CTS with the date that the invoices are received. The date the claim investigator approves the invoice package through the creation of the invoice authorization and the date that the package is sent to the Comptroller's Office is stored in the CTS diary system. The time elapsed between the date invoices are initially received in the TPA office

to the date the invoice authorization is generated should not exceed 10 working days. *[Revised 7/31/2009]*

If there is a delay in the processing of invoices due to incomplete information, discrepancies in the invoices submitted, missing originals, or any other problem with invoices requiring clarification, the claim investigator shall contact the claimant and/or consultant to request the missing information within the 10 day time period. The contact is recorded as a log note in the CTS to document the delay in processing the invoice. The Fund is notified of this delay through review of CTS log notes. *[Revised 7/31/2009]*

B. Invoices Associated with Third Party Claims.

Invoices associated with third party damages, either personal injury or property damage will generally be handled according to the procedures applied to remediation related invoices.

C. Invoices Associated with Legal Activities.

The procedures that must be followed for review of invoices submitted by the Fund's outside counsel for claim related legal services are handled differently from invoices for remediation activities. The major difference is that the labor rates for legal work are fixed by agreement between the Fund and the law firm. The Fund will provide rates for law firm personnel assigned to the contract. A second difference is the party responsible for reviewing legal invoices. Because review of legal invoices is straightforward, the TPA Claim Manager, rather than the claim investigator, reviews these invoices.

Invoice authorizations are prepared for legal invoices the same as remediation related invoices. A vendor number is not required for legal invoices; instead, an identifying contract or purchase order number is affixed to the upper left hand corner of the invoice authorization. The 10 day deadline that applies to processing of remediation invoices also applies to legal invoices. Legal invoices are sent directly to the Fund. The Fund reviews, approves, and sends the legal invoice back to the TPA. The TPA files the Fund approved invoice authorization, prints a copy of the invoice authorization with the invoice, and mails hardcopies to the Comptroller's Office. *[Revised 8/31/2012]*

The Fund will use outside counsel located in the various PA DEP regions to represent the Fund in contested third party claims. The procedures for reviewing invoices will be similar to the approach taken for outside counsel representing the Fund on claim appeals. The Fund provides individual labor rates for each firm used.

D. Closure of Eligible Claim Files.

When the cleanup is complete, the claim investigator is responsible for closing the claim file. Generally, the claim investigator will close the claim when it appears that no other eligible costs will be forthcoming from the claimant for payment from the Fund. If a closure report is required by the PA DEP, the PA DEP will provide a response to the closure report generally in the form of a Release of Liability. Upon receipt of the liability release from PA DEP, the remaining

reimbursable activities will likely include monitoring well abandonment and site restoration. The claim investigator shall contact the claimant and/or consultant to confirm all reimbursable invoices have been received.

File closure activities include releasing any uncommitted reserves and preparing a closure memo to the Fund (See Attachment 18). The TPA Claim Manager reviews the closure memo, the reserves and deductibles are released in the CTS, and claim classification is changed to "closed."
[Revised 4/30/2010]

Fund claim evaluators are tasked a copy of the closure memo for review and comment. The Fund also uses this report to audit TPA service invoices. *[Added 11/16/2018]*

IV. CLAIM MANAGEMENT SYSTEMS

A. Claims Tracking System.

The Claims Tracking System (CTS) is a web-based database application used to record claim information. The CTS serves the following functions:

- All claim related activity is recorded in CTS.
- An automated diary system establishes deadlines and provides a tool to measure progress on performing routine claim handling activities. In addition, the system supports the TPA Claim Manager's oversight of staff performance.
- Invoices are logged, payments are authorized, and invoices are electronically transmitted to the Commonwealth.
- Standard reports are printed from the database to meet Fund and internal management requirements. These reports and their delivery schedules are described in detail in Section V.

B. ImageRight Document Management System.

The ImageRight Document Management System (DMS) is an electronic filing system used to store claim documents. Hard copy claim documents are received, date stamped, and scanned into the DMS. Documents received electronically such as an email or compact disks are imported into the DMS. The scanned and/or imported documents are routed to administrative staff to log into CTS, placed in the appropriate DMS claim folder, and routed to the claim investigator for review. Invoices are routed to the Invoice Coordinator for auditing assignment.

C. Systems Security.

The CTS and the DMS are protected against unauthorized access through assignment of passwords. Both systems grant levels of access to ensure accuracy within the system. The level include read, read/write, read/write/delete, and administrative. The TPA Claim Manager has the highest level of access and assigns user access levels. The TPA staff is able to input and alter data but cannot lock out personnel with higher level access.

D. Systems Protection.

At the end of each Monday through Thursday, all file data is differentially backed up at the TPA data vault facility. This back up includes claims which were modified during that business day. Every Friday evening, the entire CTS and DMS is fully backed up.

E. Quality Control/Quality Assurance.

Quality control/quality assurance (QC/QA) procedures are routinely followed to ensure the integrity of the information. Procedures include periodic, random checking of documentation entered to ensure that the information entered is correct. In addition, monthly database reports are generated to verify correct data entry in CTS.

V. REPORTS

A. Fund Reports.

The TPA is responsible for providing the Fund with a number of standardized reports on a periodic basis. Reports are provided electronically and filed appropriately within the Administrative Drawer in ImageRight.

- Event Indicator Report
- Heating Oil Claims Report
- An invoice control sheet and approved payee listing report providing information related to invoices electronically transmitted to the Commonwealth is provided to the Fund weekly.
- A claim status report providing information and costs on claims, is provided to the Fund monthly. *[Revised 8/31/2012]*
- A PA DEP regional report, providing claim activity by region, is provided to the PA DEP Environmental Group Managers and the Fund monthly.
- An opposing counsel report, indicating all legal firms representing claimants and/or third party claimants, is provided to the Fund monthly.
- A Claim Manager Diary Review Report providing claim financials along with the TPA Claim Manager review notes is provided to the Fund monthly. *[Added 8/31/2012]*
- A third party subcontractor report providing claim file numbers, costs associated with the claim and the type of work is provided to the Fund quarterly.
- A 1994-2002 claim closed by calendar year report providing a list of claims that were reported in 1994-2002 that have closed within the current quarter is provided to specified PA DEP employees and the Fund quarterly.
- Data is extracted from the CTS and sent to the Fund's actuary each year for use in preparing the annual actuary report. The Fund provides notice when these reports are due.
- An annual report providing annual and past years claim activity is generated and submitted to the Fund annually. *[Revised 8/31/2012]*

B. Commonwealth Reports.

The TPA is responsible for providing the Commonwealth with the following report:

- The Commonwealth sends a form requesting efforts to subcontract work to socially and economically disadvantaged businesses (SERB report) or employ minority group employees on a quarterly basis for completion by the TPA. Report review and completion takes place in the TPA's home office located in Fairfax, VA.

C. Internal Reports.

The TPA prepares internal reports, most notably, tickler reports that indicate the TPA's performance or individual claim investigator's performance in meeting deadlines on an as needed basis.

VI. DOCUMENT HANDLING PROCEDURES *[Revised 7/31/2009]*

The TPA staff is responsible for the day to day handling of oral and written communications passing through the TPA's office. Routine procedures are described below.

A. New Claims.

1. New Claim Reporting. All new claims reported must be reported directly to the Fund in order for a claimant to meet the eligibility reporting requirements of 25 Pa Code § 977.34. In the event a new claim is reported to the TPA, the TPA will notify the reporting entity through a telephone call the requirements of reporting new claims to the Fund. A follow up letter will be sent advising that the TPA is not authorized to receive first notice of a claim and cannot accept a new claim report on behalf of the Fund. (See Attachment 19) *[Revised 4/30/2010]*

2. Receiving New Claim Assignments. New claim data is uploaded in CTS and an initial claim report email is sent to the Account Manager. The new claim is then assigned to the claim investigator via initial claim report email. Initial reserves and instructions are provided and the eligibility investigation commences. *[Revised 11/16/2018]*

B. Handling Claim Investigator Related Documents.

Draft reports prepared by the claim investigators are reviewed by the TPA Claim Manager. Each report is filed in the DMS and recorded in the CTS. After review, if acceptable, the report is manually routed through the DMS to the Fund. Reports needing revision are returned to the claim investigator and the process is restarted. *[Revised 7/31/2009]*

Direction requests and closure memos prepared by the claim investigator are reviewed by the TPA Claim Manager and handled as described above for reports.

All claim related documents prepared by the claim investigator are logged into the CTS and a copy is filed in the DMS. *[Revised 7/31/2009]*

C. Handling Claim Related Documents from the Claimant, Consultant, and PA DEP.

All claim related documents received from a claimant, consultant, or PADEP are date stamped, scanned or imported to the DMS, and entered into the CTS before forwarding to the addressee and/or claim investigator. Electronically mailed claim documents do not contain a date stamp but rather the email transmitting the document is imported with the document to provide the date received. If a document appears to be urgent, the administrative assistant will notify the addressee and/or claim investigator of the documents urgency through assigning a high priority number to the document when manually routing to the claim investigator. *[Revised 7/31/2009]*

D. Handling Claim Related Documents from Attorneys.

All claim related documents received from an attorney are date stamped, scanned or imported to the DMS, and entered into the CTS before forwarding to the addressee and/or claim investigator. Electronically mailed claim documents do not contain a date stamp but rather the email transmitting the document is imported with the document to provide the date received. If a document appears to be urgent, the administrative assistant will notify the addressee and/or claim investigator of the documents urgency through assigning a high priority number to the document when manually routing to the claim investigator. Legal documents are also manually routed to the TPA Claim Supervisor and TPA Claim Manager for review. *[Revised 7/31/2009]*

E. Handling Claim Related Documents from Third Parties.

All claim related documents received from a third party are date stamped, scanned or imported to the DMS, and entered into the CTS before forwarding to the addressee and/or claim investigator. Electronically mailed claim documents do not contain a date stamp but rather the email transmitting the document is imported with the document to provide the date received. If a document appears to be urgent, the administrative assistant will notify the addressee and/or claim investigator of the documents urgency through assigning a high priority number to the document when manually routing to the claim investigator. *[Revised 7/31/2009]*

F. Handling Requests for Claim Files.

Outside parties, typically insurers representing tortfeasor(s) or other parties who may be subject to a subrogation action, can request claim related file materials. The request should be in writing and should identify the specific information requested. If necessary, the TPA claim investigator will contact the requestor to narrow the focus of the request to those files that are actually of interest to the requestor. File review and reproduction should not interfere with ongoing TPA business, but should be reasonably expeditious since the requestor might require the files before agreeing to a settlement or complying with claim investigator requests for information or cooperation.

Requests are date stamped, filed and entered into the CTS. Acknowledgement of the request is recorded along with the date when the files are transmitted usually by cover letter. The claim investigator and the Fund will receive a copy of the request for their files. *[Revised 7/31/2009]*

Requestors will normally be charged the TPA cost for photocopying documents. The TPA Claim Manager should be notified when payment is received in order to credit the Fund for reproduction charges incurred.

VII. PROCEDURAL CHANGES

A. Modification to Claim Handling Procedures.

The procedures specified in this Manual are subject to revision on an ongoing basis. A common source of changes to procedures is direct communication from the Fund indicating that procedures be changed.

The TPA is responsible for performing its duties in the manner specified by the Fund. To assure that all TPA staff is aware of changes in procedures, the TPA will disseminate notices when new procedures are in effect. In addition, any change in procedures must be accompanied by a revision to the Claim Manual. The TPA Claim Manager will be responsible for communication and Claim Manual revision.

B. Date Change in the Master Claim Manual.

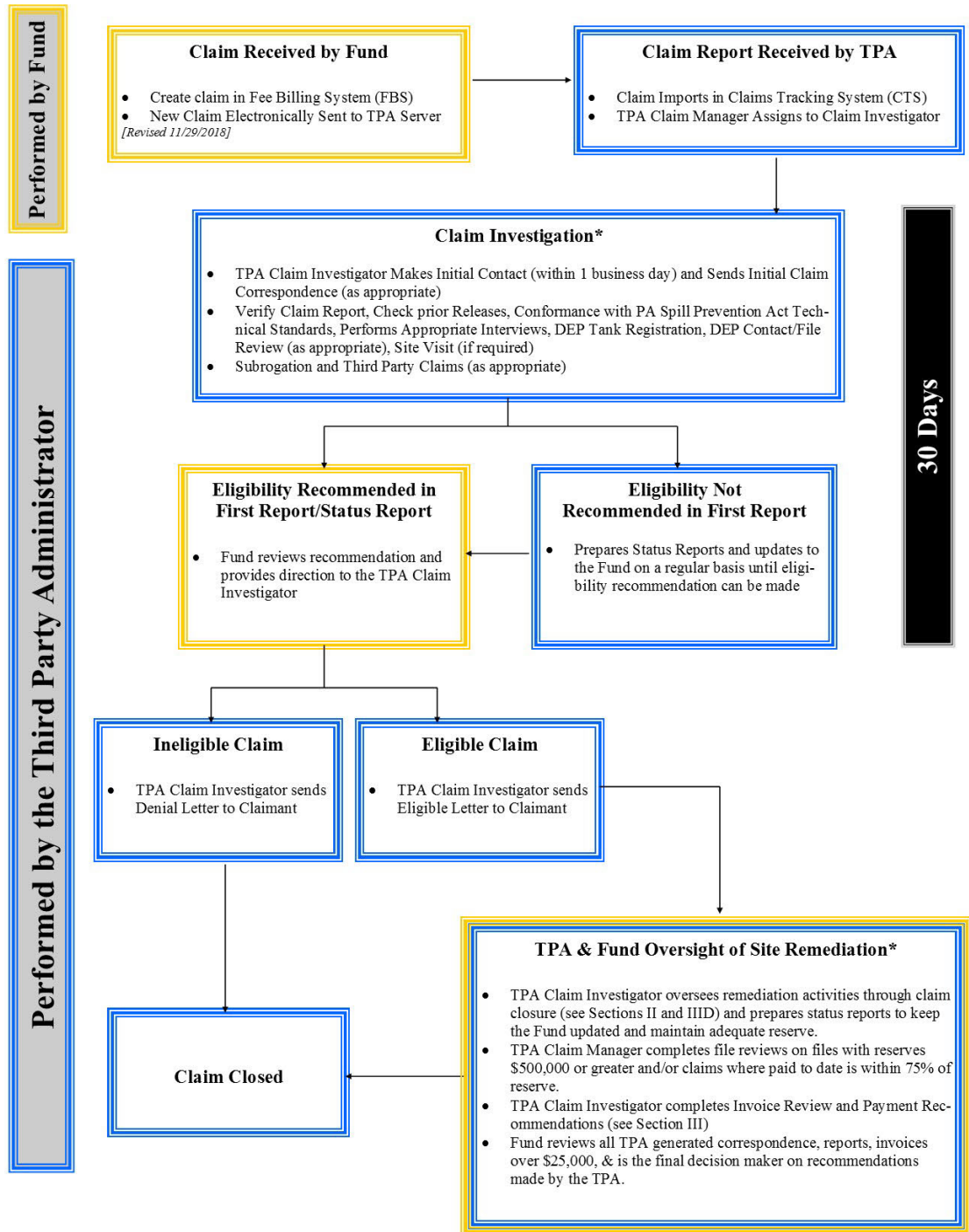
All changes to procedures must be dated in the appropriate place at the bottom of each section of this manual. Changes to the Manual must be made to the master copy. A master version of the Claim Manual is maintained on the TPA server with an electronic copy provided to the Fund with each update.

This page intentionally left blank.

Attachment 1

Claim Handling Flow Chart

Claim Handling Flow Chart



Performed by Fund

Performed by the Third Party Administrator

30 Days

*Third Party Review assistance may be recommended through out claim investigation or oversight of remediation where applicable.

Attachment 2

First Request for Information Form Letters

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»

[Insert Company Name]

«PI_Address_1»

«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

In order to support the claim you have filed with the Pennsylvania Underground Storage Tank Indemnification Fund, please provide the data/information requested below:

- 1) Type of facility (i.e. retail gasoline sales with convenience store, retail sales with repair service, etc.).
- 2) Number of underground tanks, their size, contents, age, material of construction of the tanks and lines at the time of the release (i.e. bare steel, asphalt-coated steel, fiberglass). Type of lines (pressurized or suction), presence of leak detectors, spill and overfill protection. Also, are the tanks all in the same tank pit?
- 3) A history of repairs and upgrades to tanks and lines.
- 4) Indication of when the release or potential release was first suspected and how the problem manifested itself. Please indicate the date the release was confirmed.
- 5) The name, address and phone numbers of the person who discovered the release/problem and any witnesses to the event.
- 6) The cause (source) of the suspected or confirmed release and the time frame of the release. Be exact, which tank and/or line was involved. Estimate product lost. When did release begin? Provide action(s) taken to investigate and/or abate the release.
- 7) Was the DEP called and did they respond to the site. Please indicate who came out, when, and any instructions received. Name, address, telephone number and contact of your consulting firm.
- 8) Please indicate remedial activities to date. Further indicate if groundwater was impacted and amount (if any) of soil removed. Provide costs incurred to date and future anticipated costs. If tanks were removed, the cost of such including disposal.
- 9) Any prior history of site contamination. Please also indicate type of heating utilized for building(s) at this site.
- 10) Indicate any damages to third parties and, if so, include name, address and type of damage. Is the site served by its own well water?

- 11) Please indicate the procedures performed to comply with regulations concerning leak detection.
- 12) Please supply name, title, and telephone number of person performing stick readings, procedures for tank sticking, product deliveries, and checking for water in the tank. Please indicate if water was ever found in the tanks.
- 13) Please indicate the status of your tank permit. Has it ever been revoked? And if so, why?
- 14) Is there any other pollution insurance in effect for your facility that would provide pollution coverage for this release? If so, please provide the name of your insurance company, their address and phone number, and your policy number.

The following documents must be submitted:

- Copies of any analytical data, well logs, site maps, closure reports, site assessments, etc. performed at this site currently or in the past.
- Daily tank inventories/tank gauging figures and monthly reconciliations for the involved tank/lines for the six month period preceding the discovery of contamination.
- Proof of payment of the gallon fees commonly referred to as throughput fees. Proof in the form of an invoice, prior to the discovery of the contamination showing the USTIF fee and proof of payment of that invoice in the form of a canceled check or bank card receipt. Delivery records should show deliveries were made to all tanks, subject to the gallon fees in use at the site. A bill of lading may also be submitted if it clearly indicates deliveries were made to all tanks subject to the gallon fee at time of the release discovery.
- Any tank and line tightness tests.
- Latest DEP registration certificate for the involved tanks.

If you prefer to have invoices reimbursed directly to your consultant, please execute the enclosed "Authorization for Payment Form" and forward to your consultant for their signature. A fully executed Authorization for Payment Form must be documented in order for USTIF to direct payment to your consultant. Please note a vendor number is required for all payments made from the Commonwealth of Pennsylvania. Directions for obtaining a vendor number are indicated on the enclosed Authorization for Payment Form. Please retain a copy for your records, and return the original to us.

Please provide the required documentation within the next sixty (60) days. If you have any questions please contact me at «Adjuster_Office_Phone» or through email at «Adjuster_Email_Address».

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»

DEP Facility #«Dept_Abbrev» (efacts «DEP_efacts_Facility_Number»)

SENT VIA ELECTRONIC MAIL TO **[insert email address]**; NO HARD COPY TO FOLLOW
«PI_First_Name» «PI_Last_Name»
[Insert Company Name]

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

This will confirm our phone conversation of *[manually enter date here]*.

[INSERT OTHER INSURANCE INFO HERE: You indicated that in addition to pending Fund coverage, you also have private environmental pollution insurance coverage. Please provide the name of your insurance company, their address and phone number and the policy number. OR You stated you do not have private pollution insurance coverage.]

As we discussed, before we can make an eligibility recommendation to the Fund we will need the following information:

- * Copies of any analytical data, well logs, site maps, closure reports, site assessments, etc. performed at this site currently or in the past.
- * Daily tank inventories/tank gauging figures and monthly reconciliations for the involved tanks/lines for the six month period preceding the discovery of contamination.
- * Proof of payment of the gallon fees commonly referred to as throughput fees. Proof in the form of an invoice, prior to the discovery of the contamination showing the USTIF fee and proof of payment of that invoice in the form of a canceled check or bank card receipt. Delivery records should show deliveries were made to all tanks, subject to the gallon fees in use at the site. A bill of lading may also be submitted if it clearly indicates deliveries were made to all tanks subject to the gallon fee at time of the release discovery.
- * Any tank and line tightness tests.
- * Latest DEP registration certificate for the involved tanks.

We cannot over emphasize the importance of submitting this information as soon as possible.

If you prefer to have invoices reimbursed directly to your consultant, please execute the enclosed "Authorization for Payment Form" and forward to your consultant for their signature. A fully executed Authorization for Payment Form must be documented in order for USTIF to direct payment to your consultant. Please note a vendor number is required for all payments made from the Commonwealth of

Pennsylvania. Directions for obtaining a vendor number are indicated on the enclosed Authorization for Payment Form. Please retain a copy for your records, and return the original to us.

Please provide the required documentation within the next sixty (60) days. If you have any questions please contact me at «Adjuster_Office_Phone» or through email at «Adjuster_Email_Address».

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Name»
DEP Facility #«Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

SENT VIA ELECTRONIC MAIL TO **[insert email address]**; NO HARD COPY TO FOLLOW
«PI_First_Name» «PI_Last_Name»
[Insert Company Name]

[Replaced 2/1/2022]

Attachment 3

Authorization for Payment Form

Authorization for Payment Form

I, _____ (Tank Owner/Operator), an underground storage tank owner/operator, hereby designate and appoint the Underground Storage Tank Indemnification Fund ("Fund") as my authorized representative to make such payments as the Fund may approve, to _____ (Consultant) on account of USTIF Claim Number «Claim Number».

I, _____ (Individual Officer Name), as authorized officer for _____ (Consultant), hereby agree to participate in the USTIF direct pay program. As a participant in the USTIF direct pay program, _____ (Consultant) agrees to maintain and preserve and shall produce, upon request of USTIF, all data, records and documentation pertaining to site investigation and/or environmental remediation for aforementioned claim in paper or original electronic format to be determined by USTIF. All documents, data and records produced by _____ (Consultant), paid for in whole or in part by USTIF, to carry out the obligations of site investigation/remediation, are subject to this requirement. USTIF has the right to use all such documents, data and records to further the corrective action process for the claim. Consultant shall be compensated for reasonable costs to reproduce and ship the requested data records and documentation.

Date: _____ By: _____
Tank Owner/Operator

Date: _____ By: _____
Consultant

Date: _____ By: _____
PAUSTIF

NOTE: All underground storage tank owners/operators and consulting companies receiving payments directly from the Commonwealth of Pennsylvania for USTIF funded sites are required to have a vendor number.

To obtain a vendor number:

A vendor number may be obtained by completing the online Non-Procurement Vendor Registration Form accessed through the Non-Procurement Registration Form link at www.vendorregistration.state.pa.us and registration form. Questions about the vendor registration process should be directed to the Vendor Data Management Unit (VDMU) at 717-346-2676 or 1-877-435-7363. Upon assignment of a vendor number, VDMU will contact the individual indicated on your vendor registration form with the assigned vendor number. If you do not have access to the internet, please contact VDMU for instructions.

To request an address change or to add banking information for a vendor number:

A request for address change or to add banking information for direct deposit payments for companies who currently have vendor number information go to <https://www.budget.pa.gov/Services/ForVendors/Pages/default.aspx>. Click on the box titled, "NON-PROCUREMENT VENDOR HELP". Scroll down to "How to....." and click on the action being requested. Questions about the vendor registration process should be directed to 717-346-2676 or 1-877-435-7363 option 1. Upon processing the change, Vendor Data Management Unit (VDMU) will reply back to the contact individual requesting the action.

[Replaced 2/1/2022]

Attachment 4

Competitive Bid Form Letter

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

ICF is the third party administrator for the Pennsylvania Underground Storage Tank Indemnification Fund ("USTIF"). ICF is conducting an investigation with respect to the above captioned claim to determine if the claim is eligible for funding from USTIF pursuant to the Storage Tank and Spill Prevention Act ("Tank Act") at 35 P.S. § 6021.706 and under Chapter 25, Section 977.31, *et seq.* of the Pennsylvania Administrative Code.

Fund regulations require that the tank owner cooperate. 25 Pa. Code § 977.32. As part of that cooperation, on occasion USTIF may require competitive bids for certain work. 25 Pa. Code § 977.32(a)(5).

USTIF has determined that competitive bids for remedial activity are easier to obtain when the tank owner has obtained a complete and thorough site characterization. Accordingly, we are writing to remind you that in certain circumstances the Pennsylvania Department of Environmental Protection ("PaDEP") requires a site characterization and has enacted regulations outlining the requirements of a complete site characterization. The regulations can be found on the PaDEP's website at <http://www.dep.state.pa.us>. In the event you are granted eligibility and requested to obtain competitive bids, having a complete and thorough site characterization will assist in this process.

We remind you that no decision has been made on providing funding. This letter is not a waiver of USTIF's rights under the Tank Act and USTIF specifically reserves any and all rights under the Tank Act. The DEP regulation requiring tank owners to complete a site characterization is an independent obligation. Completing a site characterization will not automatically result in eligibility. Claimants must satisfy the eligibility requirements under 35 P.S. § 6021.706(a) and 25 Pa. Code § 977.31, *et seq.* before receiving funding from USTIF. A decision regarding eligibility will be sent separately after ICF completes its investigation.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

[Replaced 2/1/2022]

Attachment 5

First Report

FIRST REPORT
PENNSYLVANIA UNDERGROUND
STORAGE TANK INDEMNIFICATION FUND

PAUSTIF Claim Number: «Claim_Number»
 Claimant: «Claimant_Last_Name»
 Business/Site Name: «CTS_Site_Name»
 «Loc_Address_1»
 Loss Location: «Loc_City», «Loc_State_Short» «Loc_City»
 PADEP Region, Case Manager: «Loc_Name» «DEP_Field_Rep»
 Facility ID: «Dept_Abbrev»
 PAUSTIF Claim Evaluator: «PAUSTIF_Claim_Evaluator_Desc»
 Reported Date of Discovery: «Event_Date»
 Date of Report: May 9, 2022
 «Adjuster_Title»: «Adjuster_First_Name» «Adjuster_Last_Name»

Facility Description	_____	Interview Date	_____
Owner	_____	Operator	_____
Date of Assignment	_____	Other Insurance	_____

DESCRIPTION OF TANKS

Number of tanks identified on Fund payment record
 Number of active tanks

Tank 1	Size	___	contents	___	construction	___
	age	___	pressurized	___	suction	___
Tank 2	size	___	contents	___	construction	___
	age	___	pressurized	___	suction	___
Tank 3	size	___	contents	___	construction	___
	age	___	pressurized	___	suction	___
Tank 4	size	___	contents	___	construction	___
	age	___	pressurized	___	suction	___

Abandoned Tank (s) No
If yes, date of discovery and how many?
Did abandoned tank (s) leak? No

If yes, see description of loss for details.

SITE DESCRIPTION

- Type of business
- Location of involved tanks and their relationship to each other i.e., same excavation, etc.) attach a diagram if possible

DESCRIPTION OF LOSS (brief narrative covering the following 5 items)

- Date contamination was discovered
- Where was the contamination discovered
- How was the contamination discovered
- Who discovered the contamination
- What was the source(s) of contamination

INVESTIGATIVE ACTIVITY

This section will summarize all investigation activity conducted on this file. It will include dates and times of contact attempts with the tank owners, consultants, contractors and DEP, etc. A summary of the details/information obtained during the statements/interviews will be contained in this section. An inquiry regarding other environmental pollution insurance coverage will be included in this section. *[Revised 8/31/2012]*

This section will include the highlights of any records reviewed (i.e. tank closure report, DEP file, etc.)

THIRD PARTY REVIEW ACTIVITY

Consultant:
Category:
Date of Assignment:
Scope of Activities:
Anticipated Completion Date:
Amount Paid to Date on Assignment:

ELIGIBILITY

Based on the information provided, I am recommending eligibility subject to a \$5,000 deductible. The release appears to be attributed to [fuel type here] related to [release here...hole in the tank, broken spill bucket, or spills and overfills, etc.]. **The following CTS fields must accurately reflect results of eligibility investigation: Event Indicator, Product Type, System Lose Type**

This section will contain comments on the components required for eligibility by the numbers.

1. The claimant is the owner or operator of this tank which is the subject of the claim
2. The current fee required under § 705 has been paid.
3. The tank has been registered in accordance with the requirements of § 503.
4. The claimant demonstrates to the satisfaction of the board that the release that is the subject of the claim occurred after the date established by the board for payment of the fees required by § 705(d).
5. The participant cooperates, as defined in § 977.32 (relating to participant cooperation), with the Fund in its eligibility determination process, claims investigation, the defense of any suit, the pursuit of a subrogation action and other matters as requested.
6. The participant has met the notification requirements of § 977.34 (relating to claims reporting).

3RD PARTY CLAIMS

- name and address of 3rd party
- date contacted and/or contact attempts
- type of claim (i.e. property damage, personal injury, etc.)

DAMAGES/CLEAN-UP

- What has been done to date
- Cost to date
- Anticipated future claim up activity
- Future costs

PAY-FOR-PERFORMANCE / FIXED PRICE CANDIDATE

- What is the clean-up standard?
- Is there proration?
- Is there off site impact and if so, is there probable third party claim exposure?
- Summarize your discussion with the claimant. Will the claimant consider doing PFP / FP if the claim is determined to be eligible? If not, provide reason.

If claimant agrees provide the following:

- Summarize discussion with consultant
- Summarize discussion with DEP
- Was written notice provided to DEP?

RESERVES (Proper documentation for reserve changes up or down in excess of \$100,000.)

Reserve Change: **No:** _____ **Yes:** _____

Explanation:

Sentence/explanation of why the reserve change.
Changes 100K up or down = Refer to docs in IR.

	Remaining Reserve	Amount Paid	Current or New Reserve (as applicable)	Previous Reserve (if applicable)	Deductible
Remediation	«Total_Balance_Remediation»	«Total_Paid_Remediation»	«Total_Incurred_Remediation»		«Remediation_Deductible»
Post Remedial Care	«Total_Balance_Post_Remedial_Care»	«Total_Paid_Post_Remedial_Care»	«Total_Incurred_Post_Remedial_Care»		n/a
Third Party	«Total_Balance_Third_Party»	«Total_Paid_Third_Party»	«Total_Incurred_Third_Party»		«Third_Party_Deductible»
Expert	«Total_Balance_Expert»	«Total_Paid_Expert»	«Total_Incurred_Expert»		n/a
Legal	«Total_Balance_Legal»	«Total_Paid_Legal»	«Total_Incurred_Legal»		n/a

Claim Manager Approval: _____

SUBROGATION

Indicate any potential for subrogation

PHOTOGRAPHS/DIAGRAMS

Include any photographs or diagrams

FUTURE HANDLING / THINGS TO DO

Report on what you plan to do between now and the next report.

DIARY DATES

[Replaced 2/1/2022]

Attachment 6

Status Report

STATUS REPORT
PENNSYLVANIA UNDERGROUND
STORAGE TANK INDEMNIFICATION FUND

PAUSTIF Claim Number: «Claim_Number»
Claimant: «Claimant_Last_Name»
Business/Site Name: «CTS_Site_Name»
«Loc_Address_1»
Loss Location: «Loc_City», «Loc_State_Short» «Loc_ZIPPostal_Code»
PADEP Region, Case Manager: «Loc_Name», «DEP_Field_Rep»
Facility ID: «Dept_Abbrev»
PAUSTIF Claim Evaluator: «PAUSTIF_Claim_Evaluator_Desc»
Reported Date of Discovery: «Event_Date»
Date of Report: May 9, 2022
«Adjuster_Title»: «Adjuster_First_Name» «Adjuster_Last_Name»

BRIEF REVIEW/CURRENT STATUS

BRIEF REVIEW

Eligibility was granted (incorporate proration if applicable) with a \$5,000 deductible. The release appears to be attributed to (fuel type here) related to (release here...hole in the tank, broken spill bucket, or spills and overfills, etc?) **The following CTS fields must accurately reflect results of eligibility investigation: Event Indicator, Product Type, System Loss Type**

CURRENT STATUS (Conceptual idea is that CI should focus on “current status” and not provide an overly broad review of file history/activities to date.)

ACTIVITIES SINCE LAST REPORT

TPR STATUS ACTIVITIES

THIRD PARTY REVIEW ACTIVITY – Blue text = pulling data fields from CTS 2.0 not yet confirmed.

Consultant:

Category:

Date of Assignment:

Scope of Activities:

Anticipated Completion Date:

Amount Paid to Date on Assignment:

REMEDIATION STATUS/EFFECTIVENESS

SCR Completed: Yes or No

DEP Approval Date:

RAP Completed: Yes or No

DEP Approval Date

Clean Up Goal: [include Statewide Health Standard, Site Specific Standard, Used Aquifer, Nonuse Aquifer, Background Standard]

Remediation Technology:
Date System Installed:
Baseline Contamination Levels:
Percentage in Contaminant Reductions:
Satisfied with Remediation Progress: Yes or No
If no, what strategy do you recommend to get remediation on track?:

Comments:

CONTRACTS

What is the clean-up standard?
Is there proration?
Is there off site impact and if so is there probable third party claim exposure?
Summarize your discussion with the claimant. Will the claimant consider doing PFP/FP if the claim is determined to be eligible? If not, provide reason.
Or

Blue text – pulling data fields from CTS 2.0 not yet confirmed.

Is there an open contract?

Contract type: define sow or bid to result

Consultant: name

Milestone: last milestone paid ***and description of milestone/tasks***

Contract amount:

Total paid on contract:

Contract date:

Brief summary of any amendments and/or current out of scope tasks

THIRD PARTY CLAIMS

SUBROGATION

FUTURE ACTIVITIES

Open items
Future handling
Things to do

RESERVES (Proper documentation for reserve changes up or down in excess of \$100,000.)

Reserve Change: **No:** _____ **Yes:** _____

Explanation:

Sentence/explanation of why the reserve change.
Changes 100K up or down = Refer to docs in IR.

	Remaining Reserve	Amount Paid	Current or New Reserve (as applicable)	Previous Reserve (if applicable)	Deductible
Remediation	«Total_Balance_Remediation»	«Total_Paid_Remediation»	«Total_Incurred_Remediation»		«Remediation_Deductible»
Post Remedial Care	«Total_Balance_Post_Remedial_Care»	«Total_Paid_Post_Remedial_Care»	«Total_Incurred_Post_Remedial_Care»		n/a
Third Party	«Total_Balance_Third_Party»	«Total_Paid_Third_Party»	«Total_Incurred_Third_Party»		«Third_Party_Deductible»
Expert	«Total_Balance_Expert»	«Total_Paid_Expert»	«Total_Incurred_Expert»		n/a
Legal	«Total_Balance_Legal»	«Total_Paid_Legal»	«Total_Incurred_Legal»		n/a

Claim Manager Approval: _____

DIARY DATE

[Replaced 2/1/2022]

Attachment 7

Memo

MEMO – «Claim_Status_Desc»
PENNSYLVANIA UNDERGROUND
STORAGE TANK INDEMNIFICATION FUND

PAUSTIF Claim Number: «Claim_Number»
Claimant: «Claimant_Last_Name»
Business/Site Name: «CTS_Site_Name»
«Loc_Address_1»
Loss Location: «Loc_City», «Loc_State_Short» «Loc_ZIPPostal_Code»
PADEP Region, Case Manager: «Loc_Name» «DEP_Field_Rep»
Facility ID: «Dept_Abbrev»
PAUSTIF Claim Evaluator: «PAUSTIF_Claim_Evaluator_Desc»
Reported Date of Discovery: «Event_Date»
Date of Report: May 9, 2022
«Adjuster_Title»: «Adjuster_First_Name» «Adjuster_Last_Name»

REMARKS

Status Reports – every 6 months until.....in attainment sampling and/or approval from Fund for extended diary. Page mark first reports and status reports in ImageRight.

Memos may be used between status report to make reserve changes, claim status changes, request TPR service, direction on third party settlements, assignment of legal counsel, etc.

Eligibility was granted (incorporate proration if applicable) with a \$5,000 deductible. The release appears to be attributed to (fuel type) related to (release here...hole in the tank, broken spill bucket, or spills and overfills, etc?) **The following CTS fields must accurately reflect results of eligibility investigation: Event Indicator, Product Type, System Lose Type**

EMAILS ARE NOT AN ACCEPTABLE FORM OF A STATUS UPDATE

Attachment 8

Eligible Form Letter

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

We have determined that your claim has met the eligibility requirements and is eligible for funding, subject to a deductible of «Remediation_Deductible». If an eligible claim for bodily injury or property damage results from the release, an additional deductible of «Remediation_Deductible» applies to all claims in addition to the deductible for corrective action. Please be advised that USTIF's determination of eligibility and any subsequent payment(s) related to your claim is subject to a complete reservation of rights. If during the remediation of your claim, the criteria governing the determination of the eligibility of your claim are modified by change(s) in the statute, regulations or by operation of law, the Fund reserves the right to reevaluate, rescind or modify its determination of the eligibility of your claim. Nothing done in the review or payment of your claim shall be deemed a waiver of any right of USTIF to decline coverage for the release or to refuse to indemnify «Claimant_Last_Name» for any corrective action cost nor shall it be used as evidence for coverage under the Storage Tank and Spill Prevention Act in the event of a change in the law in this or future claim(s). USTIF reserves the right to withdraw from the payment of this claim without further notice if it is subsequently determined that this claim or request for payment of corrective action costs is not eligible under the Storage Tank and Spill Prevention Act and the regulations controlling USTIF. USTIF similarly reserves the right to seek a declaration of its rights in any appropriate administrative proceeding or in any court of competent jurisdiction. Waiving none, but on the contrary reserving to USTIF all of its rights and defenses under the Storage Tank and Spill Prevention Act and at law.

Before we can consider recommending any invoice for payment, we will need a Site Characterization Work Plan and associated cost estimate ("Work Plan") from your consultant. The Work Plan must be in writing and follow the instructions as outlined in USTIF Bulletin #6 located on the Fund's website. Invoices for work performed as part of an approved remedial action plan will not be considered for payment until the above mentioned Work Plan is received by ICF. Please forward your consultant's Work Plan and all original invoices for corrective action costs to ICF at the address listed on this letterhead. Be sure to identify the invoices with «CTS_Site_Name», and Fund Claim Number «Claim_Number». Reasonable and necessary corrective action costs that exceed your «Remediation_Deductible» deductible will be reimbursed by the Fund subject to your limit of liability. All original invoices are required to determine if and when the deductible is reached. The Fund strongly suggests that you obtain competitive bids to ensure that the work to be done is both necessary and reasonable with respect to cost.

Invoices must be fully documented with time sheets for personnel and equipment, brief statements of work done, purchase receipts or other cost documentation for expendable supplies, subcontractor invoices and for laboratory analyses, if any, a list of tests performed with costs and results. Each invoice should include a beginning and end date for the covered time period. In addition, rate schedules of and contracts with corrective action providers must be supplied. You must also indicate with your submittals that the enclosed invoices are satisfactory for deductible credit or payment by the Fund.

Underground storage tank owners/operators and consulting companies receiving payments directly from USTIF are required to have a vendor number. A vendor number may be obtained by completing the online Non-Procurement Vendor Registration Form accessed through the Non-Procurement Registration Form link at www.vendorregistration.state.pa.us and faxing a completed IRS W9 form. A link to the W9 form and faxing instructions are included in the registration form. Questions about the vendor registration process should be directed to the Vendor Data Management Unit (VDMU) at 717-346-2676 or 1-877-435-7363. Upon assignment of a vendor number, VDMU will contact the individual indicated on your vendor registration form with the assigned vendor number. If you do not have access to the internet, please contact VDMU for instructions.

Please note that information submitted to the USTIF from this point forward may be subject to public access. Any record submitted by the claimant or their representative that contains a trade secret or confidential proprietary information must be identified in a signed, written statement accompanying the record as required by the Pennsylvania Right-to-Know Law.

We look forward to working with you to bring this incident to a satisfactory conclusion. We strongly suggest you provide a copy of this letter to your consultant so they understand the aforementioned procedures. This will eliminate any unnecessary delays in the processing of your claim. If you have any questions, please contact me at the address or phone number indicated on the letterhead.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»
DEP Facility # «Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

[Replaced 2/1/2022]

Attachment 9

Prorated Eligible Form Letter

[date]

VIA ELECTRONIC MAIL TO: [insert addresses] AND U.S. FIRST CLASS MAIL
Email w/delivery & read receipt. Document p/c attempt.

Mailing date: [date]
Appeal must be received in Executive Director's Office
By: «Appeal_by_Date»

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

This letter serves to confirm our telephone conversation of <ENTER DATED HERE> with <ENTRE CLAIMANT/CONSULTANT NAME HERE>.

We have determined that your claim has met the eligibility requirements and is eligible for prorated funding. We agreed on a proration percentage of «Proration»% with the application of a deductible of «Remediation_Deductible». If an eligible claim for bodily injury or property damage results from the release, an additional deductible of «Remediation_Deductible» applies to all claims in addition to the deductible for corrective action.

Please sign, date and return the enclosed duplicate copy of this letter to confirm our agreement. We will not be able to process any invoices until the agreement confirmation is returned to us.

Please be advised that USTIF's determination of eligibility and any subsequent payment(s) related to your claim is subject to a complete reservation of rights. If during the remediation of your claim, the criteria governing the determination of the eligibility of your claim are modified by change(s) in the statute, regulations or by operation of law, the Fund reserves the right to reevaluate, rescind or modify its determination of the eligibility of your claim. Nothing done in the review or payment of your claim shall be deemed a waiver of any right of USTIF to decline coverage for the release or to refuse to indemnify «Claimant_Last_Name» for any corrective action cost nor shall it be used as evidence for coverage under the Storage Tank and Spill Prevention Act in the event of a change in the law in this or future claim(s). USTIF reserves the right to withdraw from the payment of this claim without further notice if it is subsequently determined that this claim or request for payment of corrective action costs is not eligible under the Storage Tank and Spill Prevention Act and the regulations controlling USTIF. USTIF similarly reserves the right to seek a declaration of its rights in any appropriate administrative proceeding or in any court of competent jurisdiction. Waiving none, but on the contrary reserving to USTIF all of its rights and defenses under the Storage Tank and Spill Prevention Act and at law.

Before we can consider recommending any invoice for payment, we will need a Site Characterization Work Plan and associated cost estimate ("Work Plan") from your consultant. The Work Plan must be in writing and follow the instructions as outlined in USTIF Bulletin #6 located on the Fund's website. Invoices for work performed as part of an approved remedial action plan will not be considered for payment until the above mentioned Work Plan is received by ICF. Please forward your consultant's Work Plan and all original invoices for corrective action costs to ICF at the address listed on this letterhead. Be sure to identify the invoices with «CTS_Site_Name» and the Fund Claim Number «Claim_Number». When «Proration»% of reasonable and necessary corrective action costs exceed your «Remediation_Deductible» deductible, the Fund will reimburse «Proration»% of additional reasonable and necessary corrective action costs subject to your limit of liability. All original invoices are required to determine if and when the deductible is reached. The Fund strongly suggests that you obtain competitive bids to ensure that the work to be done is both necessary and reasonable with respect to cost.

Invoices must be fully documented with time sheets for personnel and equipment, brief statements of work done, purchase receipts or other cost documentation for expendable supplies, subcontractor invoices and for laboratory analyses, if any, a list of tests performed with costs and results. Each invoice should include a beginning and end date for the covered time period. In addition, rate schedules of and contracts with corrective action providers must be supplied. You must also indicate with your submittals that the enclosed invoices are satisfactory for deductible credit or payment by the Fund.

Underground storage tank owners/operators and consulting companies receiving payments directly from USTIF are required to have a vendor number. A vendor number may be obtained by completing the online Non-Procurement Vendor Registration Form accessed through the Non-Procurement Registration Form link at www.vendorregistration.state.pa.us and faxing a completed IRS W9 form. A link to the W9 form and faxing instructions are included in the registration form. Questions about the vendor registration process should be directed to the Vendor Data Management Unit (VDMU) at 717-346-2676 or 1-877-435-7363. Upon assignment of a vendor number, VDMU will contact the individual indicated on your vendor registration form with the assigned vendor number. If you do not have access to the internet, please contact VDMU for instructions.

Please note that information submitted to the USTIF from this point forward may be subject to public access. Any record submitted by the claimant or their representative that contains a trade secret or confidential proprietary information must be identified in a signed, written statement accompanying the record as required by the Pennsylvania Right-to-Know Law.

We look forward to working with you to bring this incident to a satisfactory conclusion. We strongly suggest you provide a copy of this letter to your consultant so they understand aforementioned procedures. This will eliminate any unnecessary delays in the processing of your claim. If you have any questions, please contact me at the address or phone number indicated on the letterhead.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»
DEP Facility # «Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

VIA ELECTRONIC MAIL TO **[insert email address]**; NO HARD COPY TO FOLLOW
«PI_First_Name» «PI_Last_Name»
[Insert Company Name]

I acknowledge that I have agreed to proration of «Proration» percent.

Signature: _____ Date: _____

If the Underground Storage Tank Indemnification Fund's determination is not acceptable and you wish to appeal it, you must request a review by the Executive Director of the Underground Storage Tank Indemnification Fund. The appeal must be in writing and received by the Executive Director within 35 days of the mailing date of this letter. Failure to file your appeal within 35 days will result in the forfeiture of your appeal rights. Your appeal may be filed by signing where indicated below and returning all pages of this letter along with a brief statement outlining the reasons why you disagree with this determination.

Appeals should be emailed to [Name], Executive Director, at ra-in-fbsclaims@pa.gov. Please include "USTIF Claim Appeal" along with your claim number in the subject line of your email. Appeals will also be accepted by mail at the following address:

[Name]
Executive Director
Underground Storage Tank Indemnification Fund
PA Insurance Department
Capitol Associates Building
901 N. 7th Street, 3rd Floor
Harrisburg, PA 17102

If your appeal does not include a statement outlining the reasons why you disagree with the Underground Storage Tank Indemnification Fund's decision, it will be returned with no action taken.

Please note that the contents of an appeal filed with the Underground Storage Tank Indemnification Fund and subsequent submissions related to that appeal are subject to public access. Claimants, or their representative, making a submission to the Underground Storage Tank Indemnification Fund must ensure that only information intended for public access is included in any submission.

IMPORTANT NOTE: Only participants have appeal rights. Remediation contractors/consultants are not participants and therefore have no appeal rights and cannot sign the appeal.

APPEAL FROM UNDERGROUND STORAGE TANK INDEMNIFICATION FUND'S DECISION

I do not agree with the Underground Storage Tank Indemnification Fund's determination and hereby request a review by the Executive Director of the Fund. The reasons for my appeal are attached.

Sign Name here: _____

Print Name here: _____

Date: _____

Phone Number: _____

[Replaced 2/1/2022]

Attachment 10

Denial Form Letters

[date]

VIA ELECTRONIC MAIL TO: [insert addresses] AND U.S. FIRST CLASS MAIL
Email w/delivery & read receipt. Document p/c attempt.

Mailing date: [date]
Appeal must be received in Executive Director's Office
By: «Appeal_by_Date»

«PI_First_Name» «PI_Last_Name»
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

We have determined that your claim has not met the eligibility requirements for funding for the following reasons:

Section [XXXX] of the Pennsylvania Storage Tanks and Spill Prevention Act, Act of 1989, PL 169, No. 32, states that:

We reserve the right to reopen our file and conduct additional investigation as needed to determine eligibility and/or value.

If the Underground Storage Tank Indemnification Fund's determination is not acceptable and you wish to appeal it, you must request a review by the Executive Director of the Underground Storage Tank Indemnification Fund. The appeal must be in writing and received by the Executive Director within 35 days of the mailing date of this letter. Failure to file your appeal within 35 days will result in the forfeiture of your appeal rights. Your appeal may be filed by signing where indicated below and returning all pages of this letter along with a brief statement outlining the reasons why you disagree with this determination.

Appeals should be emailed to [Name], Executive Director, at ra-in-fbsclaims@pa.gov. Please include "USTIF Claim Appeal" along with your claim number in the subject line of your email. Appeals will also be accepted by mail at the following address:

[Name]
Executive Director
Underground Storage Tank Indemnification Fund
PA Insurance Department
Capitol Associates Building
901 N. 7th Street, 3rd Floor
Harrisburg, PA 17102

If your appeal does not include a statement outlining the reasons why you disagree with the Underground Storage Tank Indemnification Fund's decision, it will be returned with no action taken.

Please note that the contents of an appeal filed with the Underground Storage Tank Indemnification Fund and subsequent submissions related to that appeal are subject to public access. Claimants, or their representative, making a submission to the Underground Storage Tank Indemnification must ensure that only information intended for public access is included in any submission.

We regret we are unable to make a more favorable determination concerning your claim.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»
DEP Facility # «Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

VIA ELECTRONIC MAIL TO **[insert email address]**; NO HARD COPY TO FOLLOW
«PI_First_Name» «PI_Last_Name»
[Insert Company Name]

IMPORTANT NOTE: Only participants have appeal rights. Remediation contractors/consultants are not participants and therefore have no appeal rights and cannot sign the appeal.

APPEAL FROM UNDERGROUND STORAGE TANK INDEMNIFICATION FUND'S DECISION

I do not agree with the Underground Storage Tank Indemnification Fund's determination and hereby request a review by the Executive Director of the Fund. The reasons for my appeal are attached.

Sign Name here: _____

Print Name here: _____

Date: _____

Phone Number: _____

[date]

VIA ELECTRONIC MAIL TO: [insert addresses] AND U.S. FIRST CLASS MAIL
Email w/delivery & read receipt. Document p/c attempt.

Mailing date: [date]
Appeal must be received in Executive Director's Office
By: «Appeal_by_Date»

«PI_First_Name» «PI_Last_Name»
«PI_Address_1»
«PI_City», «PI_State_Long» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

We are stopping payments from the Pennsylvania Underground Storage Tank Indemnification Fund for your claim. We have determined that your claim has not met the eligibility requirements for further funding for the following reasons:

Section 706(6) of the Pennsylvania Storage Tank and Spill Prevention Act, Act of 1989, PL 169, No. 32, refers to additional eligibility requirements which the Board may adopt by regulation. Effective January 1, 2002, the Board adopted regulations set forth in 25 Pa. Code § 977.31(6). The claims cooperation regulation provides as follows:

(6) The participant cooperates, as defined in § 977.32 (relating to participant cooperation), with the Fund in its eligibility determination process, claims investigation, the defense of any suit, the pursuit of a subrogation action and other matters as requested.

The regulations regarding the cooperation requirement under § 977.32 states:

- (a) At a minimum, the participant shall cooperate by:
- (1) Providing all information required by the Fund including tank system design documents, inventory records, tank tightness testing results, contracts and other information pertinent to a claim within 30 days of the request of the Fund, or additional time as set by the Fund.
 - (2) Permitting the Fund or its agent to inspect, sample and monitor on a continuing basis the property or operation of the participant.
 - (3) Providing access to interview employees, agents, representatives or independent contractors of the participant; and to review any documents

within the possession, custody or control of the participant concerning the claim.

- (4) Submitting, and requiring employees, consultants and other interested parties subject to its control to submit, to an examination under oath upon the request of the Fund.
- (5) Obtaining competitive proposals for work to be performed when requested by the Fund.
- (b) The participant shall cooperate in all respects with the Fund, its investigators, attorneys and agents during the investigation and resolution of a claim, including the defense of a suit, as provided § 977.35 (relating to third-party suit) and any subrogation action as provided in § 977.40 (relating to subrogation for correction action cost).
- (c) Lack of cooperation by the participant with the Fund or its investigators, attorneys, or agents may result in denial of the claim or cessation of further payment on a claim.

Specifically, we have been requesting *[state what requested and for how long]*. We sent letters on *[insert date]*, *[insert date]*, and finally a certified letter dated *[insert date]* with receipt confirmed *[insert date certified received]* requesting *[insert state what requested]* for this site. To date, we have not received a response. The Fund is denying *[insert 'further payments on' if cessation of payment denial]* your claim based on your failure to cooperate.

If the Underground Storage Tank Indemnification Fund's determination is not acceptable and you wish to appeal it, you must request a review by the Executive Director of the Underground Storage Tank Indemnification Fund. The appeal must be in writing and received by the Executive Director within 35 days of the mailing date of this letter. Failure to file your appeal within 35 days will result in the forfeiture of your appeal rights. Your appeal may be filed by signing where indicated below and returning all pages of this letter along with a brief statement outlining the reasons why you disagree with this determination.

Appeals should be emailed to [Name], Executive Director, at ra-in-fbsclaims@pa.gov. Please include "USTIF Claim Appeal" along with your claim number in the subject line of your email. Appeals will also be accepted by mail at the following address:

[Name]
Executive Director
Underground Storage Tank Indemnification Fund
PA Insurance Department
Capitol Associates Building
901 N. 7th Street, 3rd Floor
Harrisburg, PA 17102

If your appeal does not include a statement outlining the reasons why you disagree with the Underground Storage Tank Indemnification Fund's decision, it will be returned with no action taken.

Please note that the contents of an appeal filed with the Underground Storage Tank Indemnification Fund and subsequent submissions related to that appeal are subject to public access. Claimants, or their representative, making a submission to the Underground Storage Tank Indemnification Fund must ensure that only information intended for public access is included in any submission.

We regret we are unable to make a more favorable determination concerning your claim.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»
DEP Facility # «Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

VIA ELECTRONIC MAIL TO **[insert email address]**; NO HARD COPY TO FOLLOW
«PI_First_Name» «PI_Last_Name»
[Insert Company Name]

IMPORTANT NOTE: Only participants have appeal rights. Remediation contractors/consultants are not participants and therefore have no appeal rights and cannot sign the appeal.

APPEAL FROM UNDERGROUND STORAGE TANK INDEMNIFICATION FUND'S DECISION

I do not agree with the Underground Storage Tank Indemnification Fund's determination and hereby request a review by the Executive Director of the Fund. The reasons for my appeal are attached.

Sign Name here: _____

Print Name here: _____

Date: _____

Phone Number: _____

[Replaced 2/1/2022]

Attachment 11

General Release by Tank owner/Operator to USTIF

SETTLEMENT AGREEMENT AND GENERAL RELEASE

Preamble

This Settlement Agreement and General Release (“Agreement”) is made on the ___ day of _____, ____, by and between: [CLAIMANT’S FULL BUSINESS NAME] (“Claimant”); [CLAIMANT’S OWNERS]; and the Commonwealth of Pennsylvania Underground Storage Tank Indemnification Fund (“USTIF”). Claimant, [CLAIMANT’S OWNERS], and USTIF are sometimes collectively referred to herein as the “Parties.”

Recitals

WHEREAS, [CLAIMANT’S OWNERS] are the owners of a parcel of property located at [SITE ADDRESS], consisting of approximately ___-acres of land (the “Site”);

WHEREAS, Claimant is a corporation organized under the laws of the Commonwealth of Pennsylvania, with a registered business address of [CLAIMANT’S BUSINESS ADDRESS];

WHEREAS, [CLAIMANT’S OWNER’S NAME] is [President/Owner] of Claimant;

WHEREAS, USTIF is a special fund instituted under the Commonwealth of Pennsylvania Insurance Department and established pursuant to the Pennsylvania Storage Tank and Spill Prevention Act, 35 P.S. § 6021.101 *et. seq.* (“STSPA”), to provide coverage, up to specified limits, for characterization and remediation of releases from regulated underground storage tanks;

WHEREAS, at all relevant times, Claimant owned and operated [a fueling station/automotive repair garage/convenience store] at the Site, at which [are/were] located ___ underground storage tanks (“USTs”) along with associated piping and dispensers, which USTs and associated piping and dispensers were removed from the Site in _____];

WHEREAS, in [YEAR], Claimant filed USTIF Claim No. [CLAIM NO.] (the “[YEAR] Claim”) in response to the release of gasoline from a product pipeline (the “[YEAR] Pipeline Release”);

WHEREAS, the [YEAR] Claim was denied by a [DATE] letter from ICF International (“ICF”), USTIF’s Third Party Administrator, because of Claimant’s failure to demonstrate [payment of required gallon fees, its past due [YEAR] capacity fee, and its failure to cooperate with ICF’s investigation of the [YEAR] Claim];

WHEREAS, Claimant did not appeal the denial of the [YEAR] Claim;

WHEREAS, Claimant subsequently filed USTIF Claim No. [CLAIM NO.] (the “[YEAR] Claim”) after the observation of Separate Phase Liquid in a monitoring well which had been installed in connection with the [YEAR] Pipeline Release;

WHEREAS, the [YEAR] Claim was denied by a [DATE] letter from ICF;

WHEREAS, the USTIF’s Executive Director, affirmed the denial of the [YEAR] Claim by an [DATE] letter, on the basis that [neither Claimant nor its consultant had provided information demonstrating that the contamination reported as a possible release in [YEAR] was actually evidence of a new release as opposed to evidence of the previously documented [YEAR] Pipeline Release, for which USTIF had denied coverage];

WHEREAS, Claimant appealed from the [DATE] letter determination affirming the decision to deny eligibility of the [YEAR] Claim, which appeal was docketed with the Underground Storage Tank Indemnification Board at Docket No. [AHO DOCKET NO.] (the “Appeal”); and

WHEREAS, the Parties desire, and the intent of this Agreement, is to resolve all disputes, liabilities, and claims between Claimant, [CLAIMANT’S OWNERS], on one hand, and USTIF and all other persons, entities, firms, and corporations of whatsoever nature on the other, relating to the Appeal, the Site, [RELEVANT CLAIMS], any and all releases from the USTs or associated piping or dispensers at the Site, and any and all past, present, and future claims for coverage or reimbursement by USTIF relating to the Site.

NOW, THEREFORE, the Parties, in consideration of the mutual promises and commitments contained herein, and intending to be legally bound hereby, agree as follows:

1. Recitals. The recitals above are incorporated herein by reference and constitute material terms of this Agreement.

Settlement Terms

2. Payment of Settlement Funds. In exchange for the full release of liability and the mutual covenants contained herein, USTIF agrees to make a settlement payment of [AMOUNT] (\$####.00) to Claimant (the “Settlement Funds”). All payments made under this Agreement shall be made payable to

“[CLAIMANT’S FULL NAME]” and be mailed to [CLAIMANT’S MAILING ADDRESS]. The Claimant agrees that the Settlement Funds shall be used solely and exclusively to pay reasonable and necessary corrective action costs and bodily injury or property damage arising from the [RELEVANT CLAIMS] in accordance with the law. *See* 35 P.S. § 6021.704(b) (relating to limits on payments); 25 Pa. Code § 977.31(4) (relating to limits of liability).

Releases

3. Release of Claims. Claimant and [CLAIMANT’S OWNERS] agree that the payment described in Paragraph 2 (relating to the settlement funds) and the mutual covenants contained in this Agreement represents settlement in full of the Appeal and [RELEVANT CLAIMS]. Claimant and [CLAIMANT’S OWNERS], on behalf of themselves, and any and all other persons or entities of whatsoever nature, hereby fully and forever release USTIF and any and all other persons or entities of whatsoever nature (collectively, the “Released Parties”) from, and agree not to sue concerning, any and all claims, duties, obligations or causes of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that Claimant and [CLAIMANT’S OWNERS] may possess arising from any omissions, acts or facts that relate in in any way to the Appeal and the [RELEVANT CLAIMS], including, without limitation:

a. Any and all past, present, and future liabilities, duties, or obligations, any and all actions and causes of action, claims, counterclaims, cross-claims, third party claims, payments, liens, rights of subrogation, variances, contributions, indemnifications, set-offs, demands, damages, exposures, injuries, attorneys’ fees, expert fees, costs, response costs, loss of service, expenses, compensation, suits, covenants, contracts, agreements and judgments whatsoever of any kind, at law or in equity or otherwise, including without limitation claims for coverage or reimbursement under the STSPA or the or the regulations promulgated thereunder, and whether or not presently known, in any way relating to the Appeal or [RELEVANT CLAIMS];

b. Any and all past, present or future releases from the Site, and any contamination of the subsurface, soils, groundwater, air, ambient air, indoor air, and/or vapors in any way relating thereto or emanating therefrom, and any and all past, present, and future claims and lawsuits of whatsoever

nature in any way relating to any contamination of the subsurface, soils, groundwater, air, ambient air, indoor air, and/or vapors on, under, in, or upon the Site, of any kind or nature or description whatsoever, for all time, including precluding Claimant or [CLAIMANT'S OWNERS] from joining and pursuing the Released Parties or asserting cross-claims for contribution and/or indemnification against the Released Parties in any litigation arising from the claims asserted by third parties relating to any contamination at the Site related to the Appeal or [RELEVANT CLAIMS]; and

c. Any and all rights or claims which they may have individually or collectively, either past, present or future, against the Released Parties arising out of or in any way relating to the Appeal and the [RELEVANT CLAIMS], the Site, the USTs and associated piping and dispensers, any and all past, present or future releases from the Site, and any and all contamination emanating therefrom, including but not limited to, past, present, and future characterization and remediation costs, corrective action costs, bodily injury or property damage claims, and any and all claims for payments, reimbursements, attorneys' fees, expert fees, or costs due to any contamination and vapors emanating from the Site, arising out of or in any way relating to the Appeal or [RELEVANT CLAIMS].

The Parties agree that the release set forth in this section shall be and remain in effect in all respects as the Claimant and [CLAIMANT'S OWNER]'s complete general release, abandonment and waiver as to the matters released. Notwithstanding the provisions of this Paragraph 3, this release does not extend to any obligation incurred under this Agreement.

Withdrawal of Appeal

4. Withdrawal of Appeal. Simultaneously with signing this Settlement Agreement, Claimant, [CLAIMANT'S OWNERS] agree that they will provide USTIF a complete and fully executed copy of any and all documents necessary and appropriate for the withdrawal, with prejudice, of the Appeal with the understanding that such documents will be submitted by USTIF upon payment of the Settlement Funds provided for herein. In addition, Claimant agrees to cooperate fully and promptly with completing or

submitting any additional documents or providing any additional information that might be necessary and appropriate to effectuate such withdrawal if needed.

Representations and Warranties

5. Representations. Claimant, [CLAIMANT'S OWNERS] represent that they have no knowledge or information regarding any claim or potential third-party claim relating to any release at the Site, or any contamination on, under, in, or upon the Site. [CLAIMANT'S OWNERS] represent that they are the legal owners of the Site.

6. Authority. Each Party signing this Agreement represents that they have the authority to do so, and each person signing this Agreement represents that they have the authority on behalf of their respective Party, to sign and bind the Party to this Agreement.

7. Warranty of No Assignment or Transfer. The Parties represent and warrant to one another that they have not sold, assigned, transferred, conveyed, or otherwise disposed of any claim, demand, or cause of action relating to any matter covered by this Agreement.

8. Voluntary Participation. The Parties represent to each other and agree that they have entered into this Agreement by their own free will and choice without any compulsion, duress or undue influence from anyone, and that they have reviewed this Agreement with counsel of their choosing and understand the terms and requirements of it.

9. Drafting by All Parties. All Parties to this Agreement acknowledge that each has had an equal opportunity to participate in, and each has participated in, the drafting of this Agreement.

10. Counsel Review and Costs. The Parties hereto have read the foregoing Agreement, have had an opportunity to discuss it with counsel, know its contents, and understand its terms and effect. Each Party agrees to bear its own attorneys' fees and costs in the review and preparation of this Agreement.

11. Lack of Inducement. No promise or inducement that is not herein expressed has been made to any of the Parties, and the Parties do not rely upon any such statement or representation.

12. Further Assurances. The Parties agree to perform any and all lawful additional acts, including without limitation, execution of additional stipulations, agreements, documents and instruments,

as are reasonably necessary or as reasonably requested by any party at any time to effectuate the intent of this Agreement, to satisfy the conditions herein contained, or to give full force and effect to this Agreement.

13. Survival. Upon termination of the Appeal, each Party's rights and obligations in this Agreement, and such other provisions that, by their nature, are intended to survive termination, shall survive the termination of this Appeal. Termination will not affect any accrued rights, indemnities, existing commitments or any contractual provision intended to survive termination.

Miscellaneous Provisions

14. No Waiver. No waiver by any Party of a breach or default hereunder shall be deemed a waiver by such Party of a subsequent breach or default of like or similar nature.

15. No Admission of Liability. The Parties agree that this Agreement is a compromise of disputed issues of law and fact and is not to be construed as an admission of liability on the part of any Party hereto.

16. Entire Agreement. This Agreement represents the entire understanding among the Parties hereto with respect to the subject matter hereof. This Agreement merges and supersedes all previous negotiations, representations, understandings, or agreements, oral or written, between the Parties with respect to the subject matter hereof, and constitutes the entire agreement between the Parties.

17. Governing Law and Choice of Venue. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to conflicts of law principles, as to all matters, including validity, construction, effect, performance, and remedies. Any action to enforce the terms of this Agreement shall be brought in the Pennsylvania Commonwealth Court.

18. Amendments. This Agreement shall not be modified, amended, altered, or supplemented except by agreement in writing signed by all of the Parties hereto.

19. Headings. The headings contained in this Agreement are for convenience and reference purposes only and shall not be deemed to be a part of the Agreement or to affect the meaning or interpretation of this Agreement.

20. Severability. If any term or covenant of this Agreement shall to any extent be invalid or unenforceable, the remaining terms and covenants shall nevertheless be valid, enforceable, and carried into

effect to the fullest extent permitted by law, unless to do so would clearly violate the present legal and valid intentions of the Parties or otherwise deprive any party of the benefit of its bargain.

21. Right to Know Law. The Parties acknowledge that this Agreement is a record subject to public access under the Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104.

22. Notices. Any notices or deliveries shall be made by U.S. mail or by courier, to the following:

If to [CLAIMANT]:
[CLAIMANT FULL NAME]
[CLAIMANT ADDRESS]
Phone: [CLAIMANT PHONE]
Email: [CLAIMANT EMAIL]

If to USTIF:
Claim Manager
Pennsylvania Insurance Department, Bureau of Special Funds
Underground Storage Tank Indemnification Fund
901 North 7th Street, 3rd Floor
Harrisburg, PA 17102
Phone: 717-783-8093
Email: ra-ustif@pa.gov

23. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be deemed one and the same instrument, which taken together shall constitute the entire Agreement.

24. Effective Date. This Agreement is effective as of the date the last party signs.

IN WITNESS whereof and intending to be legally bound, the Parties have signed their names and set their seals on the dates indicated below.

Witness: [CLAIMANT'S FULL NAME]

Print Name: _____

As Its: _____ /SEAL/

Dated: _____

Witness: [CLAIMANT'S OWNER]

Print Name: _____

/Seal/

Dated: _____

Witness:

Pennsylvania Underground Storage Tank
Indemnification Fund ("USTIF")

Print Name: _____

Print Name: _____

As Its _____ /SEAL/

Dated: _____

Commonwealth of Pennsylvania

ss.

County of _____

On this ___ day of _____, in the year 20___, before me personally came _____ to me known and known to me to be the person and who executed the foregoing instrument and acknowledged to me that he/she executed the same.

Notary Public

Commonwealth of Pennsylvania

ss.

County of _____

On this ___ day of _____, in the year 20___, before me personally came _____ to me known and known to me to be the person and who executed the foregoing instrument and acknowledged to me that he/she executed the same.

Notary Public

Commonwealth of Pennsylvania

ss.

County of _____

On this ___ day of _____, in the year 20___, before me personally came _____ to me known and known to me to be the person and who executed the foregoing instrument and acknowledged to me that he/she executed the same.

Notary Public

[Replaced 2/1/2022]

Attachment 12

Subrogation Notice Form Letter

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

We are the third party administrator for the Pennsylvania Underground Storage Tank Indemnification Fund (“Fund”). We are currently investigating an incident whereby your client, [name], caused [identify cause] on the property of «Claimant_Last_Name», «Loc_Address_1» «Loc_City», «Loc_State_Short», «PI_ZIP_Code». The extent of damage to soil and groundwater is being determined.

This correspondence is to officially place you on notice of this claim. We will be looking to [name] for reimbursement of any claim payments made by the Fund. Therefore, please submit this claim to [name] liability insurance carrier. Also, please advise of the name of the carrier and the adjuster handling the claim.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

[Replaced 2/1/2022]

Attachment 13

General Release by Third Party Claimant

SETTLEMENT AGREEMENT AND GENERAL RELEASE

Preamble

This Settlement Agreement and General Release (“Agreement”) is made on the [DATE] day of [MONTH], [YEAR], by and between [PLAINTIFF FULL NAME] (“[PLAINTIFF]”), [CLAIMANT FULL NAME] (“[CLAIMANT]”), and the Commonwealth of Pennsylvania Underground Storage Tank and Indemnification Fund (the “USTIF”). [PLAINTIFF], [CLAIMANT], and USTIF are sometimes collectively referenced to herein as the “Parties.”

Recitals

WHEREAS, [PLAINTIFF] is the owner of property located at [PLAINTIFF PROPERTY ADDRESS] (the “[PLAINTIFF] Property”);

WHEREAS, [CLAIMANT] is a Pennsylvania corporation that previously owned property located at [CLAIMANT PROPERTY ADDRESS] (the “Site”), which is located adjacent to the [PLAINTIFF] Property;

WHEREAS, [CLAIMANT] operated an underground storage tank system used to store petroleum products (the “Tank System”) at the Site;

WHEREAS, the USTIF is a special fund instituted under the Commonwealth of Pennsylvania Insurance Department and established pursuant to the Pennsylvania Storage Tank and Spill Prevention Act, 35 P.S. § 6021.101 et seq. (“STSPA”), to provide coverage, up to specified limits, for characterization and remediation of releases from regulated underground storage tanks;

WHEREAS, on or about [RELEASE DATE], a release of petroleum products was discovered within and/or from the Tank System causing petroleum products to be released into the subsurface, groundwater, air, and indoor air (the “Release”);

WHEREAS, petroleum product constituents and contamination from the Release impacted the Site and have migrated onto the [PLAINTIFF] Property and contaminated the subsurface, groundwater, drinking water, and/or indoor and ambient air on the [PLAINTIFF] Property;

WHEREAS, the Site and the [PLAINTIFF] Property have been, and continue to be, contaminated with petroleum product constituents as a result of the Release from the Tank System;

WHEREAS, [CLAIMANT] engaged environmental consultants that have investigated the contamination from the Release, removed contaminated soils, installed a remediation system for vapor and groundwater, and are remediating the contamination of the petroleum product constituents from the Release, and [CLAIMANT] continues to remediate the impacts of the Release on the Site;

WHEREAS, [CLAIMANT] intends to continue remediating the Release until such time as it is no longer required by Pennsylvania Department of Environmental Protection (“PADEP”);

WHEREAS, pursuant to the USTIF regulations, 25 Pa. Code Chapter 977, USTIF determined that the Release is subject to coverage under USTIF (only within and up to the limits specified in the USTIF regulations), and consistent with those regulations, USTIF has paid for and/or reimbursed [CLAIMANT] for the costs of the investigation and remediation to date, less any applicable deductible and any invoice reductions made pursuant to USTIF regulations; and

WHEREAS, the Parties desire to resolve, and the intent of this Agreement is to resolve all disputes, liabilities, and claims between [PLAINTIFF] on one hand, and [CLAIMANT], [CLAIMANT]’s successors in interest to the Site, and USTIF on the other, relating to the Tank System, the Release, and the contamination resulting and emanating therefrom, including any and all future claims and/or lawsuits for property damage, diminution of property value, loss of use and enjoyment, personal injury, and/or remediation relating to the contamination, including impacts to the [PLAINTIFF] Property and [PLAINTIFF] personally.

NOW, THEREFORE, the Parties, in consideration of the mutual promises and commitments contained herein, and intending to be legally bound hereby, agree as follows:

25. Recitals. The recitals above are incorporated herein by reference and constitute material terms of this Agreement.

Settlement Terms

26. Payment of Settlement Funds. In exchange for the full release of liability contained herein, USTIF agrees to make a settlement payment of [SETTLEMENT AMOUNT] Dollars (\$[#####].00) to

[PLAINTIFF FULL NAME] (the “Settlement Funds”). All payments made under this Agreement shall be made payable to “[PLAINTIFF’S FULL NAME]” and be mailed to [PLAINTIFF’S MAILING ADDRESS].

Releases

27. Release of Claims. [PLAINTIFF] agrees that the payment described in Paragraph 2 (relating to the settlement funds) and the mutual covenants contained in this Agreement represents settlement in full of the Lawsuit. [PLAINTIFF], on behalf of themselves, and any and all other persons or entities of whatsoever nature, hereby fully and forever release Claimant, and any and all other persons or entities of whatsoever nature, and USTIF and any and all other persons or entities of whatsoever nature (collectively, the “Released Parties”) from, and agree not to sue concerning, any all claims, duties, obligations or causes of action relating to any matters of any kind, whether presently known or unknown, suspected or unsuspected, that [PLAINTIFF] may possess arising from any omissions, acts or facts that relate in in any way to the Lawsuit, including, without limitation:

a. Any and all past, present, and future liabilities, duties, or obligations for any and all actions and causes of action, claims, counterclaims, cross-claims, liens, rights of subrogation, variances, contributions, set-offs, demands, damages, exposures, injuries, risk of injury, monitoring for injury, attorneys’ fees, costs, response costs, loss of services, expenses, compensation, suits, covenants, contracts, agreements and judgments of whatsoever kind, at law or in equity, and whether or not presently known, in any way relating to the Tank System, the Release, and any contamination of the subsurface, soils, groundwater, air, ambient air, indoor air, and/or vapors in any way relating thereto or emanating therefrom, and any and all future claims and lawsuits for property damage, loss of use and enjoyment, and/or personal injury in any way relating to the Tank System, the Release, and any contamination of the subsurface, soils, groundwater, air, ambient air, indoor air, and/or vapors in any way relating thereto or emanating therefrom, for all time, including precluding [PLAINTIFF] from joining and pursuing the Released Parties or asserting cross-claims for contribution and/or indemnification against the Released Parties in any litigation for claims for personal injury asserted by third parties relating to the contamination. Nothing in this Agreement

shall be deemed to release any claims and/or rights that the Released Parties have or may have in the future to join and pursue [PLAINTIFF] as an additional defendant, and to assert crossclaims for contribution and/or indemnification, in any litigation for claims for personal injury or other damages asserted by third parties relating to the contamination; and

b. Any and all rights which they have or may have in the future against the Released Parties arising out of or in any way relating to the Tank System, the Release, and the contamination emanating therefore, including but not limited to, past characterization and remediation costs; future remediation costs; diminution of property value, including but not limited to any and all post-remediation stigma damages, and [PLAINTIFF]'s loss of full and/or partial use and enjoyment of property; lost revenues and associated business loss; wages and costs in remediation; any and all claims for personal injury, medical monitoring, or increased risk of disease due to exposure to the contamination and vapors emanating from the Site.

The Parties agree that the release set forth in this section shall be and remain in effect in all respects as the [PLAINTIFF]'s complete general release, abandonment and wavier as to the matters released. Notwithstanding the provisions of this Paragraph 3, this release does not extend to any obligation incurred under this Agreement.

Dismissal of Lawsuit

28. Dismissal of Lawsuit. Plaintiff agrees that they will, upon receipt of the Settlement Funds provided for herein, immediately see to the dismissal, with prejudice, of the Lawsuit and, in that regard, will take all necessary and appropriate actions to do.

Claimant Remediation

29. [CLAIMANT] Remediation. Notwithstanding the execution of this Agreement by the Parties, [CLAIMANT] shall, at no expense to [PLAINTIFF], continue to use all reasonable efforts to remediate the contamination on and emanating from the Site as a result of the Release in accordance with its obligations under 25 Pa. Code Chapter 245, until such time that PADEP grants written approval for the cleanup of the Release. It is understood and agreed that, as part of the remediation efforts relating to the Site, [CLAIMANT] shall be responsible for any post- approval groundwater sampling of wells on the

[PLAINTIFF] Property required by PADEP, any measures required by PADEP to correct nonattainment conditions on the [PLAINTIFF] Property that may be identified by PADEP during the post-approval groundwater monitoring (if required by PADEP), and the proper closure of groundwater monitoring wells on the [PLAINTIFF] Property after the completion of the remediation and any post-approval monitoring period.

Representations and Warranties

30. Representations. [PLAINTIFF] represents that they have no knowledge or information regarding any claim or potential third-party claim for personal injury relating to the Release, the contamination on, under, in, or upon the [PLAINTIFF] Property. [PLAINTIFF] represents that they are the legal owner of the [PLAINTIFF] Property.

31. Authority. Each Party signing this Agreement represents that they have the authority to do so, and each person signing this Agreement represents that they have the authority on behalf of their respective Party, to sign and bind the Party to this Agreement.

32. Warranty of No Assignment or Transfer. The Parties represent and warrant to one another that they have not sold, assigned, transferred, conveyed, or otherwise disposed of any claim, demand, or cause of action relating to any matter covered by this Agreement.

33. Voluntary Participation. The Parties represent to each other and agree that they have entered into this Agreement by their own free will and choice without any compulsion, duress or undue influence from anyone, and that they have reviewed this Agreement with counsel of their own choosing and understand the terms and requirements of it.

34. Drafting by All Parties. All Parties to this Agreement acknowledge that each has had an equal opportunity to participate in, and each has participated in, the drafting of this Agreement.

35. Counsel Review and Costs. The Parties hereto have read the foregoing Agreement, have had an opportunity to discuss it with counsel, know its contents, and understand its terms and effect. Each Party agrees to bear its own attorneys' fees and costs in the review and preparation of this Agreement.

36. Lack of Inducement. No promise or inducement that is not herein expressed has been made to any of the Parties, and the Parties do not rely upon any such statement or representation.

37. Further Assurances. The Parties agree to perform any and all lawful additional acts, including without limitation, execution of additional stipulations, agreements, documents and instruments, as are reasonably necessary or as reasonably requested by any party at any time to effectuate the intent of this Agreement, to satisfy the conditions herein contained, or to give full force and effect to this Agreement.

38. Survival. Upon termination of the Lawsuit, each Party's rights and obligations in this Agreement, and such other provisions that, by their nature, are intended to survive termination, shall survive the termination of this Lawsuit. Termination will not affect any accrued rights, indemnities, existing commitments or any contractual provision intended to survive termination.

Miscellaneous Provisions

39. No Waiver. No waiver by any Party of a breach or default hereunder shall be deemed a waiver by such Party of a subsequent breach or default of like or similar nature.

40. No Admission of Liability. The Parties agree that this Agreement is a compromise of disputed issues of law and fact and is not to be construed as an admission of liability on the part of any Party hereto.

41. Entire Agreement. This Agreement represents the entire understanding among the Parties hereto with respect to the subject matter hereof. This Agreement merges and supersedes all previous negotiations, representations, understandings, or agreements, oral or written, between the Parties with respect to the subject matter hereof, and constitutes the entire agreement between the Parties.

42. Governing Law and Choice of Venue. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Pennsylvania, without giving effect to conflicts of law principles, as to all matters, including validity, construction, effect, performance, and remedies. Any action to enforce the terms of this Agreement shall be brought in the Pennsylvania Commonwealth Court.

43. Amendments. This Agreement shall not be modified, amended, altered, or supplemented except by agreement in writing signed by all of the Parties hereto.

44. Headings. The headings contained in this Agreement are for convenience and reference purposes only and shall not be deemed to be a part of the Agreement or to affect the meaning or interpretation of this Agreement.

45. Severability. If any term or covenant of this Agreement shall to any extent be invalid or unenforceable, the remaining terms and covenants shall nevertheless be valid, enforceable, and carried into effect to the fullest extent permitted by law, unless to do so would clearly violate the present legal and valid intentions of the Parties or otherwise deprive any party of the benefit of its bargain.

46. Right to Know Law. The Parties acknowledge that this Agreement is a record subject to public access under the Pennsylvania Right-to-Know Law, 65 P.S. §§ 67.101-3104.

47. Notices. Any notices or deliveries shall be made by U.S. mail or by courier, to the following:

If to [PLAINTIFF]:
[PLAINTIFF FULL NAME]
[PLAINTIFF ADDRESS]
Phone: [PLAINTIFF PHONE]
Email: [PLAINTIFF EMAIL]

If to [CLAIMANT]:
[CLAIMANT FULL NAME]
[CLAIMANT ADDRESS]
Phone: [CLAIMANT PHONE]
Email: [CLAIMANT EMAIL]

If to USTIF:
Claim Manager
Underground Storage Tank Indemnification Fund
Pennsylvania Insurance Department, Bureau of Special Funds
901 North 7th Street, 3rd Floor
Harrisburg, PA 17102
Phone: 717-783-8093
Email: ra-ustif@pa.gov

48. Counterparts. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original and all of which together shall be deemed one and the same instrument, which taken together shall constitute the entire Agreement.

49. Effective Date. This Agreement is effective as of the date the last party signs.

IN WITNESS whereof and intending to be legally bound, the Parties have signed their names and set their seals on the dates indicated below.

Witness:

[CLAIMANT'S FULL NAME]

Print Name: _____

Print Name: _____

As Its: _____ /SEAL/

Dated: _____

Witness:

[PLAINTIFF]

Print Name: _____

/Seal/

Dated: _____

Witness:

Pennsylvania Underground Storage Tank
Indemnification Fund ("USTIF")

Print Name: _____

Print Name: _____

As Its _____ /SEAL/

Dated: _____

Commonwealth of Pennsylvania

ss.

County of _____

On this ___ day of _____, in the year 20___, before me personally came _____ to me known and known to me to be the person and who executed the foregoing instrument and acknowledged to me that he/she executed the same.

Notary Public

Commonwealth of Pennsylvania

ss.

County of _____

On this ___ day of _____, in the year 20___, before me personally came _____ to me known and known to me to be the person and who executed the foregoing instrument and acknowledged to me that he/she executed the same.

Notary Public

Commonwealth of Pennsylvania

ss.

County of _____

On this ___ day of _____, in the year 20___, before me personally came _____ to me known and known to me to be the person and who executed the foregoing instrument and acknowledged to me that he/she executed the same.

Notary Public

[Replaced 2/1/2022]

Attachment 14

Work Plan Letter

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»

[Insert Company Name]

«PI_Address_1»

«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

The Underground Storage Tank Indemnification Fund [USTIF] requests the submission of a Work Plan on all claims. The purpose and proposed scope of the Work Plan is set forth in the attached document. USTIF will pay reasonable and necessary costs on a time and materials basis associated with the preparation of a complete and thorough Work Plan. A separate invoice should be prepared by your consultant for the Work Plan. The USTIF believes the expenses incurred by your consultant to prepare a complete Work Plan should range up to \$5,000, which is the maximum reimbursable amount. Reimbursement will be made when the Work Plan is complete and submitted in the format described in the attached document. Please submit the Work Plan prior to or along with the first routine invoice for corrective action to ICF.

The information required by the Work Plan is consistent with PaDEP regulations and is designed to provide for the foundation of an effective thorough site characterization. Do not send the Work Plan, or make any inquiries relative to the Work Plan, to DEP. Please email the completed Work Plan to Debra Bollana at debra.bollana@icf.com.

Submit a separate invoice identified as “Work Plan Invoice” for the preparation of the Work Plan within 30 days of the Work Plan submission to Debra Bollana at debra.bollana@icf.com.

Submission of the Work Plan along with a cost estimate will facilitate the payment of invoices submitted to the USTIF for reimbursement. ICF will send an acknowledgement email within 15 business days from receipt of the Work Plan with comments if applicable. Although submission of a revised Work Plan is not required, acknowledgment of the comments provided to the consultant will need to be demonstrated. Failure to consider ICF comments may jeopardize reimbursement.

Finally, adherence to a professional and thorough Work Plan constitutes good professional practice. However, occasionally we receive a Work Plan submittal from a consultant that is substantially incomplete and demonstrates a lack of understanding of the requirements and application of Chapter 245. Should your consultant submit a Work Plan in this condition, the Fund will request that you competitively bid the site characterization.

Thank you in advance for your anticipated cooperation. Please call me at «Adjuster_Office_Phone» should you have any questions.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

SENT VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW
«PI_First_Name» «PI_Last_Name»
[Insert Company Name]

[Replaced 2/1/2022]

Attachment 15

Competitive Bidding Agreement Letter

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

The Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) has requested that competitive bids be obtained for corrective actions for your release. The USTIF will facilitate this process by assisting with the solicitation of bids and the subsequent evaluation of the completed bids, outlining the corrective actions to be performed. This facilitation will be performed through USTIF's third-party administrator, ICF, at no cost to you and without reducing the amount of funding available for your claim.

The bidding process is described on the attached Competitive Bidding Fact Sheet. As this fact sheet indicates, the first step is to notify the consulting community that there is an opportunity to bid on the corrective action at your site. Interested bidders will receive a bid package and attend a mandatory site meeting. The bidders will submit their bids which will be reviewed by USTIF, ICF and its third-party reviewers who will determine which bids are responsive to the guidelines set forth in the bid package. You will then be given the opportunity to choose from among those bid submissions that meet the criteria for acceptance, are administratively qualified, and have a technical score that allowed the bid to advance to cost scoring; however, USTIF will only provide funding up to the highest fixed-price cost of the bids determined to be reasonable and necessary for funding.

Because this process is essentially between you and the successful bidder, we ask that you review the information and instructions below and, if you understand this information and agree to follow the instructions, please sign and date in the space provided below. If you have any questions or need additional information, please do not hesitate to contact me at «Adjuster_Email_Address» or «Adjuster_Office_Phone».

- You will be provided a draft version of the Request for Bids (RFB) package for review and comment. To maintain the integrity of the bidding process, the RFB package is confidential until published on USTIF's website. You may wish to have an attorney and/or a technical consultant assist in your review; however, they must agree to maintain confidentiality. In an effort to avoid unfair advantage, a technical consultant who reviews the draft RFB package may not submit a bid in response to the RFB; it is your responsibility to ensure the consultant understands these terms.

USTIF’s third-party administrator, ICF, and technical third party reviewers are available to answer questions you may have about the RFB; however, they cannot provide legal advice.

- The RFB package defines the scope of work for the bid. If you have any questions, comments, or proposed edits to the scope of work, you must inform me prior to the publication of the RFB package.
- The RFB package contains a “remediation agreement.” You must inform me of any proposed changes to the remediation agreement prior to publication of the RFB package.
- The RFB package will be distributed/made available through the USTIF website to all of the firms who have an interest in bidding on USTIF-funded projects.
- All questions regarding the RFB package are to be directed to the RFB Technical Contact. If bidders contact you with regard to questions about the bid package, you will refer them to the RFB Technical Contact.
- Once bids have been completed by the bidders, they are to be sent directly to, and only to, ICF. The bids will be opened shortly after the due date. You may request your own copies of the bids after they have been opened.
- The bids may contain information that the bidders deem to be confidential. Therefore, if you request your own copies of the bids, you will hold all information in the bids confidential except for limited general information that may be released after you have chosen the successful bidder.
- After you select the successful bidder, you will return all of the bids (if you requested your own copies for review) to ICF with the exception of the bid you select.
- The bids will be evaluated by a committee. The committee will consist of USTIF staff, ICF staff, and the technical third-party reviewer. Members of this committee will provide numerical scores to various aspects of the bid and will use these scores to determine which bids represent reasonable and necessary services and costs. You will be told the final consensus score for each bid, but not individual scores from members of the committee nor individual scores for various aspects of the bid.
- Finally, you may interview each bidder, individually, who had a technical score that allowed the bid to advance to cost scoring. There will be a limited number of interviews. This may be a face-to-face interview at a mutually agreeable location or a telephone interview. ICF, or one of its third-party reviewers, may choose to be present at or during the interview.

Again, please review the information above carefully. ICF requires your cooperation in this process. If you understand, agree with and accept the information and instructions presented above please indicate so on the space provided below and return the signed copy to my attention via email to RA-ICF-USTIF@icf.com. Please contact me at «Adjuster_Email_Address» or «Adjuster_Office_Phone» with any questions or comments.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

Understood, Agreed to and Accepted:

Signature

Date

Underground Storage Tank Indemnification Fund Bulletin 5: Competitive Bidding Fact Sheet

The Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) has determined that it is advantageous in some cases to obtain competitive bids for corrective action that is required at a tank site. Among the key advantages of this process are that it: (a) facilitates USTIF's fiduciary responsibilities; (b) secures competitively priced corrective actions that satisfy Pennsylvania Department of Environmental Protection (DEP) requirements; (c) ensures corrective actions whose costs are reasonable and necessary; (d) obtains good value for claimants; and (e) offers consultants the opportunity to operate in a fair bidding environment. The bidding process is described below.

First, USTIF's third party administrator (TPA), in consultation with USTIF, identifies that the site is a candidate for bidding (all bidding activities are subject to USTIF approval). USTIF's TPA then interacts with the facility owner/operator to discuss the competitive bidding process and obtains a competitive bid agreement letter. After a claimant agrees to competitively bid the claim, a third party reviewer (TPR) is assigned to create a "Request for Bid" (RFB) on behalf of the claimant. A draft RFB is presented to the claimant for review and approval. The draft RFB is also submitted to the appropriate regional DEP office for potential review and comment. Notification of the RFB is completed through posting the RFB, along with all related attachments/resource materials, on the USTIF website. The general steps in the bid process are outlined below:

1. RFB Publication

As of October 2009, bid opportunities are open to all interested firms and will be listed on the USTIF website, <https://ustif.pa.gov/bids>, along with all related attachments/resource materials. The RFB shall include:

- General site background and history
- Bid structure – generally either a defined scope of work (SOW) or "bid-to-result" (such as site closure or an approved Site Characterization Report), as well as pertinent technical information and data
- Statement and date for a mandatory site meeting
- Requirements and date for bid submission

2. Mandatory Pre-Bid Site Meeting

Interested bidders must attend the mandatory site meeting as indicated in the RFB. Failure to attend the mandatory pre-bid site meeting will disqualify any consultant from bidding.

3. Bidder Question and Answer Period

The site meeting will be followed by a question and answer period defined in the RFB.

- All questions must be sent via email to the technical contact named in the RFB. Bidders are not to contact or discuss an RFB with the claimant, USTIF, DEP, or USTIF's TPA.
- All questions and answers will be shared with all interested bidders who attended the mandatory site meeting.
- Questions and their respective answers will become part of the RFB, which in turn, will become part of the final contract.
- Bidders are responsible to monitor questions and answers and address any changes, modifications or clarifications made to the RFB as a result of the questions and answers.

4. Bid Submission

Bidders will submit bids in the manner described in the RFB. Late submissions and bids that are not signed will be rejected. Bids must be valid for at least 180 days unless affirmatively withdrawn by the Bidder.

5. Bid Review and Scoring

Bid submissions where the bidder was represented at the mandatory pre-bid site meeting and that were properly submitted by the designated due date and time will be accepted for review.

Clarification & Additional Information

After receipt of the bids, the USTIF shall have the right to contact Bidders for the purpose of:

- Seeking clarification of the Bid which informs the USTIF's understanding of statements or information in the Bid;
- As a result of clarification, determining whether the bidder seeks to withdraw their bid

Administrative Evaluation

USTIF will determine if a bid is administratively qualified based on certain criteria including, but not limited to acceptance of the Remediation Agreement, proposed modifications to the Remediation Agreement, history of terminated Remediation Agreements and demonstration of insurance requirements.

Technical Scoring

Bids that are considered administratively qualified are evaluated for technical viability before cost is considered. Bids that have technical scores that are equal to or greater than 70% of the highest technical score will advance to cost scoring. Bids with technical scores below 70% of the highest technical score are eliminated from further consideration.

Numerical values will be assigned for defined SOW bids for two categories:

- Understanding the problem and demonstrating knowledge of how to perform the work
- Qualifications and Experience

Numerical values will be assigned to three categories in those cases where there is a bid-to-result request:

- Understanding of the problem
- Technical and Regulatory Approach to Remediation
- Qualifications and Experience

Cost Scoring

Cost scores are determined by a cost formula. The bid(s) with the lowest total cost receives the maximum cost points available. The remaining bids are scored by applying the following cost formula: $(1 - ((B - A) / A)) \times C = D$

A = the lowest bid cost

B = the bidder's cost being scored

C = the maximum number of cost points available

D = bidder's cost score (points)

If a bid cost is double or greater than double the amount of the lowest bid cost the bid will be assigned zero cost points.

6. Evaluation of Bids

A committee comprised of at least two members of the USTIF staff, two members of TPA staff, and the TPR who assisted in developing the RFB will score all bids that are administratively qualified based on the above criteria. USTIF reserves the right to assign additional non-scoring members to the evaluation committee as needed. USTIF recognizes that several bids may be acceptable and receive similar numerical scores. At the conclusion of the scoring process, the claimant will receive those bids whose numerical scores place them in the category of meeting Reasonable and Necessary criteria and acceptable for USTIF funding. The claimant may select any of the consulting firms that had a technical score that allowed the bid to advance to cost scoring, to implement the tasks described in the bid; however, USTIF will only provide funding up to the highest fixed price of those bids determined to be Reasonable and Necessary for USTIF funding.

[Replaced 2/1/2022]

Attachment 16

Request for Bid Review & Approval Letter

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

Enclosed is the Request for Bid (RFB) package prepared on your behalf. It is being sent to you for review and acceptance before it is presented to those firms who are interested in bidding on the project. To maintain the integrity of the bidding process, the RFB package is confidential until posted on USTIF's website. You may wish to have an attorney and/or a technical consultant assist in your review; however they must agree to maintain confidentiality. In an effort to avoid unfair advantage, a technical consultant who reviews the draft RFB package may not submit a bid in response to the RFB; it is your responsibility to ensure the consultant understands these terms. USTIF's third-party administrator, ICF, and technical third party reviewers are available to answer questions you may have about the RFB; however, they cannot provide legal advice.

It is especially important that you carefully review the Scope of Work and the Remediation Agreement (this is the Agreement you will be making with the selected consultant). Please contact me at «Adjuster_Office_Phone» or «Adjuster_Email_Address» with any questions, concerns, or requested edits. Note the package is in draft form therefore dates referenced in the package will change and/or be added. Attachment(s) #3 containing site information and reports has not been included for your review as these documents should be in your possession. If you would like a copy of this attachment it will be provided at your request.

If you find the package to be acceptable, please sign in the space below indicating that you agree with the scope of work and accept the general form of the remediation agreement. Please return the signed letter to my attention at the address indicated on this letterhead.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

Agreed to and Accepted: _____
Signature *Date*

[Replaced 2/1/2022]

Attachment 17

Invoice Authorization



INVOICE AUTHORIZATION

«Recommended_Date»

USTIF Authorization Number:	«Submission»
Claimant:	«Claimant_Last_Name»
Loss Location:	«CT\$ Site_Name» «Loc_Address_1» «Loc_City», «Loc_State_Short» «Loc_ZIPPostal_Code»
USTIF Claim Number:	«Claim_Number»
Date of Discovery:	«Event_Date»
Federal ID #:	«Payee_\$\$NTax_ID»
Date of Service:	«Service_Begin_Date» - «Service_End_Date»

The following loss invoice(s) is being recommended for payment. The invoice(s) relates to remediation services required in the above captioned claim. If reimbursement is less than the invoiced amount, explanation(s) is noted below.

«DeductionReduction»

A draft in the amount of «Recommended_Amount» should be issued as indicated below:

Vendor No.: «Payee_Vendor_No»
 «Payee_Last_Name»
 «Payee_Address_1» «Payee_Address_2»
 «Payee_City», «Payee_State_Short» «Payee_ZIP_Code»

<u>Service Provider</u>	<u>Invoice Date</u>	<u>Invoice#</u>	<u>Amount</u>
«VendorConsultant_Last_Name»	«Invoice_Date»	«Invoice»	«Amount_Allowed»
		Subtotal	«Invoice_Totals»
		Proration	«Proration_Recommended» %
		Subtotal	«Prorated_Amount»
		Less Deductible	«Deductible_Recommended»
		TOTAL	«Recommended_Amount»

Please direct questions regarding this invoice authorization to the undersigned.

Sincerely,

«Adjuster First Name» «Adjuster Last Name»
 «Adjuster_Title»

Attachment 18

Claim Reporting Notice Form Letter

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

ICF received a [**describe: phone, fax, letter**] report of a new claim from you on [Insert date]. Pursuant to 25 Pa. Code § 977.34 in order for a claimant to be eligible under the Storage Tank Act, any claim must be reported to the Underground Storage Tank Indemnification Fund ("PAUSTIF") within 60 days. Claims reported to the PAUSTIF more than 60 days after an actual or suspected release will be ineligible for coverage. **ICF is not authorized to receive first notice of a claim and cannot accept a new claim report on behalf of the PAUSTIF.** By placing ICF on notice of this release, you have not satisfied the obligation for notice to PAUSTIF under 25 Pa. Code § 977.34.

New claims may be reported directly to the PAUSTIF by calling (717) 787-8093 or (800) 595-9887 [PA only]. It is also possible to report new claims directly to the PAUSTIF by email at RA-In-FBSClaims@pa.gov. Failure to comply with this reporting requirement will result in the denial of eligibility for your claim. Please contact the PAUSTIF immediately and report your claim.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

[Replaced 2/1/2022]

Attachment 19

Other Insurance Notification Letter

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

The purpose of this letter is to advise you that «Claimant_Last_Name» has placed the Pennsylvania Underground Storage Tank Indemnification Fund (the “Fund”) on notice of a potential claim arising out of an alleged release from their underground storage tank system. During the course of our investigation «Claimant_Last_Name» indicated that it has an environmental/pollution policy through your company. The policy number provided to us is *[insert policy number]*.

The Fund established the above-captioned claim number and assigned ICF, its third-party administrator, the task of investigating and determining whether «Claimant_Last_Name» is eligible for reimbursement of expenses associated with the corrective action process. If deemed eligible, the Fund considers itself to be primary in responding to the loss.

Please contact the undersigned if you receive a report of a claim or have any questions with respect to this matter.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

Cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

[Replaced 2/1/2022]

Attachment 20

Cooperation Letters

[date]

VIA ELECTRONIC MAIL TO: [insert addresses] AND U.S. FIRST CLASS MAIL
Email w/delivery & read receipt. Document p/c attempt.

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City» «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City» «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

The above captioned claim was filed through the Pennsylvania Underground Storage Tank Indemnification Fund on «Claim_Date_Reported»«Claim_Date_Reported».

[Insert language specific to requests for claim information, citing all dates and methods of prior requests.]

Please be advised that the Underground Storage Tank Indemnification Fund Rules and Regulations state under § 977.32:

(a) At a minimum, the participant shall cooperate by:

(1) Providing all information required by the Fund including tank system design documents, inventory records, tank tightness testing results, contracts and other information pertinent to a claim within 30 days of the request of the Fund, or additional time as set by the Fund.

(2) Permitting the Fund or its agent to inspect, sample and monitor on a continuing basis the property or operation of the participant.

(3) Providing access to interview employees, agents, representatives or independent contractors of the participant; and to review any documents within the possession, custody or control of the participant concerning the claim.

(4) Submitting, and requiring employees, consultants and other interested parties subject to its control to submit, to an examination under oath upon the request of the Fund.

(5) Obtaining competitive proposals for work to be performed when requested by the Fund.

(b) The participant shall cooperate in all respects with the Fund, its investigators, attorneys and agents during the investigation and resolution of a claim, including the defense of a suit, as provided §977.35 (relating to third-party suit) and any subrogation action as provided in § 977.40 (relating to subrogation for correction action cost).

(c) Lack of cooperation by the participant with the Fund or its investigators, attorneys, or agents may result in denial of the claim or cessation of further payment on a claim.

Please be advised this is our third and final request. If the requested information is not received within thirty (30) days your claim may be denied.

You may contact me directly at «Adjuster_Office_Phone» or through email at «Adjuster_Email_Address» with any questions.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»
DEP Facility #«Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

VIA ELECTRONIC MAIL TO: [INSERT ADDRESSES]; NO HARD COPY TO FOLLOW
«PI_First_Name» «PI_Last_Name»
[Insert Company Name]

[date]

VIA ELECTRONIC MAIL TO: [insert addresses] AND U.S. FIRST CLASS MAIL

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

The above captioned claim was filed through the Pennsylvania Underground Storage Tank Indemnification Fund on «Claim_Date_Reported».

[Insert language specific to requests for claim information, citing all dates and methods of prior requests.]

Please be advised that the Underground Storage Tank Indemnification Fund Rules and Regulations state under § 977.32:

- (a) At a minimum, the participant shall cooperate by:
 - (1) Providing all information required by the Fund including tank system design documents, inventory records, tank tightness testing results, contracts and other information pertinent to a claim within 30 days of the request of the Fund, or additional time as set by the Fund.
 - (2) Permitting the Fund or its agent to inspect, sample and monitor on a continuing basis the property or operation of the participant.
 - (3) Providing access to interview employees, agents, representatives or independent contractors of the participant; and to review any documents within the possession, custody or control of the participant concerning the claim.
 - (4) Submitting, and requiring employees, consultants and other interested parties subject to its control to submit, to an examination under oath upon the request of the Fund.
 - (5) Obtaining competitive proposals for work to be performed when requested by the Fund.

(b) The participant shall cooperate in all respects with the Fund, its investigators, attorneys and agents during the investigation and resolution of a claim, including the defense of a suit, as provided § 977.35 (relating to third-party suit) and any subrogation action as provided in § 977.40 (relating to subrogation for correction action cost).

(c) Lack of cooperation by the participant with the Fund or its investigators, attorneys, or agents may result in denial of the claim or cessation of further payment on a claim.

Please be advised this is our third and final request. If the requested information is not received within thirty (30) days your claim will be denied.

You may contact me directly at «Adjuster_Office_Phone» or through email at «Adjuster_Email_Address» with any questions.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»
DEP Facility #«Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

VIA ELECTRONIC MAIL TO: [insert addresses]; NO HARD COPY TO FOLLOW
«PI_First_Name» «PI_Last_Name»
[Insert Company Name]

[Replaced 2/1/2022]

Attachment 21

Excess Coverage Letters

[date]

VIA ELECTRONIC MAIL TO: [insert addresses] AND U.S. FIRST CLASS MAIL
Email w/delivery & read receipt. Document p/c attempt.

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE:	Claimant	«Claimant_Last_Name»
	Loss Location	«CTS_Site_Name»
		«Loc_Address_1»
		«Loc_City», «Loc_State_Short»
		«Loc_ZIPPostal_Code»
	USTIF Claim Number	«Claim_Number»
	Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

We are writing concerning your company's contamination claim that was discovered on «Event_Date» at the above listed site. The Fund's coverage limit for this incident is «Claim_Aggregate_Limit». Payments made to date total «Total_Paid_to_Date».

Corrective action costs could exceed the «Claim_Aggregate_Limit» limit. This could expose your company to some personal liability.

Since your company could be responsible for payment of any claim in excess of your coverage limit we are informing you that it is your company's privilege to hire an attorney, at your company's expense, to protect your company's interests. It is not our intention to imply that your company must hire an attorney, but only to point out that it is your privilege to do so.

If your company has any other insurance which may apply to this loss, we suggest that you put them on notice of this loss immediately.

If you have any questions regarding this claim, please do not hesitate to contact me at «Adjuster_Office_Phone» or through e-mail at «Adjuster_Email_Address».

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»
DEP Facility ID #«Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

[date]

VIA ELECTRONIC MAIL TO: [insert addresses] AND U.S. FIRST CLASS MAIL
Email w/delivery & read receipt. Document p/c attempt.

«PI_First_Name» «PI_Last_Name»
[Insert Company Name]
«PI_Address_1»
«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE:	Claimant	«Claimant_Last_Name»
	Loss Location	«CTS_Site_Name»
		«Loc_Address_1»
		«Loc_City», «Loc_State_Short»
		«Loc_ZIPPostal_Code»
	USTIF Claim Number	«Claim_Number»
	Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

The purpose of this letter is to advise you that correction action costs and/or third party costs may exceed the «Claim_Aggregate_Limit» coverage limit on this claim. Corrective action and third party claims in excess of «Claim_Aggregate_Limit» will be your responsibility. Payments made to date total «Total_Paid_to_Date». This could expose your company to some personal liability.

Section 977.35(c) of the Pennsylvania Code, relating to third party suits provides: “(c) Defense and exhaustion of limits. The Fund is not required to pay defense costs after the limit of liability is exhausted.” Since your company could be responsible for payment of any claim in excess of your coverage limit, we are informing you that it is your company’s privilege to hire an attorney, at your company’s expense, to protect your company’s interests.

If your company has any other insurance which may apply to this loss, we suggest that you put them on notice of this loss immediately.

If you have any questions regarding this claim, please do not hesitate to contact me at 800-888-7843 or through e-mail at «Adjuster_Email_Address».

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

«DEP_Field_Rep»
«Loc_Contact»
«Loc_Name»
DEP Facility # «Dept_Abbrev» (efacts: «DEP_efacts_Facility_Number»)

[Replaced 2/1/2022]

Attachment 22

PAUSTIF Bulletins

Bulletin 1:	Mark-Up of Invoices
Bulletin 2:	Monitored Natural Attenuation
Bulletin 3:	Subrogation
Bulletin 4:	Deductibles Related to Third Party Claims/Access Agreements
Bulletin 5:	Competitive Bidding
Bulletin 6 (Revised):	Initial Work Plan – Revised January 27, 2011
Bulletin 7:	Incomplete Work Plan
Bulletin 8:	Soil Excavation During Interim Remedial Action Table 1: References for Interim Remedial Action Consisting of Soil Excavation Associated with Regulated USTs Table 2: Specific Interim Remedial Actions
Bulletin 9:	Unregistered Tanks & USTIF Claims

Underground Storage Tank Indemnification Fund Bulletin 1: Mark-Up Of Invoices

Mark-up allows a consultant or contractor who purchases equipment or hires subcontractors on behalf of the eligible participant to be reimbursed for administrative costs associated with coordinating the work of subcontractors. Invoices from prime corrective action consultants charge mark-up for expense and subcontracting work ranging anywhere from 3% to 20% and above. In addition, the types of charges which are marked up vary from consultant to consultant. The core functions associated with remedial activities are defined as geological and engineering activities. The Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) realizes that in the course of corrective action, it may be necessary to enlist the services of outside contractors/vendors to perform non-core functions associated with the clean-up and to purchase supplies. Since November 1, 2004, non-core functions performed by outside contractors and supply purchases may be reimbursed with a mark-up not to exceed 10%. Subcontractor invoices may also include mark-up for services and/or purchase of supplies; however, the maximum total mark-up the USTIF will reimburse for any service or item is 10%. USTIF reimbursement is subject to applicable laws and regulations including claim eligibility and the limitation of payment to the reasonable and necessary costs for corrective action, not to exceed the claim aggregate limit, and subject to applicable deductible and/or proration.

Examples of non-core functions include, but are not limited to:

- Laboratory Analyses
- Drilling Contractors
- O&M (work by outside vendors)
- Soil Disposal
- Equipment Rental (from outside vendors)
- Surveying Services
- Excavation Services
- Paving Services
- Electricians
- Drafting Services

Expenses associated with the mark-up of a consultant's or contractor's own internal operating expenses (such as meals and lodging) are not eligible for reimbursement. Costs for goods and/or services provided by the eligible participant are not eligible for reimbursement. Mark-up will not be reimbursed on charges for services performed by or provided by third parties that are considered core functions and/or administrative and periodic in nature. Examples include, but are not limited to:

- Groundwater Sampling and Reporting
- Project Management
- Meals
- Lodging
- Car Rentals
- System Utility Bills (electricity, natural gas, etc.)
- Copy Services
- Permits and Fees (such as those related to filing an Environmental Covenant or county fees associated with discharge permits)

November 2004, Revised April 2020

Underground Storage Tank Indemnification Fund
Bulletin 2: Monitored Natural Attenuation

Monitored Natural Attenuation (MNA) at corrective action sites represents an acceptable and proven method of remediation. At sites where this method of remediation is presented as the selected alternative in the Remedial Action Plan (RAP), and has been approved by the Pennsylvania Department of Environmental Protection (DEP), the Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) will reimburse the claimant for reasonable and necessary costs involved, including costs associated with regular monitoring. The USTIF too often sees charges for work performed, such as quarterly monitoring, where there has been no submission of a Site Characterization Report (SCR) or RAP and, therefore, no approval from the DEP for MNA as the choice for remediation. In other cases, MNA is proposed in the RAP but the DEP requires another type of remedial approach. The USTIF will reimburse claimants for sampling events prior to submission and approval of a SCR/RAP only to the extent that the sampling is reasonable and necessary for completion of the SCR/RAP.

Revised April 2020

Underground Storage Tank Indemnification Fund Bulletin 3: Subrogation

The Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) regulations define subrogation as the right of the USTIF to pursue a claim against a third party when the tank owner or operator (hereafter referred to as claimant) have been indemnified by the USTIF. Subrogation recoveries result in savings for the USTIF and recovery of any deductible for the eligible claimant.

When a release occurs as a result of a third party's faulty or improperly installed equipment, or individual negligence, the USTIF will reimburse the eligible claimant for reasonable and necessary corrective action costs resulting from the damages and then seek reimbursement of the monies paid by the USTIF, as well as applicable deductible(s) paid by the claimant, from the responsible party.

The USTIF has the burden of proving damages including payments to the claimant. At the onset of a release or as soon as possible, the claimant must cooperate by preserving any evidence and chain of custody records. This is vital for successful subrogation. The claimant must save the defective part or piece of equipment or any other evidence as proof until a request to inspect or obtain the evidence is requested by the USTIF.

The rights of recovery are assigned to the USTIF. Claimants should refrain from doing or saying anything that would compromise our rights. If you are contemplating any form of litigation in the matter, please inform your attorney(s) that USTIF's interests must be protected should any settlement take place. In the event an insurance representative contacts you please refer them to the USTIF.

Revised April 2020

Underground Storage Tank Indemnification Fund
Bulletin 4: Deductibles Related To
Third Party Claims/Access Agreements

The purpose of this bulletin is to clarify the Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) position with regard to deductibles involving third party claims, particularly in relation to access agreements between eligible tank owners and operators (hereafter referred to as claimants) and off-site property owners.

Section #705C of the Storage Tank and Spill Prevention Act sets forth the applicable language concerning deductibles. This section of the Act provides for a deductible that is applicable to remediation activities, and a separate deductible that is applicable to property damage, bodily injury or both caused from a release from an underground storage tank.

The USTIF's position is that remediation activities such as installing a system or wells off-site are remediation costs related to the original deductible incurred by the claimant for remediation activities. However, where the off-site property owner requests additional sums of money for temporary loss of use of the property, inconvenience, or other general damage, these requests fall under the definition of "property damage", as defined in Section 977.4 of the USTIF's regulations (25 Pa Code Chapter 977), and therefore require the claimant to incur a second deductible for payment of a third party claim.

It is not uncommon for claimants or their consultants to enter into access agreements with off-site property owners that commit the claimant to significant monetary exposure. Careful consideration should be given to having an attorney review the scope of the agreement. If a claimant submits a reimbursement request to the USTIF for monetary expenses associated with an off-site access agreement, the request will be reviewed for reasonable and necessary costs under Chapter 977.33 of the Underground Storage Tank Fund; and, if the USTIF agrees to such a reimbursement request, a third party deductible may be applied.

Revised April 2020

Underground Storage Tank Indemnification Fund Bulletin 5: Competitive Bidding Fact Sheet

USTIF has determined that it is advantageous in some cases to obtain competitive bids for corrective action. Among the key advantages of this process are that it (a) facilitates USTIF's fiduciary responsibilities, (b) secures competitively priced corrective actions that satisfy Pennsylvania Department of Environmental Protection (PADEP) requirements, (c) ensures corrective actions whose costs are reasonable and necessary, (d) obtains good value for claimants, and (e) offers consultants the opportunity to operate in a fair bidding environment. The bidding process is described below.

ICF in consultation with USTIF identifies that the site is a candidate for bidding (all bidding activities are subject to USTIF approval). ICF then interacts with the facility owner/operator to discuss the competitive bidding process and obtains a competitive bid agreement letter. After a claimant agrees to competitively bid the claim, a third party reviewer is assigned to create a request for bid ("RFB") on behalf of the claimant. A draft RFB is presented to the claimant for review and approval. The draft RFB is also submitted to the appropriate regional PADEP office for potential review and comment. Notification of the RFB is completed through posting the RFB along with all related attachments/resource materials on the USTIF website.

The general steps in the bid process are outlined below:

1. USTIF website "Request for Bid" (RFB) package. As of October 2009, bid opportunities are open to all interested firms and will be listed on the USTIF website along with all related attachments/resource materials. The RFB shall include:
 - General site background and history
 - Bid structure – generally either a defined Scope of Work (SOW) or "bid-to-result" (such as site closure or an approved Site Characterization Report); Pertinent technical information and data
 - Statement and date for a mandatory site meeting.
 - Requirements and date for bid submission.
2. Interested bidders will attend the mandatory site meeting and submit bids in the manner described in the RFB package.
3. Bid Review and Scoring
Bidders' submissions that are administratively qualified (attend the mandatory pre-bid site meeting, submission of the bid by the designated due date and time) will be evaluated.

Technical Scoring

Bids are evaluated for technical viability before cost is considered. Bids that have technical scores that fall within 75% of the highest technical score will advance to cost scoring. Bids with technical scores below 75% of the highest technical score are eliminated from further consideration.

Numerical values will be assigned for defined SOW bids for two categories:

- Understanding the problem and demonstrating knowledge of how to perform the work
- Qualifications and Experience

Numerical values will be assigned to three categories in those cases where there is a bid-to-result request.

- Understanding of the problem
- Technical and Regulatory Approach to Remediation
- Qualifications and Experience

Cost Scoring

Cost scores are determined by a cost formula. The bid(s) with the lowest total cost receives the maximum cost points available. The remaining bids are scored by applying the following cost formula: $(1 - ((B - A) / A)) \times C = D$

A = the lowest bid cost

B = the bidder's cost being scored

C = the maximum number of cost points available

D = bidder's cost score (points)

If a bid cost is equal to, or greater than, the amount of the lowest bid cost, the formula calculation will result in a negative number and the bid will be assigned zero cost points.

4. Evaluation of Bids

A committee comprised of at least two members of the USTIF staff, two members of ICF staff, and the TPR who assisted in developing the bid package will score all bids that are administratively qualified based on the above criteria. USTIF recognizes that several bids may be acceptable and receive similar numerical scores. At the conclusion of the scoring process, the claimant will receive those bids whose numerical scores place them in the category of meeting Reasonable and Necessary criteria and acceptable for USTIF funding. The claimant may select any of the consulting firms that submitted a qualified bid package to implement the tasks described in the bid; however, USTIF will only provide funding up to the highest fixed price of those bids determined to be Reasonable and Necessary for USTIF funding.

May 2008, Revised October 2009, August 2012 and February 2017

Underground Storage Tank Indemnification Fund Bulletin 6: Initial Site Characterization Work Plan Documentation

When requested via a letter from the Pennsylvania Underground Storage Tank Indemnification Fund's (USTIF's) Third Party Administrator (TPA), USTIF is requiring the submission of a "Work Plan" that includes a concise scope of work for all proposed initial site characterization activities as described below and following the "Administration of the Storage Tank and Spill Prevention Program" regulations at 25 Pa Code Chapter 245 (Sections 309 and 310) for site characterization. The Work Plan includes 8 Sections, Figures and Appendices, and must be completed and submitted following the format provided below.

An electronic copy of the Work Plan should be submitted to USTIF's TPA Work Plan Coordinator prior to implementing any intrusive Site Characterization Activities. The invoice to prepare the Work Plan should be submitted to the TPA Work Plan Coordinator via email within 30 days of the Work Plan submission. The Work Plan email's subject title should be "Work Plan, Claim No. #####(X)". DO NOT SUBMIT THE WORK PLAN TO THE Pennsylvania Department of Environmental Protection (DEP). Reasonable and necessary costs incurred to develop this initial Work Plan for a site, up to \$5,000, are reimbursable since they apply to the collection and presentation of information consistent with the Chapter 245 Site Characterization requirements and/or guidelines. This payment will be made regardless of the eventual eligibility determination. If the subject property is already undergoing corrective action because of an earlier release or you are unsure if a Work Plan should be submitted, please contact the TPA prior to preparing a Work Plan.

The objective of the Work Plan is to foster the generation and use of basic information by the environmental professional. A secondary purpose is to provide a preliminary cost estimate (to be included as an attachment in the Work Plan as discussed later). With the exception of emergency responses and interim responses as defined in Chapter 245, the Work Plan should be submitted *prior to the initiation of intrusive site characterization and/or corrective action work* (i.e., monitoring wells, soil borings, etc.). To improve the quality of the site characterization, basic information must be obtained by the environmental professional to prepare a complete Scope of Work for the Work Plan. In all cases, the DEP remains the regulator of the corrective action process. USTIF's goal is to improve the quality of the corrective action work for which it reimburses claimants consistent with its fiduciary responsibility.

USTIF understands that the items that will be included in the Work Plan are consistent with § 245.309 (relating to site characterization), should constitute industry best practices, and are consistent with an appropriate standard of care for USTIF-funded work as part of the process for preparation and submittal of a Site Characterization Report to the DEP. Nothing in this document should be construed as conflicting with Chapter 245 or Chapter 250 requirements. Additionally, USTIF's response to the Work Plan will have no impact on the DEP's review of Site Characterization Reports or Remedial Action Plans. Lastly, USTIF's Work Plan requirements are not intended to, and should not be construed to, interfere with the claimant's obligations under §§ 245.306 (relating to interim remedial actions), or 245.307 (relating to affected or diminished water supplies). For example, affected water supplies should be replaced immediately, harmful vapors abated immediately, and any other emergency response and/or interim remedial action(s) required in accordance with §§ 245.306 or 245.307 should be completed.

USTIF requires that the claimant cooperate in accordance with 25 Pa Code § 977.32 (relating to participant cooperation) by including the data/items in the Work Plan submittal described below. Failure to include these data/items in the Work Plan submittal may be interpreted by USTIF as a lack of cooperation and therefore may affect reimbursement for eligible claims. The TPA will review the Work Plan and comment as necessary to the claimant and its environmental professional within 15 business days of receipt of the Work Plan. It is expected that the environmental professional would undertake this planning step at each

site regardless of USTIF requirements and that while the Work Plan is being reviewed by USTIF, necessary additional detailed planning and scheduling tasks would also be undertaken. The intent is not to interfere with the routine judgments of the claimant's environmental professional, but rather it is the intent of USTIF that characterization work: 1) be in compliance with applicable DEP regulations and guidance, 2) be planned and well-reasoned, 3) lead to a full site characterization that can be used to further timely, effective, and comprehensive corrective action; and, 4) be necessary and reasonable to justify reimbursement for eligible claims. Because the Work Plan is preliminary in nature, the information presented therein is subject to change. Even though portions may be preliminary in nature, it is important that it be complete, and that it represent the best professional judgment of the environmental professional in responsible charge of its preparation and submission. Therefore, it is appropriate that the environmental professional responsible for preparation may want to use qualifying language such as "*Preliminary Document – Submitted at the Request of USTIF for Project Planning Purposes*", etc. To the extent that the Work Plan involves professional geological work (as defined by the Engineer, Land Surveyor and Geologist Registration Law and its implementing regulations), the Work Plan must be signed and sealed by a Pennsylvania-licensed Professional Geologist.

Other than emergency response activity(s) and interim remedial action(s) as may be required by §§ 245.306 (relating to Interim Remedial Actions) or 245.307 (relating to affected or diminished water supplies), failure to submit the Work Plan requested herein, prior to the work being performed, will likely result in an increase in the amount of time necessary to review invoices associated with site characterization activities which could delay reimbursement. USTIF may require that the environmental professional provide justifications for costs post facto that would not have otherwise been necessary if the Work Plan had been submitted. The preparation of post facto justifications will not be reimbursable. Invoices for preparation of Work Plans where the Work Plan did not include the required information or that did not follow the Work Plan bulletin (such as intrusive work completed prior to submission of the initial work plan) will likely not be reimbursed.

The Work Plan shall consist of the following Sections, Figures and Appendices.

FORMAT FOR SUBMISSION:

Section 1 – Subject Property History

Please provide a summary of the site history. This summary should include a discussion of ANY AND ALL known or suspected existing and historic petroleum product or waste UST(s) and AST(s) located at the subject property (fuel, consumptive heating oil, used motor oil, etc.). Also include UST/AST system (tanks, lines, dispensers, etc.) closure/removal/upgrade history and the reasons why, if known. If not known, please specify in the Work Plan. Discuss and provide the quantitative results including location maps of ANY and ALL previous characterization/sampling and/or remediation work including, but not limited to ASTM Phase I and Phase II Environmental Site Assessments, UST/AST closure reports, SCRs, RAPs, RACRs (or Act 2 equivalents). The Work Plan is a stand-alone document and may not include this information by reference to other documents, though relevant figures, tables or excerpts from such documents may be referenced in the Work Plan provided they are attached as exhibits to the Work Plan.

Describe any known emergency responses, interim remedial actions or any corrective action that has taken place prior to the submission of this Work Plan.

To the extent known and to the extent such records are reasonably available; please provide a copy of any historic former or existing property owner notifications of:

- a. Suspected release(s);
- b. Confirmed releases;
- c. DEP subsequent responses to historic suspected or confirmed release(s); and,
- d. DEP historic “Site closure letters” or “Relief/release of liability” letters.
- e. DEP written orders or requests for any matter related to Ch. 245.

The site release history summary may include, but is not limited to, information obtained from sources such as environmental reports, release notifications, NOVs, DEP site closure or “no further action” determinations, etc. Also please include any repair and maintenance records that may help to identify or eliminate potential source area(s) at the subject property (“site”). This site history should be used to determine the analytical testing suite.

Geophysical surveys may be proposed as the environmental professional deems necessary to investigate known or suspected historical USTs. File searches at DEP regional offices may also be proposed (or if already conducted, included) for the site or adjacent petroleum-related facilities.

Section 2 – Nature of the Release

Please explain whether the release was likely a “chronic” or “catastrophic” release. To the extent it is known; please explain the estimated volume and most likely source of product lost.

Example: The data indicates a catastrophic release occurred and that an estimated 100 to 500 gallons (634 to 3170 lbs.) of unleaded gasoline was released from a leaky fitting 3 feet below grade near an unleaded gasoline dispenser following a line replacement. The loss was estimated to last an estimated three months and the leak was identified and fixed (when and by whom?)

Section 3 - Hydrogeology

Explain the anticipated direction of shallow groundwater flow based, at least, on local topography and surface water features from a USGS 7.5 minute quadrangle or other available data sources. Identify the elevation of surface water feature(s) within one mile of the site and estimate both elevation estimated from a USGS topographic map and horizontal distances in feet. If historical or other relevant information exists (e.g., wells or reports from previous release investigations, Phase II ESA borings), make use of this information.

Considering (at least) local surface water features, and the potential for perched water systems, estimate the anticipated depth to the top of the shallowest zone of saturation (regardless of potential yield).

Section 4 - Geology

Identify the bedrock Formation and site- or area-specific lithology of the shallowest bedrock associated with the site from a source such as:

- a. “Map 61” (Atlas of Preliminary Geologic Quadrangle Maps of Pennsylvania – 1981 PA Geological Survey) as indexed at <http://www.dcnr.state.pa.us/topogeo/map61/glossary.aspx>, or;
- b. *the 1980 Geologic Map of Pennsylvania and/or other published map sources, or;*
- c. *any other reliable source such as the USGS, US Department of the Interior, or, Pa Topographic and Geologic Survey, DCNR, among others.*

For sedimentary bedrock, identify and approximate the basic local structural orientation (strike and dip) of the shallow underlying bedrock formation(s).

Also identify areas where soil is expected to be thick and/or permeable, such as areas with glacial outwash or fluvial systems.

When conducting the field reconnaissance, if possible, map on-site and nearby bedrock outcrops (and Brunton Compass readings) and document the findings.

Section 5 – Deep Well Special Case

To expect reimbursement, the total depth of the first monitoring wells installed during an initial investigation phase and intended to be “water table” wells shall not exceed 60 feet without a technically supported argument, prepared by a Pennsylvania-licensed professional geologist, that the water table lies below 60 feet. That is, there is a presumption that the total depth of monitoring wells in the Commonwealth should not be greater than 60 feet. USTIF may deny reimbursement for costs associated with the installation and monitoring of wells that are installed to an inappropriate depth or with inappropriate construction (particularly those wells installed after the initial well and site-specific information has been obtained).

If you do not plan to drill the initial wells to a depth greater than 60 feet, write “NA” under this section heading.

a. Review of a plan that proposes the installation of any well with a total depth greater than 60 feet when NOT working in the Allentown Area, State College Area, or other unique carbonate bedrock areas will require the Professional Geologist to rebut the presumption that wells greater than 60 feet are inappropriate to obtain reimbursement. For any monitoring well, reimbursement may be denied or adjusted if:

- i. The shallowest zone of saturation (regardless of low yield) is cased off without the well-reasoned intent to do so (exceptions; piezometers, nested wells, etc. if/as required by the DEP);
- ii. The screen is “drowned” (generally meaning that screened interval is entirely below the top of the shallowest encountered saturated zone, i.e., the water table or perched water table), without the well-reasoned intent to do so;
- iii. The well has a screened or open borehole interval that crosses more than one water bearing zone where the potential for cross-contamination is increased without the well-reasoned intent to do so;
- iv. The construction technique is substantially inconsistent with DEP’s “Groundwater Monitoring Guidance Manual”;
- v. The well was installed to a depth that should have been recognized as excessive given information available prior to drilling;
- vi. Following installation, the environmental professional does not recognize that static water levels are anomalous. The most likely cause is that shallow groundwater is communicating within the well-bore with deeper water bearing zones. (i.e., water in the well bore is flowing up or down depending on the vertical gradient resulting in the masking of multiple potentiometric surfaces).

A shallow well or two that are dry (e.g., a well drilled to the top of bedrock and completed as a soil monitoring well that is dry) are acceptable and provide valuable information about the site. Soil borings that are drilled before monitoring wells are drilled can be completed as temporary soil piezometers and provide valuable site-specific information.

When working in areas where a depth-to-first-water level (water table) is commonly greater than 60 feet (particularly in carbonate areas such as Allentown, State College, or other unique carbonate bedrock areas), the total depth of the wells may be deeper, but must be justified by a Pennsylvania-licensed Professional Geologist with supporting documentation. This documentation should not rely upon drilling observations or databases focused on “yieldable” quantities of groundwater. Data used to support the depth to the shallowest zone of saturation (regardless of yield) for Sites in any locations may be obtained from local municipalities, US Department of the Interior, USEPA, USGS, DEP, USTIF, TPA drillers, other environmental professionals working in the area, Pa Geologic Society, Pa Topographic and Geologic Survey, etc. In any event, no monitoring wells, regardless of depth, may have overly long open hole or screened intervals as discussed in the DEP’s “Groundwater Monitoring Guidance Manual”.

Note: It is USTIF/TPA’s experience that monitoring wells installed to depths and with screened intervals that risk the integrity or continuity of the uppermost water containing interval (i.e., deep, long-screened wells) risk both increased downward migration and the ability to accurately assess the contamination in the shallowest zone. This, in turn, affects the ability to evaluate, design, and implement remedial options for a Site.

Section 6 – Receptor Evaluation

Once the above information requested in Sections 1-5 has been obtained and evaluated, USTIF requests that the environmental professional discuss potential receptors.

Please discuss whether there are current on property or off-property (third party) receptor impacts (supply well impact, surface water impact, ecological, and or vapor intrusion into, on or off-property buildings or utilities).

Please discuss whether public and/or private supply wells that use groundwater or other sensitive receptors are close to the property boundary and whether there is an ordinance that would prohibit the use and/or installation of private and/or public supply wells (if an Ordinance exists, please provide a copy of the document).

Section 7 – Proposed Wells and Borings

Monitoring Wells

Based on the information available to the environmental professional at the time of the preparation of this Work Plan, describe the intended locations, depths, screened intervals and completion units (soil or bedrock) of the proposed initial monitoring well and the rationale for these wells.

Soil Borings

Describe the intended locations and soil sampling depths of proposed soil borings and what field screening/decision criteria will be used to select soil samples for analysis.

Describe the parameters to be analyzed for both groundwater and soil samples collected (e.g., DEP new unleaded gasoline short list) and provide justification why the parameters are being analyzed. If additional sampling is proposed (e.g., surface water, water supply wells, soil vapor), please describe the locations and rationale for this sampling.

Section 8 – Additional Topics

Discuss additional topics that relate to the Work Plan and conditions at the site that are pertinent to the scope of work that are not discussed in Sections 1 through 7. Examples of topics and issues might include, but are not limited to: significant separate phase liquid thickness in a UST excavation at the time of closure, the removal of an unusual amount of soil at the time of UST closure, an adjacent facility with a groundwater plume that has migrated onto the claimant’s site, a school next to the site, planned emergency or interim actions, the site is or may be underlain by subsurface coal mines, etc.

Required Figures

The following Figures are REQUIRED. Failure to provide any of these figures may result in the denial of payment for the Initial Work Plan Invoice because the Work Plan cannot be reviewed without these figures.

Figure 1: On a north oriented (show arrow), **scaled** Site Map (developed from a tax map, existing property map, detailed air photo-based map, etc.) show the location of **all** known former and existing storage areas (ASTs, USTs, vents, remote fills, lines, dispenser islands and/or dispensers, etc.), major site improvements, and site property lines. To the extent known, show subsurface utilities. This initial information should be obtained from the claimant and other reliable sources (refer to Section 1).

Figure 2: Provide a USGS 7.5 MINUTE TOPOGRAPHIC MAP showing the location of the Site. Do not use other “topographic” maps (e.g., municipality’s GIS maps are not appropriate).

Figure 3: Provide a Geologic Map(s) showing the site geology based on published information. Refer to Section 4 for possible sources.

Figure 4: Provide an Area Map (developed from a tax map and/or aerial images/photographs) showing the location of buildings and use of other immediately surrounding properties 1,000-foot radius from the site, more or less). Show area water use (public, domestic wells and surface water intakes. Show the approximate location(s) of residential or public supply wells (if present) on each of the adjacent property(s).

Figure 5: On a north oriented (show arrow), **scaled** Site Map, show the location of the proposed monitoring wells. Also show the anticipated hydraulic gradient and structure (local strike and dip; if you anticipate encountering sedimentary bedrock). Show the location of the proposed soil borings relative to potential sources and anticipated total depth considering the anticipated water table and/or top of bedrock. Show any other anticipated sampling locations.

Required Appendices

The Work Plan must include the following appendices:

Required Appendix A: Provide a site reconnaissance summary (may use field notes) and site and adjacent property photo-documentation. Document any obvious or potential source areas on immediately adjacent properties. If potential off-site source area(s) are indicated, provide the approximate location(s) of the source(s) on a supplemental figure in this Appendix.

Required Appendix B: Document the presence or absence of residential or public water supply or industrial supply resources for the property and for properties immediately adjacent to the site. Provide in this appendix, a copy of any ordinances that document restrictions for the installation and use of private supply wells within one-quarter mile radius of the site or any “must connect” requirements. In the event no such ordinance exists, provide documentation in this appendix, such as a phone log, email, letter, etc.

from an appropriate local official (Municipality, Township, and Borough) that one does not exist within a one-quarter mile radius of the site. If an Ordinance exists, please provide a copy of the document.

Required Appendix C: Provide a cost estimate for the scope of work as proposed above. (Estimated number of field and office labor-hours per task, number of soil and groundwater samples, extent of subcontractor participation, and anticipated incidental expenses required to implement the Work Plan. Include unit costs.) It is understood that this is a preliminary cost estimate for a Site where there is limited information, particularly about subsurface conditions. The purpose of the cost estimate is to facilitate USTIF's overall management of the claim (e.g., does this seem like a minor or major loss from an "insurance" point of view), and to provide input for the claimant in advance for costs that may not be reasonable or necessary so that these issues can be addressed prior to the work being performed instead of after the fact.

August 15, 2008, Revised January 2011 and April 2020

REQUIRED COVER SHEET FOR THE WORK PLAN
WORK PLAN SUBMISSION

Preliminary Document – Submitted at the Request of USTIF for Project Planning Purposes

Date:

USTIF Claim Number:

Claimant Name:

Date of Release:

Regulated Substance Released

Unleaded gasoline

Diesel

Fuel Oil

Other (Please specify)

Cause/Location of Release (if not known, please specify):

DEP Project Officer:

DEP Reference Number:

Submitted and Sealed By (P.G.):

Claimant's name and email:

Consultant's email:

**Underground Storage Tank Indemnification Fund
Bulletin 7: Incomplete Work Plan**

In 2008, the Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) instituted the requirement to submit an Initial Site Characterization Work Plan (see USTIF Bulletin 6) in the early stage of the remediation process. The USTIF, in conjunction with the Pennsylvania Counsel of Professional Geologists (PCPG) held a round of seminars introducing and explaining the Work Plan requirement. The objective of the Work Plan is to foster the generation and use of basic information by the consulting firm at the outset of characterization work in order to improve the quality of site characterization for which USTIF makes reimbursements. The information requested in the Work Plan is consistent with Pennsylvania Department of Environmental Protection (DEP) regulations and constitutes good professional practice.

Most consultants are complying with this requirement and hopefully are benefiting from the comments offered by the USTIF's reviewers. However, there are a few consultants whose Work Plan submittals are substantially incomplete and demonstrate a lack of understanding of the requirements and application of Chapter 245.

The USTIF will request that the claimant competitively bid the site characterization at these sites.

May 28, 2009, Revised April 2020

Underground Storage Tank Indemnification Fund Bulletin 8: Soil Excavation During Interim Remedial Actions

The purpose of this Bulletin is to provide guidance to claimants and their agents (e.g., Pennsylvania Department of Environmental Protection (DEP) certified installers, consultants) with respect to soil excavation as part of an interim remedial action (IRA). This policy is not intended to apply to soil excavation performed as part of corrective action in conformance with a DEP-approved Site Characterization Report/Remedial Action Plan.

When a release occurs from a regulated underground storage tank (UST) system and the release is reported to the DEP, the corrective action process applies under Pennsylvania Code, Title 25, Chapter 245, Subchapter D, and, compliance with Section 245.306, Interim Remedial Actions, must be implemented as necessary and appropriate. Appropriate regulatory and guidance references are attached as Table 1.

The term “interim remedial action” is not specifically defined in Act 32 of 1989, Chapter 245 or guidance. However, the criteria for and components of IRAs are clear from the context of the documents cited in Table 1. Chapter 245.306(a) states “...the responsible party shall immediately initiate the following interim remedial actions necessary to prevent or address an *immediate* threat to human health or the environment...” (emphasis added). The word “immediate” is the key to this phrase. In addition, Section 245.306(b)(1) states that “at sites where free product recovery, regulated substance removal or contaminated soil excavation is performed, the responsible party shall...conduct recovery, removal, storage, treatment and disposal activities in a manner that prevents the spread of contamination into previously uncontaminated areas.”

As noted above, with regard to the excavation of soil, Chapter 245.306(a)(3) states that “the interim remedial action may include excavation of the soils” in order to “prevent *further* migration of the *regulated substance*” (emphasis added). Chapter 245.306(b)(1) states contaminated soil removal should be conducted “in a manner that prevents the spread of contamination into previously uncontaminated areas”. The key here is preventing further migration of the regulated substance itself (e.g., gasoline through the soil), not simply removing impacted soils. This concept of mitigating emergencies, immediate threats and preventing migration of regulated substances is further referenced in the Technical Guidance Manual which indicates that it is appropriate to remove “product-saturated” soil; that is, not simply soil impacted by the regulated substance.

Specific activities associated with IRAs are discussed on page IV–88 of the Technical Guidance Manual which states “all appropriate interim remedial actions must be taken in order to *bring a release under control*” (emphasis added). Specific tasks and activities that are appropriate IRAs as listed in Chapter 245 and the Technical Guidance Manual are shown on Table 2.

As noted above, the discovery of contaminated soil is not in and of itself justification for soil excavation as an IRA. This is reinforced on Page 15 of the Closure Requirements for UST Systems (April 1, 1998) which describes actions associated with extensive contamination: “Extensive contamination is defined as contamination which extends more than three feet beyond the tank system in any direction, or impacts water in the excavation. Additional site characterization and corrective action will be required in cases of extensive contamination. In this circumstance, the requirements of the corrective action process regulations [Chapter 245] must be followed.” In other words, the UST closure guidance document is not recommending soil excavation IRAs simply because extensive contamination exists, but rather that the provisions of the corrective action process regulations (Chapter 245) be followed.

The fact that contaminated soil will be left in place prior to the initiation of a formal remediation undertaken under an approved Remedial Action Plan is contemplated and discussed in the corrective action process regulations. Chapter 245.310(a)(4)(v)(F) discusses the reporting of IRAs in the Site Characterization Report. This portion of the regulations indicates that “where excavation of contamination soil is performed...the rationale for terminating soil excavation where the *contaminated soil has not been excavated*, including the volume of contaminated soil remaining in place, and a description of what steps will be taken to address the soils that remain unexcavated.” (emphasis added). It is clear from this section of the regulations and from the UST Closure guidance that it is appropriate to leave contaminated soil in place prior to formulating and submitting a Remedial Action Plan for DEP review and approval.

Due to the immediacy of the need for IRAs, DEP regulations allow for the commencement of excavation at the responsible party’s discretion and prior to the submission of a Site Characterization Report or Remedial Action Plan. **The IRAs are not intended to replace corrective action or to eliminate the need for the Remedial Action Plan. Excessive soil excavation as part of interim remedial action can lead to costs that are not necessary and reasonable.**

USTIF has seen over-excavation as an IRA that involves thousands of tons of soil. A clear justification (including representative and extensive soil sampling and analysis of excavated soil as well as supporting photographic documentation) is required by USTIF when extensive IRAs are implemented rather than remedial action in accordance with an approved Remedial Action Plan. USTIF will only reimburse for the eligible, necessary and reasonable corrective action costs as part of an IRA or a DEP-approved Remedial Action Plan.

Normal documentation supporting reimbursement for eligible claims must be submitted (For example, excavation contractor invoices and soil disposal invoices). It is presumed that larger soil excavation IRAs are not reasonable and necessary unless a clear and compelling case is made to the contrary. The clear and compelling case will include all necessary information including, at a minimum the following:

- photographs of the tanks if present and removal activities, if any
- soil, groundwater, waste water, and all other waste disposal or recycling documentation
- laboratory reports and supporting information - grab samples of the soil that is excavated as part of the IRA collected in place prior to being excavated. (Composite samples or soil pile samples are not acceptable as part of the justification for a large soil excavation IRA.)
- field notes
- a narrative of the IRA activities

It is USTIF’s policy that UST pea stone and soil excavation up to the limits expressed below are presumed to be reasonable and necessary as part of a UST system closure by removal or other IRA.

- Single or multiple UST systems with combined capacity up to and including 10,000 gallons – 400 tons
- Single or multiple UST systems with a combined capacity greater than 10,000 gallons – 500 tons

Larger amounts of pea stone and soil will be presumed not to be reasonable and necessary unless a clear and compelling case can be made to the contrary.

February 10, 2012, Revised April 2020

Bulletin 8

Table 1

References for Interim Remedial Actions consisting of soil excavation associated with regulated USTs:

- Section 245.306 (Interim Remedial Actions)
- Section 245.309(b)(1) regarding whether additional IRAs are necessary to abate an imminent hazard to human health or the environment
- Section 245.310 (a)(4)(v)(F) regarding the explanation for terminating soil excavation implemented as an IRA and addressing it instead of in the Remedial Action Plan.
- The Technical Guidance Manual (Section IV E)
- The April 1, 1998 Closure Requirements for Underground Storage Tank Systems guidance document in a peripheral manner

Bulletin 8

Table 2

Specific Interim Remedial Actions

Section IV-E, the Technical Guidance Manual lists the following actions to mitigate emergencies or immediate threats:

- checking for and venting product vapors from sewer lines or buildings that have been impacted;
- calling emergency personnel such as local fire and public safety officials for assistance where fire, explosion or safety hazards exist;
- relocating residents until potentially explosive vapors have been reduced;
- restricting access to the site by nonessential personnel and establishing a buffer area around the site;
- recovering free product leaking into subsurface structures such as basements and sewers;

The Technical Guidance Manual also lists actions to prevent further release of the regulated substance:

- removing product from the storage tanks;
- removing the storage tanks;
- excavating *product-saturated* soils (emphasis added);
- removing free product on the water table;
- recovering product from the excavation;
- establishing booms in or interceptor trenches along streams, gullies, or drainage ways where surface water has been or may be impacted; and
- identifying and sampling affected water supplies or water supplies with the potential to be affected.

Chapter 245.306 lists the following actions to mitigate emergencies or immediate threats:

- remove the regulated substance from the tank;
- mitigate fire explosion and safety hazards posed by the vapors and free product;
- identify and sample affected water supplies or water supplies with the potential to be affected

Chapter 245.306 also lists actions to prevent further migration of the regulated substance:

- excavate soil to prevent the “further migration of the regulated substance”
- immediately initiate free product recovery

Underground Storage Tank Indemnification Fund Bulletin 9: Disclosure of Abandoned Tanks

The purpose of this Bulletin is to provide guidance to claimants and their agents (for example, Pennsylvania Department of Environmental Protection (DEP) certified installers, consultants) for the disclosure to the Pennsylvania Underground Storage Tank Indemnification Fund (USTIF) of any known unregistered above ground or underground storage tank(s) at the site that is or has become known while the claim is pending or open.

It is USTIF's intent to be informed of any knowledge of any tank(s) or storage tank(s). The term "tank" or "storage tank" is to be interpreted broadly for USTIF's purposes and means any vessel that holds or held liquids. In accordance with DEP regulations, the tanks would be defined as either non-regulated or regulated (either registered or unregistered) tanks.

Upon receiving the initial report for a claim, USTIF, or its third party administrator (TPA), asks about any existing or any history of unregistered, abandoned or orphan above ground or underground storage tanks (unregistered tanks, includes non-regulated and regulated tanks) related to the property. The information provided by the claimant, or by and through their agents relative to unregistered tanks, must be accurate to the best of their knowledge, during the entire period while the claim is pending or open. Should the claimant or their agents become aware of any tanks previously unknown and undisclosed while the claim is pending or open, the newly discovered "tank" or "storage tank" must be reported to USTIF as soon as it is discovered, but in no case later than 15 days.

The DEP will require the disclosure of unregistered tanks that are regulated under the Storage Tank Act 32 to DEP. Due to the potential for any "tank" or "storage tank" as defined above, to be a source for contamination that may not be eligible for reimbursement by USTIF, all unregistered tanks, regardless of their apparent condition when they are discovered, must be reported to USTIF regardless of whether they are reported to the DEP.

After the initial report to USTIF noted above, a follow-up report to USTIF regarding the tank(s) unearthed or closed by removal, must be submitted. The follow-up report should include the results of representative soil samples collected as if the tank were a registered tank being closed in accordance with the April 1, 1998 Closure Requirements for Underground Storage Tank Systems (including, as appropriate adjacent to the sides, ends and beneath the tank and analyzed for appropriate DEP short-list compounds). A narrative of the discovery of the tank and a photographic log of any tank closure activities must also be communicated to USTIF in the follow-up report. The reasonable and necessary costs of the soil samples, narrative and photographic log of the unregistered tank(s) will be considered corrective action costs by USTIF. This information will be used in the eligibility investigation of the registered tank release claim. If the claim is ultimately determined to be eligible, these and other reasonable and necessary site characterization costs will be reimbursed. USTIF's statutory and regulatory authority to reimburse for corrective action costs does not include the cost associated with the removal of the unregistered tank. That expense remains as the claimant's responsibility.

Failure to report knowledge of any and all tanks to USTIF during the period while eligibility of a claim is pending or open, or to provide the results of the soil sampling, narrative and photographs noted above, demonstrates a lack of cooperation by the claimant and may result in the denial of the claim or cessation of further payments on a claim.

February 10, 2012, Revised April 2020

[Replaced 2/1/2022]

ATTACHMENT 23

{TPR} NOTIFICATION to TANK OWNER

[date]

VIA ELECTRONIC MAIL TO [insert email address]; NO HARD COPY TO FOLLOW

«PI_First_Name» «PI_Last_Name»

[Insert Company Name]

«PI_Address_1»

«PI_City», «PI_State_Short» «PI_ZIP_Code»

RE: Claimant	«Claimant_Last_Name»
Loss Location	«CTS_Site_Name»
	«Loc_Address_1»
	«Loc_City», «Loc_State_Short»
	«Loc_ZIPPostal_Code»
USTIF Claim Number	«Claim_Number»
Reported Date of Discovery	«Event_Date»

Dear «PI_First_Name» «PI_Last_Name»:

This correspondence is to advise you that a Third Party Review has been assigned on your claim. [insert name of company and contact person] has been assigned to [insert reason for assignment]. The reviewer may contact you, your consultant, and/or the DEP if necessary to complete the assignment.

Please contact me at «Adjuster_Office_Phone» or «Adjuster_Email_Address» should you have any questions.

Respectfully,

«Adjuster_First_Name» «Adjuster_Last_Name»
«Adjuster_Title»

cc: «PAUSTIF_Claim_Evaluator_Desc»
PAUSTIF

[Replaced 2/1/2022]