

Frequently Asked Questions About the Petrofund Reimbursement Process

Q What is the Petrofund?

A The Petroleum Tank Release Cleanup Fund (Petrofund) reimburses eligible applicants for a portion of their costs to investigate and clean up contamination from leaking petroleum storage tanks. The Petrofund also covers eligible applicants' costs for liability to third parties impacted by tank releases.

The Petrofund is overseen by a five-member Board and reimbursement applications are processed by staff at the Minnesota Department of Commerce.

Q Who is eligible to receive Petrofund reimbursement?

A There are three types of eligible applicants:

- **Responsible Persons:** Owners or operators of underground or above ground petroleum storage tanks where a release has occurred. Responsible Persons qualify for reimbursement of 90% of their eligible costs.
- **Volunteers:** Those who do not qualify as a Responsible Person, but who hold legal or equitable title to the property where a petroleum tank release occurred. Volunteers qualify for reimbursement of 90% of their eligible costs.
- **Other Persons:** Those who do not qualify as either a Responsible Person or a Volunteer, but who took corrective action at the request or order of the Minnesota Pollution Control Agency (MPCA). Other Persons qualify for reimbursement of 100% of their eligible costs.

Common applicants include petroleum retailers, businesses, homeowners, school districts and government agencies.

Q What types of investigation and cleanup costs are eligible for Petrofund reimbursement?

A Consultant and contractor costs that are typically requested for reimbursement include, but are not limited to, soil boring drilling and monitoring well installation, receptor and vapor surveys, laboratory analysis, remediation system installation, operation and maintenance, contaminated soil excavation and disposal, and writing the various reports associated with all of these tasks. In order to qualify for Petrofund reimbursement, all work must be approved by the MPCA as necessary for corrective action.

Applicants must show that they have been billed for the costs being requested for reimbursement. All costs must be paid in full within 30 days after receiving reimbursement.

Costs for the physical removal of petroleum storage tanks are ineligible for reimbursement.

Q What are the Petrofund's competitive bidding requirements for consultant and contractor services?

A Competitive bidding requirements for consultant services vary depending on the step of work being performed:

- **Excavation and Soil Disposal Oversight:** Before the First Limited Site Investigation or Full Remedial Investigation: Applicants are not required to get competitive proposals for consultant services for this step. Hire a consultant to perform the work and have them allocate their costs to the appropriate Petrofund form after the work has been completed.
- **Limited Site Investigation or Full Remedial Investigation:** Applicants are required to get a minimum of two competitive proposals for consultant services using Petrofund proposal forms before beginning investigation work. Once competitive proposals have been received, hire the low-cost consultant to perform the work and have them allocate their invoiced costs to the proposal form after the work has been completed (so Petrofund staff and you can compare the proposed amounts to the billed amounts). Any additional investigation work should be allocated by the consultant to a Petrofund change order form.
- **Active Remediation:** If the investigation determines cleanup is necessary, applicants are not required to get competitive proposals for active remediation services. Instead, get at least one proposal from a consultant prior to each step of active remediation work and submit it for Petrofund review before the work is started. Once the proposal is approved, have the consultant complete the work and then after the work has been completed, have them bill their costs in a manner so that Petrofund staff and you can compare the proposed amounts to the billed amounts.

Competitive bidding is required for contractor services, such as the excavation, loading, hauling and disposal of contaminated soil. Once a minimum of two competitive bids have been received, hire the low-cost contractor to perform the work and have them allocate their invoiced costs to the bid form after the work has been completed (so Petrofund staff and you can compare the proposed amounts to the billed amounts).

Applicants are required to use consultants and contractors that are registered with the Petrofund. A list of registered consultants and contractors can be found on the Petrofund website or can be sent to you by calling or emailing the Petrofund (see below).

Q Which Request/or Proposal form should be used to get competitive consultant proposals for investigation work required by the MPCA?

A Determine which Request for Proposal form to use by reviewing the table below.

If this is true	...Use this Request for Proposal form to Get Competitive Consultant Proposals
You are unsure of the scope of work necessary to investigate the petroleum contamination at your site	Limited Site Investigation - Standard Scope of Work Request for Proposal form
You know the specific scope of work that is necessary to investigate the petroleum contamination at your site.	Limited Site Investigation or Full Remedial Investigation - Nonstandard Scope of Work Request for Proposal form
You must complete work that was done as part of "Excavation and Soil Disposal Oversight before the first LSI or full RI" (e.g. disposal of stockpile contaminated soil)	Limited Site Investigation of Full Remedial Investigation - Nonstandard Scope of Work Request for Proposal Form

Although not required, once you have gotten a minimum of two written competitive proposals for consultant services, you can submit them to the Petrofund for our review to make sure they are based on similar scopes of work.

Q How do applicants apply for reimbursement?

A Your environmental consultant can help you to complete a Petrofund application form or you can download the application forms yourself from the Petrofund website (see below). The basic steps in the reimbursement process are as follows:

Step 1: A release is reported to the MPCA and an eligible applicant agrees to complete investigation work.

Step 2: The eligible applicant uses the appropriate Request for Proposal form to get a minimum of two competitive proposals for consultant services.

Step 3: The eligible applicant hires a consultant and directs them to perform the required investigation and, if necessary, cleanup work.

Step 4: Once investigation and cleanup costs have been billed to the eligible applicant by the consultant and any contractors, a reimbursement application can be prepared and submitted to the Petrofund. Costs can be requested as part of multiple applications submitted at regular intervals during the investigation and cleanup process, or as part of one application submitted after all of the costs have been incurred by the eligible applicant.

Step 5: Petrofund staff review the application to verify that the requested costs are eligible and reasonable and a reimbursement payment is made to the eligible applicant.

Q Is there a deadline for applying for reimbursement?

A Applications must be submitted within seven years of when the requested work on each invoice was performed.

Q Where can applicants get more information about the Petrofund?

Additional information about the Petrofund is available from the program website or you can contact Petrofund staff by phone, email or fax:

- Website: <http://mn.gov/commerce/industries/fuel/petrofund/index.jsp>
- Phone: 651-539-1515 or 800-638-0418 (in Greater MN only)
- Email: petrofund.commerce@state.mn.us
- Fax: 651-539-0103