



# advisor

Volume 20 Number 1

## Fuel Inventory Control for USTs: Your First Line of Defense

Collecting tank data and filling out a spread sheet every day that product is removed or added to the tank sometimes seems excessive, but it has proven to be, if used right, a most effective tool. For example: A convenience store operator was reviewing his inventory control when he noticed a large shortage in the diesel tank. He reviewed his data and found the number to be correct. The operator knew it was not an actual leak because it was so large. In addition, he maintained a set regimen about how and when the tanks were read. He had not received a delivery that day, which can sometimes cause a spike or large shortage.

As he reviewed his data, he saw two more large shortages. He was confused until he remembered a television news show he had seen earlier. In the TV story, a man driving a van pulled over a fill port at a fueling station. The man went to the back of the van and opened a trap door in the floor located just above the fill port. Through the open fill port he dropped a hose down into the tank, turned on a pump and started pumping fuel into a 500 gallon tank in the van. Once the procedure was under way, the man got out of the van and lifted the hood so that it looked like he was having mechanical trouble. After realizing that the man with the van was the source of his "surprise" leak, the now-aware convenience store operator installed padlocks on his tanks. Needless to say, his shortages stopped.

By checking inventory control on a daily basis, the tank owner can avoid lost time, product and money. A loss trend could be caused by a leak; it could be a dispenser needing calibration; it could be caused by failure to read tanks at the same time as the close of business day; using the wrong tank chart which will indicate an overage on the day the load of fuel is delivered offset by shortages over the next few days, and lastly, as in the example above, someone could be stealing product.

Another example: a fuel station operator was reviewing his inventory and saw a loss trend. This site had an automatic tank gauge (ATG) for its other form of leak detection, and it

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had not given him an alarm or "fail," and it was obvious that the loss was more than the .2 gallon per hour loss the ATG alarm is set to trigger. The operator had a customer tell him he should have his dispensers checked. When the operator asked why, the customer told him, "I just filled my truck. The dispenser read 14 gallons, but I have a 40-gallon tank and it was about empty when I pulled in."

One final example: A fuel operator saw that his unleaded tank had failed the EPA leak check of over/shorts greater than 1% of sales plus 130. He was told by customers that the unleaded was really taking a long time to pump. He started an investigation by looking into the mechanical line leak detector sump, where he found the bypass line spraying fuel every time someone tried to pump gas.

The mechanical line leak detector (MLLD) failure is why the unleaded was in slow flow and why it failed the EPA leak check. This location will not only have to repair the MLLD, but they will have to report a leak to the Kansas Department of Health and Environment (KDHE) and have the site cleaned up.

Kansas Department of Health and Environment and US EPA have created a booklet titled "**Doing Inventory Control Right.**" It provides detailed step-by-step instruction on inventory control. Interested parties may download this booklet from their website [http://www.kdheks.gov/tanks/download/ks\\_inventory\\_control\\_booklet.pdf](http://www.kdheks.gov/tanks/download/ks_inventory_control_booklet.pdf) or by going to [tankmgmt.net/sir](http://tankmgmt.net/sir) and clicking on the link, **Doing Inventory Control Right.** Page 1.

## Observations from UST Inspections

The top five problems discovered in the UST inspections conducted by TMS in March 2010 were:

1. Spill buckets needed cleaned
2. Old fuel filters under dispenser, This is contamination and the filters should be disposed of properly
3. Overfill alarms need to be tested if possible. If the ATG has been hit by lightning, the overfill alarm might also have been hit.
4. Operators need to check LLD sumps more frequently. If dirt or water cover metal flex pipe, it should be booted to prevent corrosion
5. Rectifiers for cathodic protection must remain on at all times,

This is the top five so far, more in the next advisor.

## UST Permit Fees Mailed Out

In mid-March KDHE mailed out the 2010/2011 tank fee statements. Permits must be obtained by August 1, 2010. The small fee of \$10.00 per tank will allow UST owners to obtain their permit on time. Don't delay responding.

## Change to E15

The Petroleum Equipment Institute (PEI) reports that EPA appears to be clearing the way for partial approval of an ethanol industry request to raise the federal limit on ethanol in gasoline from 10 percent (E10) to 15 percent (E15) by announcing plans to develop a pump label to prevent misfueling of vehicles and engines not authorized to use E15 fuel, and to provide fuel manufacturers certification to sell E15.

The Agency posted a new labeling and certification rulemaking on its "action initiation" list, saying a rule "is urgently needed because of the speed that blender pumps are spreading and the possibility of the Agency rendering a decision on the E15 waiver as early as the summer of 2010."

If this happens, UST owners need to take two steps to make the transition and avoid some of the problems that may occur with increased alcohol percentages:

1. Clean the inside of your tank as the alcohol will do its own type of cleaning but may cause sediment to clog filters; and
2. Tanks containing a blended gasoline with alcohol must be marked as such. Weights and Measures does not allow these tanks to contain more than ¼ inch of water to prevent phasing.

## Operator Training

Don't forget to register for operator training. Now is the time with plenty of classes available. To register go to our website, [tankmgmt.net](http://tankmgmt.net). Click on Operator Training.

July 13, 2010 Doubletree Hotel  
Kansas City Theatre Room  
10100 College Boulevard  
Overland Park, Kansas

July 14, 2010 Doubletree Hotel  
Kansas City Theatre Room  
10100 College Boulevard  
Overland Park, Kansas

July 15, 2010 Topeka & Shawnee County  
Public Library  
1515 SW 10th Avenue  
Marvin Auditorium 101B  
Topeka, Kansas

August 4, 2010 House of Schwan  
Meeting Room  
3636 N. Comotara  
Wichita, Kansas

August 5, 2010 University of Kansas  
Burge Union - 305 Courtside  
1601 Irving Hill Road  
Lawrence, Kansas

### WHAT IS TANK MANAGEMENT SERVICES?

**TMS provides loss control and risk management assistance to UST owners who have third party liability insurance through Great American Custom as part of the Kansas Underground Storage Tank Liability Plan.**

**TMS can provide you with information on USTs –leak detection methods, and Federal and State regulations. Call TMS toll free at 800-530-5683 during normal Central Time Zone office hours (8-5).**

**In the Topeka area, please call 233-1414. On the web go to [tankmgmt.net](http://tankmgmt.net). David Engelken is available to answer your questions. This Service is free.**

To have the advisor E-mailed to you go to [tankmgmt.net](http://tankmgmt.net) click on Advisor.