Dear Underground Storage Tank Owners;

On August 8, 2005, the Federal Energy Policy Act of 2005 became law, requiring states that receive federal grant money to promulgate Fuel Delivery Prohibition (Red Tag) rules which require underground storage tank (UST) systems that are found to be out of compliance with certain UST rules to have fuel deliveries prohibited, or “Red Tagged.”

The Indiana Department of Environmental Management (IDEM) developed Fuel Delivery Prohibition rules (329 IAC 9-4.5) that became final on June 6, 2010. As of that date, these rules have been available for review on IDEM’s website http://www.in.gov/idem/4999.htm.

As of June 6, 2010, IDEM’s Underground Storage Tank Section began implementation of the Fuel Delivery Prohibition rule and began identifying certain underground storage tanks as ineligible for delivery, deposit or acceptance of product by means of Red Tagging. IDEM will Red Tag underground storage tanks that do not meet the 1998 upgrade requirements (no corrosion protection, no spill prevention, or no overfill or spill protection), that have no established release detection method and USTs that have released product and the release has not been addressed. IDEM will also Red Tag USTs with other violations (deficiencies in the operation and maintenance of release detection, corrosion protection, or spill or overfill protection) if the deficiencies are not corrected within stipulated timelines identified by IDEM. Physical red tags will be tied around the affected UST fill ports. The facility will be allowed to dispense the remaining fuel in the affected UST(s), but no fuel deliveries will be allowed into the affected UST(s) until the UST system has returned to compliance with applicable UST rules.

If any fuel is delivered to an UST that has been Red Tagged, IDEM may take enforcement action against the UST owner. Violations of 329 IAC 9-4.5 could result in penalties up to $10,000 per event.

In order to provide adequate notification to product deliverers, Rule 329 IAC 9-4.5(1)(f) requires the owner or operator of an UST that has been Red Tagged to immediately notify their fuel delivery transporter of the Red Tag status.

The Red Tags can only be removed by IDEM, or a person authorized by IDEM, after written documentation is provided to IDEM that documents that the affected UST(s) has returned to compliance with the applicable UST rules. Once compliance is documented, IDEM will make every effort to expedite the Red Tag removal process in order for compliant facilities to begin receiving fuel as soon as possible.

Please contact the Underground Storage Tanks Branch at (317) 234-4112 with any questions.