



Maryland

Department of the Environment

Larry Hogan, Governor
Boyd K. Rutherford, Lt. Governor

Ben Grumbles, Secretary
Horacio Tablada, Deputy Secretary

February 16, 2018

The Honorable Mike V. Miller, Jr., President
Senate of Maryland
State House, H-107
Annapolis MD 21401-1991

The Honorable Michael E. Busch, Speaker
House of Delegates
State House, H-101
Annapolis MD 21401-1991

The Honorable Joan Carter Conway, Chair
Senate Education, Health and
Environmental Affairs Committee
Miller Senate Office Building
2 West Wing
11 Bladen Street
Annapolis MD 21401-1991

The Honorable Kumar P. Barve, Chair
Environment and Transportation Committee
House of Delegates
House Office Building, Room 251
6 Bladen Street
Annapolis MD 21401-1991

Dear President Miller, Speaker Busch, Chairs Conway and Barve:

As required in Section 4-411(h) of the Environment Article, Annotated Code of Maryland, I am enclosing a copy of the 2014 report on the Status of the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund.

If the Department can provide you with any additional information, please contact me or Ms. Hilary Miller, Director of the Land and Materials Administration, at 410-537-3304 or via email at hilary.miller@maryland.gov.

Sincerely,

Ben Grumbles
Secretary

Enclosures

cc: Sarah Albert, Department of Legislative Services, Mandated Report Specialist
Hilary Miller, Director, Land and Materials Administration



**REPORT ON THE STATUS OF THE MARYLAND OIL
DISASTER CONTAINMENT, CLEAN-UP AND
CONTINGENCY FUND
(Fiscal Year 2014 Data)**

Prepared by:
Oil Control Program
Land and Materials Administration

Prepared for:
Senate Education, Health, and Environmental Affairs Committee

House Environment and Transportation Committee

Larry Hogan, Governor
State of Maryland

Boyd Rutherford, Lt. Governor
State of Maryland

Thomas V. Mike Miller, Jr., Senate President
Maryland General Assembly

Michael E. Busch, House Speaker
Maryland General Assembly

January 1, 2015



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I. EXECUTIVE SUMMARY

Section 4-411(h) of the Environment Article, Annotated Code of Maryland, requires the Maryland Department of the Environment (MDE) to provide to the standing committees (Senate Education, Health and Environmental Affairs and the House Environmental Matters Committees) of the Maryland General Assembly a status report on the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund.

The MDE Land Management Administration and the Air and Radiation Management Administration are the administrations responsible for regulating State oil pollution control programs. The Oil Control Program, within the Land Management Administration, and the Air Quality Compliance Program, within the Air and Radiation Management Administration, coordinate these activities. The Department's Emergency Response Division provides the emergency response services for oil and hazardous material emergencies. The Water Management Administration and the Science Services Administration utilize the fund to the extent that issues are related to oil. During State Fiscal Year 2014 (FY 2014), the following major activities were accomplished:

1. The Oil Control Program was responsible for the oversight of 4,252 facilities that stored or otherwise handled petroleum products or petroleum impacted materials.
2. The Oil Control Program managed a combination of 1,957 Oil Transfer Licenses, Oil Operations Permits, Stormwater Discharge Permits, and UST Certifications to assist in the implementation of the State oil pollution control programs.
3. The Oil Control Program conducted 5,515 on-site inspections, including Third Party Inspections, at 1,917 facilities to ensure that owners/operators are preventing, reducing, or remediating oil pollution.
4. The Oil Control Program provided direct oversight at 799 ongoing petroleum cleanups.
5. The Land Management Administration coordinated 3,261 Public Information Act searches requested by consultants, realtors, attorneys, and other individuals for information on oil pollution activities.
6. The Emergency Response Division received 1,809 oil spill reports and responded to 537 surface oil spill and chemical incidents.
7. Through the Emergency Response Division, MDE continued to supply bales of pads, bales of sorbent boom, bales of sorbent sweep, and drums to local fire departments to assist them in conducting initial spill response.
8. The Emergency Response Division participated in seven oil spill drills in association with federal and local agencies and the oil industry.
9. The Air Quality Compliance Program conducted 1,994 air quality activities related to regulated oil facilities having air emissions. They also responded to two citizen complaints concerning air pollution from oil-related facilities.

10. The Water Management Administration, through several key programs, assisted with preventing and coordinating responses to oil-related pollution. This was accomplished through permitting, inspections, data sharing, and technical reviews.
11. The Science Services Administration worked towards the development of three polychlorinated biphenyls (PCBs) total maximum daily loads (TMDLs), which included the South River, the West River, and the Magothy River.
12. A total of 464,415 gallons of used oil were collected by the MDE supported Maryland Environmental Service's Used Oil Recycling Program for recycling and proper disposal from individuals who changed the oil in their vehicles. An additional 51,659,624 gallons of used oil were collected and processed by facilities having oil operations permits.
13. The Ad Hoc Committee on Oil continued to provide a forum whereby government and industry can meet, coordinate, and discuss issues pertaining to the oil industry. Additionally, the Tawes and James B. Coulter awards were presented in May 2014.
14. A total of 96,808,859 barrels of oil were reported as transferred into the State.
15. MDE received \$3,832,428 in oil transfer fees that were deposited to the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund.
16. MDE collected \$148,620 in cost recovery and \$258,012 in fines and penalties.

II. INTRODUCTION

Section 4-411(h) of the Environment Article, Annotated Code of Maryland, requires the Maryland Department of the Environment (MDE) to provide the Senate Education, Health and Environmental Affairs and the House Environmental Matters Committees of the Maryland General Assembly a status report on the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund (Fund). The Fund revenues were generated by licensees paying 3 cents (\$0.03) per barrel (42 gallons in a barrel) of oil transferred into the State. Anyone transferring oil in the State must have a valid MDE Oil Transfer License and must pay the fee. There were 276 companies licensed with the MDE at the end of this fiscal year. Also credited to the Fund are fines collected for oil pollution violations and recovered costs for certain clean-up expenses provided by the MDE.

The Fund was established for the MDE "to use to develop equipment, personnel, and plans; for contingency actions to respond to, contain, clean-up, and remove from the land and waters of the State discharges of oil, petroleum products, and their by-products into, upon, or adjacent to the waters of the State; and restore natural resources damaged by discharges" (Section 4-411(f)). The Department is the responsible agency for all oil pollution activities. The State has administered a comprehensive program for oil pollution control and oil spill response since 1972.

III. OIL POLLUTION CONTROL ACTIVITIES

A. **Oil Control Program**

As part of the MDE Land Management Administration, the Oil Control Program (OCP) is responsible for coordinating oil pollution activities as required by State statute. These activities include, but are not limited to, the development of regulations, enforcement, permitting, and complaint response with respect to transportation, storage, and disposal of oil (as defined in Section 4-401(h) of the Environment Article). The Program has three divisions: Compliance, Remediation, and Permits and Support. Table 1 summarizes FY 2014 activities for the OCP.

Through the OCP, the Department continues to assess the extent of contamination from methyl tert-butyl ether (MTBE) and other gasoline oxygenates in waters of the State. The Department has been tracking the number of domestic wells with MTBE detections greater than 5 parts per billion (ppb) since the summer of 1999. A review of this data revealed that 673 domestic wells have been impacted with MTBE above 5 ppb. Any wells with MTBE concentrations at or above the State Action Level of 20 ppb are provided potable water, typically through a drinking water filtration system.

Maryland must provide notification to property owners in the High Risk Groundwater Use Areas of the State who are within one-half mile of a new petroleum groundwater contamination discovery. MDE made one notification during the reporting period.

The Department continues to work to ensure that storage systems are liquid and vapor tight to prevent groundwater contamination. Success continues in this area.

1. Compliance Division

The Compliance Division has the responsibility for the protection of the environment through enforcement of the oil pollution and tank management laws and regulations. Timely responses are also made to complaints concerning oil handling practices and operations. Appropriate enforcement actions are initiated when necessary.

The Compliance Division maintains a strong field presence and investigates petroleum discharges, identifies responsible parties (RPs), and oversees cleanup activities performed by the RP and cleanup contractors at surface spill locations. Compliance Division staff ensures that the proper cleanup and disposal methods are implemented.

The Compliance Division manages the underground storage tank (UST) Information Management System (UST IMS) to track 8,034 active USTs located at 2,971 facilities in Maryland. UST Facility Summary Reports, facilities issued a delivery ban, and Maryland certified UST technicians, removers, and inspectors are made available to the public on the MDE web site.

The Compliance Division also manages a certification program for UST system installation, removal, and inspection (i.e. Third Party Inspection Program). The Compliance Division has

highly trained staff and follows up on all UST deficiencies and conducts audits and inspections, as appropriate and as resources allow, of UST system removals, installations, and operations. The Compliance Division performs inspections on regulated aboveground storage tank (AST) systems to ensure compliance with Maryland regulations. In FY 2014, 3,579 inspections were completed by the accredited inspectors and the Compliance Division staff at 1,198 UST facilities.

2. Remediation Division

The Remediation Division has the responsibility for the protection of the environment through the investigation and clean-up of sites impacted with petroleum products. Timely responses are made to groundwater pollution complaints concerning oil products. Appropriate enforcement actions are initiated when necessary.

The Remediation Division oversees the RP for the discharge of oil and the cleanup contractor at subsurface remediation sites to ensure that the proper cleanup methods are implemented and public health and safety are protected. The Remediation Division also has primary responsibility for oversight of UST system removals. The Remediation Division had 799 active sites that were being investigated or remediated regarding petroleum releases at the close of FY 2014.

The Remediation Division coordinates and oversees State-Lead investigation and remediation activities on sites where a RP cannot be identified or where the responsible person is unable or unwilling to remediate contamination, causing a public health threat. At the close of FY 2014, a total of 67 sites were being addressed in this manner with State and Federal funds. Funded activities include: private well sampling, water filtration system installation and maintenance, site assessment, source removal, and remediation of soil and groundwater.

3. Permits and Support Division

The Permits and Support Division is responsible for the development and oversight of permits. The Administrative Resources Section within the Permits and Support Division provides support activities required by the OCP. The Permits and Support Division was involved in the following activities:

- a. Issued 197 permits to facilities operating in the State that are involved in the aboveground storage, transfer, transport, and delivery of petroleum products and the treatment of oil-contaminated soils. A total of 1,281 oil operations permits were in effect at the end of the FY.
- b. Oversaw the compliance of 138 State discharge permits for oil terminals and groundwater remediation systems under delegated authority from the National Pollutant Discharge Elimination System (NPDES) permit system.
- c. Managed the oil transfer fees and Oil Transfer Licenses resulting in 276 active licenses at the end of FY 2014.

- d. Coordinated invoicing activities for the OCP, including discharge permit fees, transfer fees, penalties, cost recovery, and UST Technician, Remover, and Inspector certification fees.
- e. Provided data processing support for monitoring and tracking of closed cases, requisitions, record retention schedules, personnel, vehicles, and daily activities.
- f. Conducted 312 audits of Oil Transfer License holders to ensure those license holders were paying appropriate oil transfer fees to the State. Of the total audits performed: 168 were found to be in compliance at the time of the audit and 144 were non-compliant. Of the 144 non-compliant audits: 136 were contacted by letter, phone, or email; 5 Notices of Non-Compliance were issued; 2 Notices of Violation with Penalty were issued; and 1 Complaint and Order was prepared.
- g. Implemented, coordinated, and provided testing and renewal certification of UST Technicians, Removers, and Third Party Inspectors. A total of 197 certifications were issued in FY 2014, resulting in a total of 400 active certifications at the end of the FY.
- h. Assisted in the response to 3,261 Public Information Act searches for consultants, realtors, lawyers, and individuals for information on oil pollution activities.

B. Emergency Response Division

The Emergency Response Division (ERD), within the Office of the Secretary, is the primary State asset that receives and tracks spill reports involving hazardous materials and oil. The ERD provides: 24-hour emergency response to spill incidents; technical support to other programs within the MDE; site safety and technical support to the Environmental Crimes Unit during criminal search warrants; and technically specific training to local fire, police, environmental health departments, and other interested parties upon request. The ERD responded to 537 oil and chemical spill incidents across the State.

During the past year, the ERD participated in seven oil spill drills. Some of these yearly spill drills are with the Salisbury Mutual Assistance Group (SMAG), the U.S. Environmental Protection Agency (EPA), Regional Response Team III, and the U.S. Coast Guard. These drills, in association with both federal and local agencies, are to test and improve the response capabilities of all responders in the event of a major incident.

The ERD has, as in years past, continued to supply sorbent materials to local responders. During FY 2014 the ERD supplied approximately 5,180 bags of sorbent. The ERD also provided 43 bales of pads, 38 bales of sorbent boom, 46 bales of sorbent sweep, and 15 drums to local fire departments. These materials allow local fire departments to mitigate smaller spills, thereby minimizing the harmful effects on nearby rivers and streams.

The ERD fleet consists of six primary spill response vehicles assigned to each of the six responders. In addition, the ERD operates a 2002 HME/Marion spill response truck that is

equipped for responses to large-scale incidents and bulk petroleum product transfers. The ERD also maintains two 1982 Boston Whaler 22-foot Outrages and a 1988 Boston Whaler 25-foot Guardian for maritime response. One of the 22-foot Boston Whalers is now staged at CATO Oil in Salisbury to support the SMAG. All three vessels are equipped with 500 feet of mini oil containment boom for rapid deployment. All three Boston Whaler boats were recently outfitted with custom aluminum tow bars for pulling oil booms. In the spring of 2010, the ERD placed into service a 25-foot Maritime Voyager spill response boat with a fully enclosed pilothouse. This vessel is equipped with state of the art navigation equipment, including radar and GPS for use in inclement weather.

The ERD maintains six spill trailers located at strategic locations across the State. Each trailer is equipped with 300 feet of harbor boom and a variety of spill containment materials and equipment. The trailers are accessible to both State and local responders in the event of an emergency. The ERD also maintains six dedicated boom trailers containing between 1,000 and 2,000 feet of harbor boom each. Additionally four dedicated boom trailers, containing 1,000 feet of open water boom each were recently placed in service enhancing the ERD capability to protect the Chesapeake Bay. Nine of these trailers are housed at the MDE Montgomery Park office, and the tenth trailer is stored in Salisbury, serving the SMAG.

During normal business hours, the ERD staffs the MDE 24-hour emergency telephone number, 866-633-4686 (866-MDE-GOTO), for reporting incidents involving hazardous materials and oil. Through a partnership agreement, the Maryland Emergency Management Agency (MEMA) Joint Operations Center receives the after-hours and weekend calls. During FY 2014, the ERD logged (see Table 2 for details): 1,809 oil spill reports; 127 hazardous materials spill reports; and 738 other spill reports for a total of 2,674 spill reports.

C. Air Quality Compliance Program

As part of the MDE Air and Radiation Management Administration, the Air Quality Compliance Program (AQCP) ensures compliance by regulated facilities with air pollution requirements. Program activities primarily include compliance inspections, inspections in response to citizen complaints, and follow up inspections. Inspections are performed on a regular basis at facilities associated with the handling of petroleum products. Such facilities include asphalt plants, pipeline breakout stations, bulk fuel terminals, gasoline dispensing stations, and petroleum contaminated soil remediation activities. In addition, the Program reviews all Third-Party Stage II Vapor Recovery inspections and follows up on noncompliance issues.

During FY 2014, AQCP staff conducted 1,669 Stage II Vapor Recovery and air quality related activities including: 67 routine air quality inspections at regulated oil-related facilities, review of 503 Third-Party Stage II Vapor Recovery inspection reports, and evaluation of 1,099 Stage II Vapor Recovery test reports. In addition, 325 activities were conducted at asphalt plants, bulk fuel terminals, and soil remediation facilities, including inspections and technical report reviews. Air quality inspectors responded to 2 citizen complaints regarding oil-related facilities, primarily for odors.

D. Water Management Administration Programs

The MDE Water Management Administration (WMA), through several key programs, assisted with preventing and coordinating responses to oil-related pollution. This was accomplished through permitting, inspections, data sharing, and technical reviews. Details of the WMA oil-related activities are described below.

1. Compliance Program

The Compliance Program is responsible for the inspection and enforcement in the regulatory areas including industrial and municipal wastewater discharges, and construction activities involving sediment control, stormwater management, wetlands, and waterways. Compliance Program staff enter Discharge Monitoring Reports (DMRs) for the OCP into the Integrated Compliance Information System (ICIS) and they inspect industrial facilities that may have oil storage that are included as part of a Spill Prevention, Control, and Countermeasures (SPCC) or pollution prevention plan under a NPDES permit. They permit facilities that store or handle oil associated with construction activities (e.g., construction projects that store oil for heavy equipment) for the discharge of stormwater.

There were 46 DMRs, 19 inspections, and 2 discharge permit renewals entered into the federal ICIS system related to oil control activities by the WMA Compliance Program for FY 2014. Note that the Compliance Program does not specifically identify or track which construction projects store oil for heavy equipment on-site under a NPDES permit for the discharge of stormwater associated with construction activities, but does check this aspect as part of construction site inspections for the NPDES permit for stormwater associated with construction activities. There were approximately 1,038 new sites approved for the NPDES construction stormwater permit in FY 2014 to make a universe of about 9,700 currently permitted construction sites, some of which store oil for heavy equipment on site. The Compliance Program does not inspect every construction site in the State each year due to resource restraints.

2. Wastewater Permits Program

The Wastewater Permits Program (WWPP) is responsible for permitting activities associated with industrial and municipal discharges, groundwater discharges, and coordination with local health departments for the regulation of individual wells and septic systems. These permits implement the public health and water quality protections required by NPDES as mandated under the Federal Clean Water Act, as well as public health and water quality protections required by the Underground Injection Control Program under the Safe Drinking Water Act.

WWPP staff performs several hundred inspections per year in wellhead protection areas of the State. These inspections include investigating potential sources of oil and grease at sites such as car washes and car repair shops. If potential sources of contamination are discovered, further investigation follows, which may result in an enforcement action to eliminate the source or a permitting process to regulate and control the activity.

In addition, WWPP staff advises the delegated programs (i.e. county health departments) when a new or existing well is potentially impacted by pollutants, including petroleum contamination. Generally, if impacts to a drinking water well are suspected, WWPP staff delegates sampling to the approving authority and advises as which contaminants should be sampled, including petroleum products. State oversight and technical expertise is critical to the local health departments in their efforts to protect public health.

Finally, WWPP staff issue individual wastewater discharge permits to more than 250 facilities and an estimated 100 permits or more require staff time to evaluate the potential presence of oil and petroleum related contaminants from the facilities. In addition, there are over 3,000 facilities with authorizations to discharge under general permits. These general permits include specifications related to chemical and fuel storage areas, which may include petroleum related products, such as appropriate controls and/or monitoring requirements for the runoff from those facility areas.

3. Sediment, Stormwater, & Dam Safety Program

The Sediment, Stormwater, & Dam Safety Program is responsible for stormwater management and erosion and sediment control laws, regulations, and policy; NPDES municipal permits; and dam safety laws, regulations, and policy. Regulatory application relates to two primary areas: the control of stormwater and pollution prevention considerations. Both of these areas are implemented by this Program.

Staff in the Program Review Division oversee the implementation of environmental site design (ESD) to control new and redevelopment stormwater runoff. This stormwater runoff can sometimes contain hydrocarbons (oils and greases) that originate from urban land area. ESD is used to attempt to replicate predevelopment runoff conditions and meet a maximum extent practicable (MEP) goal of "woods in good condition" for new development projects. Practices such as rain gardens, bioretention, and promoting sheet flow directed through vegetative practices removes pollutants, including hydrocarbons. Studies of best management practice design and efficiency indicate a definite need for petroleum hydrocarbon water quality control for certain urban areas, including automotive-intensive land uses, industrial and commercial areas, and restaurant districts.

4. Water Supply Program

The Water Supply Program (WSP) ensures that public drinking water systems provide safe and adequate water to all present and future users in Maryland, and that appropriate usage, planning, and conservation policies are implemented for Maryland's water resources. This mission is accomplished through proper planning for water withdrawal, protection of water sources that are used for public water supplies, oversight and enforcement of water quality monitoring at public water systems, regular on-site inspections of water systems, and prompt response to water supply emergencies.

During FY 2014, WSP staff provided support in protection of water supplies from nearby oil related pollution at the following sites: MD American/Bel Air water system, Chestertown,

Monrovia, and Berlin State Police Barracks. In addition, staff reviewed quarterly OCP reports on cleanup activities at various sites located within drinking water watersheds. As part of the WSP oversight of potential impacts from water withdrawals, the WSP assisted in the investigation of potential impacts from the groundwater withdrawals from oil spill remediation activities at the Exxon Jacksonville site on a nearby residential well.

E. Science Services Administration

In FY 2014, the Science Services Administration (SSA) worked towards the development of three polychlorinated biphenyls (PCBs) total maximum daily loads (TMDLs), which included the South River, the West River, and the Magothy River. These water bodies are currently listed in Maryland's Integrated Report as impaired for PCBs in fish tissue. The consumption of fish with elevated levels of PCBs poses a carcinogenic risk to humans. Staff within SSA developed numerical models to calculate PCB TMDLs for these impaired water bodies. TMDLs are a requirement of the federal Clean Water Act. In addition, a PCB source tracking survey in the Back River was conducted to identify unknown sources of PCB contamination within the watershed in order to eliminate these sources in the future through PCB TMDL implementation.

F. Other Oil Related Activities

1. Maryland Used Oil Recycling Program

Through an interagency agreement with the MDE, the Maryland Environmental Service (MES) manages the Maryland Used Oil Recycling Program. The purpose of the Program is to carry out the intent of the Maryland Used Oil Recycling Law, Section 5-1001 of the Environment Article, Annotated Code of Maryland. The law is aimed at preventing improper disposal of used oil generated by persons who change motor oil in their own vehicles through public education and by providing a sufficient number of convenient, accessible collection locations. In FY 2014, this Program was funded through an Intergovernmental Agreement (IGA) for \$40,000 from the Maryland Oil Disaster Containment, Clean-up and Contingency Fund.

In calendar year 2013, there were 464,415 gallons of used oil collected from 140 participating collection sites. Since 1988, the State's Program has collected more than 15.8 million gallons of used motor oil from do-it-yourself auto mechanics. The Antifreeze Recycling Program has also been successful by collecting 26,683 gallons of used engine coolant in calendar year 2013, which amounts to over 834,000 gallons collected and recycled since the Program's implementation. Additionally, during this period, MES continued used oil filter collection service at select program-sponsored locations, resulting in the collection and recycling of 228 drums of used oil filters.

To educate and encourage individuals to recycle used motor oil, the MES operates a toll-free information hotline at 1-800-473-2925, which received 1,572 calls in 2013. Additionally, MES staff conducted outreach initiatives at several local and State events.

In addition to used oil recycled through the Maryland Used Oil Recycling Program, the OCP tracked 51,659,624 gallons of used oil recycled through commercial companies in FY 2014.

2. Ad Hoc Committee on Oil

The Ad Hoc Committee on Oil is organized to provide a forum for State, federal, and local governments, oil industry, oil distributors, and contractors to meet, coordinate, and discuss issues pertaining to aboveground and underground storage systems, the prevention and control of oil spills, and other matters of interest pertaining to the handling of oil. The Committee also provides information to advise the MDE on national issues, regulations, and other matters of common interest. An average of 70 people attended each meeting and all meetings are open to the public. The committee meets approximately eight times during the year.

3. The Tawes Award for a Clean Environment and the James B. Coulter Award

The awards are co-sponsored by the MDE, the Maryland Department of Natural Resources (DNR), and the Maryland Petroleum Council to recognize youth, adults, and private and public organizations involved in the restoration and protection of Maryland's natural resources. The Tawes Award, given to both adult and youth awardees, is named in honor of J. Millard Tawes, governor of Maryland from 1959 to 1967 and the first secretary of the DNR. The James B. Coulter Award, named after Maryland's second DNR Secretary, acknowledges environmental contributions by a government employee. The awards were presented jointly by the co-sponsors on May 21, 2014 in Annapolis, Maryland. The recipients were:

Tawes Award for a Clean Environment

Youth Category

Northern Garrett High School

Adult Category

Boonsboro Environmental Commission

James B. Coulter Award

Chuck Ulm, Office of Maryland Comptroller

IV. FINANCIAL STATEMENT

An import fee is paid quarterly by persons transferring oil into the State. In FY 2014, a fee of 3 cents (\$0.03) was assessed per barrel (about \$0.0007/gallon) on oil products transferred into the State. MDE received \$3,832,428¹ in oil transfer fees that were deposited to the Maryland Oil Disaster Containment, Clean-Up and Contingency Fund. Another \$148,620 in cost recovery and \$258,012 in fines and penalties were collected and also deposited into the Fund.

Table 3 summarizes the petroleum product movement on which the license fees are based. It shows the quantities of different oil products transferred in the State from July 1, 2013 to June 30, 2014. **Figure 1** shows a 4.51 percent decrease in importation of petroleum in the State for FY 2014 to 96,808,859 barrels from 101,377,283 barrels in FY 2013.

Table 4 provides the FY 2014 financial statement for the Oil Disaster Containment, Clean-up and Contingency Fund.

Table 5 provides the FY 2014 Fund expenditures by the following Department of the Environment administrations:

- Land Management Administration (LMA)/OCP
- Emergency Response Division (ERD)
- Air and Radiation Management Administration (ARMA)/AQCP
- Water Management Administration (WMA)
- Science Services Administration (SSA)

¹ Revenues collected during the first quarter of FY 2014 (i.e. between July 1, 2013 and September 30, 2014) were based on oil transferred during the previous quarter (i.e. the final quarter of FY 2013). The oil transferred during the final quarter of FY 2013 was subject to the previous 5.75 cents per barrel fee. This fee difference accounts for the oil fee revenues collected in FY 2014 exceeding what would be expected with just the 3 cents per barrel fee.

V. CONTACT INFORMATION

This report was compiled by the Oil Control Program of the Maryland Department of the Environment. Questions regarding this report may be directed to the Program by calling 410-537-3442.

TABLE 1**Summary of Oil Control Program Activities****FY 2014 (July 1, 2013 – June 30, 2014)**

	Number of Sites Inspected	Number of Inspections	Number of Registered and Permitted Facilities⁽¹⁾	Number of Permits and Licenses⁽²⁾	Number of Ongoing Cleanups	Number of Enforcement Actions
Underground Oil Storage Facilities	1,198	3,579	2,971	400	N/A	61
Oil Pollution Remediation Sites	350	1,177	N/A	N/A	799	6
Aboveground Oil Storage Facilities	369	759	1,281	1,557	N/A	4
Totals	1,917	5,515	4,252	1,957	799	71

- (1) Includes facilities that are required to register USTs, to have Oil Operations Permits, and to have Stormwater Discharge Permits for Oil Terminals. Does not include Oil Transfer Licenses because they are not issued to a specific facility.
- (2) Includes UST Technician, Remover, and Inspector Certifications; Oil Operations Permits; Stormwater Discharge Permits for Oil Terminals; and Oil Transfer Licenses.

TABLE 2**Summary of Emergency Response Division Activities****FY 2014 (July 1, 2013 – June 30, 2014)**

JURISDICTION	REPORTS			RESPONSES	
	TOTAL	OIL	HAZ		OTHER
Allegany	68	22	1	45	3
Anne Arundel	275	203	15	57	81
Baltimore	409	280	21	108	136
Baltimore City	529	262	25	242	119
Calvert	24	20	0	4	0
Caroline	12	11	0	1	3
Carroll	70	52	4	14	14
Cecil	91	74	5	12	14
Charles	60	45	4	11	4
Dorchester	29	25	1	3	1
Frederick	100	78	3	19	13
Garrett	29	20	1	8	2
Harford	110	79	8	23	28
Howard	83	64	7	12	39
Kent	28	19	2	7	7
Montgomery	203	132	5	66	14
Prince George's	220	157	3	60	13
Queen Anne's	48	35	5	8	13
Somerset	21	15	1	5	5
St. Mary's	34	32	0	2	2
Talbot	15	12	0	3	0
Washington	89	61	8	20	10
Wicomico	32	28	4	0	5
Worcester	28	23	0	5	2
Federal Facility	45	42	1	2	3
State Facility	18	16	2	0	5
Out of State	2	1	1	0	1
Not Recorded	2	1	0	1	0
TOTAL	2,674	1,809	127	738	537

TABLE 3**Oil Transfers Subject to License Fee****FY 2014 (July 1, 2013 – June 30, 2014)**

TYPE OF PRODUCT	NET TO FEE (gallons)		
	FY 2012	FY 2013	FY 2014
Gasoline	1,851,651,575	2,024,976,567	2,104,543,011
Gasohol	862,653,515	819,705,843	651,565,060
Kerosene	36,458,190	39,730,239	37,331,969
Diesel	731,202,226	736,151,391	722,664,357
Biodiesel	7,572,236	16,377,953	18,989,110
Aviation	305,389,938	233,146,832	194,056,862
No. 2	164,051,020	121,995,737	166,717,298
No. 4	1,672,873	1,604,957	1,760,037
No. 5	2,396,566	1,628,321	7,595,746
No. 6	102,189,226	99,047,369	22,939,566
Asphalts	33,483,522	82,917,706	43,631,592
Hydraulic Oil	2,889,722	906,426	541,791
Lubricating Oil	24,146,992	25,657,291	25,722,401
Crude/Other	13,072,892	53,999,259	67,913,270
Total Gallons	4,138,830,493	4,257,845,891	4,065,972,070
Total Barrels 42 gal = bbl	98,543,583	101,377,283	96,808,859
ADJUSTED AMOUNTS ⁽¹⁾			
Adjusted Total Gallons	4,171,137,534	4,267,576,323	
Adjusted Barrels 42 gal = bbl	99,312,798	101,608,960	

(1) Updates to previous reports: Product reported after Annual Reports for FY 2012 and FY 2013 show adjustments to the number of gallons transferred during those years.

TABLE 4

Fund Financial Statement

FY 2014 (July 1, 2013 – June 30, 2014)

A. Beginning Fund Balance 7/01/13	\$4,218,529.10
Open Encumbrances FY 2013	<u>674,384.56</u>
Reconciled Adjusted Balance	\$4,892,913.66
B. <u>FY 2014 Receipts</u>	
Transfer Fees	\$3,832,428.15
Oil Spill Cost Recovery	148,620.46
UST Installer Fees	0.00
Tank Fees	0.00
Fines & Penalties	258,012.96
Revenue accrued in prior years	(38,496.70)
Miscellaneous / DBM Revenue Reduction	0.00
Transfer from 3170	0.00
Interest Income	<u>0.00</u>
Total	\$4,200,564.87
C. Total Funds available FY 2014 (A+B)	\$9,093,478.53

D. FY 2014 Expenditures

Salaries and Wages	\$2,985,811.63
Technical and Special Fees	55,138.12
Communications	63,105.86
Travel	13,856.49
Utilities	8,356.93
Motor Vehicle Operations and Maintenance	321,381.90
Contractual Services	1,392,552.50
Supplies and Materials	161,064.98
Equipment	197,555.04
Grants	0.00
Fixed Charges	15,646.18
Total Expenditures	\$5,214,469.63

E. Indirect Costs \$647,140.24

F. Balance in Fund 6/30/14 (C-D-E) \$3,231,868.66

TABLE 5**Fund Expenditures by Administration****FY 2014 (July 1, 2013 – June 30, 2014)**

	LMA / OCP	ERD	ARMA / AQCP	WMA	SSA	Total Expenditures
Salaries and Wages	1,418,470.51	779,442.13	100,000.00	641,137.61	46,761.38	2,985,811.63
Technical and Special Fees	55,138.12	0.00	0.00	0.00	0.00	55,138.12
Communications	39,244.90	18,917.73	0.00	4,943.23	0.00	63,105.86
Travel	12,577.96	524.59	0.00	753.94	0.00	13,856.49
Utilities	0.00	8,295.25	0.00	61.68	0.00	8,356.93
Motor Vehicle Operations and Maintenance	116,030.41	142,213.60	0.00	63,137.89	0.00	321,381.90
Contractual Services	1,085,681.48	27,502.22	0.00	6,389.31	272,979.49	1,392,552.50
Supplies and Materials	27,224.72	132,746.70	0.00	1,093.56	0.00	161,064.98
Equipment	46,989.23	148,714.76	0.00	1,851.05	0.00	197,555.04
Grants	0.00	0.00	0.00	0.00	0.00	0.00
Fixed Charges	14,962.84	0.00	0.00	683.34	0.00	15,646.18
Indirect Costs	339,677.85	173,275.14	13,800.00	99,367.12	21,020.13	647,140.24
Total Expenditures	3,155,998.02	1,431,632.12	113,800.00	819,418.73	340,761.00	5,861,609.87

FIGURE 1

Annual Barrels of Petroleum Imported



