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Trust Fund Deductible/Storage Tank Enforcement: Tennessee Department of Environment and Conservation Proposed Order/Assessment Addressing Memphis Facility

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The Tennessee Department of Environment and Conservation ("TDEC") issued a July 22nd Proposed Order and Assessment ("Order") to Henry Oil Company ("Henry") addressing alleged violations of the Tennessee Underground Storage Tank ("UST") regulations. See Case No. FDA25-0055.

The Order addresses a facility utilizing USTs in Memphis, Tennessee.

The TDEC Division of Underground Storage Tanks ("Division") is stated to have received a report of a suspected release at the facility on March 3rd regarding the T1 REG tank not getting a 0.2 gallon per hour pass for the month of February 2025. The Division was then said to be notified on March 10th that a leak was discovered at the unleaded piping at dispenser #15,

Division personnel are stated to have performed a compliance inspection at the facility on March 10th and identified violations which have been addressed by Henry. Nevertheless, they are stated to impact the deductible as set forth in Rule 0400-18-01-.09.

The alleged violations are stated to include:

- Failure to install, calibrate, operate, or maintain release detection method for piping in accordance with manufacturer's instructions.
- Failure to test line leak detectors annually.

The Division is stated to have been notified on March 11th that a hydrostatic integrity test was performed on the same day for the Under Dispenser Containment (UDC) sump pump underneath dispenser 14/15. The test is stated to have failed. The Division was also notified that the ullage section of tank "T1" failed the tightness test at the Submersible Turbine Pump (STP) manifold.

A site check is stated to have been subsequently required, and the following violations were stated to have been identified:

- Failure to report a suspected release to the division within 72 hours after discovery of released petroleum, the occurrence of unusual operating conditions or the occurrence of monitoring results that indicate a release may have occurred.

- Failure to repair, replace or close the UST system and begin corrective action if test results indicate that a release exists.

The Division received an application for fund eligibility on May 2nd for the February 28th release.

Division personnel are stated to have determined that the facility did not meet the requirements for the minimum deductible due to the previously referenced alleged violations. Therefore, the deductible is proposed to be \$30,000.00.

The Order requires that Henry perform release investigation and remediation activities pursuant to the relevant rules and correct outstanding violations. Further, a civil penalty of \$6,400.00 is assessed.

The Order provides certain appeal rights.

A copy of the Order can be downloaded [here](#).