The Virgin Islands Consortium

Puerto Rican Company Will Spend $1.6 Million To Improve Leak Detection In VI and Puerto Rico Gas Stations

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A settlement announced on March 9 between the U.S. and Total Petroleum Puerto Rico Corp. (Total Puerto Rico) resolves Resource Conservation Recovery Act (RCRA) violations alleged at 31 gas stations in Puerto Rico and four gas stations in the U.S. Virgin Islands that contain underground storage tanks (USTs) owned by Total Puerto Rico. These USTs typically hold large quantities of gasoline and can cause significant environmental damage if allowed to leak. Total Puerto Rico has agreed to pay a $426,000 civil penalty, implement compliance measures valued at approximately $1 million and undertake a supplemental environmental project (SEP) consisting of a centralized monitoring system estimated to cost approximately $600,000.

In the complaint filed simultaneously with the lodging of the consent decree, the U.S. alleged that Total Puerto Rico, as an owner of the USTs at the gas stations, violated RCRA and the Puerto Rico Underground Storage Tank Control Regulations (PRUSTR) by failing to report and investigate suspected leaks, monitor for leaks; provide adequate protection against corrosion and overflows, adequately secure dispensers and lines against tampering when facilities were temporarily closed, adequately secure monitoring wells against tampering and maintain records of release detection monitoring.

The settlement incorporates provisions consistent with the U.S. Environmental Protection Agency's Next Generation enforcement efforts, which focus on increasing compliance with environmental regulations by combining the use of advanced technologies, such as pollution detection systems and information technologies, with traditional compliance measures. The centralized monitoring component of today's agreement is a Next Generation technology that will enable Total Puerto Rico to rapidly identify and respond to actual or potential gas leaks at its gas stations with actively operating USTs, each of which will be equipped with on-site electronic release detection monitoring equipment that will be enhanced with the Next Generation capability to transmit monitoring data to one central location on a 24/7/365 basis.

"This settlement will require Total Puerto Rico to address the risk of gas leaks comprehensively by installing advanced electronic release detection monitoring equipment in all gas stations at which Total owns actively operating USTs," said Assistant Attorney General John C. Cruden of the Justice Department's Environment and Natural Resources Division. "The settlement also obligates Total Puerto Rico to install state-of-the art centralized monitoring technology, a Next Generation tool that will enable the company to provide around-the-clock surveillance from a single location for over one hundred gas stations."

"Leaking underground petroleum tanks are a serious problem because they can contaminate groundwater with pollutants such as benzene, which is known to cause cancer," Regional Administrator Judith Enck for EPA added. "This agreement includes an innovative centralized monitoring system, which will protect the environment by helping to ensure that the underground tanks at many gas stations across Puerto Rico and in the U.S. Virgin Islands will now be properly monitored and maintained."

Total Puerto Rico will install, or upgrade to, a fully automated electronic release detection monitoring system at 137 facilities with Total-owned USTs in active operation and will operate the systems for at least three years. This compliance measure, valued at approximately $1 million, will connect lines with probing sensors within the USTs to an on-site computer console unit that has audible and visible alarms capable of alerting nearby gas station personnel of gas leaks and other potentially dangerous events. The obligation to install automated release detection monitoring systems will extend to any additional facilities with actively operating USTs acquired by Total Puerto Rico after the date of lodging of the consent decree.

In addition, Total Puerto Rico's voluntary undertaking of a SEP – the implementation, operation and maintenance of a centralized monitoring capability estimated to cost approximately $600,000 – will connect at least 125 of the facilities with electronic release detection monitoring systems to a central location. Total Puerto Rico will also provide quarterly reports to EPA regarding its operation of these systems and will be required to provide information regarding their operation upon EPA’s request.

This is the second judicial settlement in Puerto Rico requiring a defendant to implement company-wide automated electronic release detection with a centralized monitoring capability. A settlement in 2011 with Chevron Puerto Rico covered over 140 gas stations for a period of five years. With today’s proposed settlement with Total Puerto Rico, more than 250 gas stations throughout Puerto Rico will have electronic release detection equipment and centralized monitoring.

The settlement is subject to a 30-day public comment period and is conditioned upon approval by the U.S. District Court before becoming final.