PETROLEUM TANK RELEASE COMPENSATION BOARD
MINUTES
April 20, 2026
IN-PERSON AND TELECONFERENCE HYBRID MEETING

Board Members in attendance were John Monahan, Kristi Kline, Grant Jackson, Calvin Wilson, and Curt Kelley, with Cody O'Connor in attendance via Zoom, and Jess Stenzel being absent. Also in attendance were Terry Wadsworth, Executive Director; Garnet Pirre and Ann Root, Board Staff; and Stuart Segrest, Board Attorney.

Presiding Officer John Monahan called the meeting to order at 10:01 a.m.

Approval of February 9, 2026, Minutes

Mr. Jackson moved to approve the February 9, 2026 minutes as written. Mr. Kelley seconded. Motion passed unanimously by voice vote with Ms. Kline recusing herself.

Weekly Reimbursements

Mr. Wadsworth presented a summary of weekly claim reimbursements for the weeks of January 28, 2026 to March 18, 2026.

WEEKLY CLAIM REIMBURSEMENTS April 20, 2026, BOARD MEETING		
Week of	**Number of Claims**	**Funds Reimbursed**
1-28-26	23	$144,800.90
2-11-26	27	$286,940.27
2-18-26	27	$385,574.99
2-25-26	17	$104,239.94
3-4-26	14	$101,385.80
3-11-26	14	$165,516.38
3-18-26	11	$60,063.66
Total	**133**	**$1,248,521.94**

Mr. Wadsworth presented the Board with a summary of the denied claims. There were 20 denied claims:

***Denied Claims* April 20, 2026 Board Meeting**	
Claim ID	**Reason Denied**
20251128F	Claim withdrawn at the request of the consultant due to wrong Form 3 contained within the claim.
20260226H	All costs in claim adjusted as claim consists invoice 52507003 which was previously used in claim 20260126B. That earlier claim 20260226H is currently suspended pending consultant's clarification of costs.
20180301L	No documentation of department approved corrective action plan.
20240715C	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240717B	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240823A	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20241114A	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20250207A	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240812C	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240717C	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240823C	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20241114C	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240715D	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA

Denied Claims April 20, 2026 Board Meeting	
Claim ID	**Reason Denied**
20240716A	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240717A	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240812B	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20240823B	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20241114B	Reimbursement denied ascribable to Grant Funds § 75-11-307(2)(h), MCA
20260120Z	Consultant requests claim to be withdrawn: costs will be resubmitted at a later date.
20260120B	Claimed costs all related to a scope of work (while present in approved work plan) was completed prior to work plan approval. Consequently, those costs are prohibited from reimbursement from the Fund by § 75-11-309 MCA. See Exec Director's 2025-09-18 email.

Mr. Wadsworth stated that many of the denied claims had been submitted by the Northern Cheyenne Tribe. Two (2) of the denied claims were ones that had been withdrawn by the consultant, one (1) claim had been withdrawn due to duplicate costs with another claim, one (1) had been withdrawn due to no documentation of Department of Environmental Quality (Department) approval on the workplan (WP), and one (1) had been denied due to the scope of work being completed prior to WP approval.

Mr. Monahan asked if all the claims related to the Northern Cheyenne Tribe dispute had been resolved. Mr. Wadsworth stated that, to his knowledge, this was so.

Mr. Monahan recused himself from any matters regarding Jackson Energy, and any of their dealer locations or customers. Mr. O'Connor recused himself from any matters related to Tank Management Services. Mr. Kelley recused himself from any matters pertaining to Little Horn State Bank and Little Horn State Bank's customers. Mr. Wilson recused himself from any matter regarding EnergiSystems and customers. Mr. Jackson and Ms. Kline expressed no known conflict of interest.

Ms. Kline moved to ratify the weekly reimbursements and 20 denied claims as presented. Mr. Jackson seconded. The motion passed unanimously by voice vote.

Board Claims

Mr. Wadsworth presented the Board with the two (2) claims for an amount greater than $25,000. He stated that the Board staff recommended ratifying the reimbursement of the claims over $25,000.

Facility Name Location	Facility-Release ID#	Claim#	Claimed Amount	Adjustments	Penalty	Co-pay	**Estimated Reimbursement
Town Pump Inc Kalispell I	1508709 2567	20260120J	$28,213.38	-0-	-0-	-0-	$28,213.38
Farmers Union Oil Co Chinook	310274 2559	20260226C	$63,340.64	$4,332.06	-0-	-0-	$59,008.58
Total			**$91,554.02**	**$4,332.06**	**-0-**	**-0-**	**$57,2214.96**

*** In accordance with the Board delegation of authority to the Executive Director signed on December 8, 2003, the Board staff will review the claims for the Board. If the dollar amount of the claim is $25,000.00 or greater, the claim must be approved and ratified by the Board at a regularly scheduled meeting before reimbursement can be made.**

****In the event that other non-Board claims are paid in the period between preparation for this Board meeting and payment of the claim listed above, the amount of co-payment remaining may differ from that projected at this time, which may change the estimated reimbursement.**

Mr. Monahan recused himself from any matters regarding Jackson Energy, and any of their dealer locations or customers. Mr. O'Connor recused himself from any matters related to Tank Management Services. Mr. Kelley recused himself from any matters pertaining to Little Horn State Bank and Little Horn State Bank's customers. Mr. Wilson recused himself from any matter regarding EnergiSystems and customers. Mr. Jackson and Ms. Kline expressed no known conflict of interest.

Ms. Kline moved to ratify the two (2) Board claims as presented. Mr. Jackson seconded. The motion passed unanimously by voice vote.

Attorney Report

Mr. Segrest presented the Board with the Board Attorney Report. He stated that there were no major updates to present at this time. At present, the Cascade County case has been remanded by the Supreme Court back to District Court. The Board and District Court were waiting on Cascade County and the plaintiff's attorney to take action to ask the District Court to remand to the Board for further action, as had been directed by the Supreme Court. He stated that Cascade County hadn't taken action at this time. He noted, however, that their attorney had reached out to him a while ago and suggested a meeting, but that they had not reached out to him after this. The case was still on a hold. He stated there were no further legal updates at this time.

Mr. Monahan noted that the Cascade County case had been going on for some time and asked if there was a statute of limitations or timeframe for their response, and if the case would be dismissed if Cascade County did not respond in that timeframe. Mr. Segrest said if, hypothetically, the case had been waiting for over a year or so after it had been remanded, the Board and Board attorney could make a motion to dismiss the case for failure to prosecute. This motion would be made on the grounds that the plaintiff had not moved the case forward and enough time had elapsed since their last response. At present, not enough time had passed for the Board to make this motion. He added that he did not recommend prompting the plaintiff for further action at this time, as it did not negatively affect the Board to let the case wait for the time being. He stated that, at some future point, the Board could motion to dismiss the case for failure to prosecute.

Fiscal Report MarFY26

Mr. Wadsworth presented the Board with a summary of the Fiscal Report. He noted that the Fund was still holding a high balance that was close to eight (8) million dollars. He expressed concern about what the balance would be when January 2027 arrived, as it would be a Legislative Session year.

Mr. Monahan asked if the Board was not allocating enough work in proportion to the funding that was coming in. Mr. Wadsworth stated that there was not enough work being proposed and performed on the ground to consume the balance that was in the Fund's account.

Mr. Kelley asked if the Board staff was receiving many applications for the preventative claims. Mr. Wadsworth stated that the Board staff had so far obtained two (2) preventative claim forms. One (1) of them was not consistent with the time window requirements, while the Board staff was working on reimbursing the other one (1) at present. Ms. Pirre stated that the Board staff anticipated that many more would be coming through. She had been informed by Town Pump that they would be starting to assemble preventative claims, as a majority of inspections at their properties had been conducted over the previous month. Because of ongoing discussions with Town Pump, it appeared there were going to be more claims in the near future.

Mr. Kelley asked if there would be many administrative hours involved with this process for the Board staff. Mr. Wadsworth said there would be a little bit of administrative time involved because Board staff would likely need around 25 to 30 preventative claims first to get a feel for how the process would go. At present the Board staff was still in the process of answering questions regarding the claims. Much of the process was still in limbo because those submitting the claims were still confused on some of the rules. The delays in activity would dwindle as both those submitting the claims and Board staff became more familiar with the process.

Mr. Monahan asked Ms. Pirre about her presentation for preventative claims at a recent operator training event. She answered that she attended the Underground Storage Tank (UST) Conference, and had made a presentation there. She stated that it had been a great event, as she received many questions and pieces of helpful feedback during her presentation. People had still been reaching out with questions since the training event. She was going to present the information at the upcoming Petroleum Marketers Conference, and the feedback had helped identify the points of confusion that needed to be clarified.

Mr. Monahan asked if the Board staff was confident that the contractors knew that once they got all of their work on-site done, they could submit for reimbursement, or tell the owner to submit. Ms. Pirre stated that, in the case of the preventative claims, the owner was the one that needed to submit the claims. A notice had been sent out to the owners and consultants once the rules and the law for the preventative claims had been published. The instructions and forms were also available on the PTRCB website, but she expected additional questions. Mr. Wadsworth added that this was why the Board staff believed the presentation and discussion at the Petroleum Marketer's Conference would be so productive.

Suggestions were made for other methods of outreach to the owners and contractors:

- Mr. Jackson suggested publishing the information on Facebook.
- Ms. Kline stated that it would be worth investigating where petroleum station owners obtained their news, Ms. Pirre stated that she had heard a couple of the contractors who perform the inspections had provided the forms and instructions to the owners at sites they were inspecting this year.
- Mr. Wadsworth stated that another source that would be worth asking was the installers and removers.

Ms. Pirre also stated that the most practical and likely use of the preventative claims would be for inspection costs incurred after January 1, 2026. The next claim could then be submitted 1,000 days later for any other incurred preventative costs. She stated that, because of the 1,000-day requirement, it appears difficult for the owner to fit the certain eligible costs within the 1,000-day time frame from the last inspection to the current inspection. She noted there was some confusion about this, which she could understand. However, she noted that there was outreach being done directly and that she believed this was proving to be effective.

Mr. Wadsworth stated that he believed they obtained most of their information at the UST training. He stated this was why Ms. Pirre had done a presentation during the training event. The staff will try to find other venues where the information could also be shared.

Ms. Kline noted that she liked that some of the inspectors were the ones that were sharing the information on the preventative claims, as the owners would know who these people were and trusted them. It is often difficult for someone to ask questions on something that was not well understood, as it ran the risk of making the person look like he or she did not know anything, even though it was important question to ask. She stated that, because of this, there could sometimes be barriers in the way of information outreach on these things. Ms. Pirre added that these questions also contributed towards improvement of the preventative claims being received.

Mr. Wadsworth asked Mr. Monahan if there had been any discussion about the preventative claims at the petroleum conference in Las Vegas. Mr. Monahan answered that he had not attended the event. He stated it might be worthwhile to obtain input from the Board, as well as from Mr. Wadsworth as to how to address the previously stated issues with the Fund's balance.

Mr. Monahan stated that, regarding the fund balance, he had been speaking with the former Presiding Officer, Mr. Jerry Breen, and he had asked how the Fund could have such a high balance when the expenses of cleanup that are being reimbursed had doubled since his tenure with the Board. Because of this, Mr. Monahan asked what the resolution to an issue like this might be. He noted that even though the obligated funds were close to what was recorded on the books, it did not mean that the work would necessarily be completed or reimbursed. He stated that the money would only get spent if the consultant actually performed the labor.

Mr. Monahan asked if there was an outreach method that could be used in order to encourage more workplans and more fieldwork. Mr. Wadsworth stated that the Board may want to make a formal request for more work plans and for more cleanup activity to the Department. Perhaps to send out 400 WP request letters to the facilities that are open and eligible for the Fund that currently don't have a WP and that are not in monitored natural attenuation (MNA). He added that he believed that there were additionally around 600 releases that were Board eligible that were open, and that around 150 of those were in MNA. He stated that he assumed these releases had WPs, and that this left around 400 open releases that the owner could be doing work on. He stated that the only way to encourage further work on these sites would be to have the Department request the owner conduct the cleanup.

Mr. Monahan asked if, when the Department made their request to the owner, that the owner was then required to contact a consultant and get a WP put together. Mr. Wadsworth stated that, generally, a WP request letter sent by the Department would state something about the fact that there was work that needed to be done and that the owner would need to contact the consultant to have a WP created within a particular time so that work could start. Without the WP request letter, most of the sites would stay dormant.

Mr. Wadsworth stated that this was a detriment to the citizens, as there had been property transactions where the new owners would not realize there was a release on the property. Because Montana was a buyer beware state, the new owner had to do the due diligence to know what was being purchased and what was on the property, or beneath the property. A real estate agent wouldn't necessarily inform a potential owner of the existence of a release. He noted that he had a conversation with a new owner recently about not being made aware of the subsurface contamination, as the owner had not known there was a release at the site and wanted to know what could be done with it. It was found that the facility was eligible for the Fund, and that there had been only a little amount of money spent so far to remediate the contamination. He noted that, based on a cursory review of available reports, the piece of property was not going to spend the rest of the funding available to remediate it. The contaminant concentrations recorded at the site had been low, and the site was close to closure. He noted that the UST with the release at this particular site had been for heating oil rather than motor fuel, and because of this, the maximum amount reimbursable for the release was less. However, because the amount released was so small, Mr. Wadsworth stated that he believed this maximum wouldn't be exceeded.

Mr. Wadsworth stated that WP request letters kept the process moving along, allowed for the knowledge of the release to be at the forefront of the owner's mind, kept work continuing at the site, and helped remediate the sites in a timely manner.

Ms. Kline asked Mr. Wadsworth if what he was saying was that there was no rule or law that an owner had to notify the buyer that there was an open release on the property they were selling. Mr. Wadsworth answered that this was correct. He stated that he had tried to communicate this to real estate agents in the state of Montana. However, because the real estate agents were not held accountable for notifying a buyer about whether there was a release on the property and Montana was a buyer beware state, they would often not disclose this so as to not diminish the from potential for the sale. He stated that there was no penalty for this, but that there had been lawsuits made against owners on the failure to notify issue in the past, and that it would be nice for potential buyers to have notices regarding releases on the land's property deed.

Ms. Terri Dorrington, Bureau Chief, WMR/TBFF, introduced herself to the Board and stated that, a couple Legislative Sessions ago, there had been a statute change in §70.20.502, MCA that required owners to include a seller disclosure statement. She stated that this statement required the seller to include several items related to the property, including any known petroleum releases. The statute states that owners that failed to disclose this could be legally liable.

Mr. Monahan asked if the real estate agent was the one liable in this scenario, or if it was the owner. Ms. Dorrington answered it was the owner who could be held liable, and that the Department had presented information on this topic to some realtors in town. She stated that the Department was happy to share the presentation with anyone interested, or if anyone knew of any relators that would be interested. She stated that the Department had trained said realtors on their ArcGIS (GIS) mapping software system to locate sites with contaminants, which would allow them to do their due diligence. She stated that the Department encouraged others to look at the GIS system, especially in cases where the property was changing use. For example, at old gas stations, the Department highly encouraged Phase I and Phase II investigations to see if there was contamination still present at the site.

Mr. Monahan asked when this law had gone into effect. Ms. Dorrington stated it had been two (2) legislative sessions ago. Mr. Monahan asked if she meant in 2023. Ms. Dorrington confirmed this was so. Mr. Monahan asked if this meant it likely went into effect in 2024. Ms. Dorrington confirmed she believed it was so. Ms. Dorrington stated that she believed this law would help in going forward, but that the Department was still seeing cases where someone had bought the property, or someone had passed away, and the release then went undisclosed to the new owner. She stated that, because of this, the Department was trying to move owners away from not disclosing releases and encourage owners to do their due diligence to disclose this information to buyers.

Ms. Kline stated that an observation she'd had since joining the Board was that because older owners didn't disclose releases, it also often meant Board and Department records did not have the correct information for the current owners. She noted that she believed outreach had improved on this, but that this was still something that needed to be kept current and up to date.

Board Staff Report

Mr. Wadsworth provided the Board with a summary of the Board Staff Report. He stated that the report recorded that the current balance in the Fund was $766,454.38. However, he stated that this was a typo, and that the actual current balance was $7,666,454.38. Also of note were the pending eligibilities in the report. He stated that, with the RY Timber, Gilligan's Island, and Good 2 Go sites, there were eligibility questions holding up the site from getting approved. The Equity Coop site's eligibility was still pending due to questions on the existence of insurance. Pertaining to the Good 2 Go facility, the Board staff was in communication with the owner, had recommended ineligibility, and was awaiting the owner's response.

Ms. Kline stated that being able to see the report and graphs helped add context to the ongoing situation with the Fund balance. She noted that, outside of the pending eligibilities, there were many approved eligibilities detailed in the graph, which could indicate more projects and work in the future that could help address the Fund balance issue. Mr. Wadsworth stated that the most recent releases generally had a WP, but it was the older releases that were the concern regarding no current work.

Mr. Monahan asked Mr. Wadsworth if this meant that the Board had not had any eligibility applications. Mr. Wadsworth answered that there had been none in the period January 2026 through March 2026. Ms. Pirre stated that the Board staff received one (1) in April after the creation of the Board staff eligibility graph. Mr. Monahan stated that he noticed there had not been any eligibility applications in the early months of the previous year either and asked if this was a regular occurrence for that time of year, or if it had to do with a lack of work. Mr. Wadsworth answered that he believed part of it had to do with the time of year, as most facilities didn't want to remove tanks during the fall or winter season. Because of this, the discovery of releases generally coincided with redevelopment at the site, as the changing out or upgrading of USTs as well as property sales or purchases often led to release discovery.

Mr. Wadsworth added that the eligibility graph did not depict eligibilities that were received but immediately had to be sent back due to an issue. Such eligibilities were not entered into the database from which the graphs were generated. Others were entered but had to be sent back later, which could result in the eligibilities showing up as "withdrawn" on the graph. He stated that examples of this could be seen in April 2024, September 2024, and August 2025. He stated that some eligibilities were marked as withdrawn due to the Department rescinding a release, or because the site had been recommended ineligible and the release was in the process of being closed.

<u>DEQ Petroleum Tank Cleanup Section Report (PTCS)</u>

<u>Summary of Confirmed and Resolved Petroleum Releases</u>

Ms. Dorrington presented the Board with a summary of the PTCS Report. She stated that, since the February 9, 2026 Board meeting, there had been five (5) suspect releases, four (4) of which were confirmed. Two (2) releases were resolved, and of the two (2), one (1) was eligible. In addition to this, there were ten (10) releases that were in the closure review process at present, and of these ten (10), four (4) were eligible releases. She stated that this meant they were being routed through section management for review of the release closure packet. For overall activity, there had been 4,901 total confirmed releases, 3,996 total resolved releases, and 905 total open releases. Of these 905 total open releases, PTCS was responsible for managing 854 of them, while 586 of the releases were Fund-eligible, 86 were ineligible, and 185 had either not applied, had a pending application, had been withdrawn, or were suspended. Additionally, as of the start of 2026, 50 Legacy Release Reminder Letters had been sent, 39 WP request letters were sent, 34 of which were for eligible releases, and 27 WP approval letters were sent, 22 of which were for eligible releases.

Ms. Kline asked Ms. Dorrington for an explanation on what was a legacy release. Ms. Dorrington stated she believed it was any release discovered prior to the year 1990, which she later corrected was actually a release discovered prior to the year 2000.

Ms. Kline asked if the 50 legacy release reminder letters that were sent encompassed the total open legacy releases that existed at the time, or if there were more legacy releases outside of the ones for which the letters were sent. Ms. Dorrington answered that there were more legacy releases than this, and that these letters were sent out each month based on the release's month of discovery. Releases with a January discovery date had their respective reminders sent out in January, and so forth.

Ms. Kline asked what the rate of response was to the reminder letters. Ms. Dorrington answered that she believed the response rate had been around 50%. Miss Kline asked if the 50% applied to the 50 letters mentioned in this summary, or to the cumulative total of reminder letters that had been sent out for legacy releases. Ms. Dorrington stated this related to the 50 sent out this year, as around 25 of the recipients who received these letters had reached back out to the Department to ask how the release could be moved along. She stated that the ones that had not yet responded would be contacted again at a later date.

Ms. Kline noted that a reoccurring problem would be if the owners had changed for some of these legacy releases and the Department's records had not been provided current owner information. She asked if the Department had run into issues where some of the reminder letters had ended up undeliverable. Ms. Dorrington answered that this could be the case for some of the letters. She noted that, in other cases, the former owner who received the letter had reached out to let the Department know they no longer owned the property, after which research would be done to find the current owner. She stated that, in other cases where the letter was not delivered, the Department did not know if the letter was delivered to the right person if they never hear back from them.

Ms. Kline asked if the legacy releases on file were considered a low priority. Ms. Dorrington stated that while it varied, a majority would likely be lower priority. She stated this was because when a release was higher priority, it was usually due to a threat or risk caused by the release. However, with over 900 currently open releases, there were occasional cases where something could fall through the cracks. The Department would be moving the release forward if the risk was high enough.

She stated that, because of this, the Department was working hard to shift the section focus and was hoping to do so with a standard being developed alongside the Environmental Protection Agency (EPA). The new standard accounted for threat analysis, and research was being done to see what releases had real or perceived threats to human health or the environment. Because of this, high risk releases were the ones that were getting the most attention by the Department to be moved forward. Meanwhile, lower risk sites were being worked on to be brought towards closure wherever possible. Legacy releases with high risk levels would quickly receive WP request letters.

Ms. Kline noted that, in her over five (5) years working for the Board, the total amount of open releases always appeared to stay around the same total, and that the amount never appeared to decrease. Ms. Dorrington thanked Ms. Kline for noting this and stated that this had just been discussed at the recent consultant's day conference. She stated that there had been a new standard established to help with this called "Moving Sites to Closure" (MStC) as it was an issue not only in the State of Montana but had become a problem across the United States. The EPA was in support of this standard, as one of their headquarters' representatives had led the way in helping develop the standard. The standard had been published in May 2025, and Ms. Dorrington and many of the PTCS staff members had been on the workgroup for many years. As soon as the standard had been published, the Department had been working to see how it could be implemented in Montana so that more releases could be brought to closure. There had already been a standard for site closure; however, the new standard had been developed in order to supplement the old one. This was accomplished by factoring pathways to closure in addition to the risk analysis. She stated that, at present, the state of Montana did not have a way to do this efficiently due to the statute and rules. Site closure methods were limited at present. Because of this, the Department was looking to propose rule changes in the coming year. All the stakeholders involved would be brought into this process, and it was to address the very thing Ms. Kline had asked about, which was to prevent stagnation on release closure. Because of this, much communication and work were being done to implement these changes in rules by the start of the next year.

Mr. Monahan asked Ms. Dorrington if the 50 legacy release reminder letters were what in turn prompted the 39 WP request letters to be sent out. Ms. Dorrington stated that the two categories were separate. The legacy release reminder letters reminded property owners that they had a longstanding release at the facility, while the WP request letters informed owners they were required to produce a WP by a certain date. This was what usually generated the WPs the Department would receive, as the Fund would generally need to see this letter to guarantee reimbursement for the site. Because of this, reminder letters were not the only thing sent out, as there would be a WP requested of and required by the owner later. The WP request letter informed the owner of the work that was required to clean up the property.

Mr. Monahan asked if the time deadline for the WP request letter depended on the severity of the release. Ms. Dorrington answered that she believed this was pretty standard, and that if there were releases with risk, there generally was and could be an accelerated timeline requested for such cases. She stated that to hurry these cases along, the Department had other funding sources such as LUST Trust or special legislative funding that could sometimes be used to quickly address high-risk releases. Because of this, the timeline often was dependent on risk level.

Mr. Monahan noted that sites eligible for the Fund were the majority, with 854 releases in this category currently open. He asked how many of these 854 sites had active WPs. Ms. Dorrington answered that this information could be retrieved at a later time and included in the next Board meeting packet or sent to Mr. Monahan. She stated that these releases were eligible and should have been moving along, but there were times when this could end up getting impeded.

Mr. Monahan asked how the Board staff could contact an owner that had an eligible release that might or might not have a WP, and if there was an avenue for the Board staff to get in touch with such people or if this was a request that had to come directly from the Department. Ms. Dorrington answered that the WP request had to come from the Department, but that it was beneficial if the Board staff were communicating with owners about their eligibility, what it meant, and how work could move forward. She added that she believed this kind of communication was always beneficial because it allowed for communication from multiple parties and built up a holistic viewpoint of the process to the owner.

Ms. Kline request to have the information that Ms. Dorrington was going to send back to Mr. Monahan to be included in the tables for the future Board packet. Ms. Dorrington stated this could absolutely be done, as a category detailing how many of the releases had active WPs could be added under total Fund eligible releases. Ms. Kline noted that there was already a lot of data available, but that the tables could still be expanded in these reports to include more of this information, as it was helpful to the Board. Ms. Dorrington stated that a way to detail this category would be to add it as the number of WPs that had been approved by the Department. She noted that, as far as if it could be detailed how many of these WPs were Fund-eligible was another question, but that this could also be added as a category.

Mr. Monahan stated that Ms. Latysha Pankratz, Section Supervisor, PTCS had done an excellent job providing the numbers for the PTCS report.

AAA Storage, Facility #25-08847, TID 17125, Rel #3840, WP #716834839, Helena, Priority 3.0

Ms. Dorrington provided the Board with a summary of the WP over $100,000. Mr. Douglas Byrd was the responsible party for Release 3840, and had retained Tetra Tech, Inc. (Tetra Tech) as their environmental consultant. Tetra Tech submitted a cleanup WP on behalf of the owner that proposed expanding the existing in-situ chemical oxidation system using Cool-Ox® injectate to remediate soil and groundwater followed by groundwater monitoring. The estimated cost for the WP was $142,137.85. The Department approved the plan.

Ms. Dorrington stated that there had been a Release Closure Plan submitted before the WP, in which the best path towards closure was proposed. This was submitted in December 2023. Tasks that had been looked at during this time included monitored natural attenuation, in-situ oxidants and additional units of such, nitrogen infusion, and no action. Based on the site's data, it was decided that in-situ oxidation was the most efficient choice for remediation. The facility was in Helena in a relatively populated area. An initial remedial investigation had been conducted in 1999 and 2000, during which an out-of-use gasoline UST was discovered at the facility, with further investigation and cleanup activity having occurred regularly since. Cleanup strategies had included in-situ oxidant injection and a soil-vapor extraction (SVE) system.

Ms. Kline asked if the storage unit at the site had been part of the original facility, or if the property was something else before this. Ms. Dorrington stated she was imagining the property was something else previously, but that she believed Tetra Tech might have a more comprehensive picture of the site's history if anyone from the company was present to speak.

Ms. Rhianna Reed, Environmental Consultant, Tetra Tech, introduced herself to the Board. She stated that, to answer Ms. Kline's question, the facility had once been a construction company that had installed a UST prior to the year 2000. When the property was sold, it was changed to be a site for storage units, but the existence of the UST was never disclosed to the new owners and no records existed on the tanks. She stated she was in possession of a detailed site history should the Board desire more specific details. The site with the release was adjacent to the current Northwestern Energy facility. Said Northwestern Energy facility was also a site with a release that had been under long-term remediation and investigation. Because of this, the release at the AAA Storage facility had been found when trying to locate the contamination at the Northwestern Energy property.

Mr. Monahan asked if the contamination at the Northwestern Energy facility was for a separate release that was not part of the WP being discussed. Ms. Reed stated this was correct, as the release being discussed was the one at the AAA Storage Facility. Mr. Wadsworth added that he believed the investigation at the adjacent property had not been solely for petroleum at that facility. Ms. Reed confirmed this was correct.

Mr. Wadsworth noted there were other chemicals of concern when it came to electrical company facilities. Mr. Monahan asked if this meant that the neighboring release was a type of contamination found that would have originated from the Northwestern Energy property. Mr. Wadsworth stated this was so, as he noted that electrical transformers had chemicals that were a subsurface contaminant that could extend for some distance. He stated that, while he was not familiar with Northwestern Energy's property, he believed he remembered from looking into this property that there were other chemical constituents from Northwestern Energy that were not petroleum. Because of this, he noted that when Ms. Reed referred to the release at Northwestern Energy, she had been referring to a release consisting of a variety of chemicals that were not petroleum when they found the petroleum release at AAA Storage.

Mr. Wadsworth presented the Board with a summary of the Board staff comments on the work plan over $100,000. He stated that the Board staff were required by law to require three (3) competitive bids for work that was greater than $2,500. In these cases, at least three (3) bids would need to be obtained from three (3) different companies to compare prices on items such as hydrogen peroxide-based technologies. The WP proposed the injection of Cool-Ox®. Mr. Wadsworth noted that, given the product information, Cool-Ox® was a hydrogen peroxide-based technology, but it was not the only product of its kind available. Additionally, the WP had proposed injection of the product into wells where the contamination did not exceed 1,000 micrograms per liter (ug/l) of benzene. Because of this, the Board staff recommended nutrient injections into wells where benzene concentrations fell below the 1,000 ug/l mark rather than the more expensive product Cool-Ox®. Hydrogen peroxide products were generally used where anaerobic degradation was occurring within the plume. Such processes occurred when the concentrations between 5,000 and 9,000 ug/l of benzene in the plume. Because of this, the product would normally not be proposed for injection in something where the contamination was around 1,000 ug/l or less.

The Board staff also had other comments. The consultant was planning to take an equipment blank, which was not something commonly obtained for petroleum-contaminated sites. Because of this, the Board staff saw no reason for the collection of or the analysis of the equipment blank and did not recommend the reimbursement of this. The WP stated that water level measurements would be taken from all wells on the site, but the Board staff did not see the necessity for taking this from every well at the site. The Board staff only saw a necessity for fluid measurements at wells that were being sampled, as well as at the four (4) wells where injection would occur. Outside of this, the Board staff did not see any need for the water level measurements. Deep Earth Technologies, the manufacturer of Cool-Ox®, had provided a quote that indicated the price for the scope of work didn't change with the amount of product that was injected. Because of this, the prices for this proposed subcontractor were not scalable, which made the competitive bid process even more important. The Board staff recommended a hydrogen peroxide-based technology only be introduced into about a third of what was the proposed scope of work. Because of this, the cost of the Cool-Ox® should be a third of what was proposed, but the competitive bid from Deep Earth Technologies was non-scalable. The consultant's December 2023 report's Release Closure Plan identified four (4) possible remedies for the release in the remedial alternatives analysis. The least expensive remedy was estimated at $50,000. This technology also had the same time to closure as what is being proposed in this work plan's scope of work that cost $140,000. Because of this, the Board staff did not see any reason why the cheaper alternative should not be taken. Because of this, the Board staff recommended the consultant reconsider the activities planned for the site.

Mr. Monahan noted that the WP cost sheet said the WP's total cost was $44,480.30, but the estimated cost in the summary stated it was going to be $142,137.85. Mr. Wadsworth stated that this was because the $44,480.30 estimate did not include the cost of injections. The cost of the injection work and associated injectate, which has been a topic of this WP discussion was over $2,500, which requires by law a competitive bid on both the work and the product for which no competitive bid was provided. Because the consultant did not provide a competitive bid on these costs which is required by law, neither the work nor the product can receive reimbursement and therefore those costs have been zeroed out of the estimate. He stated that the original cost with injections factored in would have been in the $80,000 range. However, this amount would then be cut to a third of what was proposed because of limiting the injection to areas where Hydrogen peroxide products have been shown to be cost effective, despite the fact that the Cool-Ox® proposed costs are not scalable.

Mr. Monahan asked why the Cool-Ox® costs were not scale able, and if mobilization was a factor as to why. Mr. Wadsworth stated this was part of it, as the vendor company's crew would have to travel to the site from Chicago with their equipment regardless of the amount that was injected. He stated that this was why the Board staff wanted a competitive bid on the product and services, as it was expensive for the crew to travel from Chicago. He stated that a company that performed hydrogen peroxide injection could be found in the state of Montana, and that while the owner wasn't barred from hiring Deep Earth Technologies from Chicago, the Board staff would not reimburse these costs that were not competitively bid.

Mr. Monahan clarified that it wasn't that the Board staff would not, but rather that they could not reimburse such costs by law. Mr. Wadsworth stated that the Board staff required a competitive bid on such costs but also were required to have evidence that the costs were reasonable and necessary of responding to the release. Competitive bidding helped ensure the costs were reasonable.

Mr. Monahan asked if he was correct in understanding that it was three (3) competitive bids. Mr. Wadsworth confirmed this was so, and that it was important to note that the three (3) competitive bids were something required under law. He stated that, in the past, there had been a consultant that solicited three (3) bids: one from his cousin, one from his coworker, and one from his neighbor. The law requires three (3) competitive bids not just 3 bids. If the consultant solicited 3 bids and this was no bid, no bid, and a bid, and the Board staff deemed that the single bid was too high, the Board staff had the ability to reach out and obtain their own competitive bid from a third-party contractor. If the Board staff's bid came out lower than what was proposed, they would adjust the allowed reimbursed on the WP's task to the amount of the bid that the staff had received. If another project had similar work being done at a different price, this could also be a point of comparison that the Board staff would have available to determine reasonableness. He stated, for example, there had been a time where it had been difficult to obtain excavation contractors in eastern Montana due to the Bakken oil boom. Because of this, it had been difficult to obtain competitive bids at that time, and the bids obtained were generally reasonable compared to the prices common on the market at the time. Mr. Wadsworth noted that, in this scenario, there was no competitive bid, but the Board staff required a competitive bid. There was only one subcontractor chosen and the costs did not appear to be reasonable and staff believed funding could be saved.

Ms. Kline asked if there had been any results obtained from the previously installed in-situ oxygen treatment and SVE at the site. Ms. Reed stated she was unsure, as the site summary had been brief and she had not been the one who prepared it. She stated that Tetra Tech had been assisting the site since the year 2000, and there had been SVE and air sparging devices operating at the site as well as extensive remediation conducted over the past twenty plus years. The site had reached a point where the previous strategies were not useful anymore, and product could no longer be extracted economically using such methods. A previous manager at Tetra Tech had built a series of wellhead base systems where dissolved oxygen was being constantly injected into the dedicated wells. Three (3) of these devices had been installed. Ms. Reed noted that, when she had come into the picture for the project, regional groundwater levels had dropped. Because of this, some of the wells were dry, while other well screens were now submerged. It was because of this that results were not able to be obtained anymore using the current technology.

Ms. Kline noted that it seemed like the release had been a big spill. Ms. Reed stated that it appeared that the release had occurred as a slow leak from the tank over time. Ms. Kline noted that it looked like the site had been developed on top of the tank. Ms. Reed confirmed that development had occurred around the tank. She stated that difficulty arose from a natural gas line that ran parallel to the storage units at the site. Because of this, it had also been difficult to excavate and install devices beneath the surface because of those subsurface utilities.

Mr. Monahan stated he had two (2) questions. First was that Mr. Wadsworth stated there had been four (4) different remedial alternatives suggested, one of which was for $50,000, and was wondering why the $50,000 remedial alternative had not been chosen. Ms. Reed answered that this was because the cheaper option would have taken more time, thus drawing out the remediation process even longer before the site could reach closure. Mr. Monahan's second question was that well injection had been discussed in regard to a different site at the previous Board meeting and he noted that the Department had stated at that time that injectate could not be put into wells. Mr. Wadsworth indicate that Mr. Monahan was correct. As Mr. Wadsworth remembered, that the Department stated that they would not approve the introduction of a product into monitoring wells. He noted that in this circumstance that although the WP proposed the "injection" of Cool-Ox® into the wells, that what was really being proposed in this case was actually an "introduction" of hydrogen peroxide product containing nutrients into the wells rather than injection. It is important to note that although the Department would not allow introduction of a product into existing site wells for a site discussed at the previous Board meeting, the Department had approved the introduction of this product into existing wells at this site.

Mr. Wadsworth also noted that, in the September Board meeting, the Board staff had also suggested that hydrogen peroxide was better for higher concentrations of contaminants. He stated it was not good to inject hydrogen peroxide into a plume for which there was aerobic biodegradation occurring because it would kill the bacteria causing the aerobic activity to occur. Because hydrogen peroxide was an oxygenate, it broke covalent bonds and the carbon bonds between the petroleum and the soil but it killed the aerobic bacteria. It does provided oxygen to the subsurface but as a radical molecule that damages bacteria. Even though it disrupted aerobic bacterial activity, he noted that the product benefited anaerobic processes, as it broke the bonds that the anaerobic activity needed to have broken in order to consume the petroleum. This was why hydrogen peroxide benefited the sites where the concentrations were higher. However, aerobic activity was what occurred when there were lower concentrations, which was why the Board staff had suggested nutrients below 1,000 ug/l. This was also why the recommendation was made to reduce the amount of hydrogen peroxide to be used at this site to a third of the proposed amount, as only a third of the wells were above a level of contamination where it would be effective. He noted that, at the September 20, 2025 Board meeting, the board staff had recommended the introduction of nutrients, which were mostly nitrogen and sugars, into a well with lower contamination because of this. With this method, there was no scaling that occurred at the wells, but the Department did not approve the proposal. Meanwhile, he noted that the Department had approved this WP with the introduction of Cool-Ox® into the wells.

Mr. Monahan asked what the difference was between the release discussed in September 2025 and the current one. Mr. Wadsworth stated that the Board staff's recommendation for the September 2025 release had been for nutrients, while this proposed WP was for hydrogen peroxide-based technology, which included nutrients. He stated that, because of this, there was not much difference between the work plans for the two releases.

Mr. Monahan asked Ms. Dorrington if she had an answer to this question. She stated there were about six (6) different, highly technical topics that Mr. Wadsworth had just brought up. She stated that, if the Department could have Mr. Wadsworth's comments in writing to submit to the project's consultant, this would benefit the Department. She added that, as for what she could address, she could provide insight on the issue relating to nutrients versus Cool-Ox®. The main difference was that, for nutrient injections into wells, either the EPA or Department had to approve the task. The reason for this was because they did not want an accidental introduction of nutrients with nitrates in a well to enter drinking water wells or other wells. Because of this, health and safety were a concern. Another concern was the biofouling of monitoring wells, as wells became unusable or unreliable if these things were introduced, and new monitoring wells would need to be drilled. She added that, in this case, because of the usage of Cool-Ox®, what was being proposed, and how it was administered, biofouling of the well would not be a concern with this process. She stated she would have to look at the WP to check and see if nutrients were viable at all alongside the Cool-Ox®. She noted that the discussion was moving in many directions, all of which were very technical. She added that, when it came to the 1,000 ug/l contamination levels as a cutoff on benzene, she would need to see a source on this information and the science behind it, as it was not a policy number from the Department. Because of this, she would need to know what the Board and Board staff's policy was on the use of Cool-Ox® in areas with this level of benzene concentration, and why 1,000 ug/l was the cutoff being used. She stated that, because of this, it would be beneficial to both the Department and consultants to have this information in writing.

Mr. Monahan suggested that Board staff speak with the Department and consultant and return with a WP that could be acceptable and would not need to be brought back to the Board for discussion and sit longer in wait for the next Board meeting. Ms. Dorrington said that the WP was approvable from the Department's perspective at this point, and that the technical details and the three (3) competitive bids were something they approved doing correctly. She noted that the competitive bids would be on the Board staff's end in terms of time. She added that what she wanted to see was a written document stating what the Board staff's position for Cool-Ox® usage was, as well as the 1,000 ug/l benzene cutoff and the science behind it. In addition, she stated that she wanted to see what the Board staff's position on Cool-Ox usage in relation to aerobic and anaerobic bacteria, and which one the Board staff had been simulating with the low-concentration wells, as well as the nutrient usage and what the Fund would reimburse for it. She noted that 5 MCL benzene concentration was the maximum amount the Department wanted to see present at site before a release could be closed. The site was in the middle of Helena, and could be near sensitive receptors, exacerbating the priority of cleanup. Because of this, it would be helpful for the Department to understand more of the Board staff's position on this, and if the 1,000 ug/l benzene concentrations were a legal standard the Fund was held to, the Department would need to know.

Mr. Monahan asked if the WP had already been approved by the Department. Mr. Wadsworth stated that, to his understanding, the WP had been approved on March 1, 2026. Ms. Dorrington stated that this was her understanding as well, and that this was why it was coming before the Board.

Mr. Monahan stated that he had some confusion, as there were three (3) different entities involved in the decisions on the WP. He asked how the Department approved a WP if the three (3) competitive bids had not been obtained, or if the Department needed to look at competitive bids at all before the approval of the WP. Ms. Dorrington answered that there were two (2) different, important components of this. She stated that the Department looked at the technical details of the WP and whatever the owner was submitting to move the release towards closure, and in a timeframe, depending on the time or risk, that the Department deemed as appropriate. When the Department obtained a WP, they were looking at whether the activity was moving the release forward, was it reasonable to move forward, and would it meet all of the Department's objectives. She stated that these objectives that the Department looked for in a WP were outlined in rule. After the Department approved the WP, the Fund looked at the WP to determine the reimbursement side of the WP, such as if it could be reimbursed, if competitive bids were in place, and if remediation alternatives had been looked into. Ms. Dorrington stated that this was why she wanted to see the policies behind how the Board staff suggested alternatives for certain tasks, and why she had requested a summary of this in writing so that the Department could be aware of them.

Mr. Wadsworth stated that the Board staff had provided their sanitarian review comments on the WP, and that because of this; the case manager for the Department did already have the comments from the Board staff about the 1,000 ug/l threshold. He stated that, everything that he had stated at this Board meeting could be found in writing within the Sanitarian review comments. Ms. Dorrington stated that she had seen these and thanked Mr. Wadsworth for them, but that her question was whether there were policies behind some of the Board staff's decisions. This way, when the Department reviewed the WP and its funding, it could be done with the perspective of what the Board could and could not reimburse. Mr. Wadsworth stated that a Board staff questions database, which included the information behind the 1,000 ug/l cutoff, had been provided to Ms. Amy Steinmetz, Division Administrator, for the Department. Ms. Dorrington stated that she would still want to see in writing a summary of the policies behind these decisions and what governed them. Mr. Wadsworth stated this could be done.

Ms. Reed stated that, as a point of clarification, she appreciated the explanations that had been provided here, as she had not been able to see the Board staff's comments until after she had already received the WP approval letter. Because of this, she had not been able to adjust Tetra Tech's comments in a timely manner but stated that she had answers as to the rationale behind the decisions made when Cool-Ox® had been selected as the preferred remediation technology. She stated that she wanted to improve communication between Tetra Tech's team and the stakeholders moving forward. She asked if the inclusion of the WP's task cost summary included in the packet was a final number for what the Board staff would approve for reimbursement, and if the WP could be rescinded and modified. Mr. Wadsworth stated that, as far as the Board staff was concerned, they would like for Tetra Tech to take another look at the WP and help the owner come up with a strategy that the Board staff would be amenable to reimbursing. He stated that, the more all parties were on the same page, the less costs the owner would incur.

Mrs. Dorrington stated that it was worth noting that, as Ms. Reed had noted with the period for commenting being oddly placed, Mrs. Steinmetz was working to find a better way to streamline this issue. She noted that Mrs. Steinmetz had been in communication with Mr. Wadsworth and eventually Mr. Monahan to find a way to sort out these time discrepancy issues, as the Department knew this was not the most efficient way. She noted that she believed everyone recognized this, and that the Department was working to increase communication and make the process better for everyone involved, with consultants and owners at the forefront of these considerations.

Mr. Monahan noted that there was going to be a meeting related to this later in the afternoon and asked if Mrs. Dorrington would be present for this discussion. Mrs. Dorrington stated that she would not be present but was confident that good strides would be made at this meeting. Mr. Monahan stated that the Board was for anything that improved the process.

<u>Public Forum</u>

JM is John Monahan, BL is Brad Longcake,

BL: Mr. Chairman, members of the committee, just for the record, Brad Longcake. I'm here on behalf of the Montana Petroleum Marketers and Convenience Store association. My members are the guys that are out working both as associates installing these items as well as the owner operators that are utilizing the fuel. Just a couple quick comments- um- somebody had mentioned earlier if that Form 13 had been reviewed in Vegas, and it was. I did have a meeting with our members that were there. We went over the common questions that- um- have been put together by the Board as well as the form. I have sent that out to multiple members in between then, and, like, I think Mr. Wadsworth mentioned, we will have PTRCB staff there at our convention this summer in June in Fairmont going over this again. We want to try to get as much awareness around this process as to utilize it to the best of everyone's ability. I think it's a great opportunity for- uh- not only the Fund, but also the owner operator and the consultants that are doing these inspections. The second piece, just to quickly touch on- uh- several people touched on this- myself and one of my board members from the petroleum Board met with Amy Steinmetz and her team to kind of go over and just review the process where everybody's trying to find ways to make this a much more seamless process for everyone- consultants, owners, PTRCB as well as the staff, and DEQ. And- and we found some areas I think that we can make some improvements on. It sounds like- um- Mr.- um- John is going to be able to go and participate in this legislature with others. I think it is a great opportunity to look and see what each side's doing- um- and I think there are some ways that we can improve this. So, again, we just want to make this process easy for everybody. Everyone has the same goal, which is to protect the citizens of Montana and clean these sites up as quickly as we can and utilize and maximize the Fund to its full potential. So, with that, Mr. Chairman, that's all of my comments for the day. Thank you for the opportunity. I appreciate everybody's hard work on this. I know it sometimes can be challenging, but- um- we're all working together, and I appreciate the opportunity, so thank you.

JM: Perfect! Thank you, Brad. Any other comment for the Public Forum?

There was no further discussion at this time.

The next meeting is scheduled for June 22, 2026. The place of the meeting will be sent out to all parties and published on the website.

The meeting was adjourned at 11:33 a.m.

John Monahan

Signature - Presiding Officer