



A Thoughtful Column Engineered by Mahesh Albuquerque

Mahesh Albuquerque, Director of the Colorado Division of Oil and Public Safety, is on the lookout for articles from creative thinkers and experts willing to share ideas, insights, and stories on a wide variety of issues related to underground storage tanks. Topics include policy, strategy, successes, failures, and lessons learned. "Now that we have been regulating USTs for 30 years," says Mahesh, "my hope is that this column will help stimulate readers to 'think outside the tank,' to ponder why we do what we do, and to consider and share creative ways to improve our effectiveness—as we strive toward environmental protection." Mahesh can be reached at mahesh.albuquerque@state.co.us.

Compliance Makes Good Business Sense

What I Learned from Costco

My weekends used to be filled with trips to the mountains in my SUV to enjoy Colorado's great outdoors. Now with an almost two year old, we spend most weekends closer to home and they often involve checking things off the "honey do" list. So instead of loading up our SUV with mountain bikes or skis, we hop into our Nissan Leaf and head out to big box stores. One of our routine destinations is the neighborhood Costco store; recently I also filled up my SUV with gas there. Since we bought our plug-in electric vehicle my visits to gas stations have been few and far between, so my visit to fuel up at Costco was a new event.

First Impressions

As soon as I pulled in to the Costco gas station I noticed a difference from other gas stations. For one thing, traffic seemed more orderly. As I pulled in closer I realized it was because of the one-way traffic toward the pumps. There was a short line of cars waiting patiently to fill up, unlike the craziness at other gas stations. I noticed the pumps had longer hoses so you could fill up from either side of your vehicle. Then I noticed an attendant in a safety vest walking around and helping customers. As I got to the dispenser I noticed an emergency spill kit, with bucket and broom on each pump island. My reg-

ulator mindset kicked in: what a concept, having the spill kit right next to where you would need it in an emergency. The dispenser was clean and everything looked spotless, I was very impressed. I was able to fill up quickly and head out.

Digging Deeper

On my way home I was still thinking about how clean everything was and how quickly I was able to get in and out of the Costco gas station. It occurred to me that I had never heard of a significant release or cleanup at a Costco gas station. So the next day when I got in the office I queried our database to see their operational compliance record, check how many releases they have had, and how much we have reimbursed them from our fund for cleanup. I also phoned a few of our inspectors and asked them about their inspections at Costco gas stations. Lo and behold, Costco had a stellar compliance record, they only had a handful of releases and none of them required significant cleanup. Furthermore, they had only applied to our Petroleum Storage Tank Fund once for reimbursement of cleanup costs amounting to around thirty six thousand dollars. Our average cleanup cost is around one hundred and fifty thousand dollars.

I knew Costco operates 13 gas stations in Colorado, 426 across the

country, and 71 more internationally. The following week I was at a tanks conference and met a number of my colleagues from other states. I asked them about their experience with Costco and got similar feedback from all of them. Costco had a stellar compliance record, their systems were well maintained, and they had almost no significant releases or cleanups.

The volume of gasoline Costco sells must be enviable to their competitors, yet they have maintained an awesome compliance record and have had very few major releases. They are a bright spot, and there is probably something we can learn from them.

So I did what I usually do when I need to research something, I googled them. That's where I came across their website and I found out about their commitment to environmental protection and safety in all aspects of their gasoline business. Costco's business philosophy emphasizes long-term trust relationships with their members and employees, all of whom live and work in the communities they serve. It was becoming clearer that Costco's exceptional environmental compliance was the result of their intentional actions.

Inside Scoop

Finally, I met with Costco's retail gas

station operations Compliance Manager. He was glad to hear about my experience at Costco. He cited some of the reasons for their stellar environmental compliance record:

■ **Trained and Certified Gas Station Attendants**

While Costco has state of the art UST systems, the best environmental and safety features of Costco gas stations are their trained fuel attendants. Their attendants work at the fuel islands so they can respond immediately to any safety or environmental issue. The attendants must pass a certification test before they can work at a Costco gas station, and they are all Class C operators. Costco also has an A/B operator supervisor at each gas station as well as an in-store manager who is an A/B operator.

Having the attendants stationed at the fuel islands helps ensure that the gas stations are safe places to buy fuel. The employees help customers in a variety of ways, including providing aid to anyone requiring physical assistance in fueling their vehicle. They are charged with enforcing the national fire code, including prohibitions against smoking, leaving the engine running, or filling portable containers not certified for such use.

■ **Continuous Leak Monitoring**

All Costco gas stations have state of the art, corrosion-proof, double-walled underground storage tanks and piping. Everything underground is continuously monitored for leaks via an electronic monitoring system. The entire station will automatically shut down if a leak is detected. Both the employees and the service providers monitor these electronic alarm systems around the clock.

■ **Spill Cleanup Program**

The best equipment in the world doesn't prevent the occasional surface spill. Spilled fuel is a safety and environmental concern, so Costco trains their gas station attendants on how to quickly and properly clean up a surface spill before it spreads. Every Costco station operates with a spill kit on the fuel islands.

■ **Business of Selling Fuel**

So while Costco is clearly committed to environmental protection and safety, they are also in the business of selling gasoline—a lot of gaso-

line. To sell a lot of gasoline your equipment needs to be operating efficiently, with minimum downtime. They change-out fuel filters periodically to ensure they maintain high flow rates at the pump. Costco's investment in state of the art equipment and its periodic maintenance minimizes equipment down time and enables them to efficiently refuel cars and maximize the volume of fuel sold.

Other Bright Spots

One could argue that Costco is successful in selling more gasoline because of their commitment and investment in environmental protection and safety. While I know many of the hyper-market gas stations seem to realize this and operate similarly to Costco, I wonder if convenience stores share the same philosophy. I found out that the more successful stores that have high fuel throughput generally prioritize equipment maintenance to minimize downtime.

I realize it must be more challenging for smaller station owners to invest in state of the art UST systems, given that many of them have purchased their stations from someone else. However, in looking into this I was pleasantly surprised to find out that there are many single-station owners who also get this, and do what they can with what they have to ensure their equipment is maintained and operational. As one such owner pointed out, many have invested their life savings into their gas station and this business is their



An attendant at the pumps, along with handy spill kits, buckets, and brooms afford safety, efficiency, and cleanliness.

livelihood. They realize that having to deal with cleanup is costly and a huge liability and not something they want to hand down to their children, so they are motivated to do what they can to prevent releases.

Holding Out Hope

I am hopeful that the new double-wall and periodic testing requirements in the 2015 revision to USEPA's UST regulations will prompt other owners to begin to pay more attention to the maintenance of their UST systems. In doing this, releases will be detected and addressed earlier, reducing cleanup costs, and allowing them to be successful in their core business, which is sometimes selling more fuel. ■

2015 Annual State Fund Survey Results Now Available

The survey result tables are available on the ASTSWMO website (www.astswmo.org-pubs.html). At the site, click on any state fund survey table listed below. Many thanks to Lynda Provencher, Vermont DEC, for leading the effort and to the state programs that participated.

Summary

Table 1 (Part 1): Design Characteristics of State Financial Assurance Funds 2015

Table 1 (Part 2): Design Characteristics of State Financial Assurance Funds 2015

Table 2: Funding for State Financial Assurance Funds 2015

Table 3: Level of Activity in State Financial Assurance Funds 2015

Table 4: Cost Control Measures/State Fund Updated 2015