

Homes And Underground Storage Tanks

While most homes, especially those built in the '80s or later, depend upon heating energy from utility companies that is not the case for many homeowners. There are plenty of residential properties with underground storage tanks (tanks with a minimum of 10 percent of their capacity-including pipes-located underground). Most are for storing oil used for heating. Other residences may, for various reasons, have tanks for storing gas. In other instances, properties have tanks that were left buried after a home was converted to utility service.

Whenever an underground tank is present, a homeowner must recognize his or her exposure to L.U.S.T. (Leaky Underground Storage Tank). A tank's existence as a leak-proof structure varies. Oil tanks are typically viable for a mere 10-15 years while petroleum tanks may last 30 or more years. Unfortunately, the following circumstances can lead to a significant leakage problem more quickly:

- A tank that was not properly placed into its excavated site during installation
- Unsuitable materials were used to surround the tank, such as ashes or cinders, which break down with moisture and cause exterior tank corrosion
- Water build-up inside tanks (leaking in from poor tank pipe seals or due to condensation). The water combines with other chemicals and causes interior rusting
- The tank and delivery pipes don't have guards for preventing overspills.

It's important to be aware of the danger presented by underground tanks. Only a small volume of escaping oil or gas can endanger large amounts of drinking water. Aggravating this danger is the fact that such damage is considered to be pollution which isn't likely to be covered by a homeowners policy. This is true particularly if the homeowner knew of the tank problem. Besides the danger of being sued by persons who have been harmed by any leakage, government authorities may also require that the property be restored to a non-toxic state (referred to as remediation) and then be subject to future testing and monitoring. Underground tanks and ownership responsibility are regulated on the federal, state and local level. It is important for tank owners to be aware of the laws with which they need to comply.

If you have an underground tank, contact your insurance professional. While there may be some insurance options, an agent is a good starting point for finding help for inspecting, maintaining and managing this tricky risk of loss.

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