COUNCIL POLICY





Policy Title: Corporate Fuel Management Policy Policy Number: UEP002 Report Number: UE2004-04 Approved by: Council Effective Date: 2004 February 23 Business Unit: Environmental Management

BACKGROUND

- The City of Calgary owns and operates fuel tanks and fuel storage systems to support City business and service activities. Fuel use, storage and ownership have an associated inherent environmental liability. In the past, several tanks have leaked and some systems to remediate affected sites are still in place. The City has worked diligently since the 1990s to reduce their environmental liability by reducing the number of tanks and upgrading those that remain to aboveground where possible.
- This policy will further manage environmental liability by clearly defining roles and responsibilities for site selection, design, operation and decommissioning of tanks.

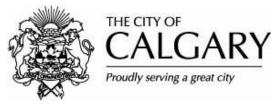
<u>PURPOSE</u>

- To manage and reduce potential environmental liabilities associated with existing and future fuel storage sites and fuel management.
- To identify roles and define responsibilities of individual business units for fuel management.

POLICY

- The policy applies to all City operated fuel storage sites on City of Calgary owned or leased land. All underground fuel tanks and all aboveground tanks over 2400 L are captured by the policy
- The policy defines the roles and responsibilities of business units for site selection, design, operation and decommissioning of tanks.

Please see the attached Policy document.



PROCEDURE

- The policy will be administered through the Fuel Management Committee.
- The Committee will consist of the core business units Corporate Engineering, Corporate Properties & Buildings, Environmental Management, and Finance & Supply.
- Business units that use or operate fuel tanks/storage systems are required to contact Environmental Management (as chair of the Fuel Management Committee) prior to a change in fuel requirements or the planning of a tank installation, upgrade or decommissioning.

AMENDMENTS

None



Corporate Fuel Management Policy

Issue date:

2004 February 23

THE CITY OF CALGARY ENVIRONMENTAL MANAGEMENT	CORPORATE FUEL MANAGEMENT POLICY		
	Document: EM 446- Corp Fuel Policy	Owner: Environmental Management	Revision #: 0
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The City of Calgary, as a Corporation, retains responsibility for ensuring that City activities do not negatively impact the land or the surrounding environment. Fuel consumption is a necessary requirement of numerous City of Calgary business and service activities. Fuel use, storage and ownership have an associated inherent environmental liability. The City will manage the potential environmental impacts of its fuel use on City owned or leased land by maintaining and implementing the *Corporate Fuel Management Policy*. This Policy will be an adaptive management policy to allow flexibility to meet future needs.

1.0 PURPOSE

- 1.1 To manage and reduce potential environmental liability associated with existing and future Fuel Storage Sites and fuel management.
- 1.2 To identify roles and define responsibilities of individual business units for fuel management.

2.0 SCOPE

This policy applies to all City operated Fuel Storage Sites on City of Calgary owned or leased land.

3.0 **DEFINITIONS**

The following definitions apply to this policy:

"**Authority Having Jurisdiction**" generally means a representative of the local Fire Department.

"**Decommission**" means any removal of storage tanks including permanent removals.

"Environmental Site Assessment" means an environmental assessment conducted to the CSA standard Z769-00 'Phase II Environmental Site Assessment'.

"Fuel Management Committee" will be composed of representatives from the Requesting Business Unit and the core business units: Corporate Engineering,

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Corporate Properties & Buildings, Environmental Management and Finance & Supply.

"Fuel Site User" means any individual using the Fuel System.

"Fuel Site Operator" means the business unit who manages the daily operations of the Fuel System.

"**Fuel Storage Site**" means any Fuel System that contains an above ground storage tank with a capacity greater than 2 400 litres or an underground storage tank of any size.

"**Fuel System**" means the storage tanks, piping, dispensers, measurement/ monitoring systems and fuel.

"**Multi-user Sites**" means Fuel Storage Sites where fuel is accessible and used by more than one business unit.

"PTMAA" means the Petroleum Tank Management Association of Alberta.

"**Requesting Business Unit**" means the business unit that expresses a need for additional or alternative fuel requirements to meet their operational needs or proposes modifications to an existing Fuel System.

"**Upgrade**" means the modification of existing equipment associated with the Fuel System.

4.0 POLICY

4.1 Fuel Management

- 4.1.1 The Requesting Business Unit will contact Environmental Management (as chair of the Fuel Management Committee) prior to the planning of a new installation, an Upgrade, or a Decommissioning.
- 4.1.2 The Fuel Management Committee will make decisions on the installation, Upgrade, operation and Decommissioning of Fuel Systems, taking planning, environmental, financial, technical and liability concerns into consideration.

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- 4.1.3 Finance & Supply will be responsible for ensuring all Fuel Storage Sites are properly managed and integrated with other corporate initiatives and policies related to fuel management, such as, but not limited to fuel procurement, fleet initiatives, service agreements.
- 4.1.4 Environmental Management will:
 - 4.1.4.1 Maintain the Corporate Fuel Management Policy.
 - 4.1.4.2 Audit fuel management to ensure compliance, corporate consistency and to establish due diligence.

4.2 Site Selection

- 4.2.1 The Fuel Management Committee will assess the need and business case justification for new Fuel System installation requests.
- 4.2.2 A new Fuel System or Site request can be declined based on business case, environmental or planning concerns.

4.3 Fuel System Engineering

- 4.3.1 The Fuel Management Committee will determine project management of Fuel System installations or Upgrades.
- 4.3.2 Any consultant/contractor to be used must meet the approval of the Fuel Management Committee and contractors must be PTMAA certified.
- 4.3.3 Regulatory approval of the Fuel System must be obtained from the Authority Having Jurisdiction.
- 4.3.4 Environmental Management will coordinate the registration of new tanks with the PTMAA. Annual PTMAA renewals are the responsibility of the Fuel Site Operator.

4.4 Fuel System Operation

4.4.1 Finance & Supply will be responsible for the overall operation of the Fuel Storage Sites for The City. Current Fuel Site Operators or Requesting Business Units may maintain responsibility for daily operational functions at their sites subject to agreement by Finance & Supply.

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4.4.2 Fuel Site Users will be responsible for:

- 4.4.2.1 On-site safety.
- 4.4.2.2 Reporting spills in accordance with the corporate *Substance Release Reporting Policy*.

4.5 Fuel System Decommissioning

- 4.5.1 The Fuel Management Committee will assess the need or decision to Decommission a fuel storage site with respect to business unit fuel needs and corporate planning and policies.
- 4.5.2 The Fuel Management Committee will determine project management of the Decommissioning of the Fuel System.
- 4.5.3 Environmental investigations will be coordinated with Environmental Management.
- 4.5.4 Any consultant/contractor to be used must meet the approval of the Fuel Management Committee and contractors must be PTMAA certified.
- 4.5.5 Environmental Management will:
 - 4.5.5.1 Conduct and fund Environmental Site Assessments of the Fuel Storage Sites;
 - 4.5.5.2 Report any discovery of contamination to regulatory authorities;
 - 4.5.5.3 Develop and implement a remedial action plan or risk management plan; and,
 - 4.5.5.4 Project manage the remediation or risk management of the contamination.