

PMMIC Alternative Fuel Policy
(Effective 7/5/05)

Petroleum storage systems are designed to be compatible with refined petroleum products. Alternative fuels, such as ethanol and bio diesel, have different chemical characteristics than refined petroleum products. Many storage tank system components are not compatible with alternative fuels. Federal and State laws require that system components be compatible with the fuel stored or dispensed.

PMMIC requires that storage tank systems, including dispensing components, be compatible with all fuel stored or dispensed. PMMIC has a specific “UST System Compatibility Assessment” form that must be completed by an Iowa licensed installer if an alternative fuel is stored in an insured storage tank system. This form can be found in the “E-85 Information” section of our website.

Prior to introducing an alternative fuel into your system, an Iowa licensed installer must confirm that your tank system (including all components) meets PMMIC compatibility requirements. The PMMIC UST System Compatibility Assessment form must be submitted to PMMIC with the signatures of an Iowa licensed installer and the insured. Please note the following compatibility requirements:

- The PMMIC UST System Compatibility Assessment form must be completed by an Iowa licensed installer for all system components.
- If compatibility cannot be documented or is unknown, the component will be considered non-compatible.
- PMMIC will not insure a storage tank system if the tanks and lines are not compatible with the product stored.
- If a submersible pump, dispenser, or any other above ground component is not documented to be compatible with the product stored, the component(s) must be protected with intact containment. A non-compatible submersible pump must be in an intact containment sump. A non-compatible dispenser must have an intact dispenser pan.
- Containment is considered intact or “adequate” if it appears liquid-tight, meaning all entry boots, conduits, and walls are not damaged and are intact.
- If a containment system is required, that system must be properly maintained. If the containment system is compromised, the containment must be repaired and confirmed intact by an Iowa licensed installer.
- All sites must comply with DNR compatibility requirements by the date established by DNR.
- If an insured is storing an alternative fuel that is not listed on that insured’s application for insurance, the insured will be required to submit the PMMIC compatibility assessment form. If compatibility cannot be documented, the insured will be issued a 60-day cancellation notice to either remove the non-compatible product or document compatibility.
- It is strongly recommended that owners perform a precision tank and line test prior to introducing an alternative fuel into a storage tank system.

DNR recently established a deadline for all tank owners to comply with the compatibility requirements. The IDNR E85 Compatibility Checklist can be found in the “E-85 Information” section of our PMMIC website.