



Office of Inspector General | United States Postal Service

Audit Report

Aboveground Storage Tanks

Report Number 22-078-R22 | September 15, 2022



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Highlights

Background

An aboveground storage tank (AST) is a storage tank placed above the surface of the ground. Any stationary tank system that is not covered with earth or other material or any tank located entirely within a structure that can be visually inspected, such as a building or basement, is generally considered an AST. U.S. Postal Service facilities use ASTs to store fluid products and waste such as motor oil, gasoline and diesel fuel, heating oil, and antifreeze to operate and maintain sites, vehicles, and equipment. Postal Service facilities with ASTs must establish a routine maintenance and inspection program to monitor the condition of the AST and avoid releases into the environment.

What We Did

Our objective was to assess the Postal Service's effectiveness at managing ASTs by reviewing ASTs active as of January 2022.

What We Found

Although the Postal Service had policies and procedures for ASTs, we found that it did not always effectively manage them, resulting in ASTs being in poor condition and non-compliant with guidance. Specifically, we found issues with the condition of ASTs due to facility management not conducting monthly visual inspections, maintaining Spill Prevention Control and Countermeasures (SPCC) in the system, or completing required annual SPCC training, or provide AST training

for facilities not required to have a SPCC plan. In addition, facility management did not upload supporting documentation into the required system after taking corrective actions so management could validate resolution of issues. These conditions occurred because Postal Service management responsible for performing oversight of AST policy implementation did not oversee facilities to ensure they followed procedures and Sustainability Office managers did not consistently conduct periodic reviews to ensure procedures were followed.

Recommendations

We recommend management (1) develop and implement AST oversight procedures to ensure all monthly inspections are performed; (2) conduct inspections for the 39 ASTs and remediate the issues identified by the audit team and additional items identified in subsequent inspections; (3) ensure SPCC plans are prepared as required and reiterate guidance to facility management to sign and upload plans into the Environmental Tool Kit; (4) establish a process to review and track SPCC plans in the Environmental Tool Kit to ensure they are signed, uploaded, and up-to-date; (5) develop and implement oversight procedures to ensure required facility employees complete annual SPCC training; (6) develop and implement a training requirement for facilities without a SPCC plan; and (7) implement a process to ensure facilities upload supporting documentation into the required system.

Transmittal Letter



OFFICE OF INSPECTOR GENERAL
UNITED STATES POSTAL SERVICE

September 15, 2022

MEMORANDUM FOR: JOSHUA D. COLIN
CHIEF RETAIL AND DELIVERY OFFICER AND EXECUTIVE
VICE PRESIDENT

ISAAC S. CRONKHITE
CHIEF PROCESSING AND DISTRIBUTION OFFICER AND
EXECUTIVE VICE PRESIDENT

KELLY ABNEY
CHIEF LOGISTICS OFFICER AND EXECUTIVE VICE
PRESIDENT

JUDITH A. DE TOROK
VICE PRESIDENT, CORPORATE AFFAIRS

A handwritten signature in black ink, reading "W Espinoza", is positioned above the "FROM:" field.

FROM: Wilvia Espinoza
Deputy Assistant Inspector General
for Supply Management and Human Resources

SUBJECT: Audit Report – Aboveground Storage Tanks
(Report Number 22-078-R22)

This report presents the results of our audit of Aboveground Storage Tanks.

We appreciate the cooperation and courtesies provided by your staff. If you have any questions or need additional information, please contact Lazerick Poland, Director, Human Resources and Support, or me at 703-248-2100.

Attachment

cc: Postmaster General
Corporate Audit Response Management

Results

Introduction/Objective

This report presents the results of our self-initiated audit of Aboveground Storage Tanks (AST) (Project Number 22-078). Our objective was to assess the U.S. Postal Service's effectiveness at managing ASTs. See [Appendix A](#) for additional information about this audit.

Background

An AST is a storage tank placed above the surface of the ground. Any stationary tank system that is not covered with earth or other material or any tank located entirely within a structure that can be visually inspected, such as a building or basement, is generally considered an AST. ASTs are made from a variety of materials (metal, fiberglass, plastic) and come in a variety of shapes and sizes. Postal Service facilities use these tanks to store fluid products and waste such as motor oil, gasoline and diesel fuel, heating oil, and antifreeze to operate and maintain sites, vehicles, and equipment.

As of January 2022, the Postal Service had 5,452 active ASTs at 3,805 facilities. Of these active ASTs, 3,511 (64 percent) were at 2,481 facilities in the Atlantic Area. Additionally, seven of the ten districts with the highest number of ASTs were in the Atlantic Area. See Figure 1 for the AST distribution by area.

“Facility management must establish a routine maintenance and inspection program to monitor the condition of ASTs and avoid releases into the environment.”

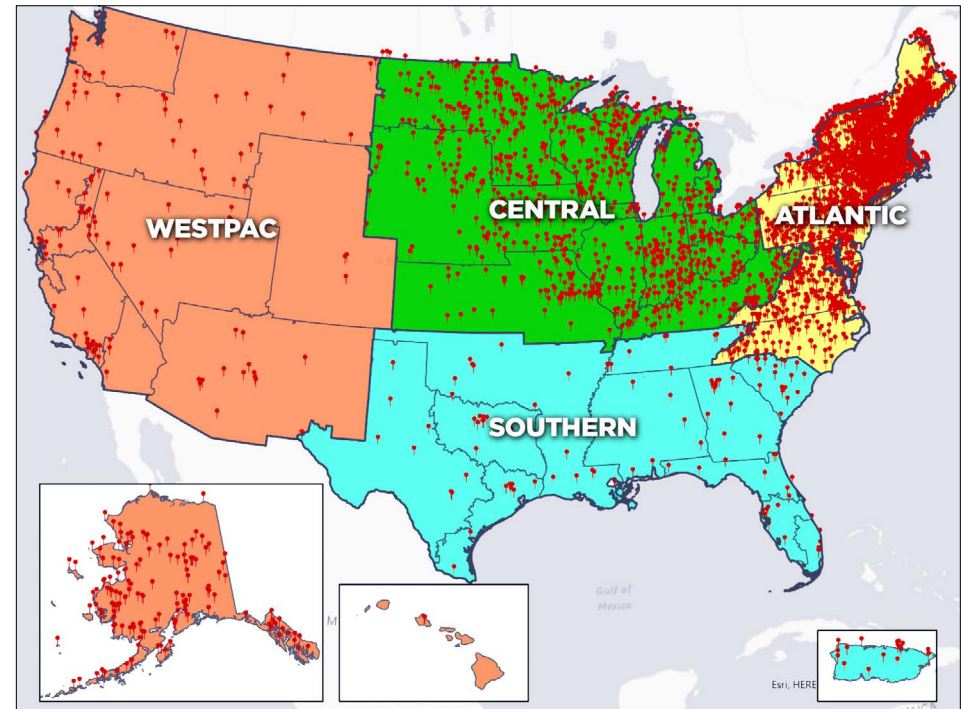
AST Management

Facility management must establish a routine maintenance and inspection program to monitor the condition of ASTs and avoid releases into the

1 Spill Prevention Control and Countermeasures plan will be referred to as spill prevention plans throughout the report.
2 *Clean Water Act* as amended by the *Oil Pollution Act of 1990*, Section 311.
3 The Environmental Tool Kit will be referred to as tool kit throughout the report.

environment. Facilities that have a total aboveground oil storage tank capacity that exceeds 1,320 gallons must have a written Spill Prevention Control and Countermeasures (SPCC) plan.¹ Spill prevention plans are federally mandated under the *Clean Water Act*² to protect human health and prevent contamination. The Postal Service has 145 facilities that require spill prevention plan but the remaining 3,666 facilities do not exceed the 1,320 gallon oil storage capacity threshold and, therefore, are not subject to spill prevention regulations.

Figure 1. ASTs by Postal Service Area



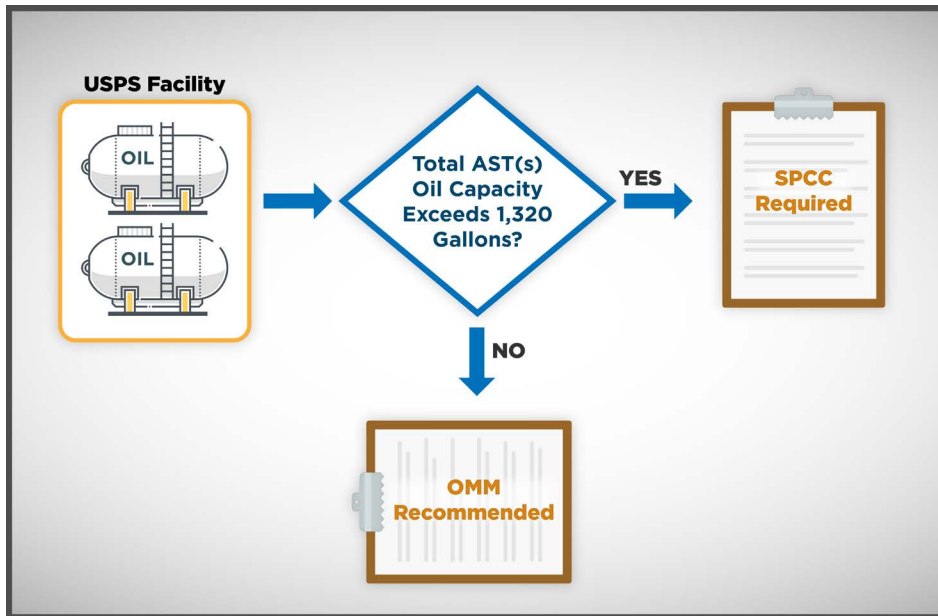
Source: Environmental Tool Kit (ETK)³ and U.S. Postal Service Office of Inspector General (OIG) analysis.

The Postal Service recommends, but does not require, facilities with ASTs that do not exceed the 1,320 gallon storage capacity threshold to prepare Operation,

Maintenance, and Management (OMM) plans.⁴ An OMM plan describes procedures for AST operation and maintenance and spill response. Sites with spill prevention plans do not need an OMM plan.

See Figure 2 for more on types of AST plans.

Figure 2. AST Plans Determination



Source: OIG analysis.

The Postal Service's Environmental Affairs and Corporate Sustainability Office is responsible for establishing the strategic direction for the Postal Service's environmental management program. This includes creating all AST management policies and procedures, overseeing Environmental Compliance Reviews (ECR), and providing AST support to facility management. Additionally, facility management is responsible for ensuring compliance with applicable

environmental regulations and Postal Service policies to include completing required training and maintaining completed and up-to-date records for storage tanks owned and/or operated by the Postal Service.

Environmental Compliance Reviews

ECRs serve as the foundation of the Postal Service's environmental compliance program. Among other compliance reviews, the program provides an internal process for reviewing Postal Service facility AST compliance with applicable environmental laws and regulations. The program also tracks regulatory deficiencies and corrective actions. The Postal Service uses the information gathered from site reviews to enhance its compliance program and improve overall environmental performance. The Environmental Affairs and Corporate Sustainability Office tracks ECR observations in a system known as the ETK.

The Postal Service performs risk analyses to identify high-risk facilities for ECRs and, as of May 2022, had 427 high-risk facilities. During fiscal years (FY) 2019 through 2021, the Postal Service's Environmental Affairs and Corporate Sustainability Office conducted 463 ECRs through an external contractor⁵ to evaluate site-level compliance with all applicable environmental regulations and Postal Service policy.

Required Training

Postal Service employees responsible for managing ASTs with a capacity greater than 1,320 gallons are required to take the spill prevention training course in HERO⁶ annually. The training provides details on why the spill prevention plan is required and how to implement it and also covers the procedures and controls necessary to prevent or reduce the potential for spills. Facility management is required to maintain spill prevention training records at the facility.

Employees at facilities with AST capacity of less than 1,320 gallons, which are recommended to have an OMM plan, are not required to take training similar to the spill prevention training course. However, an AST Management Environmental

⁴ *Environmental Compliance Bulletin: Spill Prevention, Control, and Countermeasures*, September 2020.

⁵ Architecture, Engineering, Consulting, Operations, and Maintenance Technical Services.

⁶ A Human Resources technology system used to help optimize, manage, and develop the USPS workforce to meet identified business needs. It contains modules for learning, succession, performance/compensation, recruiting/onboarding, and analytical reporting.

Compliance Bulletin states that facility personnel at non-SPCC sites should be familiar with applicable requirements to ensure the safe operation of ASTs.

Finding #1: AST Management Procedures Not Followed

Although the Postal Service has policies and procedures for ASTs, it did not always follow them. Specifically, we found issues with the conduct of monthly visual inspections, maintenance of spill prevention plans in the tool kit, and completion of required spill prevention training. To conduct our review, we judgmentally selected 30 facilities in five districts to conduct site visits and review their management of ASTs. In addition, we obtained a random statistical sample of 195 facilities with ASTs nationwide and reviewed monthly inspection documentation. Lastly, we reviewed the tool kit for all 145 facilities requiring a spill prevention plan nationwide.

“We found issues with the conduct of monthly visual inspections, maintenance of spill prevention plans in the tool kit, and completion of required spill prevention training.”

Conduct Monthly Inspections

During our site visits, we identified that managers at 13 of 27 judgmentally selected facilities⁷ (48 percent) did not conduct any monthly inspections during FY 2021. Additionally, we determined that 160 of the 178 nationwide statistically sampled facilities⁸ (90 percent) did not conduct any monthly inspections during FY 2021, as required. See Table 1 for additional details on the nationwide statistical sample.

Table 1. Monthly Inspection Summary From Nationwide Statistical Sample

Area	Completed Inspections	Did not Complete Inspections	Percentage Not Completed
Atlantic	9	127	93%
Central	1	16	94%
Western Pacific	3	13	81%
Southern	5	4	44%
Total	18⁹	160	90%

Source: OIG analysis based on information obtained from the sample facilities.

⁷ Three of the 30 judgmentally selected facilities did not have an AST; therefore monthly inspections were not required.

⁸ Seventeen facilities had ASTs that were owned and managed by other parties, making monthly inspections not required.

⁹ Seventeen facilities completed all their monthly inspections while one facility completed eight of 12 most recent inspections.

Facilities must conduct monthly visual inspections of ASTs to assess their general condition and look for evidence of system leaks, spills, or deterioration. Facility managers should document these monthly inspections by using the inspection checklist in both the OMM and spill prevention plan templates.¹⁰

Although the Environmental Affairs and Corporate Sustainability Office created guidance regarding monthly AST inspections, Postal Service management¹¹ did not provide oversight to ensure that facility managers conducted monthly inspections. In addition, some facility managers were unaware of the inspection requirement. We reviewed 181 (88 percent) non-SPCC facilities¹² where management could have completed an OMM plan, but only 17 of 181 facilities (9 percent) completed and maintained one. Although not required, the purpose of the OMM plan is to assist facilities with proper operation, maintenance, and management of ASTs, including monthly inspection instructions and the inspection checklist. If OMM plans were required, facility management would have important information on how to properly operate, maintain, and manage

ASTs, as well as be notified of their requirement to perform monthly inspections of ASTs.

“When facility management does not conduct the required monthly inspections, they increase the risk that environmental, or safety issues are not identified with their ASTs.”

Inspections are intended to prevent, predict, and detect potential integrity and structural issues before a leak, spill, or discharge of oil occurs. When facility management does not conduct the required monthly inspections, they increase the risk that environmental, or safety issues

are not identified with their ASTs. In addition, there is an increased risk of oil spills which threaten human health and safety. See Figure 3 for an example of a leaking AST at a facility not conducting monthly inspections.

¹⁰ *Environmental Compliance Bulletin: Aboveground Storage Tank Management*, September 2020.

¹¹ Postal Service management who oversee facility level management, are responsible for performing oversight of AST policies implementation .

¹² Within our random and judgmental sample.

¹³ Of the 39 ASTs, 26 received monthly inspections which generally did not identify issues. The remaining 13 ASTs were not inspected.

Figure 3. Example of Leaking AST



Source: OIG photograph taken April 19, 2022.

During site visits, we identified 39 of 73 ASTs (53 percent) that were not in compliance with the requirements established in the AST monthly inspection checklist.¹³ The two most concerning issues identified during the site visit inspections were that three ASTs (4 percent) were on support/foundation that was in poor condition and two ASTs (3 percent) had visible leaks. A poor foundation can create stress on the tank shell which could lead to tank failure and leaks can

cause environmental and safety issues. See Table 2 for the four most concerning tank issues identified during fieldwork. These issues could have been prevented or addressed if facility management conducted the monthly inspections as required.

Table 2. Most Concerning Inspection Issues Identified

Monthly Inspection Issue	Number of Tanks Not Fully Compliant During Fieldwork
Tanks Contents not Labeled	20
Tanks Surface not in Good Condition ¹⁴	8
Tank Supports not in Good Condition ¹⁵	3
Tanks With Leaking Pipes	2

Source: Issues the OIG identified while conducting AST inspections during site visits.

Recommendation #1

We recommend the **Chief Retail & Delivery Officer, Chief Logistics Officer**, and the **Chief Processing & Distribution Officer**, develop and implement aboveground storage tank oversight procedures, to include roles and responsibilities, to ensure monthly inspections are performed as required.

Recommendation #2

We recommend the **Chief Retail & Delivery Officer, Chief Logistics Officer**, and the **Chief Processing & Distribution Officer**, conduct inspections within 30 days of report issuance for the 39 aboveground storage tanks and remediate issues identified by the audit team and any additional items identified in subsequent inspections.

Complete and Sign SPCC Plans

Postal Service facilities generally maintained completed, signed, and updated spill prevention plans in the tool kit. We identified that 20 of 145 facilities (14 percent) did not have spill prevention plans or the plans were not signed, as required. Specifically, two facilities did not have a spill prevention plan in the tool kit and 18 did not have the spill prevention plan signed by the facility manager. Facility managers must sign spill prevention plans indicating their commitment to provide manpower, equipment, and materials necessary to implement the spill prevention plan.¹⁶

The Environmental Affairs and Corporate Sustainability Office is responsible for developing and submitting completed spill prevention plans to facility managers for signature. When necessary, the office provides multiple reminders by email and phone to facility management to sign the plans. After a third attempt, the office notifies higher level management and sends an unsigned hard copy of the spill prevention plan to the facility and the Environmental Affairs and Corporate Sustainability Office uploads it to the tool kit.

The Environmental Affairs and Corporate Sustainability Office did not consistently review SPCCs in the tool kit to ensure applicable facilities had a current, signed spill prevention plan. In addition, facility management was aware their plans should be signed but did not follow prescribed procedures to sign the spill prevention plan. When spill prevention plans are not consistently reviewed to ensure they are completed and signed, it increases the risk the spill prevention plans do not have ownership and are

“Failure of employees to follow spill prevention plans could lead to noncompliance with applicable environmental regulations, which could cause environmental and safety hazards for facility personnel.”

¹⁴ *Environmental Compliance Bulletin: Aboveground Storage Tank Management*, September 2020 states that good condition means the paint is intact (i.e., not peeling) and provides consistent coverage and there is no evidence of corrosion/rust.

¹⁵ *Environmental Compliance Bulletin: Aboveground Storage Tank Management*, September 2020 states that good structural condition means there are no signs of deterioration damage.

¹⁶ *Environmental Spill Prevention Control & Countermeasures Plan* training course in HERO.

not followed. Failure of employees to follow spill prevention plans could lead to noncompliance with applicable environmental regulations, which could cause environmental and safety hazards for facility personnel.

Recommendation #3

We recommend the **Vice President, Corporate Affairs**, establish a process to ensure Spill Prevention Control and Countermeasures plans are prepared as required and reiterate guidance to facility management to sign and upload plans into the Environmental Tool Kit.

Recommendation #4

We recommend the **Chief Retail & Delivery Officer, Chief Logistics Officer**, and the **Chief Processing & Distribution Officer**, establish a process to review and track Spill Prevention Control and Countermeasures plans in the Environmental Tool Kit to ensure they are signed, uploaded, and up-to-date.

Develop and Complete AST Training

We identified that 103 of 145 facilities (71 percent) did not have an employee responsible for spill prevention activities complete the required spill prevention training.¹⁷ In addition, the Postal Service did not develop a formal AST training course for non-SPCC facilities to ensure facility personnel are aware of their responsibilities to conduct inspections, follow spill procedures, and utilize the tool kit.

Employees involved in spill prevention activities such as implementing the spill prevention plan, conducting spill prevention inspections, performing oil transfer operations, and responding to oil spills are required to complete annual spill prevention training.¹⁸ Although no formal AST training course is available for non-SPCC facilities, developing an AST training would ensure facility personnel are informed of all policies and procedures to include maintaining accurate data in the tool kit.

The training deficiencies occurred because managers at facilities with spill prevention plans did not ensure that all relevant personnel completed the spill prevention training as one of their responsibilities. Additionally, Environmental Affairs and Corporate Sustainability management stated that formal AST training was not developed for non-SPCC facilities because AST training is not a federal requirement.

When required spill prevention training is not completed and AST training is not available for non-SPCC facilities, the Postal Service increases the risk of an environmental hazard, or lack of knowledge of what to do in case a spill occurs. In addition, facilities not trained on how to properly monitor ASTs could result in a lack of awareness for maintaining accurate data in the tool kit. We found that nine of 30 facilities (30 percent) visited during fieldwork had inaccurate data.¹⁹ Additionally, we found that nine of 29 facilities (31 percent) that responded in our sample²⁰ had inaccurate data in the tool kit. When AST data is inaccurate in the tool kit, Postal Service management cannot effectively track and monitor ASTs.

“When required spill prevention training is not completed and AST training is not available for non-SPCC facilities, the Postal Service increases the risk of an environmental hazard, or lack of knowledge of what to do in case a spill occurs.”

Recommendation #5

We recommend the **Chief Retail & Delivery Officer, Chief Logistics Officer**, and the **Chief Processing & Distribution Officer**, develop and implement oversight procedures to ensure facilities responsible for maintaining aboveground storage tanks complete the annual Spill Prevention Control and Countermeasures training as required.

¹⁷ The number of people who take the SPCC training course at each facility can vary depending on the size of the facility and the number of ASTs it maintains.

¹⁸ *Environmental Compliance Bulletin: Spill Prevention Control and Countermeasures*, September 2020.

¹⁹ Examples of inaccuracies at facilities include ASTs that needed to be added to the tool kit, ASTs that needed to be removed from the tool kit, and inaccurate tank storage capacity in the tool kit.

²⁰ Our sample included 195 facilities and we received documentation from 29 facilities within our sample.

Recommendation #6

We recommend the **Vice President, Corporate Affairs**, in coordination with the **Chief Retail & Delivery Officer**, **Chief Logistics Officer**, and the **Chief Processing & Distribution Officer**, develop and implement a training requirement for facilities that have aboveground storage tanks with capacities below 1,320 gallons. At minimum, the training should identify roles and responsibilities, inspection requirements, and provide guidance for updating the Environmental Tool Kit.

Finding #2: ECR Supporting Documentation Not Always Maintained in ETK

Supporting documentation validating corrective actions for ECR findings were not in the tool kit. We determined that 40 of the 121²¹ findings (33 percent) did not include supporting documentation or had inadequate supporting documentation for the corrective actions taken to close ECR findings. The

“Without supporting documentation to validate corrective actions were completed, the Postal Service does not have reasonable assurance that the issues were fully resolved or that environmental and safety hazards for facility personnel are fully mitigated.”

external contractor who conducts the ECR reviews briefs each facility on their findings and provides guidance for taking corrective action, providing the required supporting documentation, and closing the findings in the tool kit. ECR findings and associated corrective actions are officially tracked in the tool kit to ensure completion within 30 calendar days from the date the final ECR report is submitted to the facility. Documentation and photographic evidence must be provided, as applicable, to prove resolution of corrective actions.²²

Postal Service management did not verify that supporting documentation was uploaded into the tool kit by facility personnel after taking corrective actions.

Without supporting documentation to validate corrective actions were completed, the Postal Service does not have reasonable assurance that the issues were fully resolved or that environmental and safety hazards for facility personnel are fully mitigated.

Recommendation #7:

We recommend the **Chief Retail & Delivery Officer**, **Chief Logistics Officer**, and the **Chief Processing & Distribution Officer**, implement a process to verify all required supporting documentation is within the Environmental Tool Kit for Environmental Compliance Review findings to confirm the facility took the appropriate corrective action.

Management’s Comments

Management agreed with recommendations 1, 2, 4, 5 and 7; however, they disagreed with recommendations 3 and 6. See [Appendix B](#) for management’s comments in their entirety.

Regarding recommendation 1, management stated that members of the Chief Retail & Delivery Officer, Chief Logistics Officer, and Chief Processing & Distribution Officer organizations will collaboratively produce standard work instructions detailing the roles and responsibilities associated with AST procedures, with guidance and assistance from the Vice, President Consumer Affairs organization. The target implementation date is October 31, 2022.

Regarding recommendation 2, management stated that the 39 ASTs the audit team identified will be inspected by each facility’s responsible official and identified issues will be remediated and documented. The target implementation date is October 31, 2022.

Regarding recommendation 3, management stated that there is an established process to ensure spill prevention plans are prepared as required. This is conducted through the ECR process on a three-year cycle, exceeding the regulatory required five-year cycle. As a part of their continuing education program, management will continue reinforcing communications to facility

²¹ We reviewed a random statistical sample of ECRs conducted from FY 2019 through 2021, resulting in 143 ECRs. Of the 143 ECRs, 78 had AST-related issues with 121 findings.

²² *Administrative Support Manual*, Issue 13, Section 695, Environmental Compliance Review, dated March 2022.

management that these plans be promptly signed and uploaded into the tool kit once received by Environmental Affairs.

Regarding recommendation 4, management stated that they will monitor sites requiring a spill prevention plan in the tool kit to ensure the plans are signed and correctly uploaded on a regular basis via ECRs. Management will track sites that are not in compliance until the corrective action is completed and documented per guidance. Each organization will ensure completion of all corrective actions by required site personnel. The target implementation date is December 31, 2022.

Regarding recommendation 5, management stated that they will monitor training by each named officer's organization through the HERO platform and each organization will ensure completion of training by all required personnel. The target implementation date is October 31, 2022.

Regarding recommendation 6, management stated that while AST training for non-spill prevention plan sites is not required per regulations, as a preventive strategy, Environmental Affairs and Corporate Sustainability previously developed an AST Inspections Training Video is available in HERO. In addition, as a preventive strategy, Environmental Affairs and Corporate Sustainability also prepared Environmental Compliance Bulletins on proper management of ASTs at sites that are not subject to spill prevention plans.

Regarding recommendation 7, management state that they will monitor facilities requiring a spill prevention plan in the tool kit to ensure spill prevention plans are signed and uploaded correctly on a regular basis. Sites that are not in compliance will be tracked until the corrective action is completed and documented. Each organization will ensure completion of all corrective actions by required site personnel. However, as a part of their continuing education program, Environmental Affairs will prepare a Stand-Up Talk to further reinforce roles and responsibilities, inspection requirements, and guidance for updating the tool kit. The target implementation date is December 31, 2022.

Evaluation of Management's Comments

The OIG considers management's comments to recommendations 1, 2, 4, 5, and 7 responsive and the planned corrective actions should satisfy the intent of the

recommendations. However, we consider management's comments regarding recommendations 3 and 6 to be unresponsive.

Regarding management's disagreement to recommendation 3, management stated that there is currently an established process to ensure preparation of spill prevention plans as required, which is conducted through the ECR process on a three-year cycle. Management will continue reinforcing communications to facility management that these plans be promptly signed and uploaded into the tool kit once received by Environmental Affairs. We recognize that the updated ECR process should ensure that spill prevention plans are prepared and that reinforcing communication with facility management would help ensure the plans are properly signed and uploaded into the tool kit; however, we found multiple instances where documents were missing and incomplete. The Postal Service risks facility management not taking ownership of the spill prevention plans and regulations not being followed. This could lead to environmental and safety hazards for personnel. We view the disagreement on this recommendation as unresolved and plan to pursue it through the formal audit resolution process.

Regarding management's disagreement with recommendation 6, they stated that the AST training video and the Environmental Compliance Bulletins address inspections, roles and responsibilities, and other pertinent management requirements. However, we do not think the AST training video is sufficient because it only provides guidance for AST monthly inspections and does not include roles and responsibilities for managing ASTs or details on updating the tool kit. In addition, we do not think that Environmental Compliance Bulletin guidance is properly communicated to facility management to ensure proper AST management. During our review, we identified that employees at 173 facilities nationwide did not conduct monthly inspections. We view the disagreement on this recommendation as unresolved and plan to pursue it through the formal audit resolution process.

All recommendations require OIG concurrence before closure. Consequently, the OIG requests written confirmation when corrective actions are completed. All recommendations should not be closed in the Postal Service's follow-up tracking system until the OIG provides written confirmation that the recommendations can be closed.

Appendices

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Appendix A: Additional Information

Scope and Methodology

The scope of our audit was ASTs active as of January 2022. We reviewed training and monthly inspection documentation during FY 2021 and ECRs conducted during FYs 2019 through 2021.

We conducted site work at 30 judgmentally selected sites in the Atlantic and Central areas²³ where we conducted interviews and inspected their ASTs. We selected districts/divisions in each of these two areas that maintained a high number of ASTs. See [Table 3](#) for sites visited during the audit.

To accomplish our objective, we:

- Interviewed Postal Service Headquarters personnel responsible for managing ASTs to obtain an understanding of the process and their roles and responsibilities.
- Reviewed federal and Postal Service policies to determine current environmental policies for ASTs.

- Obtained and analyzed active AST data from the tool kit to determine the number of active ASTs nationwide and to identify where to conduct site visits.
- Randomly sampled 195 of 2,742 facilities with ASTs²⁴ to determine if management conducted required monthly inspections.
- Randomly sampled 143 of 463 ECRs completed during FYs 2019 through 2021 to determine if they were completed and verified in accordance with ECR procedures.
- Reviewed training records in HERO to determine if required spill prevention training was completed.
- Reviewed documentation in the tool kit to determine facilities requiring an SPCC plan had an up-to-date and signed plan uploaded into the system.
- Reviewed underground storage tanks at sites visited, when applicable, and determined Postal Service is performing compliance reviews as agreed to from a previous audit.²⁵

²³ The Atlantic and Central areas maintained over 85 percent of all ASTs nationwide.

²⁴ We excluded facilities which had ASTs containing contents that did not require monthly inspections.

²⁵ *Underground Storage Tanks* (Report Number. HR-AR-19-001, dated February 5, 2019).

Table 3. Fieldwork Visits

Area	District	Site
Atlantic	New York 1	Cathedral Station
		Knickerbocker Station
		Midtown Station
		Brooklyn Vehicle Maintenance Facility (VMF)
		Manhattan VMF
		FDR Auxiliary VMF
	New York 3	Aurora Post Office
		Delhi Post Office
		Sidney Post Office
		Schoharie Post Office
		Utica VMF
		Syracuse VMF
	Maine-New Hampshire-Vermont	Saco Post Office
		Biddeford Pool Post Office
		Kennebunkport Post Office
		South Portland Post Office
Portland VMF		
Manchester VMF		

Area	District	Site
Central	Iowa-Nebraska-South Dakota	Breda Post Office
		Clare Post Office
		Des Moines VMF
		Omaha VMF
		Elrosa Post Office
	Minnesota-North Dakota	Eagan ITSC
		Minneapolis VMF
		Bloomington Auxiliary VMF
		Saint Paul VMF

Region	Division	Site
Western Processing	Midwest	Omaha Processing and Distribution Center
		Des Moines Network Distribution Center (NDC)
		Minneapolis NDC

We conducted this performance audit from March through September 2022 in accordance with generally accepted government auditing standards and included such tests of internal controls as we considered necessary under the circumstances. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objective. We believe the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objective. We discussed our observations and conclusions with management on August 11, 2022 and included their comments where appropriate.

We assessed the reliability of the tool kit data by tracing 73 randomly selected ASTs at 30 facilities to system records. We tested the accuracy and validity of the data and interviewed knowledgeable Postal Service officials regarding the data. We determined that the data were sufficiently reliable for the purposes of this report.

Prior Audit Coverage

The OIG did not identify any prior audits or reviews related to the objective of this audit within the last five years.

Appendix B: Management's Comments



September 1, 2022

JOHN CIHOTA
DIRECTOR, AUDIT SERVICES

SUBJECT: Management Response: Aboveground Storage Tanks
(Project Number 22-078-DRAFT)

Thank you for providing the Postal Service with an opportunity to review and comment on the findings and recommendations contained in the draft audit report, *Aboveground Storage Tanks*. Management generally agrees with the report's findings from the audit fieldwork, but does not necessarily agree with all of the conclusions, and subsequent recommendations, reached from these findings.

Regarding the report's finding that the Postal Service had policies and procedures for aboveground storage tanks (ASTs), we generally disagree that management did not always follow all policies and procedures concerning aboveground storage tanks (ASTs). Specifically, Environmental Affairs and Corporate Sustainability (EACS) does not agree with the observation that periodic reviews are not being performed by EACS (noted as "Sustainability Managers" in the report). Reviews are being performed per USPS policy and at a cadence that exceeds regulatory requirements. EACS performs compliance reviews of plans and permits through our established Environmental Compliance Review (ECR) process at high priority sites. This is the organizational process to evaluate compliance with Postal policies and regulatory requirements. The ECRs are set to the most stringent of federal, state, and local requirements and are performed on a three-year cycle, which is more frequent than the regulatory required Spill Prevention Control and Countermeasures (SPCC) plans reviews which are required to be performed every five years (40 CFR § 112.5 - Amendment of Spill Prevention, Control, and Countermeasure Plan by owners or operators).

Management generally agrees with the OIG's finding that supporting documentation validating Environmental Compliance Review (ECR) corrections is not always loaded into the Environmental Tool Kit (ETK). It should be noted, however, that the lack of documentation uploaded into ETK is not indicative that the Postal Service has not completed site related corrective actions in accordance with USPS policy.

Management's response to the recommendations included in the draft report may be found below.

Recommendation [1]:

We recommend the Chief Retail & Delivery Officer, Chief Logistics Officer, and the Chief Processing & Distribution Officer, develop and implement aboveground storage tank oversight procedures, to include roles and responsibilities, to ensure monthly inspections are performed as required.

Management Response/Action Plan:

Management agrees with this recommendation. Members of the Chief Retail & Delivery Officer, Chief Logistics Officer, and Chief Processing & Distribution Officer organizations will collaboratively produce standard work instructions detailing the roles and responsibilities associated with aboveground storage tank procedures, with guidance and assistance from the Vice, President Consumer Affairs organization.

Target Implementation Date: 10/31/2022

Responsible Official:

Executive Manager, Maintenance Policy, Programs, and Support
Executive Manager, Maintenance Implementation – East
Executive Manager, Maintenance Implementation – West
Executive Manager, Fleet Operations
Director, Retail & Post Office Operations Maintenance

Recommendation [2]:

We recommend the Chief Retail & Delivery Officer, Chief Logistics Officer, and the Chief Processing & Distribution Officer, conduct inspections within 30 days of report issuance for the 39 aboveground storage tanks and remediate issues identified by the audit team and any additional items identified in subsequent inspections.

Management Response/Action Plan:

Management agrees with this recommendation. The 39 aboveground storage tanks identified by the audit team will be inspected by each facility's responsible official. Identified issues will be remediated and documented

Target Implementation Date: 10/31/2022

Responsible Official:

Executive Manager, Maintenance Policy, Programs, and Support
Executive Manager, Maintenance Implementation – West
Executive Manager, Fleet Operations
Director, Retail & Post Office Operations Maintenance

Recommendation [3]:

We recommend the Vice President, Corporate Affairs, establish a process to ensure Spill Prevention Control and Countermeasures plans are prepared as

required and reiterate guidance to facility management to sign and upload plans into the Environmental Tool Kit.

Management Response/Action Plan:

Management disagrees with this recommendation. There is currently an established process to ensure Spill Prevention Control and Countermeasures (SPCC) plans are prepared as required. This is conducted through the ECR process on a three-year cycle, exceeding the regulatory required five-year cycle. As a part of our continuing education program, Management will continue to reinforce the communications to facility management that these plans be promptly signed and uploaded into the Environmental Tool Kit once received by Environmental Affairs.

Target Implementation Date: N/A

Responsible Official: N/A

Recommendation [4]:

We recommend the Chief Retail & Delivery Officer, Chief Logistics Officer, and the Chief Processing & Distribution Officer, establish a process to review and track Spill Prevention Control and Countermeasures plans in the Environmental Tool Kit to ensure they are signed, uploaded, and up-to-date.

Management Response/Action Plan:

Management agrees with this recommendation. Sites that require a spill prevention control and countermeasures (SPCC) plan in ETK will be monitored to ensure SPCC plans are signed and correctly uploaded on a regular basis via Environmental Compliance Reviews. Sites that are not in compliance will be tracked until the corrective action is completed and documented per *ASM 69 Environmental Management and Compliance* specific to site-level Environmental Compliance Reviews (see chapter 695, paragraph f). Each organization will ensure completion of all corrective actions by required site personnel.

Target Implementation Date: 12/31/2022

Responsible Official:

Executive Manager, Maintenance Policy, Programs, and Support
Executive Manager, Maintenance Implementation – East
Executive Manager, Maintenance Implementation – West
Executive Manager, Fleet Operations
Director, Retail & Post Office Operations Maintenance
Director, Environmental Affairs

Recommendation [5]:

We recommend the Chief Retail & Delivery Officer, Chief Logistics Officer, and the Chief Processing & Distribution Officer, develop and implement oversight procedures to ensure facilities responsible for maintaining aboveground storage tanks complete the annual Spill Prevention Control and Countermeasures training as required.

Management Response/Action Plan:

Management agrees with this recommendation. This training will be monitored by each named officer's organization through the HERO platform. Each organization will ensure completion of the training by all required personnel.

Target Implementation Date: 10/31/2022

Responsible Official:

Executive Manager, Maintenance Policy, Programs, and Support
Manager, Capability & Proficiency

Recommendation [6]:

We recommend the Vice President, Corporate Affairs, in coordination with the Chief Retail & Delivery Officer, Chief Logistics Officer, and the Chief Processing & Distribution Officer, develop and implement a training requirement for facilities that have aboveground storage tanks with capacities below 1,320 gallons. At minimum, the training should identify roles and responsibilities, inspection requirements, and provide guidance for updating the Environmental Tool Kit.

Management Response/Action Plan:

Management disagrees with this recommendation. While AST training for non SPCC sites is not required per regulations, as a preventive strategy, EACS has previously developed an AST Inspections Training Video which has been available in HERO and on EACS website:

<https://blue.usps.gov/sustainability/videos/aboveground-storage-tank-inspections.htm>.

In addition, as a preventive strategy, EACS has also prepared Environmental Compliance Bulletins (ECBs) on proper management of ASTs for sites that are not subject to SPCC: <https://blue.usps.gov/sustainability/environmental/storage-tank-management.htm>.

The referenced Training Video and ECBs address inspections, roles and responsibilities and other pertinent management requirements. Furthermore, as the number of sites not subject to SPCC requirements is very large (over 4,000 sites have tanks of which only 145 are subject to SPCC requirements) developing additional procedures would be overly burdensome.

Target Implementation Date: N/A

Responsible Official: N/A

Recommendation [7]:

We recommend the Chief Retail & Delivery Officer, Chief Logistics Officer, and the Chief Processing & Distribution Officer, implement a process to verify all required supporting documentation is within the Environmental Tool Kit for Environmental Compliance Review findings to confirm the facility took the appropriate corrective action.

Management Response/Action Plan:

Management agrees with this recommendation. Facilities requiring an SPCC plan in ETK will be monitored to ensure SPCC plans are signed and uploaded correctly on a regular basis. Sites that are not in compliance will be tracked until the corrective action is completed and documented. Each organization will ensure completion of all corrective actions by required site personnel. However, as a part of our continuing education program, Environmental Affairs will prepare a Stand-Up Talk to further reinforce roles and responsibilities, inspection requirements, and guidance for updating the Environmental Tool Kit.

Target Implementation Date: 12/31/2022

Responsible Official:

Executive Manager, Maintenance Policy, Programs, and Support
Executive Manager, Maintenance Implementation – East
Executive Manager, Maintenance Implementation – West
Executive Manager, Fleet Operations
Director, Retail & Post Office Operations Maintenance
Director, Environmental Affairs

E-SIGNED by Joshua D Colin
on 2022-09-02 14:08:54 CDT

Joshua D. Colin
Chief Retail & Delivery Officer

E-SIGNED by KELLY.R ABNEY
on 2022-09-06 13:21:36 CDT

Kelly Abney
Chief Logistics Officer

E-SIGNED by Isaac S Cronkhite
on 2022-09-06 13:23:43 CDT

Isaac Cronkhite
the Chief Processing & Distribution Officer

E-SIGNED by Lindsey C Taylor
on 2022-09-06 14:46:02 CDT

Lindsey Taylor on behalf of Judith de Torok
Vice President, Corporate Affairs

cc: *Manager, Corporate Audit Response Management*

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