INELIGIBLE EXPENSES LIST

This document is intended to be used as a guide for applicants, contractors, responsible parties to identify commonly claimed items that are ineligible for reimbursement by the LUST fund. Any expenses not specifically listed herein or exceptions to any items listed below are to be reviewed on a case-by-case basis and are subject to review and approval by DEM staff. If you have any questions, please contact Michaela Brockmann at (401) 222-4700 extension 7104

A. Closure Expenses
   1. Removal of a UST or UST system
   2. Disposal of USTs and components including transportation and tipping fee for disposal facility
   3. UST Closure Assessment fees required by RI DEM as part of UST removal, UIC, or drywell closure
   4. Closure Assessment report and associated fees and expenses
   5. Costs for removal of non-impacted water, groundwater, and soil from the site
   6. Clean fill material
   7. Removal of floor drains, piping, drywell, and/or UIC systems

B. Environmental Assessments/Remediation
   1. Phase I Environmental Site Assessments unless part of a DEM-approved Corrective Action Plan
   2. Investigation, excavation, and/or remediation costs caused by anything other than a release from an eligible UST or UST system;
   3. Any time of environmental site assessment, investigation, or remediation not required by RI DEM
   4. Temporary remedial system installations not required by RI DEM

C. UST Maintenance, Repairs, Upgrades, and Replacements
   1. Retrofitting, modification, repair, or replacement of UST(s) or UST systems
   2. Ordinary business expenses or capital improvements, including expenses that would have been incurred in the course of routine UST management, UST replacement, or facility maintenance
   3. Any other costs (including UST Compliance costs) not directly related to RI DEM approved response activities
   4. UST or UST system integrity (tightness) tests
   5. All labor costs and other related expenses for the owner, operators, and/or staff

D. Property Restoration Expenses
   1. New or replacement asphalt, concrete, or other cover and/or surfacing replacement
   2. Landscaping expenses
   3. Repair of buildings, pump island, canopies, lights, roads, yards, fences, or other structures or land damaged by equipment used in the corrective action
   4. Sewer, gas, water and water lines, electrical lines, phone lines, fiber optic lines, or any other utilities
   5. Demolition, replacement, or repair of a structure
   6. Subsurface structure repair or replacement, including, but not limited to, road boxes, stormwater drains, or other utilities
E. Loss of Income and Business Interruption
   1. Rental of temporary virgin petroleum product storage tanks
   2. Cost of lost petroleum product
   3. Loss of revenue because of shutdown due to a release or response action
   4. Decreased property values for the applicant's property
   5. Property Appraisals

F. Time Period
   1. Charges paid prior to January 1st, 1994 for single station UST owner/operators
   2. Charges paid prior to July 8th, 1994 for multi-station owner/operators and government and former
government sites
   3. Applications and supporting documentation not received prior to the appropriate deadlines
   4. Invoices greater than two years old

G. Legal Fees
   1. Attorney’s fees, expert witness fees, court costs, and other legal or litigation expenses
   2. Punitive damages, civil or administrative penalties, criminal fines, or awards for mental distress or pain
   and suffering

H. Miscellaneous Charges
   1. Interest payments and/or finance charges and late fees
   2. Rent for space to locate remediation equipment
   3. Billing categories labeled as “miscellaneous”, “office work”, “field work”, administrative”, or “other”
   expenses. All expenses must be specifically identified and supported with backup
   4. Miscellaneous expendables, including glassware, ice, disposable gloves, twine/string/rope

I. Insurance and Other Reimbursements
   1. Any type of insurance and/or related costs, including bonds
   2. Insurance surcharges
   3. Any costs for which the applicant has or will receive reimbursement from a commercial insurance carrier
   or any other sources, including, but not limited to, Industrial Property Remediation and Reuse Act
   (Chapter 23-19.14), e.g., Brownfields Program

J. Laboratory Expenses
   1. Laboratory analyses and collection of samples for non-petroleum product hydrocarbons not associated
   with RI DEM required activities
   2. Any laboratory analyses or collection costs not required by the RI DEM project manager
   3. Rush charges for laboratory analyses

K. Administrative and Office Expenses
   1. Costs related to the preparation and/or filing of applications for reimbursements
   2. Lump sum or Unit cost invoices from any contractor and/or consultant associated with the remedial work
   performed at the site without proper backup which clearly breaks down supported activities
   3. Office equipment and miscellaneous office items, including, but not limited to, the use of a copy or fax
   machine, software, printer and copies expenses, and other routine office materials
   4. Any mark-ups or surcharges greater than 15%
L. Consultant Expenses
1. Food, lodging, and per diem charges
2. Excessive travel, tolls, and fuel
3. Postage, shipping charges, or any other delivery charges for the purpose of report and/or general project correspondence with associated recipients, including RI DEM.
4. Any costs for work not included in the scope of work described in the CAP and or CAP amendments that were approved by RI DEM
5. Overtime charges
6. Any other costs associated with actions that do not minimize, eliminate, or clean up a petroleum release from a UST or UST system
7. Small tools including, but not limited to, hammers, knives, screwdrivers, tape measures, coolers, and other items that can reasonably be expected to be owned by a consultant or contractor as tools of their trade
8. Any costs now, or in the future, excluded or prohibited by State or Federal law
9. Any rates for equipment and/or labor which RI DEM determines to be unreasonable or excessive
10. Any amount of time charged for equipment and/or labor which RI DEM determines to be unreasonable or excessive
11. Mileage reimbursement beyond the IRS mileage rate

M. 3rd party claims
1. Any claim not decided by a Court of law as a settlement agreement or court order
2. Any claim which exceed the statutory limitations of the LUST reimbursement Fund
3. Any claim which RI DEM determines to be unrelated to a release from a UST or UST system
4. Any claim which RI DEM determines is not founded in recognized and peer reviewed science, engineering, or technology

<table>
<thead>
<tr>
<th>Item</th>
<th>Maximum Rate</th>
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<tbody>
<tr>
<td>Professional Rate*</td>
<td>$110 per hour</td>
</tr>
<tr>
<td>Consultant Vehicles</td>
<td>$100 per day</td>
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<tr>
<td>Sampling Vehicles</td>
<td>$100 per day</td>
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<tr>
<td>Specialized Contractor Vehicles</td>
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<tr>
<td>Photoionization Detector (PID)</td>
<td>$60 per day</td>
</tr>
<tr>
<td>Generator, Jackhammer, or Compressor</td>
<td>$110 per day</td>
</tr>
<tr>
<td>Field sampling and monitoring equipment (owned)</td>
<td>$110 per day</td>
</tr>
<tr>
<td>Field sampling and monitoring equipment (rental)</td>
<td>Must provide invoice</td>
</tr>
</tbody>
</table>

*Professional Rate charged must be consistent with level of work performed and title