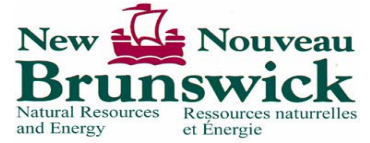


**SUBJECT:**           **INTERIM POLICY ON  
STORAGE OF PETROLEUM  
PRODUCTS**



**Policy Number:**       **CLM-004-2002**  
**File Number:**       **415-00-0011**

**Effective Date:**       **September 13, 2002**  
**To Be Reviewed:**      **September 13, 2006**

**Approval:**           **Original Signed by W. David Ferguson, Deputy Minister**

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## 1.0 Purpose

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The purpose of this policy is to:

- set interim guidelines to help Departmental staff review lease applications involving the storage of petroleum products; and
  - set interim requirements for leases storing petroleum products on Crown Land.
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## 2.0 Objectives

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The objectives of the policy are to:

- allow Departmental staff to move forward with existing lease applications while the final policy is being prepared; and
  - ensure consistency when reviewing lease applications involving the storage of petroleum products.
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## 3.0 Requirements

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### 3.1 Public liability insurance

Leases with a total storage capacity of over 1 000 litres of petroleum products will be required to carry \$2,000,000 public liability insurance.

Her Majesty the Queen in Right of the Province of New Brunswick must be named as an “additional-insured” in the policy. A copy of the policy must be forwarded to the Department and a certificate of insurance must be provided every year.

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### 3.2 Environmental impairment insurance

Leases with a total storage capacity of over 1 000 litres of petroleum products will be required to carry \$250,000 environmental impairment insurance.

Her Majesty the Queen in Right of the Province of New Brunswick must be named as an “additional-insured” in the policy. A copy of the policy must be forwarded to the Department and a certificate of insurance must be provided every year.

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**3.3 Compliance with Regulation 87-97** All leases with a total storage capacity of 2 000 litres or more of petroleum products will be required to obtain the appropriate permit from the Department of Environment and Local Governments.

A copy of the permit must be forwarded to the Department every year.

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**3.4 Lease cancellation** Failure to abide by any of the requirements of Section 3 may lead to lease cancellation.

Failure to abide by any applicable Acts and/or Regulations may lead to lease cancellation.

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#### **4.0 New Lease Terms and Conditions**

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The following clauses will be added to all non-campsite leases:

- The lessee acknowledges that the lessor has advised the lessee that the lessor is in the process of developing a policy pertaining to the sale and storage of petroleum products on Crown land leases and that this policy may affect the operations of the lessee.
  - The lessee agrees that the lease will automatically be amended to incorporate the provisions of the policy pertaining to the sale and storage of petroleum products on Crown land leases once it has been adopted.
  - The lessee shall obtain permission from the lessor to change the petroleum storage carrying capacity.
  - The lessee shall inform the lessor of all storage of petroleum products on site.
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#### **5.0 Scope and Application**

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The interim policy applies to all non-campsite leases upon renewal, re-issuance or issuance.

Storage of petroleum products will have to be verified with all lessees prior to renewal, re-issuance or issuance.

Section 3.3 applies to all non-campsite leases immediately.

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## 6.0 Authority

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- Section 24, *Crown Lands and Forests Act*
  - Regulation 89-32, *Leasing Regulation -Crown Lands and Forests Act*
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## 7.0 Inquiries

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### 7.1 Written Inquiries

Inquiries concerning this policy may be made in writing to:  
Director of Crown Lands Branch  
or Manager of the Upland and Coastal Planning Section  
Department of Natural Resources  
P.O. Box 6000  
Fredericton NB E3B 5H1

### 7.2 Phone Inquiries

Inquiries may be made by phone by calling the Land Use Application Service Centre at 1-888-312-5600.

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