

From the Compliance Corner:

by Bill Morris

What's a few Numbers?



In recent months I have done quite a few Compliance Surveys and since I started working for PSI in October 1999, I have done 225 Compliance Surveys. During this time and even recently, one thing that seems to get forgotten more often than not is INVENTORY CONTROL, which involves keeping track of “a few numbers”.

For retail stores, inventory control is not an option; it's a requirement by the TCEQ. But what if you have an Automatic Tank Gauge (ATG) that tells you that the tank is tight every day; do you still have to do inventory control? The answer is yes unless it is equipped with BIR (which is capable of doing this automatically and meets TCEQ requirements). Is it difficult? No, it will take you 2 ½ minutes a day once you get the hang of it.

It's this simple:

If you have 1,000 gallons in the tank to start and you sell 100 gallons for the day, you should have 900 gallons left in the tank (called book inventory). The ATG or stick readings and tank chart show you have 890 gallons; you are 10 gallons short for the day. Any deliveries for the day you would add in. At the end of the month, you do a math check and reconcile the numbers to see if you are within allowable limits. That's it. And yet 65% of the tank owners don't do inventory control properly or not at all.

Here are a few simple tips to remember:

1. Take all readings at the same time (mistake lots of folks make).
2. Always use gross volume for volume and deliveries (not net a common mistake).
3. Don't forget the reconciliation (1% of through put + 130 gallons) at the end.
4. Record inches of water at least once per month.

Need an inventory control form or additional help, give me a call at the McAllen office at 1-800-880-9582.