

Ineligible Contractor Costs

Please be Aware the Petroleum Fund is NOT Responsible for Reimbursing the Following Itemized Costs. If NDEP determines these costs have been included in a claim, NDEP will recommend to the *Board to Review Claims to not reimburse the ineligible amount(s)*.

The costs for items below may be separately negotiated with the owner/operator.

1. Excessive markup over customary and usual rates. Customary and usual rates are rates required for a service or purchase that include reasonable markup for profit and overhead and do not include intangible costs not associated with effective completion of a project.
2. Costs attributed to risks associated with an owner/operator or other intangible costs not related to the effective completion of a project.
3. Costs for damage due to contractor or subcontractor error.
4. Change Order costs associated with an awarded bid that was submitted intentionally low, failing to be representative of the costs for the project, in an effort to increase the likelihood of winning the bid.
5. Costs for equipment that was not used for the job.
6. Costs outside the scope of the approved project.
7. Costs for additional, unforeseen work approved by NDEP that is billed at a greater rate than the original bid rates, unless approved by the regulatory case officer.
8. Purchase of maintenance equipment, such as hand tools.
9. Activities, equipment or materials which are solely for the convenience of the claimant. Examples: rush lab turn around fees not required by oversight agency, replacement of wells due to site improvements, site improvements unrelated to required corrective actions.