

# Steel Tank Institute Steel Plate Fabricators Association

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## NEWS

### **STI/SPFA ANNOUNCES A NEW TOOL FOR WATER STORAGE TANK INDUSTRY “TOTAL COST OF OWNERSHIP”**

LAKE ZURICH – June 19, 2007 – The Steel Tank Institute / Steel Plate Fabricators Association (STI/SPFA) is pleased to offer its Total Cost of Ownership tool to the water storage tank industry. The tool is the Association’s response to industry demand to quantify the Net Present Value of storage tank ownership. The concepts of initial cost, replacement costs, significant renovation costs and routine maintenance costs are contemplated for welded steel, bolted steel and concrete tanks in this powerful tool.

“The life expectancy of a properly cared for steel water storage tank is truly unlimited. In fact, STI/SPFA honors tanks that have been in service for over 100 years through its Century Club. Attempting to quantify the total cost of ownership, in present value, and evaluate water storage tank options is a major undertaking. We have compiled available industry information and the expert opinions of industry professionals to assist owners and engineers in this critical task,” says Kevin J. Gallagher, P.E., Vice President – Sales of Caldwell Tanks, Inc., Chairman, STI/SPFA Field Erected Tank Section.

“We have compiled coating system life expectancies for the commonly used American Water Works Association D102 systems. The NACE documents Corrosion 06 and Corrosion 98, along with industry experience provide the source. Further, advances in coatings system

technologies make it probable that the systems will provide an even longer service life,” says Tony Ippoliti, Senior Corrosion Engineer for The Sherwin-Williams Company.

"If tank owners and their consultants are truly honest with themselves and use industry average costs and other reasonable factors in their evaluations, the lowest total cost of ownership for a long term water storage tank solution will be a welded steel storage tank for most cases," says Richard Horn, P.E., Manager of Sales for CB&I. "Despite some of the marketing propaganda for other materials, there is no such thing as a 'maintenance free' water storage tank - irregardless of the construction materials. With periodic inspection and some maintenance, welded steel water storage tanks can and have operated for well over 100 years under normal operating conditions. Welded steel should be the material of choice for most water storage tank solutions."

The Total Cost of Ownership Program is available on the web site at [www.steeltank.com](http://www.steeltank.com) under the "What's New" feature, or by clicking on "Industries" and "Water Tanks". The actual link is <http://www.steeltank.com/Industries/WaterTanks/TotalCostofOwnershipProgramforWaterTanks/tabid/219/Default.aspx>

STI/SPFA is an association serving companies fabricating steel tanks, piping and pressure vessels for use in the petroleum, food, water and chemical processing industries. STI/SPFA provides certification and training courses for steel tanks and piping, performs quality assurance inspections, develops industry standards and specifications, produces safety booklets, and serves as a liaison to regulatory and code authorities. For further information, contact Anne Kiefer at STI/SPFA, 570 Oakwood Road, Lake Zurich, IL 60047, Phone: 847/438-8265 Fax: 847/438-8766 E-mail: [ankiefer@steeltank.com](mailto:ankiefer@steeltank.com) Web: [www.steeltank.com](http://www.steeltank.com)

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