**STATE OF GEORGIA**

**ENVIRONMENTAL PROTECTION DIVISION
LAND PROTECTION BRANCH**

**HAZARDOUS WASTE**

 **FINANCIAL TEST**

[ ] **Closure** [ ] **Post Closure** [ ] **Corrective Action**

Check Appropriate Box(es)

As used in this document closure, post-closure care, or corrective action, or any combination of these, which is checked above, are hereinafter referred to as “Required Action”.

Letter from Chief Financial Officer

Georgia EPD Director

Georgia Department of Natural Resources

Environmental Protection Division

2 Martin Luther King Jr. Drive

Suite 1054, East Tower

Atlanta, Georgia 30334

Attn: Land Protection Branch, Hazardous Waste

Dear Sir or Mam: I am the chief financial officer of **[name and address of firm]**. This letter is in support of this firm's use of the financial test to demonstrate financial assurance for “Required Action” costs, as specified in paragraph 391-3-11-.05 of the Rules of the Georgia Department of Natural Resources, Environmental Protection Division.

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Facility Information for “Required Action”

*[Fill out the following five paragraphs regarding facilities and associated cost estimates. If your firm has no facilities that belong in a particular paragraph, check “Does Not Apply” in the space indicated. For each facility, include its EPA Identification Number, name, address, and current closure, post-closure and/or corrective action cost estimates. Identify each cost estimate as to whether it is for closure, post-closure care, and/or corrective action].*

1. This firm is the owner or operator of the following facilities which are located in the State of Georgia and for which financial assurance for “Required Action” is demonstrated through the financial test specified in paragraph 391-3-11-.05. The current closure, and/or post-closure, and/or cost estimates covered by the test are shown for each facility*:* **Does Not Apply** [ ]

*[If more fields are required, include as attachment]*

| Name | EPA ID Number | Address | Costs |
| --- | --- | --- | --- |
| **[Name 1]** | **[ID No 1]** | **[Address 1]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 2]** | **[ID No 2]** | **[Address 2]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 3]** | **[ID No 3]** | **[Address 3]** | **Closure = $Post-Closure = $ Corrective Action = $** |

2. This firm guarantees, through the corporate guarantee specified in paragraph 391-3-11-.05, the “Required Action” of the following facilities which are located in the State of Georgia and which are owned or operated by subsidiaries of this firm. The current cost estimates for the “Required Action” so guaranteed are shown for each facility: **Does Not Apply** [ ]

*[Attach the Corporate Guarantee for “Required Action”. If more fields are required, include as attachment]*

| Name | EPA ID Number | Address | Costs |
| --- | --- | --- | --- |
| **[Name 1]** | **[ID No 1]** | **[Address 1]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 2]** | **[ID No 2]** | **[Address 2]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 3]** | **[ID No 3]** | **[Address 3]** | **Closure = $Post-Closure = $ Corrective Action = $** |

The firm identified above is **[if applicable, copy and paste one or more: 1) the direct or higher-tier parent corporation of the owner or operator; 2) owned by the same parent corporation as the parent corporation of the owner or operator, and receiving the following value in consideration of this guarantee $ ; or 3) engaged in the following substantial business relationship with the owner or operator, and receiving the following value in consideration of this guarantee $ (Attach a written description of the business relationship or a copy of the contract establishing such relationship to this letter).]**

3. In states outside of Georgia, where EPA or some designated authority is administering financial responsibility requirements, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the “Required Action” of the following facilities through the financial test or corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265 or through a test which is equivalent or substantially equivalent to it. The current “Required Action” cost estimates covered by such a test or guarantee are shown for each facility: **Does Not Apply** [ ]

| Name | EPA ID Number | Address | Costs |
| --- | --- | --- | --- |
| **[Name 1]** | **[ID No 1]** | **[Address 1]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 2]** | **[ID No 2]** | **[Address 2]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 3]** | **[ID No 3]** | **[Address 3]** | **Closure = $Post-Closure = $ Corrective Action = $** |

 *[If more fields are required, include as attachment]*

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure and/or corrective action or, if a disposal facility, financial assurance for post-closure care, and/or corrective action is demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current “Required Action” cost estimates not covered by such financial assurance are shown for each facility: **Does Not Apply** [ ]

| Name | EPA ID Number | Address | Costs |
| --- | --- | --- | --- |
| **[Name 1]** | **[ID No 1]** | **[Address 1]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 2]** | **[ID No 2]** | **[Address 2]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 3]** | **[ID No 3]** | **[Address 3]** | **Closure = $Post-Closure = $ Corrective Action = $** |

 *[If more fields are required, include as attachment]*

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under 40 CFR Part 144. The current closure cost estimates as required by 40 CFR 144.62 are shown for each facility: **Does Not Apply** [ ]

| Name | EPA ID Number | Address | Costs |
| --- | --- | --- | --- |
| **[Name 1]** | **[ID No 1]** | **[Address 1]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 2]** | **[ID No 2]** | **[Address 2]** | **Closure = $Post-Closure = $ Corrective Action = $** |
| **[Name 3]** | **[ID No 3]** | **[Address 3]** | **Closure = $Post-Closure = $ Corrective Action = $** |

 *[If more fields are required, include as attachment]*

The total of the current cost estimates for “Required Action”, and the current plugging and abandonment cost estimates, listed in the five numbered paragraphs above, is $. To the best of my knowledge, this figure is sufficient to execute the closure plans, and/or perform post-closure care, and/or perform corrective action responsibilities for all of the facilities listed in paragraphs 1. through 5. above.

This firm **[insert “is required” or “is not required”]** to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year. The fiscal year of this firm ends on **[month, day]**. The figures for the following items marked with an asterisk are derived from this firm's independently audited, year-end financial statements for the latest completed fiscal year, ended **[date]**.

Financial Test for “Required Action”

*[Fill in Alternative I if the following criterion is selected:*

*The firm must have:*

 *(A) Two of the following three ratios: a ratio of total liabilities to net worth less than 2.0; a ratio of the sum of net income plus depreciation, depletion, and amortization to total liabilities greater than 0.1; and a ratio of current assets to current liabilities greater than 1.5; and*

 *(B) Net working capital and tangible net worth each at least six times the sum of the current cost estimates for “Required Action”, and/or plugging and abandonment, covered by the test; and*

 *(C) Tangible net worth of at least $10 million; and*

 *(D) Assets located in the United States amounting to at least 90 percent of total assets or at least six times the sum of the current cost estimates for “Required Action”, and/or plugging and abandonment, covered by the test.]*

*[Or, fill in Alternative II if the following criterion is preferred:*

*The firm must have:*

 *(A) A current rating for his most recent bond issuance of AAA, AA, A, or BBB as issued by Standard and Poor's or Aaa, Aa, A, or Baa as issued by Moody's; and*

 *(B) Tangible net worth at least six times the sum of the current cost estimates for “Required Action”, and/or plugging and abandonment, covered by the test; and*

 *(C) Tangible net worth of at least $10 million; and*

 *(D) Assets located in the United States amounting to at least 90 percent of total assets or at least six times the sum of the current cost estimates for “Required Action”, and/or plugging and abandonment, covered by the test.]*

{Intentionally left blank}

ALTERNATIVE I

1. Sum of the current cost estimates for “Required Action”,

and plugging and abandonment, covered by

the test [total of all cost estimates shown

in the five numbered paragraphs above]………………………. $

 \*2. Total liabilities [If any portion of the “Required Action”

 cost estimates is included in total liabilities, you

 may deduct the amount of that portion from this

 line and add that amount to lines 3 and 4] …………………… $

 \*3. Tangible net worth………………………………………………… $

 \*4. Net worth…………………………………………………………… $

\*5. Current assets……………………………………………………… $

 \*6. Current liabilities…………………………………………………… $

 7. Net working capital [line 5 minus line 6]………………………… $

 \*8. The sum of net income plus depreciation,

 depletion, and amortization………………………………………. $

\*9. Total assets in U.S. [required only if less

 than 90% of firm's assets are located in the U.S.]……………… $

 10. Is line 3 at least $10 million?....................................................... **[Yes or No]**

11. Is line 3 at least 6 times line 1?................................................... **[Yes or No]**

 12. Is line 7 at least 6 times line 1?................................................... **[Yes or No]**

\*13. Are at least 90% of firm's assets located

 in the U.S.? If not, complete line 14……………………………… **[Yes or No]**

 14. Is line 9 at least 6 times line 1?................................................... **[Yes or No]**

 15. Is line 2 divided by line 4 less than 2.0?...................................... **[Yes or No]**

 16. Is line 8 divided by line 2 greater than 0.1?................................ **[Yes or No]**

 17. Is line 5 divided by line 6 greater than 1.5?................................ **[Yes or No]**

ALTERNATIVE II

1. Sum of the current cost estimates for closure,

and/or post-closure care, and/or corrective

action, and/or plugging and abandonment,

covered by the test [total of all cost estimates

 shown in the five numbered paragraphs above]……………….. $

 2. Current bond rating of most recent issuance

 of this firm and name of rating service…………………………...

 3. Date of issuance of bond…………………………………………

 4. Date of maturity of bond…………………………………………

 \*5. Tangible net worth [if any portion of the

 “Required Action” cost estimates is included in

 "total liabilities" on your firm's financial statements,

 you may add the amount of that portion to this line]…………… $

 \*6. Total assets in U.S. [required only if less

 than 90% of firm's assets are located in the

 U.S.]…………………………………………………………… $

 7. Is line 5 at least $10 million?....................................................... **[Yes or No]**

 8. Is line 5 at least 6 times line 1?................................................... **[Yes or No]**

 \*9. Are at least 90% of firm's assets located

 in the U.S.? If not, complete line 10……………………………... **[Yes or No]**

 10. Is line 6 at least 6 times line 1?................................................... **[Yes or No]**

I hereby certify that the wording of this letter satisfies the requirements of paragraph 391-3-11-.05 of the Rules of the Georgia Department of Natural Resources, Environmental Protection Division as such regulations were constituted on the date shown immediately below.

[Name of Firm]

[Authorized Signature for Firm]

[Name of Person Signing]

[Title of Person Signing]

[Date]