

Figure: 30 TAC §37.8071

CORPORATE FINANCIAL TEST  
LETTER FROM CHIEF FINANCIAL OFFICER

(Address to TCEQ executive director)

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 closure, post closure, or corrective action as specified in 30 Texas Administrative Code (TAC) Chapter 37 (relating to Financial Assurance).

(Fill out the following paragraphs regarding facilities and associated cost estimates. If your firm has no facilities that belong in a particular paragraph, write "None" in the space indicated. For each facility, include its permit number, name, physical and mailing addresses, and current cost estimates. Identify for each current cost estimate the amount designated for closure, post closure, or corrective action.)

1. This firm is the owner or operator of the following facilities in Texas for which financial assurance for closure, post closure, or corrective action is being demonstrated through the financial test specified in 30 TAC §37.8061 (relating to Corporate Financial Test for Municipal Solid Waste Facilities). The current cost estimates covered by the test are shown for each facility: \_\_\_\_\_.

2. This firm guarantees, through the corporate guarantee specified in 30 TAC §37.261 (relating to Corporate Guarantee), the current closure, post closure, or corrective action cost of the following facilities owned or operated by the guaranteed party. The current cost estimates so guaranteed are shown for each facility: \_\_\_\_\_. The firm identified above is: (complete the sentence with the applicable relationship: the direct or higher-tier parent corporation of the owner or operator or a firm with a substantial business relationship with the owner or operator).

3. In States where TCEQ is not administering the financial requirements of 30 TAC Chapter 37, this firm, as owner, operator, or guarantor, is demonstrating financial assurance for the current cost estimates of the following facilities through the use of a test equivalent to the financial test specified in 30 TAC §37.8061. The current cost estimates covered by such a test are shown for each facility:\_\_\_\_\_.

4. The firm identified above owns or operates the following facilities for which financial assurance for current cost estimates has not been demonstrated to the TCEQ, to a federal agency, or to another state, by a financial test, by an equivalent mechanism, or by any other financial assurance mechanism specified in 30 TAC Chapter 37. The current cost estimates not covered by such financial assurance are shown for each facility:\_\_\_\_\_.

This firm (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).

1. (a) Sum of current cost estimates (total of all cost estimates shown in the paragraphs above) \$ \_\_\_\_\_

(b) Environmental obligations assured by a financial test to demonstrate regulations and the Code of Federal Regulations (CFR) or state equivalent rules not disclosed in line 1(a):

(1) Municipal Solid Waste under 30 TAC Chapter 330 and 40 CFR Part 258 \$ \_\_\_\_\_

(2) Hazardous waste treatment, storage and disposal facilities under 30 TAC Chapter 335 and 40 CFR Parts 264 and 265 \$ \_\_\_\_\_

(3) Petroleum underground storage tanks under 30 TAC Chapter 334 and 40 CFR Part 280 \$ \_\_\_\_\_

(4) Underground Injection Control System facilities under 30 TAC Chapter 331 and 40 CFR Part 144 \$ \_\_\_\_\_

(5) PCB commercial storage facilities under 40 CFR Part 761 \$ \_\_\_\_\_

(6) Additional environmental obligations not shown above \$ \_\_\_\_\_

Total (1) - (6) \$ \_\_\_\_\_

(c) Total of lines (a) and (b) \$ \_\_\_\_\_

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. Total liabilities \$ \_\_\_\_\_

\*6. Tangible net worth \$ \_\_\_\_\_

\*7. Net Worth \$ \_\_\_\_\_

\*8. The sum of net income plus depreciation, depletion and amortization minus \$10 million \$ \_\_\_\_\_

\*9. Total assets in U. S. \$ \_\_\_\_\_

Indicate either "yes" or "no" to the following questions. If lines 2, 3, and 4 apply, then answer lines 12a, 12b, and 13. If lines 2, 3, and 4 do not apply, then answer lines 10, 11, 12a, 12b, and 13.

10. Is line 5 divided by line 7 less than 1.5? (yes/no)

11. Is line 8 divided by line 5 greater than 0.1? (yes/no)

\*12a. Is line 6 greater than the sum of: line 1(c), total of any guarantees, plus \$10 million or (yes/no)

\*12b. Are all cost estimates reported in line 1(c) recognized as liabilities in the firm's year-end audited financial statements? (yes/no)

If yes, then is line 6 greater than \$10 million including any guarantees not recognized as liabilities on the financial statements? (yes/no)

\*13. Are assets located in the U.S. equal to or greater than line 1(c)? (yes/no)

I hereby certify that the wording of this letter is identical to the wording specified in 30 Texas Administrative Code §37.8071 as such regulations were constituted on the date shown immediately below.

(Signature) \_\_\_\_\_

(Name) \_\_\_\_\_

(Title) \_\_\_\_\_

(Date) \_\_\_\_\_