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State of New Mexico  
ENVIRONMENT DEPARTMENT

*Hazardous Waste Bureau*

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BUTCH TONGATE  
Cabinet Secretary  
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Deputy Secretary

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

May 16, 2017

Ms. Krista Harsono  
Compliance Director  
Advanced Chemical Treatment  
6133 Edith Boulevard N.E.  
Albuquerque, NM 87107

**RE: FINANCIAL ASSURANCE INFORMATION REQUEST  
ADVANCED CHEMICAL TREATMENT  
EPA ID# NMD002208627  
HWB-ACT-MISC**

Dear Ms. Harsono:

The New Mexico Environment Department (NMED) has reviewed the Advanced Chemical Treatment (ACT; the Permittee) draft closure cost estimate for future clean closure of the Albuquerque RCRA permitted hazardous waste storage facility (Facility).

The initial Facility closure cost estimate must be calculated using original third-party cost estimates, and adjusted for inflation each year, up to the current year. EPA's rationale for this was the assumption that if a RCRA permitted facility was bankrupt, the funds necessary to clean close the facility would still be available. The financial assurance is a guarantee that clean closure can occur even if the company has been dissolved. Therefore, closure cost estimates must be calculated based on a third-party's cost to complete clean closure (e.g., the State of New Mexico contracting closure) which would likely be more expensive than a facility completing its own clean closure.

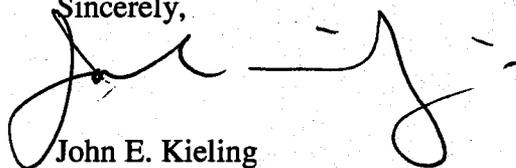
NMED believes the closure cost estimate is inaccurate for the following reasons:

1. After obtaining general estimates for transportation and final disposal options that meet disposal requirements for hazardous wastes from a third party, NMED has concluded that the cost estimate provided significantly under estimates hazardous waste disposal costs.
2. The items listed in your closure cost estimate do not match the required closure requirements of your current permit (Permit Attachment K Closure Plan).
  - a. For example, building demolition in your cost estimate is not required by your permit, but excavation and removal of contaminated soils, structural cleaning using acceptable methods (e.g., steam cleaning, power washing, scraping) is required by your permit.
  - b. Additionally, specific sampling and testing methods and the number of proposed confirmation samples, is listed in your permit but is not accurately represented in your closure cost estimate. Analyses required include soil gas surveys, soil sampling and analysis for both background and contaminated soils, survey plats, and groundwater monitoring are items that are specified in the permit Closure Plan.

Revise the entire closure cost estimate using 2017 verifiable third-party estimates for all work required to complete clean closure including disposal of wastes based on the maximum capacities listed in the permit. Submit the revised cost estimate to NMED no later than **June 23, 2017**.

If you have any questions regarding this letter, please contact Stacie Singleton at (505) 476-6056.

Sincerely,



John E. Kieling  
Chief  
Hazardous Waste Bureau

cc: D. Cobrain, NMED HWB  
S. Singleton, NMED HWB  
L. King, EPA Region 6 (6 MM-RC)