



Certified Mail - Return Receipt Requested

February 3, 2023

Mr. Pasquale Paduano
Vice President of Operations
Advanced Chemical Treatment, Inc.
6137 Edith Boulevard, N.E.
Albuquerque, New Mexico 87107

Ms. Krista Harsono
Compliance Director
Advanced Chemical Treatment, Inc.
6137 Edith Boulevard, N.E.
Albuquerque, New Mexico 87107

**RE: DISAPPROVAL
RESPONSE TO SECOND DISAPPROVAL,
2019 FINANCIAL ASSURANCE SUBMITTAL
ATTACHMENT A - 2022 FINANCIAL ASSURANCE SUBMITTAL
ADVANCED CHEMICAL TREATMENT, INC.
BERNALILLO COUNTY, ALBUQUERQUE, NEW MEXICO
EPA ID # NMD002208627
HWB-ACT-MISC**

Dear Mr. Paduano and Ms. Harsono:

The New Mexico Environment Department (NMED) has completed its review of Advanced Chemical Treatment, Inc.'s (the Permittee) *Response to Second Disapproval 2019 Financial Assurance Submittal, Attachment A – 2022 Financial Assurance Submittal (2022 FA)* dated May 27, 2022 and received June 8, 2022. NMED hereby issues this Disapproval with the following comments.

Comment 1

The table titled *Adjusted Closure Cost Estimates from 2017 – 2021* provides the gross domestic product (GDP) values used to calculate the cost estimate amounts from 2017 through 2021. Address the following:

- a. There appears to be a typographical error in reporting the 2017 cost estimate amount. The October 2, 2017 Cost Estimate provided by Daniel B. Stephens & Associates, Inc. is reported as \$457,178 while the cost reported in the 2022 *Adjusted Closure Cost Estimates* table is \$451,178 which implies deflation rather than inflation. Provide a corrected 2022 *Adjusted Closure Cost Estimate* table with the response letter. In addition, the Permittee must also provide a corrected Schedule A since the cost estimate calculation for 2022 was affected by the incorrect 2017 cost estimate reported in the table. The Permittee does

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not have to resubmit corrected versions of the *Increase Rider*; however, future submittals will require resubmittal of all of the financial assurance documents if incorrect cost estimates are reported.

- b. NMED could not verify the calculations listed in the *Adjusted Closure Cost Estimate* table or replicate the calculations for adjusting the closure cost estimates. It would facilitate NMED's review if the Permittee provided the calculations for generating the *Adjusted Closure Cost Estimate* table. Provide the calculations in the upcoming 2023 and future financial assurance submittals.
- c. Although the Permittee provides a reference for BEA Table 1.1.9, NMED was not able to verify the GDP values from the Permittee's table. Provide a copy of the BEA Table 1.1.9 for the 2023 and future financial assurance submittals to facilitate NMED's review.

Comment 2

The Permittee must include the cost estimate table with the 2023 and future financial assurance submittals to facilitate NMED's review.

The Permittee must address and incorporate all comments from this Disapproval in the upcoming 2023 Financial Assurance submittal. Furthermore, the response letter with the corrected 2022 *Adjusted Closure Cost Estimate* table, table calculations, and corrected Schedule A from this Disapproval must be sent as a separate submittal from the 2023 Financial Assurance submittal so that NMED can track documents in our administrative record. NMED must receive the response no later than the submittal date of the 2023 Financial Assurance.

If you have any questions, please contact Leona Tsinnajinnie of my staff at (505) 690-7820.

Sincerely,

Rick Shean

Digitally signed by Rick Shean
Date: 2023.02.08 10:14:25
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Rick Shean
Chief
Hazardous Waste Bureau

cc: D. Cobrain, NMED HWB
L. Tsinnajinnie, NMED HWB
C. Amindyas, NMED HWB
L. King, EPA Region 6 (6LCRRC)

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File: ACT 2023, HWB-ACT-MISC