



copy

Corporate Environmental Programs
General Electric Company
275 Battery Street, Suite 2140
San Francisco, CA 94111
415-274-1900

March 25, 1996

Re: **Demonstration by General Electric Company of Financial Responsibility For Corrective Action Closure Care Pursuant to Civil Action No. 87-1073-jb**

The attached information is being submitted by the General Electric Company to comply with the financial responsibility requirements relative to the Company's hazardous waste operations within your jurisdiction:

- Letter from the Chief Financial Officer, with wording for the financial test, including:
 - Attachment listing affected facilities as specified in the Letter from the Chief Financial Officer; and;
- Copy of General Electric Company's 1995 Annual Report which includes the independent public accountant's report on examination of financial statements for the latest completed fiscal year.
- Special report from KPMG - Peat Marwick Certified Public Accountants with respect to General Electric Company's financial information included in the Letter from the Chief Financial Officer.
- Copy of General Electric Company's 1995 Form 10K to the Securities and Exchange Commission.

If you have any questions about the information submitted, please contact Terri Luckett at (415) 274-1908.

Very truly yours,

Bruce R. Adler





KPMG Peat Marwick LLP

Stamford Square
3001 Summer Street
Stamford, CT 06905

The Board of Directors
General Electric Company:

We have applied certain agreed-upon procedures, as discussed below, to selected financial information included in "Alternative II" of your letter dated March 25, 1996 to the United States Environmental Protection Agency regarding corrective action. Our procedures were performed solely to assist you in connection with the filing of the aforementioned letter and our report is not to be used for any other purpose. Our procedures and findings are as follows:

- Tangible Net Worth - We compared the dollar amount of tangible net worth, \$16,267,000 thousand, as shown in Item 5, to the difference between Total Share Owners' Equity, \$29,609,000 thousand, and Intangible Assets, \$13,342,000 thousand, each reflected in the Statement of Financial Position on page 28 of the Company's 1995 Annual Report, and found such amounts to be in agreement.
- Total Assets in the United States - We compared the Company's Total Assets in the United States, \$168,878,000 thousand, as shown in Item 6, to the Company's Total Assets in the United States reflected in Note 28 - Geographic Segment Information on page 62 of the Company's 1995 Annual Report, and found such amounts to be in agreement.
- Are at Least 90% of Assets Located in the United States? - We divided the Company's Total Assets in the United States, \$168,878,000 thousand, reflected in Note 28 - Geographic Segment Information on page 62 of the Company's 1995 Annual Report by the Company's Total Assets, \$228,035,000 thousand reflected in the Statement of Financial Position on page 28 of the Company's 1995 Annual Report, and found that the Company's Total Assets in the United States were less than 90% of the Company's Total Assets. Accordingly, we agree with the Company's response of "No" in Item 9.

Because the above procedures do not constitute an audit made in accordance with generally accepted auditing standards, we express no opinion on any of the items referred to above. In connection with the procedures referred to above, no matters came to our attention that caused us to believe that the items should be adjusted. Had we performed additional procedures, matters might have come to our attention that would have been reported to you. This report relates only to the items specified above and does not extend to any financial statements of General Electric Company and consolidated affiliates taken as a whole.

March 25, 1996

KPMG Peat Marwick LLP





Approved for release to the public
by the Director of the
Environmental Protection Agency
on 03/25/1996, by order 11-9-96

Letter From Chief Financial Officer
*(to Demonstrate Financial Responsibility for Closure
Corrective Action Pursuant to Civil Action No. 87-1073-jb)*

March 25, 1996

Boyd Hamilton
State of New Mexico
Environmental Improvement Division
1190 St. Francis Dr.
Harold Runnels Bldg.
Santa Fe, NM 87503

I am the chief financial officer of *the General Electric Company, 1 River Road, Schenectady, NY 12345*. This letter is in support of this firm's use of the financial test to demonstrate financial assurance for closure, as specified in *subpart D of 40 CFR part 761*.

1. This firm is the owner or operator of the following facilities for which financial assurance for closure is demonstrated through the financial test specified in subpart D of 40 CFR part 761. The current closure cost estimates covered by the test are shown for each facility: ----. *SEE SCHEDULE A*

2. This firm guarantees, through the guarantee specified in subpart D of 40 CFR part 761, the closure care of the following facilities owned or operated by the guaranteed party. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility: ----. *NONE*

3. In States where EPA is not administering the financial requirements of subpart D of 40 CFR part 761, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in subpart D of 40 CFR part 761. The current closure cost estimates covered by such a test are shown for each facility: ----. *NONE*

4. This firm is the owner or operator of the following commercial PCB storage facilities for which financial assurance for closure is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in subpart D of 40 CFR part 271 or equivalent or substantially equivalent State mechanisms. The current closure cost estimates not covered by such financial assurance are shown for each facility: ----. *NONE*

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5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under part 144. The current closure cost estimates as required by 40 CFR 144.62 are shown for each facility: --
--None

This firm "is 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 December 31. 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 December 31, 1995.

Alternative II

(Dollars in Thousands)

- | | |
|--|--|
| 1. Sum of current closure and post-closure cost estimates [total of all cost estimates shown in the five paragraphs above] | \$220 |
| 2. Current bond rating of most recent issuance of this firm and name of rating service ---- | Aaa - Moody's
AAA - Standard & Poor's |
| 3. Date of issuance of bond ---- | 9/15/92 |
| 4. Date of maturity of bond ---- | 9/15/95 |
| *5. Tangible net worth [if any portion of the closure and post-closure cost estimates is included in "total liabilities" on your firm's financial statements, you may add the amount of that portion to this line] | \$16,267,000 |
| *6. Total assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.) | \$168,878,000 |
| 7. Is line 5 at least \$10 million ? (Yes/No) ---- | YES |
| 8. Is line 5 at least 6 times line 1? (Yes/No) ---- | YES |
| *9. Are at least 90% of firm's assets located in the U.S.? If not, complete line 10 (Yes/No) ---- | NO |
| 10. Is line 6 at least 6 times line 1? (Yes/No) ---- | YES |

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I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f) as such regulations were constituted on the date shown immediately below.

A handwritten signature in black ink, appearing to read "Dennis D. Dammerman", with a long horizontal line extending to the right.

Dennis D. Dammerman
Senior Vice President - Finance
March 25, 1996

FINANCIAL ASSURANCE FOR CORRECTIVE ACTION 03-05-90

SCHEDULE A

FISCAL YEAR ENDED DECEMBER 31, 1995

PA ID	FACILITY	STREET	CITY	ST	CLOSURE	POST CLOSURE
MD047140256	GE INDUSTRIAL & POWER SYS. - SER	4420 MCLOED RD., NE.	ALBUQUERQUE	NM	220,244	0
					=====	=====
No. Facilities:	1			TOTAL:	220,244	0
					=====	=====
					220,244	0