



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 6
1445 ROSS AVENUE, SUITE 1200
DALLAS, TX 75202-2733



February 8, 2000

Mr. Richard C. Bost
Environmental Resources Management
16300 Katy Freeway
Suite 300
Houston, Texas 77094-1611

RE: Summary of January 28, 2000, Meeting Regarding Closure
Financial Assurance Cost Estimate for Sparton's Coors Road Facility

Dear Mr. Bost,

The United States Environmental Protection Agency - Region 6 (EPA) is in receipt of your letter dated February 2, 2000, concerning the above referenced meeting. I write to point out that your letter does not correctly state the requirements of 40 C.F.R. Part 264, Subpart H regarding the use of discounted cost estimates. The applicable regulations do not allow the use of discounted cost estimates in financial assurance submissions (i.e., see 40 C.F.R. § 264.144 which states estimates are to be "in current dollars"). Accordingly, EPA anticipates that Sparton will base its financial assurance proposal on the Current Annual Cost spreadsheet dated December 29, 1999, along with appropriate changes discussed since its submission. I hope that this clarifies EPA's requirements in this area.

If you have any questions, please contact me at (214) 655-8315.

Sincerely yours,

Michael A. Hebert
Project Manager
Hazardous Waste Enforcement Branch
Technical Section (6EN-HX)

cc: Carl Will NMED
Tony Hurst Hurst Engineers