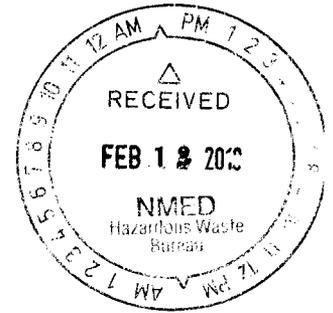




TRANSWESTERN PIPELINE COMPANY
An ENERGY TRANSFER Company

ENTERED



February 11, 2019

Mr. John Kieling
New Mexico Environment Department
Hazardous Waste Bureau
2905 Rodeo Park Drive East, Building 1
Santa Fe, New Mexico 87505

**RE: Response to Comments
Disapproval Financial Assurance Submittal
Roswell Compressor Station No. 9
Transwestern Pipeline Company
Roswell, Chaves County, New Mexico
EPA ID No. NMD986676955
HWB-TWP-MISC**

Dear Mr. Kieling;

Please find attached this Response to Comments regarding the January 18, 2019 *Disapproval Letter* issued by the New Mexico Environment Department (NMED) pertaining to the 2018 *Financial Assurance Submittal* provided to the Agency on April 2, 2018. To respond specifically to each of the Agencies comments, the original comment included within the NMED letter is in **bold**, with the Transwestern response included in plain text immediately following the item requiring a response. **Attachment A** to this RTC contains the revised *Financial Assurance Submittal*.

Comment 1

Although Transwestern meets the requirements of the Alternative II Financial Test, the bond rating of "Baa3" from Moody's and "BBB-" from Standard & Poor's are the lowest acceptable bond ratings for Alternative II. Should Transwestern fail to pass Alternative II at any time during the year, NMED must be notified of the failed test within 15 days of discovery and the Respondent must put in place an alternate financial assurance mechanism.

Comment noted.

Comment 2

The April 2, 2018 Corporate Guarantee for Closure or Post-Closure Care wording does not match verbatim the wording specified in 40 CFR 264.151(h)(i) as required by the U.S. Environmental Protection Agency (EPA). For example, Recital 3 states that" 'Closure Plans' and 'post-closure plans' as used below refer to the plans maintained as required by subpart G of 40 CFR part 265 for the closure and post-closure care of facilities as identified above." Transwestern omitted the reference to 40 CFR part 264 closure and post-closure care of facilities. In addition, the Permittee omitted the regulatory citations in Recital 1, specifically 40 CFR 264.143(f), 264.145(f), and 264.145(e).

Future submittals must use the exact wording from 264.151151(h)(i) without commissions. Provide a revised 2018 financial assurance Corporate Guarantee and ensure that the 2019 financial assurance submittal is in complete compliance with the wording of 264.151(h)(I).

The wording is included in the revised submittal in **Appendix A**. Future submittals will include the complete wording.

In accordance with Section III.Q. of the Stipulated Final Order (SFO), estimated cost of work shall be prepared in accordance with the requirements of 40 CFR 265 (Interim Status Standards for Owners and Operators of Hazardous Waste Treatment, Storage, and Disposal Facilities). Furthermore, the requirements of the SFO apply to the interim status hazardous waste management units identified in the Order. Therefore, compliance with 40 CFR 264 (Standards for Owners and Operators of Hazardous Waste Treatment, Storage and Disposal Facilities) is not applicable as there are no site activities subject to these requirements. However, the SFO refers to 40 CFR 264.151 with regard to Wording of the Instruments.

Please note that the SFO only designates applicability of Cost Estimates for Closure as it relates to current dollars, of the cost of hiring a third party to perform operation, maintenance and monitoring of the remediation system that is currently operating at the facility for a period of 10 years. Estimates for Post Closure Care are not applicable.

In the Alternative II table, item 3 "Date of issuance of bond", there appears to be a typographical error. The complete dates are missing and only the "month/year" are provided. Previous Alternative II table submittals from 2015 and 2016 reported "month/date/year" format. Provide NMED with the specific "month/day/year" format for all of the bond issuance dates for the 2018 Alternative II table. Future submittals must continue to provide the "month/day/year" in the "Date of issuance of bond" for the Alternative II tables. Revise the Alternative II table and provide the revised table and ensure that the 2019 financial assurance submittal and future submittals also follows this format.

The Alternative II table has been updated accordingly and is included in the revised submittal in **Appendix A**. Future submittals will include the complete date.

Comment 4

The April 2, 2018 Corporate Guarantee for Closure or Post-Closure Care submittal did not identify the estimated cost or whether the guarantee was for closure and/or post-closure. In addition, the CFO letter did not identify closure and/or post-closure in its estimated cost. For example, the April 2, 2018 CFO letter and Corporate Guarantee Recital 2 provides the EPA number, the Facility name, address, and "estimated cost" but fails to identify whether the "estimated cost" is for closure or post-closure. The CFO letter and Corporate Guarantee from the March 31, 2017 submittal states, "Post-Closure". Revise the CFO letter and Corporate Guarantee submitted on April 2, 2018 to clarify that the estimated cost is for post-closure care. Ensure that the 2019 financial assurance submittal and all future submittals clearly

identifies the estimated cost for closure or post-closure care.

See response to Comment 2. The wording is included in the revised submittal in **Appendix A**. Future submittals will include the complete wording,

Comment 5

In the document titled, "Notes to the 2018 through 2028, 10-Year Estimated Cost of Work for Site Monitoring and System Operation & Maintenance", Note #3 states, "[t]his Estimated Cost of Work was based upon a number of assumptions, Earthcon's industry and professional knowledge, as well as Earthcon's knowledge of current site conditions." Transwestern must provide an explanation for the following comments:

- a. **Clarify what "assumptions" are being used to determine the estimated cost of work. Provide a list of the "assumptions" used to determine the cost estimate on an item- by-item basis for transparency and to demonstrate how the cost estimate was generated.**

Revised notes, including assumptions and contingencies to the cost estimate, are provided in **Appendix A**.

- b. **Clarify the statement "Earthcon's industry and professional knowledge" with regard to preparing the cost estimate. Transwestern has been submitting cost estimates for at least 4 years and should have established cost estimate data based on previous annual actual costs and from preparing previous financial assurance submittals. Updates to the cost estimate should be based on actual cost information rather than "professional knowledge."**

Note #3 also indicates "...as well as EarthCon's knowledge of current site conditions." that includes previous annual cost data from itself and prior consultants, as well as the cost information of previous consultants. Note #3 is standard language used to denote that the cost estimate is not meant to be used as a calculation of Conditional Asset Retirement Obligations under FIN 47.

Note #4 indicates that "actual historic expenses" were used in the estimate. Revised notes, including assumptions and contingencies to the cost estimate, are provided in **Appendix A**.

Comment 6

In the document titled, "Notes to the 2018 through 2028, 10-Year Estimated Cost of Work for Site Monitoring and System Operation & Maintenance", Note #4 states, "[t]his Estimated Cost of Work is based upon a reasonable estimate of likely costs and potential contingency based upon historical expenses accrued for the Roswell Compressor Station No. 9 project by EarthCon and previous consultants."

Additional information is required to understand how the cost estimate was generated. Provide the list of contingency costs used to determine the most recent cost estimate since the contingency costs are not itemized in the current cost estimate spreadsheet.

Revised notes, including assumptions and contingencies to the cost estimate, are provided in **Appendix A**.

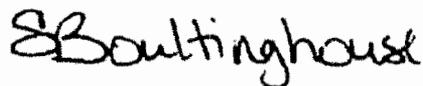
Comment 7

The document titled, "Notes to the 2018 through 2028, 10-Year Estimated Cost of Work for Site Monitoring and System Operation & Maintenance" is not addressed or signed. In the response letter, state which party prepared the note. In the 2019 and future cover letters, the party that prepared the note must be stated.

As indicated in Note #2, the cost estimate was prepared by EarthCon Consultants, Inc. on behalf of Transwestern Pipeline, LLC. Future submittals will state this implicitly in the cover letter.

Transwestern appreciates the opportunity to continue to work with NMED and NMOCD to continue to bring this site to closure. If you have any further questions or comments regarding these responses, please do not hesitate to contact me at (210) 870-2725 or JD Haines with EarthCon Consultants, Inc. at (317) 450-6126.

Sincerely,



Ms. Stacy Boultinghouse, PG
Environmental Manager
Transwestern Pipeline Company, LLC
Stacy.Boultinghouse@energytransfer.com

Cc: D. Cobain, NMED HWB
M. Suzuki, NMED HWB
V. Colon, NMED HWB
J. Griswold, NMOCD
B, Billings, NMOCD
T, Gum, NMOCD
L. King, USEPA Region 6
JD Haines, EarthCon
S. Diamond, Earthcon

Appendix A



February 11, 2019

Mr. John E. Kieling, Bureau Chief
New Mexico Environmental Department
Hazardous Waste Bureau
2905 Rodeo Park Drive East, Building 1
Santa Fe, NM 87505-6313

Corporate Guarantee for Closure or Post-Closure Care (Revised)

Guarantee made this April 2, 2018 by Energy Transfer Partners, L.P., a limited partnership organized under the laws of the State of Delaware, herein referred to as guarantor. This guarantee is made on behalf of Transwestern Pipeline Company, LLC (Transwestern), which is our subsidiary, to the United States Environmental Protection Agency (EPA).

Recitals

1. Guarantor meets or exceeds the financial test criteria and agrees to comply with the reporting requirements for guarantors as specified in 40 CFR 264.143(f), 264.145(f), 265.143(e) and 265.145(e).
2. Transwestern owns and operates the following hazardous waste management facility covered by this guarantee:

NMD986676955
Transwestern Compressor Station 9
6381 North Main Street
Roswell, New Mexico 88201
Cost Estimate for Closure: \$2,472,982
3. "Closure plans" and "post-closure plans" as used below refer to the plans maintained as required by subpart G of 40 CFR part 264 and 265 for the closure and post-closure care of facilities as identified above.
4. For value received from Transwestern, guarantor guarantees to EPA that in the event that Transwestern fails to perform closure and post-closure care of the above facility in accordance with the closure or post-closure plans and other permit or interim status requirements whenever required to do so, the guarantor shall do so or establish a trust fund as specified in subpart H of 40 CFR part 264 and 265, as applicable, in the name of Transwestern in the amount of the current closure or post-closure cost estimates as specified in subpart H of 40 CFR part 264 and 265.
5. Guarantor agrees that if, at the end of any fiscal year before termination of this guarantee, the guarantor fails to meet the financial test criteria, guarantor shall send within 90 days, by certified mail, notice to the EPA Regional Administrator for the Region in which the facility is located and to Transwestern that he intends to provide alternate financial assurance as specified in subpart H of 40 CFR part 264 and 265, as applicable, in the name of

Transwestern. Within 120 days after the end of such fiscal year, the guarantor shall establish such financial assurance unless Transwestern has done so.

6. The guarantor agrees to notify the EPA Regional Administrator by certified mail, of a voluntary or involuntary proceeding under Title 11 (Bankruptcy), U.S. Code, naming guarantor as debtor, within 10 days after commencement of the proceeding.

7. Guarantor agrees that within 30 days after being notified by an EPA Regional Administrator of a determination that guarantor no longer meets the financial test criteria or that he is disallowed from continuing as a guarantor of closure or post-closure care, he shall establish alternate financial assurance as specified in subpart H of 40 CFR part 264 and 265, as applicable, in the name of Transwestern unless Transwestern has done so.

8. Guarantor agrees to remain bound under this guarantee notwithstanding any or all of the following: amendment or modification of the closure or post-closure plan, amendment or modification of the permit, the extension or reduction of the time of performance of closure or post-closure, or any other modification or alteration of an obligation of the owner or operator pursuant to 40 CFR 264 and 265.

9. Guarantor agrees to remain bound under this guarantee for as long as Transwestern must comply with the applicable financial assurance requirements of subpart H of 40 CFR part 264 and 265 for the above-listed facilities, except as provided in paragraph 10 of this agreement.

10. Guarantor may terminate this guarantee by sending notice by certified mail to the EPA Regional Administrator for the Region in which the facility is located and to Transwestern, provided that this guarantee may not be terminated unless and until Transwestern obtains, and the EPA Regional Administrator approves, alternate closure and/or post-closure care coverage complying with 40 CFR 264.143, 264.145, 265.143, and/or 265.145.

11. Guarantor agrees that if Transwestern fails to provide alternate financial assurance as specified in subpart H of 40 CFR part 264 and 265, as applicable, and obtain written approval of such assurance from the EPA Regional Administrator within 90 days after a notice of cancellation by the guarantor is received by an EPA Regional Administrator from guarantor, guarantor shall provide such alternate financial assurance in the name of Transwestern.

12. Guarantor expressly waives notice of acceptance of this guarantee by the EPA or by Transwestern. Guarantor also expressly waives notice of amendments or modifications of the closure and/or post-closure plan and of amendments or modifications of the facility permit(s).



I hereby certify that the wording of this guarantee is identical to the wording specified in 40 CFR 264.151(h) as such regulations were constituted on the date first above written.

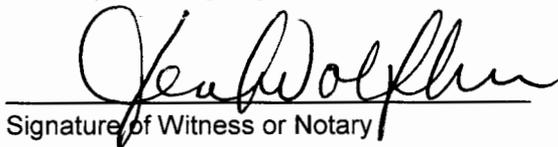
Effective Date: April 2, 2018 (Revised 2/11/2019)

Energy Transfer Partners, L.P.


Authorized signature for guarantor

Thomas E. Long
Name of person signing

Chief Financial Officer
Title of person signing


Signature of Witness or Notary



February 11, 2019

Mr. John E. Kieling, Bureau Chief
New Mexico Environmental Department
Hazardous Waste Bureau
2905 Rodeo Park Drive East, Building 1
Santa Fe, NM 87505-6313

Dear Mr. Kieling

I am the Chief Financial Officer of Energy Transfer Partners, L.P. whose address is 8111 Westchester Drive, Suite 600, Dallas, Texas 75225. This letter is in support of this firm's use of the financial test to demonstrate financial assurance for closure and/or post-closure costs, as specified in subpart H of 40 CFR parts 264 and 265.

1. This firm is the owner or operator of the following facilities for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in subpart H of 40 CFR parts 264 and 265. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:

None

2. This firm guarantees, through the guarantee specified in subpart H of 40 CFR parts 264 and 265, the closure or post-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:

NMD986676955
Transwestern Compressor Station No. 9
6381 North Main Street
Roswell, New Mexico 88201
Cost Estimate for Closure: \$2,472,982

The firm identified above is the direct or higher-tier parent corporation of the owner or operator.

3. In States where EPA is not administering the financial requirements of subpart H of 40 CFR parts 264 and 265, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in subpart H of 40 CFR parts 264 and 265. The current closure and post-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 hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated either to

EPA or a State through the financial test or any other financial assurance mechanism specified in subpart H of 40 CFR parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:

None

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 10-K 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, 2017.

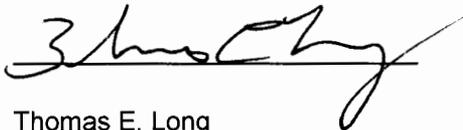
Alternative II	
1. Sum of current Closure cost estimates*	\$2,472,982
2. Current bond rating of most recent issuance of this firm and name of rating service	Baa3/BBB-Moody's, S&P
3. Date of issuance of bond	6/23/2015 (\$650,000,000 2.5%)
	6/23/2015 (\$1,000,000,000 4.75%)
	6/23/2015 (\$1,000,000,000 6.125%)
	1/17/2017 (\$600,000,000 4.20%)
	1/17/2017 (\$900,000,000 5.30%)
4. Date of maturity of bond	6/15/2018 (\$650,000,000 2.5%)



	1/15/2026 (\$1,000,000,000 4.75%)
	12/15/2045 (\$1,000,000,000 6.125%)
	4/15/2027 (\$600,000,000 4.20%)
	4/15/2047 (\$900,000,000 5.30%)
*5. Tangible net worth	\$19,843,000,000
*6 Total assets in U.S. (required only if less than 90% of firm's assets are located in U.S.)	N/A
7. Is line 5 at least \$10 million?	Yes
8. Is line 5 at least 6 times line 1?	Yes
9. Are at least 90% of the firm's assets located in the U.S.? If not, complete line 10.	Yes
10. Is line 6 at least 6 times line 1?	NA

* The Stipulated Final Order (SFO) for the reference facility only designates applicability of Cost Estimates for Closure as it relates to current dollars, of the cost of hiring a third party to perform operation, maintenance and monitoring of the remediation system that is currently operating at the facility for a period of 10 years. Estimates for Post Closure Care are not applicable.

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.

Signature: 

Name: Thomas E. Long

Title: Chief Financial Officer

Date: April 2, 2018; Revised February 11, 2019

Transwestern Pipeline Company, LLC.
Roswell Compressor Station No. 9
Roswell, New Mexico
**10-Year Estimated Cost of Work for Site Monitoring and System Operation & Maintenance
2018 through 2028**

System Operation & Maintenance	Frequency	Unit Cost	Annual Cost
Labor & Management	Monthly	\$ 3,600.00	\$ 43,200.00
Travel Expenses	Monthly	\$ 400.00	\$ 4,800.00
Analytical - Treated Water (BTEX, SVOCs, Inorganics)	9 Events	\$ 430.00	\$ 3,870.00
Analytical - Soil Vapor (VOC)	Quarterly	\$ 250.00	\$ 1,000.00
Misc. Parts & Repair Services	Monthly	\$ 500.00	\$ 6,000.00
Off-Site Disposal of Accumulated PSH (1500 gal/yr)	1 Event	\$ 6,000.00	\$ 6,000.00
Utilities (natural gas, electricity)	Monthly	\$ 3,250.00	\$ 39,000.00
SUBTOTAL, OPERATION			\$ 103,870.00
Semiannual Monitoring	Frequency	Unit Cost	Annual Cost
Labor & Management	2 Events	\$ 5,000.00	\$ 10,000.00
Travel Expenses	2 Events	\$ 600.00	\$ 1,200.00
Sampling Equipment and Supplies	2 Events	\$ 600.00	\$ 1,200.00
Analytical (Volatiles via Method 8260; 24 samples/yr)	2 Events	\$ 120.00	\$ 2,880.00
Analytical (BTEX via Method 8260; 28 samples/yr)	2 Events	\$ 75.00	\$ 2,100.00
SUBTOTAL, MONITORING			\$ 17,380.00
Annual Management and Reporting	Frequency	Unit Cost	Annual Cost
Labor & Management	Annual	\$ 25,000.00	\$ 25,000.00
Stipulated Order Fee / Annual Post-Closure Care Fee	Annual	\$ 4,000.00	\$ 4,000.00
Stipulated Order Fee / Annual Monitoring Report Review	Annual	\$ 2,000.00	\$ 2,000.00
SUBTOTAL, REPORTING			\$ 31,000.00
Annual Easement Fees	Frequency	Unit Cost	Annual Cost
NM State Land Office	Annual	\$ 36,000.00	\$ 36,000.00
SUBTOTAL, EASEMENT FEES			\$ 36,000.00
Total Annual O&M Estimate			\$188,250.00
10-Year O&M Estimate (Including Cumulative Inflation Rate)*			\$2,265,881.88
Non-recurring Costs			
Capital Investment - Replacement of equipment over a 10 year period			\$200,000.00
Water Rights Lease Renewal & Permitting (10 Years)			\$7,100.00
SUBTOTAL			\$207,100.00
10-Year Financial Assurance Estimate			\$2,472,981.88

Notes:

- 1) * See Page 2 of 4 for calculation of inflation from implicit price deflator for gross national product.
- 2) See Page 3 of 4 for Note 7 regarding difference between OM&M Estimate and the 10-year Financial Assurance Estimate.
- 3) See Page 4 of 4 for notes regarding assumptions and contingencies.

**Cummulative Inflation Rate Calculation
 Transwestern Pipeline Company, LLC.
 Roswell Compressor Station No. 9
 Roswell, New Mexico**

Year	Yearly Inflation Estimate	Cummulative Amt
2018	--	\$188,250.00
2019	\$3,361.22	\$191,611.22
2020	\$3,421.23	\$195,032.45
2021	\$3,482.32	\$198,514.76
2022	\$3,544.49	\$202,059.25
2023	\$3,607.78	\$205,667.03
2024	\$3,672.20	\$209,339.23
2025	\$3,737.76	\$213,077.00
2026	\$3,804.50	\$216,881.50
2027	\$3,872.43	\$220,753.93
2028	\$3,941.57	\$224,695.51
TOTAL		\$2,265,881.88

Inflation Factor Calculation:

2017 Price Deflator	113.5
2016 Price Deflator	111.509
Inflation Factor	1.018

Transwestern Pipeline Company, LLC.
Roswell Compressor Station No. 9
Roswell, New Mexico
Notes to the 2018 through 2028
10-Year Estimated Cost Of Work for Site Monitoring and System Operation & Maintenance
Prepared by EarthCon Consultants, Inc.

- | <u>No.</u> | <u>Notes</u> |
|------------|---|
| 1 | This Estimated Cost of Work was prepared per the requirements of Provision III.Q.1. of the <i>March 2013 Stipulated Final Order</i> for Transwestern Pipeline Company, LLC's Roswell Compressor Station No. 9 (Site), located north of Roswell, New Mexico. |
| 2 | EarthCon Consultants, Inc. (EarthCon), on behalf of Transwestern Pipeline Company, LLC, have prepared this Estimated Cost of Work for activities that may be implemented and completed over the next 10 years at the Roswell Compressor Station No. 9. This Estimated Cost of Work will serve as the basis to establish financial assurance for corrective action at the Site per the requirements of Provision III.Q.4. of the <i>March 2013 Stipulated Final Order</i> . |
| 3 | This Estimated Cost of Work was based upon a number of assumptions, EarthCon's industry and professional knowledge, as well as EarthCon's knowledge of current site conditions, including past historic costs. EarthCon has used a reasonable standard of due diligence in the preparation of this estimate. This Estimated Cost of Work is not intended to constitute a calculation of Conditional Asset Retirement Obligations under FIN 47. |
| 4 | Page 4 of this estimate includes key assumptions and contingencies included in the estimate. |
| 5 | This Estimated Cost of Work is based upon a reasonable estimate of likely costs and potential other capital costs based upon actual historical expenses accrued for the Roswell Compressor Station No.9 project by EarthCon and previous consultants. This Estimated Cost of Work does not constitute either a likely high or a likely low estimate for the Site. The estimate is based upon the state of knowledge of the Site in January 2018 and EarthCon's 2018 rates of fees. Fee rates of other consultants or vendors, and their respective estimates for work on the project are based on 2017 costs. |
| 6 | This Estimated Cost of Work is intended to be tracked and updated on an annual basis, as required by Provision III.Q.2. of the <i>March 2013 Stipulated Final Order</i> . |
| 7 | 40 CFR 264.144(b) - Cost Estimate for Post Closure Care for determining estimated cumulative inflation. Inflation factor derived from the Implicit Price Deflator for Gross National Product. Data is based upon the comparison of the 2017 Implicit Price Deflator versus the 2016 Implicit Price Deflator obtained from Table 1.1.9 developed by the Bureau of Economic Analysis. |
| 8 | The 10-Year Financial Assurance Estimate includes the 10-Year OM&M Estimate plus the Non-recurring Capital Costs. The 10-Year OM&M include the annual OM&M costs over a 10-year period plus the implicit price deflator for every year except the first year. The non-recurring costs included capital costs expected to be incurred during the 10 year period. As these are one time costs, this portion of the estimate does not include the implicit price deflator. |

**Transwestern Pipeline Company, LLC.
Roswell Compressor Station No. 9
Roswell, New Mexico
Assumptions and Contingencies to the 2018 through 2028
10-Year Estimated Cost Of Work for Site Monitoring and System Operation & Maintenance
Prepared by EarthCon Consultants, Inc.**

<u>No.</u>	<u>Comments</u>
	<i>General</i>
1	EarthCon has assumed that given the extent, magnitude and depth of the current COCs, that the current remediation will 10 years or more using the current remediation system.
2	EarthCon has assumed that the removal rates from the current system will decrease over time given the removal of the volatile fraction from the subsurface materials.
3	EarthCon has used its professional judgement in averaging actual annual costs to a monthly or biannual basis, except where specifically noted.
	<i>System Operation and Maintenance</i>
4	Off-site volume of PSH disposal volume and cost estimated from previous annual costs.
5	Site utilities for the remediation system are not separated from the Compressor Station. Utility costs are estimated based upon the equipment and buildings currently in use for remedial action.
	<i>Semiannual Monitoring</i>
6	Semiannual monitoring costs do not include groundwater disposal. Groundwater collected during purging and sampling is placed into the equalization tank for treatment by the remedial system.
	<i>Annual Management and Reporting</i>
7	Management and reporting includes preparation of an Annual Report and overall communication with the key Transwestern stakeholders in the project.
8	One Response to Comments is also included in the estimate.
	<i>Non-recurring Costs</i>
9	Capital investment based upon costs to rehabilitate the two Baker Furnace Units, based upon discussions with the vendor and a \$15,000 contingency for each unit.
10	Water rights lease based upon renewal once per ten year period.