

GRC 94-95

MEMORANDUM

TO: Tracy Hughes, Office of General Counsel
THROUGH ^{MS} Benito Garcia, Bureau Chief, HRMB
THROUGH: ^{BT} Barbara Hoditscheck, Program manager, RCRA Permitting
FROM: ^{MC} Michael Chacon, RCRA Permit Writer
DATE: Dec. 7, 1994
SUBJECT: Reviewing Giant Industries Letter of Credit

Attached is an Irrevocable Standby Letter of Credit. Giant Industries is converting it's outstanding Letters of Credit from Chase Manhattan Bank, N.A. to Bank of America, and has submitted this Letter for review and approval.

After reviewing the regulations regarding permit modifications and consulting an EPA information specialist I concluded that changing banks is a Class I modification. I have reviewed the language of the Letter for RCRA compliance and have found that it is satisfactory with the following exceptions:

*Paragraph 1, Line 10; "This original Letter of Credit...". This is contrary to 40 CFR 264.151 (d). It would require presenting the original Letter of credit for each and every draft which is not a realistic requirement.

*Paragraph 3; "Drafts drawn hereunder...". This should replace paragraph 1 line 10.

*Paragraph 6; "We certify that...". The citation should be of "20 NMAC sub-part 9, 40 CFR 264.151 (d)...".

I hereby request a legal review of the Letter of Credit. I look forward to any and all findings, comments and/or suggestions. If there are any questions call me at 827-4308.