



DEPT. OF ENVIRONMENT AND ENERGY

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Revised September, 2021

Letter from Chief Financial Officer for the Corporate Financial Test

Nebraska Department of Environment and Energy
Director
P.O. Box 98922
Lincoln, NE 68509-8922

Dear Director:

I am the chief financial officer of {*name and address of firm*}. This letter is in support of this firm's use of the corporate financial test to demonstrate financial assurance for closure, post-closure costs and/or remedial action costs, as specified in Title 132 – Integrated Solid Waste Management Regulations, Chapter 8.

(Complete paragraph 1 and/or paragraph 2 for each solid waste management facility, including its permit identification number, name, address, and current closure, post-closure, and/or remedial action cost estimates. Identify each cost estimate as to whether it is for closure or post-closure care or remedial action. If either paragraph does not apply write "None".)

- 1) The firm is the owner or operator of the following solid waste management facilities for which financial assurance for closure, post-closure care and/or remedial action is demonstrated through the corporate financial test. The current closure, post-closure care, and/or remedial action cost estimates covered by the test are shown for each facility:

- Name: _____
- Address: _____
- Permit No.: _____
- Closure Cost Estimate: _____ Post-Closure Cost Estimate: _____
- Remedial Action: _____

- 2) This firm guarantees, through the guarantee attached to this letter, the closure, post-closure care, and/or remedial action of the following facilities owned or operated by the guaranteed party. Financial assurance for closure, post-closure care, and/or remedial action for the listed facilities are demonstrated through the corporate financial test. The current closure, post-closure care, and/or remedial action cost estimates so guaranteed are shown for each facility:

- Name: _____
- Address: _____
- Permit No.: _____
- Closure Cost Estimate: _____
- Post-Closure Cost Estimate: _____
- Remedial Action: _____

The firm identified above is (*insert one or more*):

- (1) *The direct or higher-tier parent corporation of the owner or operator;*
- (2) *Owned by the same parent corporation as the parent corporation of the owner or operator;*
- (3) *Or engaged in a substantial business relationship with the owner or operator. [Attach a written description of the business relationship or a copy of the contract establishing such relationship to this letter].*

3) Identify any underground injection control facilities, petroleum underground storage tank facilities, polychlorinated biphenyl storage facilities, and hazardous waste treatment, storage, and disposal facilities that are owned by the guarantor and or are facilities that are covered by a financial test or guarantee. Provide a separate description for each type of facility, if applicable. (*If not applicable write "None" .*)

- Name: _____
- Address: _____
- Permit No.: _____
- Closure Cost Estimate: _____
- Post-Closure Cost Estimate: _____
- Remedial Action: _____

This firm *{insert "is required" or "is not 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 (*month, day*). 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 (*date*).

{Fill in all applicable parts of Part I and either Alternative I, or Alternative II, or Alternative III below}

Part I

- 1) Sum of current closure and post-closure cost estimates and guarantees from all of the solid waste management facilities in paragraphs 1 and 2 above:
\$ _____
- 2) All other cost estimates and guarantees required for UIC facilities, petroleum underground

storage tank facilities, PCB storage facilities, and hazardous waste treatment storage, and disposal facilities listed in paragraph 3 above.

\$ _____

- 3) Tangible net worth* (*Defined as tangible assets – liabilities. Tangible assets do not include intangibles such as goodwill or rights to patents and royalties*).

\$ _____

- 4) Net Worth* \$ _____

- 5) Total liabilities* {If any portion of the closure or post-closure cost estimates or guarantees identified above are recognized as liabilities in the audited financial statements, you must submit a special report from the independent certified public accountant, unless you can answer “yes” to item # 9.}

\$ _____

- 6) The sum of net income plus depreciation, depletion, and amortization* {Use for Alternative III}

\$ _____

- 7) Total assets in U.S.* \$ _____

- 8) Sum of line 1 plus line 2 and any other environmental obligations covered by a financial test?

\$ _____

- 9) Is line 3 greater than (line 8 plus \$10 million)? (Yes/No) _____ [If “No” and you have provided a special report from the independent certified public accountant that the environmental obligations have been recognized as liabilities in the audited financial statements then go to 9(a).]

- 9a) Is line 3 greater than \$10 million **plus** any environmental obligations not recognized as liabilities? (Yes/No) _____

- 10) Is line 7 greater than line 8? (Yes/No) _____

Alternative I

1. Current bond rating of most recent senior unsubordinated bond issue of this firm and name of rating service: _____
2. Date of bond issue: _____
3. Date of final maturity of bond _____

Alternative II

1. Is line 5 divided by line 4 less than 1.5? (Yes/No) _____

Alternative III

1. Is (line 6 minus \$10 million) divided by line 5 greater than 0.1? (Yes/No) _____

I hereby certify that (*name of firm*) meets the requirements of *{Fill in Alternative I, Alternative II, or Alternative III}* in support of (*name of facility*) use of the corporate financial test to demonstrate financial assurance as required by Title 132-Integrated Solid Waste Management Regulations, Chapter 8.

(Signature)

(Name)

(Title)

(Date)

Produced by: Nebraska Department of Environment and Energy, P.O. Box 98922, Lincoln, NE 68509-8922; phone (402) 471-2186. To view this, and other information related to our agency, visit our web site at <http://dee.ne.gov>.