

Site Cleanup

Financial Assurance

Work to ensure that public money will not be used to pay for long-term cleanup projects where the responsible party files for bankruptcy or refuses to fund work, by improving the Financial Assurance system within the Site Cleanup Program.

Goal: Finalize the remaining deliverables outlined in the Fixing the Foundation work plan pertaining to improving the Financial Assurance (FA) system within the Cleanup Program. Implementation of these deliverables will help ensure that public money will not be used to pay for the cost of long-term cleanup at sites where the responsible party goes bankrupt or refuses to complete the work.

Background: Since April 2013, the Cleanup Program has systematically identified and prioritized all sites that require FA. As part of the Fixing the Foundation initiative, staff identified sites (1) with FA is currently in place, (2) with cost estimates that are inaccurate or outdated, and (3) that require FA or further research. Additionally, the Cleanup Program identified gaps in its current FA policies, regulations, and statutes. This analysis led to the creation of an Action Plan with proposed actions and an identification of revisions and new FA requirements for sites. Guidance was subsequently developed for identifying Priority One sites where a substantial threat to human health or the environment may exist, followed by staff training on its application and on the use of enforcement tools to address sites where progress was slow or halted. In the spring of 2014, a Cost Estimate Team was developed and trained to review, and in some cases, prepare and revise cost estimates. Finally, a draft Policy and Procedure was developed and is undergoing review and revision.

Timeline:

July 2014 – December 2014

- Finalize new FA policy and Procedure.
- Complete final phase of training on FA and the EnviroStor data management system.
- Implement Action Plan for new and revised FA programs, and complete 40% of the work by December 2014.

January 2015 – June 2015

- Complete 90 to 100% of the work outlined in the FA Action Plan by June 2015.

Beyond June 2015

- Continue to examine ways to improve the Cleanup Program's financial assurance system.
- Follow-up and implement FA enforcement actions.