



State of Ohio Environmental Protection Agency

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STREET ADDRESS:

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P.O. Box 1049
Columbus, OH 43216-1049

June 18, 2007

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OHIO EPA

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DIV. OF HAZARDOUS
WASTE MGT.

Ms. Tina Baker, Accounting Manager
Beazer East, Inc.
One Oxford Centre
Suite 3000
Pittsburgh, PA 15219

Dear Ms. Baker:

**Re: Beazer East, Inc.
OHD 004 198 784 Youngstown
Financial Assurance
Notice of Violation**

Dear Ms. Baker:

On June 5, 2007, I completed a review of the financial assurance documentation file for the Beazer East, Inc.'s facility referenced above. I evaluated your facility for compliance with financial assurance and liability requirements set forth in the Ohio Administrative Code (OAC) rules 3745-55-40 through 3745-51.

To demonstrate compliance with financial assurance and liability rules, Beazer East, Inc. uses a Letter of Credit (LOC) for Closure and Post-Closure and a Hazardous Waste Facility Certificate of Liability Insurance. The most recent financial documentation for the above referenced facility submitted to Ohio EPA included: 1) An amendment to LOC, No. 3073744 with Bank of America, NA with a value of \$1,345,494.00 issued on March 31, 2006; 2) A Hazardous Waste Facility Certificate of Liability Insurance with Greenwich Insurance Company for Policy No. PEC000003302. The policy has limits of liability of \$6,000,000.00 for each occurrence and a \$12,000,000.00 annual aggregate. The policy was issued on December 31, 2005; and 3) A closure/post-closure cost estimate worksheet showing a total closure cost of \$1,384,918.00 dated December 31, 2006.

Upon review of the financial assurance documentation, the following areas of concern were found:

- **OAC 3745-55-42(B)** During the active life of the facility, the owner or operator must adjust the closure cost estimate for inflation within sixty days prior to the

Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director



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- anniversary date of the establishment of the financial instrument(s) used to comply with rule 3745-55-43 of the Administrative Code. You need to submit your closure cost update at least by the end of January each year.
- **OAC 3745-55-43** Whenever the current closure cost estimate increases to an amount greater than the amount of the credit, the owner or operator must, within sixty days of the increase, cause the amount of the credit to be increased to an amount at least equal to the current closure cost estimate and submit evidence of such increase to the director, or obtain other financial assurance as specified in this rule to cover the increase. Please submit the amended LOC as soon as possible as it is past due.

If you have any questions, or need further clarification of any matter mentioned in this letter, please do not hesitate to call me at (614) 644-3067. I will be happy to assist you in any way possible.

Sincerely,



Isaac B. Wilder
Compliance Assurance Section
Division of Hazardous Waste Management

c: Tammy McConnell, RISS, DHWM
Frank Popotnik, DHWM NEDO

IBW/st
Beazer East, Inc. NOV.07.wpd

NOTICE:

Ohio EPA's failure to list specific deficiencies or violations in this letter does not relieve your company from having to comply with applicable regulations.

