

INTEROFFICE MEMO



To: Tubetech, Inc. Financial Assurance File

From: Melissa Cheung, DMWM, Financial Assurance & Remediation Unit

Date: August 21, 2013

Subject: Tubetech, Inc. (OHD 064 080 377) Financial Record Review (Memo to File)

On August 21, 2013, I completed a financial record review for the Tubetech, Inc. facility referenced above. I evaluated the facility for compliance with the closure cost estimate, financial assurance, and liability requirements set forth in Ohio Administrative Code (OAC) rules 3745-66-42, 3745-66-43, and 3745-66-47.

An amended closure plan was approved for the facility on April 3, 2007. On August 24, 2012, Ohio EPA sent a Notice of Violation (NOV) letter citing outstanding violations of OAC rules 3745-66-42(A), 3745-66-43, and 3745-66-47(A) for failure to provide a detailed closure cost estimate, financial assurance, and liability coverage. The NOV noted that while all construction work had been completed, abandonment of the groundwater monitoring wells and an environmental covenant were still needed for closure certification. In response to the NOV, Tubetech submitted quotes (totaling \$5,231.20) for the abandonment of the monitoring wells (received by Ohio EPA on October 9, 2012). However, the estimates did not include all costs associated with completing closure.

Since the last review, my understanding is that the monitoring wells have been abandoned. Todd Anderson is currently working with Tubetech, Inc. on finalizing the environmental covenant. Once the covenant is in place, it is expected that the facility can be certified closed and released from the financial assurance requirements for closure.

Upon review of the financial assurance documentation, Tubetech, Inc. remains in violation of the following rules:

- OAC rule 3745-66-42(A):** Closure Cost Estimate
- OAC rule 3745-66-43:** Financial Assurance for Closure
- OAC rule 3745-66-7(A):** Liability Coverage

Tubetech, Inc. will remain in violation of the above rules until the units at the facility are certified closed.

This memo is being written to file in light of the ongoing efforts to finalize the environmental covenant required for closure certification.

MC/ljm

cc: Ron Shadrach, NEDO, DERR
Paul Dolensky, NEDO, DMWM
Todd Anderson, Legal