

Georgia Gulf

Georgia Gulf Corporation
Telephone:
(404) 395-4500

400 Perimeter Center Terrace, Suite 595
Post Office Box 105197
Atlanta, GA 30348

CERTIFIED MAIL/
RETURN RECEIPT REQUESTED

September 1, 1988

Sally K. Swanson
Acting Chief
RCRA Enforcement Branch
U.S. Environmental Protection Agency
Region V
230 South Dearborn Street
Chicago, IL 60604

RECEIVED

SEP 6 1988

BUREAU OF SOLID -
HAZARDOUS WASTE MANAGEMENT

Re: Corrective Action Order V-W-88-R-002
Financial Assurance

Dear Ms. Swanson:

In your letter of August 29, 1988 you requested that Georgia Gulf Corporation submit a letter from the chief financial officer worded pursuant to Section 264.15(f). Because this section deals with "General Inspection Requirements", I am assuming that you intended to cite Section 264.151(f) which deals with "Wording of the Instruments" for financial requirements.

Pursuant to that section, I have included a new letter from Georgia Gulf Corporation's chief financial officer. I apologize for any confusion which our prior letter may have caused. However, the fact that the section which pertains to UIC facilities comes after the signature on the letter form caused some confusion. Because letters generally end with the signature, I did not realize that this section was part of the letter form. For your convenience, I have attached a copy of 40 CFR 264.151(f) as published by the U.S. Office of the Federal Register for your convenient review.

If you have any questions concerning this matter, please give me a call at (404) 395-4521.

Very truly yours,

Beverly V. Gholson

Beverly V. Gholson
Associate General Counsel

BVG/lff
Enclosure

cc: w/enclosure

Mr. Mark Tusler

Wisconsin Department of
Natural Resources

Mr. R. L. Cerk, FCC Port Washington



Georgia Gulf Corporation
Telephone:
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Atlanta, GA 30348

September 1, 1988

Valdas V. Adamkus
Regional Administrator
Region V
U.S. Environmental Protection Agency
230 South Dearborn Street
Chicago, IL 60604

Re: Freeman Chemical Corporation
EPA ID No. WID980615439
Saukville, WI

Dear Mr. Adamkus:

I am the chief financial officer of Georgia Gulf Corporation, 400 Perimeter Center Terrace, Suite 595, Post Office Box 105197, Atlanta, Georgia 30348. This letter is in support of the use of the financial test to demonstrate financial assurance as specified in Subpart H of 40 CFR Parts 264 and 265.

1. This firm is the owner or operator of the following facilities for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by the test are shown for each facility: NONE

2. This firm guarantees, through a corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, the closure or post-closure care of the following facilities owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:

Freeman Chemical Corporation
Railroad Street
Saukville, WI 53080

EPA ID No. WID980615439

Closure Costs
Post-Closure Costs

Not applicable
\$3,500,000

Valdas V. Adamkus
Regional Administrator
September 1, 1988
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3. In states where EPA is not administering the financial requirements of Subpart H of 40 CFR Parts 264 or 265, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in the Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility:

Georgia Gulf Corporation Post Office Box 629 Highway 405 Plaquemine, LA 70767	EPA ID NO. LADO57117434
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Closure Costs	\$166,757
Post-Closure Costs	\$ 82,632

Georgia Gulf Corporation 3503 Pasadena Freeway Post Office Box 1959 Pasadena, TX 77501	EPA ID No. TXDO93565653
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Closure Costs	\$20,712
Post-Closure Costs	Not applicable

Freeman Chemical Corporation Pittsylvania Industrial Park Route 2 Chatham, VA 24531	EPA ID No. VADO55046049
--	-------------------------

Closure Costs	\$21,568
Post-Closure Costs	Not applicable

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost

Valdas V. Adamkus
Regional Administrator
September 1, 1988
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estimates not covered by such financial assurance are shown for each facility: NONE

This firm is required to file a Form 10K with the Securities and Exchange Commission (SEC) for the latest fiscal year.

The fiscal year of this owner or operator ends on December 31. 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 December 31, 1987.

ALTERNATIVE I

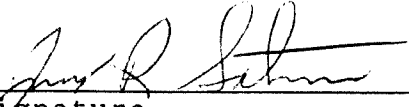
1.	Sum of current closure and post-closure cost estimates (total of <u>all</u> cost estimates shown in the four paragraphs above)	\$ 3,794,669
*2.	Total liabilities (if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4)	\$166,063,000
*3.	Tangible net worth	\$142,164,000
*4.	Net worth	\$142,546,000
*5.	Current assets	\$182,275,000
*6.	Current liabilities	\$ 99,825,000
7.	Net working capital (line 5 minus line 6)	\$ 82,450,000
*8.	The sum of net income plus depreciation, depletion, and amortization	\$ 94,016,000
*9.	Total assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.)	Not applicable

Valdas V. Adamkus
Regional Administrator
September 1, 1988
Page 4

	YES	NO
10. Is line 3 at least \$10 million?	<u>X</u>	_____
11. Is line 3 at least 6 times line 1?	<u>X</u>	_____
12. Is line 7 at least 6 times line 1?	<u>X</u>	_____
*13. Are at least 90% of firm's assets located in the U.S.? If not, complete line 14.	<u>X</u>	_____
14. Is line 9 at least 6 times line 1?	<u>N/A</u>	_____
15. Is line 2 divided by line 4 less than 2.0?	<u>X</u>	_____
16. Is line 8 divided by line 2 greater than line 1?	<u>X</u>	_____
17. Is line 5 divided by line 6 greater than 1.5?	<u>X</u>	_____

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f) as such regulations were constituted on the date shown immediately below.

GEORGIA GULF CORPORATION



Signature

Jerry R. Satrum
Name
Vice President - Finance and
Administration and Treasurer
Title

September 1, 1988
Date

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Part 144. The current closure cost estimates as required by 40 CFR 144.62 are shown for each facility: NONE

code of federal regulations

Protection of
Environment

40

PARTS 190 to 399

Revised as of July 1, 1987

CONTAINING
A CODIFICATION OF DOCUMENTS
OF GENERAL APPLICABILITY
AND FUTURE EFFECT

AS OF JULY 1, 1987

With Ancillaries

Published by
the Office of the Federal Register
National Archives and Records
Administration

as a Special Edition of
the Federal Register



h. 1 (7-1-87 Edition)

until the Surety(ies) authorization for termination by the EPA Regional Office of the EPA Region(s) in which the facility(ies) is (are) located.

Paragraph is an optional addition but is not required.

The Surety(ies) hereby agree to pay the amount of the bond yearly so as to provide for a new closure and/or increase by more than one year, and no decrease takes place without the approval of the EPA Regional Office.

The Principal and Surety(ies) certify that this Performance Standard meets their seals on the

These signatures appear to be those of the Surety(ies) and that the Surety bond is identical to the one specified in 40 CFR 264.151(d) and was executed.

Principal

Surety(ies)

Name: _____

Address: _____

7. Provide signature(s), title and other information in the space provided above.]

Credit, as specified in § 264.145(d) or § 265.145(c) of this chapter, worded as follows, except that instructions in brackets are to be replaced with the relevant information and the brackets deleted:

BY LETTER OF CREDIT

Insurer(s)

Environmental Protection Agency

Dear Sir or Madam: We hereby establish our Irrevocable Standby Letter of Credit No. _____ in your favor, at the request and for the account of [owner's or operator's name and address] up to the aggregate amount of [in words] U.S. dollars \$____, available upon presentation [insert, if more than one Regional Administrator is a beneficiary, "by any one of you"] of

(1) your sight draft, bearing reference to this letter of credit No. _____, and

(2) your signed statement reading as follows: "I certify that the amount of the draft is payable pursuant to regulations issued under authority of the Resource Conservation and Recovery Act of 1976 as amended."

This letter of credit is effective as of [date] and shall expire on [date at least 1 year later], but such expiration date shall be automatically extended for a period of [at least 1 year] on [date] and on each successive expiration date, unless, at least 120 days before the current expiration date, we notify both you and [owner's or operator's name] by certified mail that we have decided not to extend this letter of credit beyond the current expiration date. In the event you are so notified, any unused portion of the credit shall be available upon presentation of your sight draft for 120 days after the date of receipt by both you and [owner's or operator's name], as shown on the signed return receipts.

Whenever this letter of credit is drawn on under and in compliance with the terms of this credit, we shall duly honor such draft upon presentation to us, and we shall deposit the amount of the draft directly into the standby trust fund of [owner's or operator's name] in accordance with your instructions.

We certify that the wording of this letter of credit is identical to the wording specified in 40 CFR 264.151(d) as such regulations were constituted on the date shown immediately below.

[Signature(s) and title(s) of official(s) of issuing institution] [Date]

This credit is subject to [insert "the most recent edition of the Uniform Customs and Practice for Documentary Credits, published by the International Chamber of Commerce," or "the Uniform Commercial Code"].

(e) A certificate of insurance, as specified in § 264.143(e) or § 264.145(e) or § 265.143(d) or § 265.145(d) of this chapter, must be worded as follows, except that instructions in brackets are to be replaced with the relevant information and the brackets deleted:

CERTIFICATE OF INSURANCE FOR CLOSURE OR POST-CLOSURE CARE

Name and Address of Insurer (herein called the "Insurer"): _____

Name and Address of Insured (herein called the "Insured"): _____

Facilities Covered: [List for each facility:

The EPA Identification Number, name, address, and the amount of insurance for closure and/or the amount for post-closure care (these amounts for all facilities covered must total the face amount shown below).]

Face Amount: _____

Policy Number: _____

Effective Date: _____

The Insurer hereby certifies that it has issued to the Insured the policy of insurance identified above to provide financial assurance for [insert "closure" or "closure and post-closure care" or "post-closure care"] for the facilities identified above. The Insurer further warrants that such policy conforms in all respects with the requirements of 40 CFR 264.143(e), 264.145(e), 265.143(d), and 265.145(d), as applicable and as such regulations were constituted on the date shown immediately below. It is agreed that any provision of the policy inconsistent with such regulations is hereby amended to eliminate such inconsistency.

Whenever requested by the EPA Regional Administrator(s) of the U.S. Environmental Protection Agency, the Insurer agrees to furnish to the EPA Regional Administrator(s) a duplicate original of the policy listed above, including all endorsements thereon.

I hereby certify that the wording of this certificate is identical to the wording specified in 40 CFR 264.151(e) as such regulations were constituted on the date shown immediately below.

[Authorized signature for Insurer]

[Name of person signing]

[Title of person signing]

Signature of witness or notary: _____

[Date]

(f) A letter from the chief financial officer, as specified in § 264.143(f) or § 264.145(f) or § 265.143(e) or § 265.145(e) of this chapter, must be worded as follows, except that instructions in brackets are to be replaced with the relevant information and the brackets deleted:

LETTER FROM CHIEF FINANCIAL OFFICER

[Address to Regional Administrator of every Region in which facilities for which financial responsibility is to be demonstrated through the financial test are located.]

I am the chief financial officer of [name and address of firm]. This letter is in support of this firm's use of the financial test to demonstrate financial assurance, as specified in Subpart H of 40 CFR Parts 264 and 265.

§ 264.151

[Fill out the following four paragraphs regarding facilities and associated cost estimates. If your firm has no facilities that belong in a particular paragraph, write "None" in the space indicated. For each facility, include its EPA Identification Number, name, address, and current closure and/or post-closure cost estimates. Identify each cost estimate as to whether it is for closure or post-closure care.]

1. This firm is the owner or operator of the following facilities for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by the test are shown for each facility: _____

2. This firm guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, the closure or post-closure care of the following facilities owned or operated by subsidiaries of this firm. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility: _____

3. In States where EPA is not administering the financial requirements of Subpart H of 40 CFR Part 264 or 265, this firm, as owner or operator or guarantor, is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by such a test are shown for each facility: _____

4. This firm is the owner or operator of the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is *not* demonstrated either to EPA or a State through the financial test or any other financial assurance mechanism specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility: _____

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 Alternative I if the criteria of paragraph (f)(1)(i) of § 264.143 or § 264.145, or of paragraph (e)(1)(i) of § 265.143 or § 265.145 of this chapter are used. Fill in Alternative II if the criteria of paragraph (f)(1)(ii) of § 264.143 or § 264.145, or of paragraph

(e)(1)(ii) of § 265.143 or § 265.145 of this chapter are used.]

ALTERNATIVE I

- 1. Sum of current closure and post-closure cost estimates [total of *all* cost estimates shown in the four paragraphs above]..... \$.....
- *2. Total liabilities [if any portion of the closure or post-closure cost estimates is included in total liabilities, you may deduct the amount of that portion from this line and add that amount to lines 3 and 4].....
- *3. Tangible net worth.....
- *4. Net worth.....
- *5. Current assets.....
- *6. Current liabilities.....
- 7. Net working capital [line 5 minus line 6].....
- *8. The sum of net income plus depreciation, depletion, and amortization.....
- *9. Total assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.).....

	Yes	No
10. Is line 3 at least \$10 million?.....		
11. Is line 3 at least 6 times line 1?.....		
12. Is line 7 at least 6 times line 1?.....		
*13. Are at least 90% of firm's assets located in the U.S.? If not, complete line 14.....		
14. Is line 9 at least 6 times line 1?.....		
15. Is line 2 divided by line 4 less than 2.0?.....		
16. Is line 8 divided by line 2 greater than 0.1?.....		
17. Is line 5 divided by line 6 greater than 1.5?.....		

ALTERNATIVE II

- 1. Sum of current closure and post-closure cost estimates [total of *all* cost estimates shown in the four paragraphs above]..... \$.....
- 2. Current bond rating of most recent issuance of this firm and name of rating service.....
- 3. Date of issuance of bond.....
- 4. Date of maturity of bond.....
- *5. Tangible net worth [if any portion of the closure and post-closure cost estimates is included in "total liabilities" on your firm's financial statements, you may add the amount of that portion to this line]..... \$.....
- *6. Total assets in U.S. (required only if less than 90% of firm's assets are located in the U.S.)..... \$.....

	Yes	No
7. Is line 5 at least \$10 million?.....		
8. Is line 5 at least 6 times line 1?.....		
*9. Are at least 90% of firm's assets located in the U.S.? If not, complete line 10.....		
10. Is line 6 at least 6 times line 1?.....		

I hereby certify that the wording of this letter is identical to the wording specified in 40 CFR 264.151(f) as such regulations were

constituted on the date shown immediately below.

[Signature]
[Name]
[Title]
[Date]

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Part 144. The current closure cost estimates as required by 40 CFR 144.62 are shown for each facility:

(g) A letter from the chief financial officer, as specified in § 264.147(f) or § 265.147(f) of this chapter, must be worded as follows, except that instructions in brackets are to be replaced with the relevant information and the brackets deleted:

LETTER FROM CHIEF FINANCIAL OFFICER

[Address to Regional Administrator of every Region in which facilities for which financial responsibility is to be demonstrated through the financial test are located.]

I am the chief financial officer of [firm's name and address]. This letter is in support of the use of the financial test to demonstrate financial responsibility for liability coverage [insert "and closure and/or post-closure care" if applicable] as specified in Subpart H of 40 CFR Parts 264 and 265.

[Fill out the following paragraphs regarding facilities and liability coverage. If there are no facilities that belong in a particular paragraph, write "None" in the space indicated. For each facility, include its EPA Identification Number, name, and address.]

The firm identified above is the owner or operator of the following facilities for which liability coverage for [insert "sudden" or "nonsudden" or "both sudden and nonsudden"] accidental occurrences is being demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265:

The firm identified above guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, liability coverage for [insert "sudden" or "nonsudden" or "both sudden and nonsudden"] accidental occurrences at the following facilities owned or operated by the following subsidiaries of the firm:

[If you are using the financial test to demonstrate coverage of both liability and closure and post-closure care, fill in the following four paragraphs regarding facilities and associated closure and post-closure cost estimates. If there are no facilities that belong in a particular paragraph, write "None" in the space indicated. For each facility, include its EPA Identification Number, name, address, and current closure and/or post-closure cost estimates. Identify each cost es-

timate as to whether it is for closure or post-closure care.]

1. The firm identified above owns or operates the following facilities for which financial assurance for closure or post-closure care is demonstrated through the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure and/or post-closure cost estimates covered by the test are shown for each facility:_____

2. The firm identified above guarantees, through the corporate guarantee specified in Subpart H of 40 CFR Parts 264 and 265, the closure and post-closure care of the following facilities owned or operated by its subsidiaries. The current cost estimates for the closure or post-closure care so guaranteed are shown for each facility:_____

3. In States where EPA is not administering the financial requirements of Subpart H of 40 CFR Parts 264 and 265, this firm is demonstrating financial assurance for the closure or post-closure care of the following facilities through the use of a test equivalent or substantially equivalent to the financial test specified in Subpart H of 40 CFR Parts 264 and 265. The current closure or post-closure cost estimates covered by such a test are shown for each facility:_____

4. The firm identified above owns or operates the following hazardous waste management facilities for which financial assurance for closure or, if a disposal facility, post-closure care, is not demonstrated either to EPA or a State through the financial test or any other financial assurance mechanisms specified in Subpart H of 40 CFR Parts 264 and 265 or equivalent or substantially equivalent State mechanisms. The current closure and/or post-closure cost estimates not covered by such financial assurance are shown for each facility:_____

5. This firm is the owner or operator of the following UIC facilities for which financial assurance for plugging and abandonment is required under Part 144. The current closure cost estimates as required by 40 CFR 144.62 are shown for each facility:_____

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 form 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].

(h)(1) A corporate guarantee, as specified in § 264.143(f) or § 264.145(f) or § 265.143(e) or § 265.145(e) of this chapter, must be worded as follows, except that instructions in brackets