SESSION 24

RCRA FINANCIAL ASSURANCE:

LIABILITY
Sudden Accidental Occurrence

TSDFs are required to maintain liability coverage until final closure

VS

40 CFR §264.147
Sudden Accidental Occurrences

Sudden accidental occurrences are not continuous or repeated events

- Applies to all permitted and interim status TSDFs subject to financial assurance

- Facility must demonstrate:
  - $1 million per occurrence
  - $2 million annual aggregate

40 CFR §264.147(a)
Nonsudden Accidental Occurrences

Nonsudden accidental occurrences are continuous events over time

- Applies to all permitted and interim status land treatment units, landfills, miscellaneous disposal units, and surface impoundments
- Facility must demonstrate:
  - $3 million per occurrence
  - $6 million annual aggregate

40 CFR §264.147(b)
Combinations

**Sudden and nonsudden liability coverage may be combined**

- Sudden and nonsudden accidental occurrences coverage levels may be combined

- When combining the two types of coverage, owners and operators must have at least $4 million per occurrence and $8 million annual aggregate

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40 CFR §264.147(b)
Take Home Points

- Financial assurance is required for closure and post-closure

- Amounts are based on cost estimates and must be updated annually to account for inflation

- Financial assurance also required for liability (sudden and nonsudden)

- Facilities can choose from among six basic financial assurance mechanisms