

US EPA ARCHIVE DOCUMENT

SESSION 24

RCRA FINANCIAL ASSURANCE:

LIABILITY

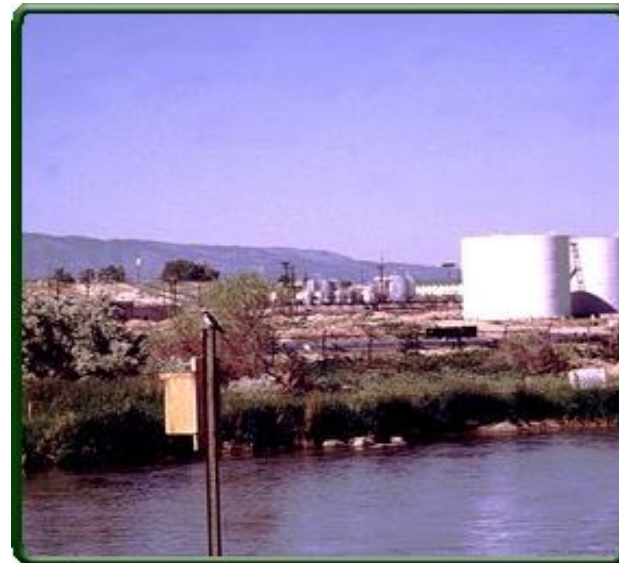


Sudden Accidental Occurrence

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



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



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



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

