MEMORANDUM

FILE: Financial Assurance
TO: Solid Waste Facilities Required To Have Financial Assurance
THROUGH: Diana A. Trussell, Manager
         Solid Waste Program
         Division of Waste Management
FROM: Alexis J. Delzer, Environmental Scientist
       Solid Waste Program Financial Assurance Staff
       Division of Waste Management
SUBJECT: Financial Assurance Costs Rounding Policy
DATE: June 9, 2022

Introduction

In accordance with North Dakota Administrative Code (NDAC) Chapter 33.1-2014, initial
detailed cost estimates for closure and postclosure care must be in current dollars. Detailed
cost estimates must be adjusted for inflation and be submitted, along with additional information,
to the Department no later than August 31st each year.

Mechanisms used to demonstrate financial assurance must ensure that the amount of funds
assured is adequate to cover the costs of closure and postclosure care. Mechanisms must
provide financial assurance for an amount at least equal to the current closure and/or
postclosure care detailed cost estimate(s). If multiple mechanisms are utilized, they must be no
less than the sum of funds that would be available if a single mechanism had been established
and maintained.

To maintain consistency with the Solid Waste Management Rules (NDAC Article 33.1-20), this
rounding policy was developed for the North Dakota Department of Environmental Quality –
Solid Waste Program’s (Department) financial assurance.

Definitions

Standard rounding to the nearest penny: Look at the number to the right of the full cents. If the
number is five (5) or more, increase the cents by one (1). If the number is four (4) or less, keep
the cents the same.

Rounding Policy

The rounding policy should be applied to annual inflation calculations for closure and
postclosure care, as well as all new detailed cost estimates. Standard rounding to the nearest
penny is needed to illustrate the minimum amount of financial assurance required per applicable permit. These costs, to the nearest penny, should be illustrated in the annual submittal. The Department’s Guideline 20 – Closure and Post-Closure Care Cost Estimates for Solid Waste Facilities includes example scenarios for reference. This document can be found on the Solid Waste Program’s Financial Assurance website at: https://deq.nd.gov/WM/SolidWasteProgram/financialassurance/

Once the minimum required financial assurance is calculated for closure and postclosure care, the facility/entity may choose to set up their mechanism(s) utilizing numbers to the nearest penny, or they may round the numbers UP. This assures that the mechanism(s) cover at least the minimum amount of closure and postclosure costs required.

DAT: AJD