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**MEMORANDUM**

FILE: Financial Assurance

TO: Solid Waste Facilities Required To Have Financial Assurance

THROUGH: Diana A. Trussell, Manager *DAT*  
Solid Waste Program  
Division of Waste Management

FROM: Alexis J. Delzer, Environmental Scientist *ASD*  
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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 31<sup>st</sup> 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