

Mature “OM&M-Predictable” CERCLA Sites, Where CD/UAO Performance Goals Have Been Attained, Could Be Managed under “Site Boneyard” Holding Management Structure

Benefits, Yet To Be Refined via a Feasibility Evaluation, Could Include: Termination of Existing Enforcement Agreements with U.S. EPA; Site Title Transfer into the Boneyard Entity; Focused and Reduced OM&M Activities & Improved Cost-Effectiveness.

1 **A Proposal to Evaluate the Feasibility of Establishing a “Boneyard Site Holding Entity” for Managing, Mature, Low Risk CERCLA Sites**

Project Navigator, Ltd. (PNL) is proposing to perform a **6-month Feasibility Assessment**, motivated by PRP clients' discussions about what happens after 30 years of EPA enforcement activities, routine OM&M and the attainment of all agreed to, remedy performance goals.

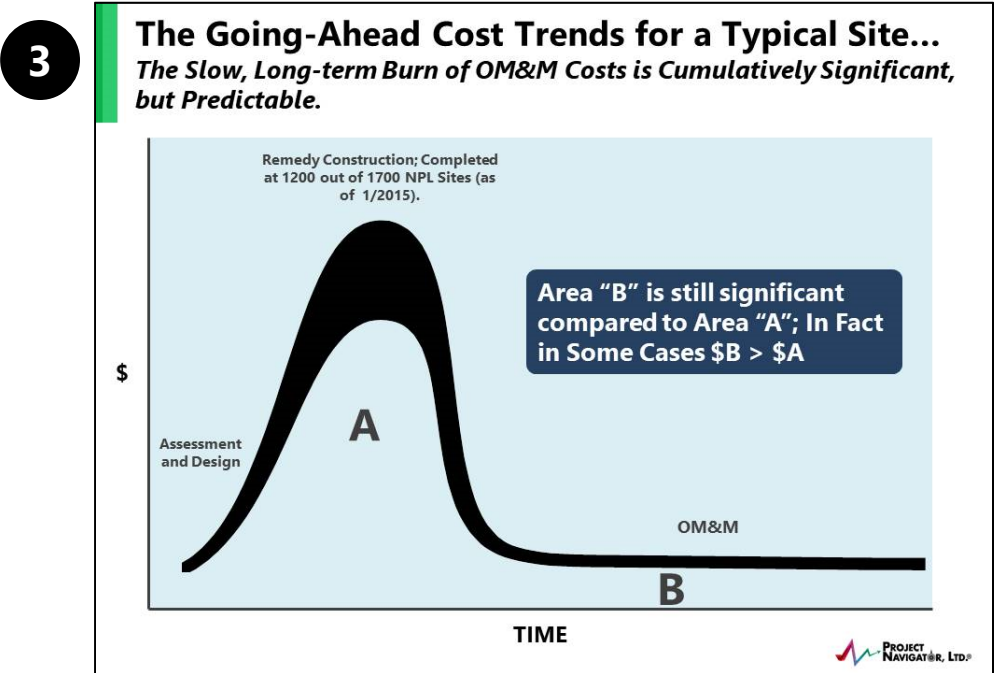
The proposed program leverages, and would put into action, many of the concepts discussed in U.S. EPA's 2017, 90-Day Superfund Taskforce Report.

Further information on the “CERCLA Site Boneyard Concept” is available at PNL's www.LandNavigator.org, or from Marc Ferries; 713-468-5995, mferries@projectnavigator.com.

2 **Setting the Stage...Concept Motivation...**

AFTER ALMOST 30 YEARS, REMEDIATION EFFORTS UNDER U.S. EPA'S SUPERFUND PROGRAM, HAVE MATURED.

- Work obligations under Consent Decrees/UAOs have been completed.
- Clean up goals attained.
- More and more sites are reaching a condition of simple, well-forecasted, well-scoped OM&M.
- EPA is receptive.
- PNL met with EPA Region 6 staff, in the presence of some PRP reps, in July 2018.



4 **So, What's Being Considered? Design A Long Term Site Management Entity.**

- Joint effort Entity developed with PRP reps possibly serving as rotating Board members.
- Manages OM&M and compliance activities at multiple numbers of Sites.
- Reduces PRP time and efforts on Sites.
- Applicable Nationwide
- EPA is Interested

- Explore**
 - Site Reuse Opportunities
 - Sustainable Energy Revenue Potential
 - Delisting Opportunities
- Cost Savings**
 - Scaling/Purchasing Power
 - Seek out reducing scopes and reporting
 - Negotiate FAs with EPA and optimize financial management
- Next Step**
 - Feasibility Study focused on R6 sites

5 **Summarizing the “Boneyard” Site Management/ Long-term Stewardship Concept**

The Concept to Date

- Originally floated by ExxonMobil during an oil company CERCLA site benchmarking effort in Mid-2000's
- Individual Trusts have mimicked the concept during the past decade (e.g. RACER Trust; Individual site Trusts managed by PNL)
- Renewed vigor during past 18 months (e.g., Oil company meeting at PNL, 5/16)
- Boneyard's consistent with current “EPA Culture” and the recs from the recent CERCLA Task Force (6/17)

What's Next Suggestions

- Select Candidate Sites for a “Boneyard Pilot”**
- Collect Site Metrics**
 - a. Technical
 - b. OM&M needs and costs
 - c. Cash flow
 - d. Risks analysis
 - e. Regulatory Relief
 - f. Business Case
- Integrate, Consolidate Individual Site Data to Test the Hypothesis That a Legacy Portfolio Can Be More Cost/Effectively Managed Than Individual Sites**
- Proof of Concept Screening Criteria**
 - Ability to generate OM&M cost savings (e.g. “Reset” the scope of OM&M, based on 5/10 years of data)
 - Create new cost avoidance initiatives (e.g. turn off treatment systems)
 - Improved management (and return) on accrued site funds
 - Push site reuse opportunities (e.g. solar at some locales)
 - Interact with EPA at a portfolio level (Vs the current site-by-site approach)

6 **Action Items**

- Solicit participation for a Feasibility Evaluation
- Work under an agreed, defined SOW
- Further the concept with U.S. EPA
- Identify candidate sites
- Desktop evaluation of cost-effectiveness and savings