

**2024 Environmental Cost Account (ECA) Budget Forecast for the Former Kerr-McGee/Tronox Site in Beaumont, Texas:**

Greenfield Environmental Multistate Trust LLC,

**Date Submitted: 11/24/2023**

Trustee of Multistate Environmental Response Trust (collectively, the Multistate Trust)

**Exhibit I**

**Date Approved: 12/27/2023**

Submittal to: Texas Commission on Environmental Quality on November 24, 2023

**Summary of Site Work Completed in 2023 and Planned for 2024:**

**Work Completed in 2023:** Performed BBOU DGI field investigation, prepared Draft BBOU DGI Report, and initiated follow-up BBOU DGI investigation activities (to extend into 2024). Coordinated waste disposal of investigation derived waste generated in December 2022. Performed routine Site operations, maintenance and regulatory compliance activities, including Site caretaking, bi-weekly BBOU sheen inspections, monthly Site inspections and reporting, and annual LTM sampling and reporting. Provided decision document support to TCEQ regarding preparation of Administrative Orders for the LBOU and BBOU. Prepared Chapter 3.X (specific to the Site) of the Multistate Trust 2023 Annual Progress Report.

**Work Planned for 2024:** Complete BBOU DGI field investigation and prepare BBOU DGI Report. Based on discussions with TCEQ, and pending anticipated updates to Texas dioxin cleanup levels, budget has been included to prepare, implement, and report the results of a dioxin background study for the LBOU. Obtain TCEQ approval of LBOU FFS Report. Provide decision document support to TCEQ regarding preparation and finalization of the BBOU Proposed Remedial Action Document (PRAD) and BBOU Administrative Order (AO), including preparations, attendance, and public outreach for associated public meeting(s). Prepare remedial design documents for the BBOU in accordance with the BBOU AO (AO anticipated in 2024). Perform routine Site operations, maintenance and regulatory compliance activities, including Site caretaking, bi-weekly BBOU sheen inspections, monthly Site inspections and reporting, and annual LTM sampling and reporting. Conduct emergency Site visits/inspections before and after hurricanes as needed. The ECA budget does not include costs to begin the LBOU remedial design in 2024, based on the anticipated need for a dioxin background study prior to finalization of the LBOU FFS. If remedial design tasks for the LBOU are desired by TCEQ in 2024, a budget amendment will be requested. The budget assumes that the groundwater and creosote recovery and treatment plant (GWTP) will remain off-line in 2024. If the GWTP requires operation or decommissioning, a budget amendment will be requested. Prepare the Multistate Trust 2023 Annual Progress Report (portion specific to the Site).

Site Name: Former Kerr-McGee/Tronox Site in Beaumont, Texas (the Site)

Site Location: Beaumont, Texas

Multistate Trust Site Code: XXVIII

Cost Center	Cost Center Description	Total 2023 Approved Budget	Project Costs incurred in 2023 (as of 9/30/2023)	2024 Budget	2024 Scope of Work
XXVIII.A	Regulatory Compliance and Site Operations/Maintenance	\$164,000	\$80,698	\$162,000	Perform biweekly inspections for sheen in the Brakes Bayou, monthly LBOU monitoring and inspections, including gauging all Site wells for depth to water and depth to dense nonaqueous phase liquid (DNAPL). The 2024 ECA budget assumes that the GWTP will remain off-line in 2024. The budget also includes (i) permit-required reporting to the City of Beaumont (City), and communications with the City (e.g., inspections, industrial wastewater survey, etc.); (ii) routine Site maintenance, including mowing and maintaining security, annual groundwater monitoring and reporting to TCEQ, and monthly status reporting to TCEQ; (iii) utilities and meter calibrations; (iv) a \$4k allowance for investigation derived waste (IDW) disposal costs for future IDW generation; (v) annual lease fee to the Texas General Land Office (GLO) for bayou, alarm and permit fees; and (vi) a \$20k allowance for unplanned events, maintenance, or emergency response. If the GWTP requires operation or decommissioning, a budget amendment will be requested.
XXVIII.C	New Environmental Actions	\$444,000	\$126,180	\$726,900	Complete the BBOU DGI field investigation (initiated in 2023) and prepare BBOU DGI Report. Based on discussions with TCEQ, and pending anticipated updates to Texas dioxin cleanup levels, budget has been included to conduct a dioxin background study for the LBOU, including Work Plan preparation, securing access agreements to sample off-Site locations, field work implementation, and prepare a Dioxin Background Study Report. Based on LBOU dioxin background study, obtain TCEQ approval of the LBOU FFS Report. Provide BBOU decision document support to TCEQ regarding preparation and finalization of the BBOU Proposed Remedial Action Document (PRAD) and BBOU Administrative Order, including preparations, attendance, and public outreach for associated public meeting(s). Budget has been included to prepare the BBOU remedial design documents, pending completion of the BBOU Administrative Order (anticipated in 2024). The ECA budget does not include costs to begin the LBOU remedial design, based on the anticipated need for a dioxin background study prior to finalization of the LBOU FFS. If remedial design tasks for the LBOU are desired by TCEQ in 2024, a budget amendment will be requested.
XXVIII.D	Technical Team/Project Management	\$170,000	\$42,849	\$120,000	Budget includes fees and expenses for providing project direction and oversight of technical elements of on-going and new Environmental Actions including Site strategy, technical oversight of environmental contractors, project controls, project communications, financial management, beneficiary communications, community involvement and support for participation in one public meeting, quality assurance/quality control, and contract management. Budget also includes fees for preparation of Multistate Trust 2023 Annual Progress Report.
XXVIII.E	Project Fees & Expenses	\$18,000	\$1,181	\$18,000	Budget includes Managing Principal time and expenses for: (i) oversight and approval of technical strategy and Environmental Actions; (ii) beneficiary communications; (iii) support for beneficiary community involvement; (iv) key stakeholder communications; (v) Settlement Agreement matters; (vi) budget submittals; (vii) redevelopment planning activities; and (viii) preparation of Multistate 2023 Trust Annual Progress Report.
XXVIII.F	Regulator Oversight	\$0	\$0	\$0	Budget assumes TCEQ will not request reimbursement of oversight costs.
XXVIII.G	Legal Fees and Accounting Fees	\$62,000	\$11,934	\$51,000	Budget includes fees and expenses for in-house legal services required to support Environmental Actions, including the preparation and execution of contracts, SOWs, access agreements, and other legal affairs. Includes legal review and participation in the preparation of Administrative Orders for the LBOU and BBOU. Budget includes costs for financial services, including accounting, bookkeeping, financial reporting, invoice processing, budget preparation, and budget tracking. Budget also includes costs for legal and financial affairs support in preparation of Multistate Trust 2023 Annual Progress Report.
XXVIII.I	Lease & Property Use (Income & Costs)	\$0	\$4,000	\$0	Projected revenue from the existing lease agreement is not a material source of projected site revenue and, as a result, is not included in this line item.
XXVIII	Total Site 2024 Budget	\$858,000	\$258,842	\$1,077,900	

<b>Total Former Kerr-McGee/Tronox Site in Beaumont, Texas Estimated Funding at Beginning of 2024 Budget Year*</b>	<b>\$21,624,000</b>	Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2022 actual and 2023 estimated costs; plus 2011 - 2022 actual and 2023 estimated investment activity and other receipts.
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<b>Estimated Remaining Funds (Post-2024)</b>	<b>\$20,546,100</b>	<b>Initial Funding (2/14/11): \$1,651,132</b> <b>Anadarko Settlement Funds (2015 and 2016): \$22,657,151</b> <b>Waterfall Distribution from Sale of Property: \$122,669</b>
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\*This is a projection based on estimates and is subject to change once final costs have been received. Actual balances are presented in the quarterly distributed financial statements.