

Date Submitted: 08/29/2023

2023 Environmental Cost Account (ECA) Budget Forecast for the Former Tronox/Kerr-McGee Chemical Facility in Madison, Illinois:

Greenfield Environmental Multistate Trust LLC

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Exhibit I

Date Approved: 09/20/2023

Submit to: Illinois Environmental Protection Agency on December 21, 2022 (Approved on January 18, 2023)

Amended on August 29, 2023

Summary of Site Work Planned for 2023

Work Planned for 2023: Perform all planning, groundwater sampling and reporting (i.e., 2H 2022 Groundwater Monitoring Report, Annual CAE Report and the 1H 2023 Groundwater Monitoring Report) in accordance with the RCRA Permit. Perform compliance monitoring and reporting for the Wastewater Discharge Permit. Perform O&M of the GRS, mowing and site security, and perform the PCC inspections for the HWMU. Provide annual railroad training to staff as required to access groundwater monitoring wells located on railroad property and procure annual RPL insurance and flagging services necessary to complete the annual groundwater sampling. Prepare "permit" deconstruction matrix for the RCRA Post Closure Permit and complete final review of the Sampling and Analysis Plan as part of the transition activities from the former Multistate Trust third-party contractor to the current contractor. Complete a boundary survey to resolve the discrepancy as related to the total acres owned by the Multistate Trust and to determine whether the additional property should be incorporated into the RCRA Permit. The budget includes costs to: (i) respond to Illinois EPA comments, if any, on (1) the SWMU-5 Investigation Report and (2) Temporary and Permanent Groundwater Monitoring Well Installation, Sampling and Results Technical Memorandum; (ii) finalize the Biosparge Treatability Study Work Plan and submit to Illinois EPA for review and approval; (iii) respond to Illinois EPA comments, if any, on the Biosparge Treatability Study Work Plan and resubmit as necessary; (iv) prepare a cost estimate to implement the Biosparge Treatability Study based on the final approved work plan; (v) implement the Biosparge Treatability Study, including installation of wells, baseline sampling, pilot testing and associated reporting; (vi) prepare a VIMS Work Plan to evaluate the need for VIMS in up to fifteen homes; (vii) perform VIMS building surveys and diagnostic testing to evaluate building construction of up to fifteen homes; (viii) prepare a standard VIMS construction design for use at fifteen homes; and (ix) prepare a Biosparge Interim Remedial Action Plan (IRAP), including Biosparge treatment design, construction drawings, description of remedial activities, schedule and design, and a plan for monitoring performance of the biosparge remedy. The budget also includes costs to (j) expand and update the 3D-CSM to incorporate an understanding of site lithology and observations that have been documented through previous investigations and the biosparge treatability study; (k) prepare a Class 2 cost estimate to implement biosparging as a remedy upon approval of the Biosparge IRAP; (l) perform a property boundary survey (\$26,000 placeholder allowance [costs are split between the Administrative Account and the ECA]); (m) provide subject matter expertise technical support to respond to questions that Illinois EPA may have regarding the RCRA Permit Renewal Application and/or other environmental actions (\$25,000 placeholder allowance); (n) prepare of an updated sampling and analysis plan (\$50,000 placeholder allowance) to meet the requirements of the RCRA Permit; (o) provide on-call technical support services, as needed, to support the Biosparge Treatability Study and Biosparge IRAP; and (p) support attainment of groundwater ordinances. Support preparation of the Multistate Trust's 2022 Annual Progress Report (portion specific to the Site). Budget includes costs for ongoing discussions with the Illinois EPA and United States regarding the strategy to remove the Site from the "Critical Sites List".

Work Planned with Amendment No. 1: Between December 22 and 27, 2022, abnormal freezing temperatures resulted in catastrophic damage to the recovery wells (e.g., damaged pipes and pumps). While repairing the recovery wells, extensive rust/corrosion of the electrical conduits was observed, resulting in an emergency shutdown to prevent electrocution. The amended budget for regulatory compliance/O&M includes costs to implement emergency Environmental Actions to protect human health, including (i) evaluating and repairing six recovery wells (e.g., electrical controls, groundwater probes, pump intakes); (ii) decommissioning remaining recovery wells to prevent shallow groundwater infiltration; (iii) replacing damaged pipes and the GRS sump pumps; (iv) cleaning transfer pipes and the POTW discharge point manhole; (v) measuring water levels at 10 groundwater monitoring wells located in the Hill Street residential neighborhood and three recovery wells weekly; (vi) sampling the 10 same wells quarterly; (vii) supporting all administrative and compliance-related reporting as required by the RCRA Permit and IWDP-210 (e.g., 30-Day GRS Recovery Well Repair Summary Report, RCRA Permit Temporary Authorization Modification [TAM] request, SAP updates, evaluation and reporting of water levels and sample results); and (viii) related utility fees for increased discharge volumes. The budget amendment also includes costs to (i) assist Illinois EPA with the EM-61 MAG survey; (ii) repair additional damaged sections of security fence; (iii) dispose of the GRS biological aeration tank waste (increased costs); (iv) grade and repair large cracks observed on the HWMU; (v) placeholder costs (\$2000) to account for electrical rate increased due to inflation; and (vi) placeholder costs (\$5,000) for replacement of the GRS effluent auto sampler. The amended budget also includes costs for (j) subject matter expertise support to prepare all administrative and compliance-related reporting as required by the RCRA Permit and IWDP-210 (e.g., 30-Day GRS Recovery Well Repair Summary Report, RCRA Permit TAM request, public notice, SAP updates, evaluation and reporting of water levels and sample results, and community availability/drop-in session such as poster boards and other materials) and other on-call technical support; and (k) additional costs (\$12,000) based on contractor estimates to perform the property boundary survey. The above-described activities required significant Multistate Trust technical team support, including strategic vision and oversight. Due to the complexity and significance of the challenges associated with the Madison, IL OFS, the budget increase also includes the addition of a Greenfield senior project manager. The remaining 2023 costs have been offset by the transition of the existing Greenfield deputy project manager to another OFS. The amended budget also includes placeholder costs to host a community drop-in/availability session with local residents, officials, and other community members.

Site Name: Former Tronox/Kerr-McGee Chemical Facility in Madison, Illinois (the Site)

Site Location: Madison, Illinois

Multistate Trust Site Code: VIII

Table with 7 columns: Cost Center, Cost Center Description, Total 2023 Budget (Approved 1/18/23), Committed Costs (As of 7/31/23), YTD Costs (As of 6/30/23), Proposed Budget Amendment, Proposed Amended 2023 Budget, and 2023 Amended Scope of Work. Rows include VIII.A Regulatory Compliance and Site Operations/Maintenance, VIII.C New Environmental Actions, VIII.D Technical Team/Project Management, VIII.E Project Fees & Expenses, VIII.F Regulator Oversight Costs, VIII.G Legal Fees and Accounting Fees, VIII.H Lease & Property Use (Income & Costs), and VIII Total Site 2023 Budget.

Summary table with 2 columns: Description and Amount. Rows include Total Former Tronox/Kerr-McGee Chemical Facility in Madison, Illinois Estimated Funding at Beginning of 2023 Budget Year\* (\$3,643,000) and Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2021 actual and 2022 estimated costs; plus 2011 - 2021 actual and 2022 estimated investment activity and other receipts (\$3,574,000).

Summary table with 2 columns: Description and Amount. Rows include Estimated Remaining Funds (Post-2023) (\$1,990,000) and Initial Funding (2/14/11): \$1,294,468; Anadarko Settlement Funds (2015 and 2016): \$6,797,145; Waterfall Distribution from Sale of Property: \$36,801.

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. The balance presented in the Proposed Amended 2023 Budget column has been updated from the original estimate. This Single Page Document Constitutes the Annual Budget Submitted to the Lead Agency under Section 3.2.4 of the Multistate Environmental Response Trust Agreement, Supplemental Worksheets, if any, Do Not Comprise a Portion of the Annual Budget.

Notes: Subject to further consultation with its Lead Agencies and the United States, the Multistate Trust currently defines an Owned Funded Site (OFS) as a "Critical Site" if the OFS lacks sufficient Environmental Cost Account (ECA) funds to address one or more of the following criteria or conditions: (i) Known, uncontrolled, unacceptable or potentially unacceptable exposure of human and/or ecological receptors to OFS site contaminants; (ii) Uncontrolled migration of OFS contaminants off-site at concentrations that exceed applicable risk-based criteria; (iii) Unable to characterize the nature and extent of contamination to determine whether there is an unacceptable exposure of human health and the environment to OFS contamination, and to implement protective remedies; and (iv) Potential impacts to drinking water supplies, actual or likely direct human contact and sensitive socioeconomic impacts, including Environmental Justice communities and populations at risk, because the Multistate Trust endeavors to prioritize such OFS.

Critical Sites need an infusion of funds sufficient to address the above criteria so that an OFS is no longer classified as a Critical Site. Additional funds will likely be necessary to achieve regulatory closure. While many OFSs may lack sufficient funds to achieve final regulatory closure (including long-term stewardship), funding shortfalls in those cases can potentially be addressed by funding receipts from waterfalling funds under the Settlement Agreement and Multistate Trust Agreement, interest income, the sale of property and/or the transfer of such responsibility to a successor to the Multistate Trust.

Amendment No. 1: Note the new definition: An OFS is classified as an OFS with Unfunded Critical Needs because it lacks sufficient funds to: (i) control or mitigate ongoing human exposure or an imminent threat of such exposure to site contaminants at concentrations that exceed levels protective of human health; or (ii) adequately characterize the site to determine whether such exposures or imminent threat of exposures exists.