

2023 Environmental Cost Account (ECA) Budget Forecast for the Former Tronox/Kerr-McGee Federal Creosote Site in Rome, New York

Greenfield Environmental Multistate Trust LLC,

Date Submitted: 11/21/22

Trustee of Multistate Environmental Response Trust (Multistate Trust)

Exhibit I

Date Approved: 12/14/22

Submittal to: NY State Department of Environmental Conservation on November 21, 2022

Summary of Site Work Completed in 2022 and Planned for 2023:

Work Completed in 2022: The Multistate Trust finalized its review of the Class 2 cost estimate (-15% to +20%) prepared by its third-party contractor for the Lot 5E and Railroad Parcel IRM and prepared a remedial strategy summary to illustrate potential remaining Environmental Actions to be performed at the Site to the extent of available ECA funding. Estimated costs associated with the Lot 5E and Railroad Parcel IRM and other areas of the Site were incorporated into a Site ECA financial projection to consider the current ECA funding balance along with other Multistate Trust obligations pursuant to the Tronox Bankruptcy Agreements (TBAs). The Lot 5E and Railroad Parcel IRM Class 2 cost estimate, remedial strategy summary and Site ECA financial projection were submitted to NYSDEC in February 2022. The Multistate Trust also conducted a Site inspection with NYSDEC in April 2022 to inspect the Lot 6 wetland conditions and the surface impacts discovered on Lot 5D during 2021 test pitting activities. Supported preparation of Chapter 3.T (specific to the Site) of the Multistate Trust 2021 Annual Progress Report.

Work Planned for 2023: The Multistate Trust will (i) develop Site strategy plans including remedial approaches/alternatives for cleanup and closure based on risk, along with revisions to long-term Site cleanup cost estimates and (ii) provide information, figures and presentation materials requested by NYSDEC to identify and prioritize future Environmental Actions. The budget includes a placeholder allowance of \$50,000 to provide on-call technical support services in response to non-routine Environmental Actions at the Site. The Multistate Trust will work with NYSDEC to identify and prioritize Environmental Actions that can be implemented with the remaining ECA funding for the Site, including NYSDEC's requirement to mitigate wetlands associated with Lot 3B. Once the NYSDEC and the Multistate Trust have determined which Environmental Actions to implement based on the availability of ECA funding, a budget amendment will be submitted to implement the Environmental Actions. Support preparation of the Multistate Trust 2022 Annual Progress Report (portion specific to the Site). The 2023 ECA budget also includes a \$14,000 placeholder allowance for Site security, including miscellaneous repairs to fencing, gates, signage, and the on-site investigation derived storage unit (i.e., Conex rental storage container).

Site Name: Former Tronox/Kerr-McGee Federal Creosote Site in Rome, New York (the Site)

Site Location: Rome, New York

Multistate Trust Site Code: XXIV

Cost Center	Cost Center Description	Total 2022 Approved Budget	Project Costs incurred in 2022 (as of 9/30/2022)	2023 Budget	2023 Scope of Work
XXIV.A	Regulatory Compliance and Site Operations/Maintenance	\$10,000	\$1,346	\$14,000	Budget includes a placeholder allowance for Site security, including miscellaneous repairs to fencing, gates, signage, and the onsite investigation derived storage unit (i.e., Conex rental storage container).
XXIV.C	New Environmental Actions	\$220,000	\$25,709	\$115,000	The Multistate Trust will (i) develop Site strategy plans including remedial approaches/alternatives for cleanup and closure based on risk, along with revisions to long-term Site cleanup cost estimates and (ii) provide information, figures and presentation materials requested by NYSDEC to identify and prioritize future Environmental Actions. The budget includes a placeholder allowance of \$50,000 to provide on-call technical support services in response to non-routine Environmental Actions at the Site. The Multistate Trust will work with NYSDEC to identify and prioritize Environmental Actions that can be implemented with the remaining ECA funding for the Site, including NYSDEC's requirement to mitigate wetlands associated with Lot 3B. Once NYSDEC and the Multistate Trust have determined which Environmental Actions to implement based on the availability of ECA funding, a budget amendment will be submitted to implement the Environmental Actions.
XXIV.D	Technical Team/Project Management	\$81,000	\$26,426	\$43,000	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, quality assurance/quality control, and contract management. Budget also includes fees for preparation of Multistate Trust 2022 Annual Progress Report.
XXIV.E	Project Fees & Expenses	\$4,000	\$2,835	\$9,000	Budget includes Managing Principal time and expenses for: oversight and approval of technical strategy and Environmental Actions; beneficiary communications; support for beneficiary and community involvement; key stakeholder communications; policy matters; Settlement and Trust Agreement matters; redevelopment planning activities; and preparation of Multistate Trust 2022 Annual Progress Report.
XXIV.F	Regulator Oversight Costs	\$0	\$0	\$0	Budget assumes that the NYSDEC will not seek reimbursement for oversight costs incurred. If NYSDEC requests reimbursement of oversight costs, the Multistate Trust will submit a budget amendment for those costs.
XXIV.G	Legal Fees and Accounting Fees	\$25,000	\$8,141	\$21,000	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, work associated with deed restrictions and Site closure and other legal affairs. 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 2022 Annual Progress Report.
XXIV.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2023.
XXIV	Total Site 2023 Budget	\$340,000	\$64,456	\$202,000	

Total Former Tronox/Kerr-McGee Federal Creosote Site in Rome, New York Estimated Funding at Beginning of 2023 Budget Year*	\$9,114,000	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.
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Estimated Remaining Funds (Post-2023)	\$8,912,000	Initial Funding (2/14/11): \$700,000 Anadarko Settlement Funds (2015 and 2016): \$18,125,721 Waterfall Distribution from Sale of Property: \$98,136
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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.
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.