

**2022 Environmental Cost Account (ECA) Budget Forecast for the Kerr-McGee Chemical Corp Refinery Site in Cleveland, Oklahoma**

**Date Submitted: 11/29/22**

**Date Approved: 12/02/22**

**Greenfield Environmental Multistate Trust LLC,  
Trustee of Multistate Environmental Response Trust (Multistate Trust)**

**Exhibit I**

**Submission to: Oklahoma Department of Environmental Quality on December 10, 2021; Approved February 08, 2022**

**Amended on November 29, 2022**

**Summary of Site Work Completed in 2021 and Planned for 2022:**

**Work Planned for 2022:** Continue WP-6 compliance monitoring and maintenance, Site mowing and maintenance, including perimeter fence and Site building and equipment; evaluate additional Site maintenance needs and provide recommendations. Perform initial repairs to Site building to address damage caused by vandals, evaluate site security and future needs for building to determine scope of building repairs and need for additional maintenance. Solicit contractor proposals for approved non-routine maintenance activities and building repairs and review approved 2022 ECA budget to determine if funds are sufficient. Prepare sheen response sampling report and develop sheen response plan. Address DEQ review comments on draft groundwater characterization report. Based on DEQ approval of draft groundwater characterization report, prepare groundwater investigation work plan for DEQ review and approval. Implement groundwater investigation work per DEQ-approved work plan, update Conceptual Site Model based on new information and prepare draft report (one comprehensive sampling event is assumed in this scope and budget forecast). Perform surface soil sampling at "City Lot" and prepare report and recommendations; continue communications with City of Cleveland and outline potential reuse options and considerations, as appropriate.

**Work Associated with Amended Budget (Amendment No. 1):** Pursuant to discussions with DEQ, the off-Site disposal cost-benefit analysis for WP-6 will be deferred until after the completion of the Groundwater FS; thus, this budget amendment removes the costs associated with this analysis from the 2022 ECA budget. This budget amendment also includes costs to (i) revise the Groundwater Feasibility Study Work Plan based on DEQ comments and (ii) enter into a contract with the Multistate Trust's third-party contractor(s) in December 2022 to (a) implement the Groundwater FS investigation activities, including Site clearing, utility locating, topographic surveying/mapping, geophysical surveying, underground pipeline test pits and fluids sampling, source area investigations with both soil and soil gas sampling, surface water, sediment, and groundwater sampling, field sheen/response testing, light nonaqueous phase liquid (LNAPL) investigation activities, including absence/presence and thickness measurements and step-out borings/monitoring, installation of two new monitoring wells, abandonment of one damaged monitoring well, and investigation derived waste (IDW) management and disposal; (b) develop the remedial action objectives (RAOs); (c) prepare the FS Report; (d) support the Proposed Plan and Decision Document; and (e) support public meeting outreach, including fact sheets, meeting materials and meeting participation. Pursuant to §3.2.4 of the Trust Agreement, no expenses can be incurred or paid by the Multistate Trust that are "inconsistent with an approved budget or an approved revised line item for an approved budget," except for ongoing or recurring expenses approved in the previous year's budget. Therefore, the Multistate Trust is submitting this 2022 ECA Budget Amendment to include Environmental Actions related to groundwater feasibility study, which will allow the Multistate Trust to continue work into 2023, pending ODEQ's approval of the 2023 ECA Budget for the Site.

Site Name: Kerr-McGee Chemical Corp Refinery Site in Cleveland, Oklahoma (the Site)

Site Location: Cleveland, Oklahoma

Multistate Trust Site Code: XXV

Cost Center	Cost Center Description	2022 Original Budget (Approved 2/08/22)	YTD Costs (as of 06/30/2022)	Committed Costs as of 06/15/2022	Proposed Budget Amendment Increase	Proposed Amended 2022 Budget	2022 Scope of Work
XXV.A	Regulatory Compliance and Site Operations/Maintenance	\$227,900	\$55,547	\$207,433	\$0	\$227,900	Amendment No. 1: No change to original scope or budget anticipated for 2022. All 2023 scope items and associated costs will be included in the 2023 ECA budget.
XXV.C	New Environmental Actions	\$561,000	\$31,399	\$94,730	\$1,620,000	\$2,181,000	Amendment No. 1: Budget increase of \$1,620,000 to: (i) revise the Groundwater FS Work Plan based on DEQ comments; and (ii) to enter into a contract with the Multistate Trust's third-party contractor(s) in December 2022 to (a) implement the Groundwater FS investigation activities, including Site clearing, utility locating, topographic surveying/mapping, geophysical surveying, underground pipeline test pits and fluids sampling, source area investigations with both soil and soil gas sampling, surface water, sediment, and groundwater sampling, field sheen/response testing, LNAPL investigation activities, including absence/presence and thickness measurements and step-out borings/monitoring, installation of two new monitoring wells, abandonment of one damaged monitoring well, and IDW management and disposal; (b) develop the RAOs; (c) prepare the FS Report; (d) support the Proposed Plan and Decision Document; and (e) support public meeting outreach, including fact sheets, meeting materials and meeting participation. Pursuant to discussions with DEQ, the off-Site disposal cost-benefit analysis for WP-6 will be deferred until after the completion of the Groundwater FS; thus, this budget amendment removes the costs associated with this analysis from the 2022 ECA budget.
XXV.D	Technical Team/Project Management	\$131,000	\$45,537	\$123,841	\$0	\$131,000	Amendment No. 1: No change to original scope or budget anticipated for 2022. All 2023 scope items and associated costs will be included in the 2023 ECA budget.
XXV.E	Project Fees & Expenses	\$10,000	\$3,308	\$10,000	\$0	\$10,000	Amendment No. 1: No change to original scope or budget anticipated for 2022. All 2023 scope items and associated costs will be included in the 2023 ECA budget.
XXV.F	Regulator Oversight Costs	\$40,000	\$3,342	\$40,000	\$0	\$40,000	Amendment No. 1: No change to original scope or budget anticipated for 2022.
XXV.G	Legal Fees and Accounting Fees	\$33,000	\$6,509	\$33,000	\$0	\$33,000	Amendment No. 1: No change to original scope or budget anticipated for 2022. Rate and 2023 scope items will be included in the 2023 ECA budget.
XXV.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	\$0	\$0	Amendment No. 1: No change to original scope or budget anticipated for 2022.
XXV	<b>Total Site 2022 Budget</b>	<b>\$1,002,900</b>	<b>\$145,642</b>	<b>\$509,004</b>	<b>\$1,620,000</b>	<b>\$2,622,900</b>	
<b>Total Kerr-McGee Chemical Corp Refinery Site in Cleveland, Oklahoma Estimated Funding at Beginning of 2022 Budget Year*</b>		<b>\$50,128,000</b>				<b>\$50,128,000</b>	Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2020 actual and 2021 estimated costs; plus 2011 - 2020 actual and 2021 estimated investment activity and other receipts.
<b>Estimated Remaining Funds (Post-2022)</b>		<b>\$49,125,100</b>				<b>\$47,505,100</b>	<b>Initial Funding (2/14/11): \$8,036,586</b> <b>Anadarko Settlement Funds (2015 and 2016): \$45,314,301</b> <b>Waterfall Distribution from Sale of Property: \$245,339</b>

\*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.