

2023 Environmental Cost Account (ECA) Budget Forecast for the Kerr-McGee Chemical Corp Refinery Site in Cleveland, Oklahoma

Date Submitted: 12/20/22

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

Exhibit I

Date Approved: 12/23/22

Submittal to: Oklahoma Department of Environmental Quality on December 20, 2022

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

Work Completed in 2022: Performed WP-6 groundwater compliance monitoring, cap monitoring and associated reporting. Completed routine caretaking activities, including Site mowing, maintenance and repairs to the perimeter fence, Site building and equipment. Performed initial repairs to Site building to address damage caused by vandals in late 2021 and evaluated both future building and Site security needs to assess costs for additional future maintenance and security. Prepared the Groundwater Characterization Report and submitted to DEQ on January 31, 2022. Prepared the Groundwater Feasibility Study (FS) Work Plan and submitted to DEQ for review and approval on April 29, 2022. Received DEQ comments on the Groundwater FS Work Plan and incorporated responses to DEQ's comments into the Final Groundwater FS Work Plan. Evaluated sheen observations from Cedar Creek, the West Tributary and the East Tributary. Prepared a Sheen Response Plan for responding to sheens observed in Cedar Creek, the West Tributary and the East Tributary. The Sheen Response Plan was submitted to DEQ as an attachment to the Groundwater FS WP. Performed routine surface water inspections and responded to sheen observations in accordance with Sheen Response Plan. Upon DEQ conditional approval of the Groundwater FS Work Plan, the Multistate Trust's third-party contractor(s) developed scopes of work and associated costs to implement the Groundwater FS Work Plan. Prepared the Surface Soil Sampling Work Plan for the "City Lot". Engaged in reuse and redevelopment communications with the City of Cleveland leaders. Supported preparation of Chapter 3.U (specific to the Site) of the Multistate Trust 2021 Annual Progress Report.

Work Planned for 2023: Continue WP-6 compliance monitoring and maintenance, Site mowing and maintenance, including perimeter fence and Site building and equipment. Perform additional repairs to Site building as needed. Implement groundwater feasibility study work plan. Complete City lot sampling and prepare recommendations for reuse. Continue to engage with City leaders on reuse/redevelopment ideas. Perform WP-6 groundwater compliance monitoring, cap monitoring and associated reporting. Complete routine caretaking activities, including Site mowing and maintenance. Perform additional repairs to Site building as necessary. Perform routine surface water inspections and respond to sheen observations in Cedar Creek, the West Tributary and the Eastin accordance with Sheen Response Plan. Implement the Groundwater FS Work Plan and associated field investigation activities. Update the CSM based on the findings of the Groundwater FS investigation activities, development the remedial action objectives (RAOs), support the preparation of the Proposed Plan and Decision Document, and support public meeting outreach, including fact sheets, meeting materials and meeting participation. Finalize and submit the Surface Soil Sampling Work Plan for the "City Lot" for review, comment and approval by DEQ. Implement surface soil sampling field activities and prepare a report to document the findings and recommendations. Continue discussions with the City of Cleveland to integrate cleanup plans with future potential reuse options and considerations, as appropriate. Support preparation of the Multistate Trust 2022 Annual Progress Report (portion specific to 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	Total 2022 Approved Budget	Project Costs incurred in 2022 (as of 9/30/2022)	2023 Budget	2023 Scope of Work
XXV.A	Regulatory Compliance and Site Operations/Maintenance	\$227,900	\$90,756	\$296,646	Budget to perform (i) WP-6 groundwater compliance sampling, cap monitoring and reporting, (ii) surface water sampling and associated reporting if sheen is observed in Cedar Creek, West Tributary and/or East Tributary, (iii) laboratory analytical costs for both groundwater and surface water-related sampling, and (iv) routine/non-routine caretaking, mowing, utilities and road maintenance. Includes one Site-wide mowing event to manage overgrowth and provide continued access to sampling locations, address erosion of Site roads from heavy rains in 2022, and provide limited repairs to Site building (i.e., add heaters). Multistate Trust will evaluate the need for additional, non-routine Site and building maintenance and solicit contractor bids. The budget reflects changes in contractor Site-related staffing for health and safety purposes (having 2 staff onsite at all times).
XXV.C	New Environmental Actions	\$2,181,000	\$31,781	\$2,082,000	Budget includes: (i) Multistate Trust third-party contractor(s) project management; (ii) finalization of the Surface Soil Sampling Work Plan for the "City Lot", implementation of the "City Lot" surface soil sampling upon DEQ approval, and preparation and submittal of the associated report; (iii) implementation of 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; (iv) update to the CSM based on findings from the Groundwater FS investigation activities; (v) RAO development; (vi) FS Report preparation; (vii) Proposed Plan and Decision Document support; and (viii) public meeting outreach support, including fact sheets, meeting materials and meeting participation.
XXV.D	Technical Team/Project Management	\$131,000	\$58,177	\$128,000	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/engagement on reuse, quality assurance/quality control, and contract management. No formal community outreach (i.e. fact sheets / meetings) is anticipated. Budget also includes fees for preparation of the Multistate Trust 2022 Annual Progress Report.
XXV.E	Project Fees & Expenses	\$10,000	\$3,308	\$10,000	Budget includes Managing Principal time and expenses for: oversight and approval of technical strategy and Environmental Actions; beneficiary communications; support for beneficiary community involvement; key stakeholder communications; Settlement Agreement matters; budget submittals; redevelopment planning activities; and preparation of the Multistate Trust 2022 Annual Progress Report.
XXV.F	Regulator Oversight Costs	\$40,000	\$13,708	\$40,000	Placeholder estimates for ODEQ oversight costs.
XXV.G	Legal Fees and Accounting Fees	\$33,000	\$10,755	\$34,000	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 the Multistate Trust 2022 Annual Progress Report.
XXV.I	Lease & Property Use (Income & Costs)	\$0	\$0	\$0	Budget assumes no lease revenues in 2023.
XXV	Total Site 2023 Budget	\$2,622,900	\$208,485	\$2,590,646	
Total Kerr-McGee Chemical Corp Refinery Site in Cleveland, Oklahoma Estimated Funding at Beginning of 2023 Budget Year*				\$49,343,000	Total funds allocated to the Site per Consent Decree and Environmental Settlement Agreement; less 2011 - 2021 actual and 2022 estimated costs; plus 2011 - 2022 actual and 2022 estimated investment activity and other receipts.
Estimated Remaining Funds (Post-2023)				\$46,752,354	Initial Funding (2/14/11): \$8,036,586 Anadarko Settlement Funds (2015 and 2016): \$45,314,301 Waterfall Distribution from Sale of Property: \$245,339 Other Property Sales: \$325

*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.