



## New Jersey Department of Environmental Protection Site Remediation Program

### INSTRUCTIONS FOR THE REMEDIATION FUNDING SOURCE SELF GUARANTEE APPLICATION

#### General Instructions

1. **Applicability.** Use this form to apply for and establish a Self Guarantee as a Remediation Funding Source pursuant to N.J.A.C. 7:26C-5.8. Please note that only persons responsible for conducting the remediation may apply for and establish a Self Guarantee as a Remediation Funding Source (RFS).
2. **Updates.** The NJDEP may update this form periodically. Please ensure you are using the latest version of this form. Download the latest version of this form from the NJDEP Website: <http://www.nj.gov/dep/srp/srra/forms>.
3. Completed forms should be sent to:  
Bureau of Case Assignment and Initial Notice  
Site Remediation Program  
NJ Department of Environmental Protection  
401-05H  
PO Box 420  
Trenton, NJ 08625-0420
4. The NJDEP will **NOT** be issuing written approvals for Self Guarantee Applications.
5. To continue to use Self Guarantee as a Remediation Funding Source, a new Self Guarantee Application along with the Remediation Cost Review and RFS/FA Form shall be submitted to the NJDEP annually thirty (30) calendar days prior to the expiration date of the Self Guarantee currently in place. The expiration date is one year from the date the Self Guarantee Application was received by the NJDEP.

#### Section A. Site Name and Location

- **Site Name:** Provide the name of the site (i.e., ABC Corporation);
- **Street Address:** Provide the street address for the site NOTE: This should be the physical location of the site – not be the mailing address;
- **Municipality:** Provide the name of the municipalit(ies) in which the facility is physically located and indicate if it is a township, borough, village, or city. NOTE: This should be the name of the incorporated municipality and not the local name;
- **County:** Provide the name of the count(ies) where the site is located;
- **Zip code:** Enter the five digit code for the physical location of the site;
- **Program Interest (PI) Numbers:** The PI Number is assigned by the NJDEP and can be obtained via the web at <http://www.nj.gov/dep/srp/> (DEP DATA MINER REPORTS). If this is a new site with no previous SRP involvement, leave blank; and
- **Case Tracking Numbers for this submission:** Provide all NJDEP generated site identification numbers for this submission (Hotline incident numbers, UST Notice of Intent to Close numbers, ISRA numbers, etc.). Attach additional sheets if necessary.

#### Section B. Oversight Document/Authority

Check the box(es) for the oversight document/authority that is in place for the site and provide the date the oversight document became effective and the name of the entity that entered into the oversight document. Check all that apply.

The date the oversight document became effective is:

- The date the person responsible for conducting the remediation signed the oversight document;
- For industrial establishments subject to N.J.S.A. 13:1K-6 et seq. the date the NJDEP signed the oversight document;
- For Remediation Certifications, the date it was submitted to the NJDEP.

#### Section C. Self Guarantee Applicant / Person Responsible For Conducting the Remediation Information

Please note that only persons responsible for conducting the remediation may apply for and establish a Self Guarantee as a Remediation Funding Source.

The person responsible for conducting the remediation is any person who executes or is otherwise subject to an oversight document to remediate a contaminated site; the owner or operator of an industrial establishment subject to N.J.S.A. 13:1K-6 et seq. for the remediation of a discharge; any other person who discharges a hazardous substance or is in any way responsible for a hazardous substance, pursuant to N.J.S.A. 58:10-23.11g, that was discharged at a contaminated site; and any other person who is remediating a site.

- Provide the legal name of the organization, i.e. ABC Corporation, that is the person applying for a Self Guarantee;
  - Provide the First and Last name of the contact;
  - Provide the title of the contact;
  - Provide the telephone number, extension, and fax number for the contact;
  - Provide the mailing address including the Municipality, State, and Zip Code for the contact; and
  - Provide the email address for the contact.
1. Indicate if the self-guarantee applicant/person responsible for conducting the remediation is claiming in accordance with N.J.A.C. 7:26C-5.8 (c) to be a special purpose entity created specifically for the purpose of acquiring and redeveloping the contaminated site, and for which a statement of income and expenses is NOT available.

If “Yes,” please attach a statement of assets and liabilities certified by a certified public accountant that the statement is prepared in accordance with the Generally Accepted Accounting Principles prescribed by either the United States Financial Accounting Standards Board’s Accounting Standards Codification or the International Accounting Standards Board’s International Financial Reporting Standards.

**Note:** If you have made this claim you are not required to complete question number 3 in Section F.

2. Indicate if the self-guarantee applicant/person responsible for conducting the remediation produces its own audited financial statements prepared in accordance with the American Institute for Certified Public Accountants guidelines or the Public Company Accounting Oversight Board’s auditing standards and that include but are not limited to: **income statement, balance sheet, and statement of cash flow** (example: Annual Report or 10-K Form). If the answer is “Yes,” proceed to Section D. If the answer is “No,” and the audited financial statements are provided by a Parent Company, provide the Parent Company Contact information.

A Parent Company may provide audited financial statements for purposes of a Self Guarantee Application only when the person responsible for conducting the remediation is a wholly owned subsidiary and does not produce its own audited financial statements and its financial statements are reported through the Parent Company.

If the Parent Company does not produce the audited financial statements or the person responsible for conducting the remediation is not a wholly owned subsidiary of a Parent Company that produces its audited financial statements, and cannot produce its own audited financial statements, you cannot proceed with the application and another appropriate mechanism for establishing the Remediation Funding Source shall be submitted (see N.J.A.C. 7:26C-5.2(h)).

Attach the most current fiscal year end audited financial statements, in which the auditor expresses an unqualified opinion for the preceding fiscal year that ended closest in time to the Self Guarantee Application certification date. The audited financial statements shall be prepared in accordance with the American Institute for Certified Public Accountants guidelines or the Public Company Accounting Oversight Board’s auditing standards and shall include but be not limited to: **income statement, balance sheet, and statement of cash flow** (example: Annual Report or 10-K Form).

#### **Parent Company Information (If Applicable)**

- Provide the legal name of the organization, i.e. ABC Corporation, that is the person that produces the audited financial statements;
- Provide the First and Last name of the contact;
- Provide the title of the contact;
- Provide the telephone number, extension, and fax number for the contact;
- Provide the mailing address including the Municipality, State, and Zip Code for the contact; and
- Provide the email address for the contact.

#### **Section D. Estimated Cost of Remediation**

In this section provide the amount of the current estimated cost to complete the remediation and attach the Remediation Cost Review and RFS/FA Form certified by the retained Licensed Site Remediation Professional and the person responsible for conducting remediation. The current cost of remediation should be the amount of the estimated cost to complete remediation reported in Section E.2. of the Remediation Cost Review and RFS/FA Form.

The current cost of remediation is the calculated amount of the estimated cost to implement the remediation, including NJDEP fees and oversight costs, and the estimated cost to operate, maintain and inspect engineering controls. Once a remedial action permit has been issued by the NJDEP, and there are other areas of concern still requiring remediation and RFS, then the cost to operate, maintain and inspect the engineering controls associated with the remedial action permit may be omitted from the calculated cost to complete the remediation since these costs are covered in the Financial Assurance.

### **Section E. Remediation Funding Source Amount**

This is the amount of Remediation Funding Source to be established in an amount greater than or equal to the estimated cost to complete remediation reported in Section E.2. of the attached Remediation Cost Review and RFS/FA Form.

### **Section F. Financial Documentation**

Complete this section using the audited financial statement provided pursuant to Section C above. Where indicated, next to each value included in this Section, provide the page of the audited financial statement on which the information can be found. **Note, financial definitions have been provided below to further assist you in your reporting requirements.**

The audited financial statement shall include an auditor's report that provides an unqualified opinion regarding the audited financial statement.

1. Indicate if the Remediation Funding Source amount exceeds one-third of the applicant's tangible net worth;
  - Provide the Self Guarantor's net worth. Indicate the page(s) of the audited financial statement where the information can be found;
  - Provide the Self Guarantor's intangible assets. Either highlight on the audited financial statement those intangible assets used to obtain calculation and indicate the pages(s) of the audited financial statement where the intangible assets can be found or provide a list on a separate sheet to support your calculation;
  - Provide the Self Guarantor's tangible net worth (net worth minus intangible assets);
  - Provide the amount that is one-third of the Self Guarantor's tangible net worth;
2. Indicate if the cash flow is sufficient to assure the availability of monies for implementation of the entire remediation;
  - Provide the Self Guarantor's net cash used in operating activities. Indicate the page(s) of the audited financial statement where the information can be found;
3. If not claiming special purpose entity, indicate if gross receipts (revenues) exceed gross payments (expenses) in an amount at least equal to or greater than the estimated cost of implementing remediation in the next 12 month period;
  - Provide the Self Guarantor's gross receipts. Indicate the page(s) of the audited financial statement where the information can be found and either highlight on the audited financial statement those gross receipts used to obtain calculation or provide a list on a separate sheet to support your calculation;
  - Provide the Self Guarantor's gross payments. Indicate the page(s) of the audited financial statement where the information can be found and either highlight on the audited financial statement those items excluded to obtain calculation or provide a list on a separate sheet to support your calculation; and
  - Provide the Self Guarantor's gross receipts less gross payments.

The Chief Financial Officer or Similar Officer shall certify the accuracy of the information provided in this section pursuant to N.J.A.C. 7:26C-1.5.

#### **Definitions:**

**Tangible Net Worth** equals Net Worth minus Intangible Assets (such as goodwill, brand recognition, trademarks, copyrights, patents and intellectual property)

**Gross Receipts** are the total revenues and other income from all sources obtained from the Consolidated Statement of Income.

**Gross Payments** are the total costs of sales and other expenses obtained from the Consolidated Statement of Income excluding income taxes and non-cash items such as depreciation, amortization, depletion and impairment charges.

### **Section G. Person Responsible for Conducting the Remediation Certification**

This form must be signed by the person responsible for conducting the remediation pursuant to N.J.A.C. 7:26C-1.5.

If you have any questions please contact the Enforcement and Information Support Element at 609-633-1480.