

September 11, 2007

WES MORGAN, MGR ENVIRON COMPL EL DORADO CHEMICAL CO. P.O. BOX 231 P.O. Box 231 EL DORADO, AR71731-0231

RE: 2007 Legislative Update, AR0000752

Act 832 of the 2007 Arkansas Legislature revised the financial assurance requirements for permitted facilities in Arkansas. As of July 31, 2007, the ADEQ may not issue, modify, or renew a NPDES or state permit for a <u>nonmunicipal</u> domestic sewage treatment system (STS) serving two (2) or more individually owned, rented, or temporarily occupied lots or dwellings without the applicant first demonstrating its ability to cover the estimated operating and maintenance (O&M) costs of the STS for five (5) years. Please be advised that ACA 8-1-106(B)(1) requires the most current Disclosure Form to be submitted for New permits, Modifications and Renewal of existing permits.

The applicant must prepare a five (5) year STS O&M estimate for review by the ADEQ. Financial assurance to cover the approved estimate may be demonstrated to the ADEQ by obtaining insurance, a letter of credit, a surety bond, a trust fund or escrow account, or through a combination of these. For new technologies that have not been previously approved by the ADEQ, there are additional requirements.

Attached is a copy of Arkansas Act 832 of 2007 and a sample STS O&M checklist to use as a guide. If you have any questions, please contact Mr. Mo Shafii at (501) 682-0616 or via e-mail at shafii@adeq.state.ar.us. Please disregard if not applicable.

Sincerely,

Steven L. Drown

Steven L. Drown Chief, Water Division

Attachments

SD:MS:JB:cr