

Process Facility Guidance Document

NAC 444.676 System to process waste: Other methods. (NRS 444.560) Before any method of solid waste processing, not otherwise provided for in these regulations, is placed into operation, complete plans, specifications and design data must meet the approval of the solid waste management authority.

1 General Standards

1.1 Process Facilities: Design and Operating Plans.

- 1.1.1 A Process Facility must not be put into operation until the site location and the design and operating plans of the Process Facility have been approved by the solid waste management authority.
- 1.1.2 A Process Facility must be designed and constructed so as to be esthetically compatible with its environs.

1.2 Process Facilities: Application to operate or modify.

- 1.2.1 The permit can be issued to either the owner or the operator. However, the application must include evidence of ownership of the land on which the Process Facility will be located;
- 1.2.2 The report concerning the design of the Process Facility;
- 1.2.3 The plan for operating the Process Facility;
- 1.2.4 Evidence of approval to establish a Process Facility from the applicable local government; and
- 1.2.5 Any other information that the solid waste management authority requires.

1.3 Systems for solid waste.

- 1.3.1 All solid wastes must be:
 - a. Stored, collected, utilized, treated, processed and disposed of by means that do not create a health hazard, public nuisance or impairment of the environment.
 - b. Handled in such a manner which does not contribute to breeding of insects and rodents or to support any disease vector.
- 1.3.2 All solid waste systems must be operated in a manner that will not cause or contribute to pollution of:
- 1.3.3 The atmosphere; or Surface or ground waters of the State.

1.4 Compliance with plans for design and operation; suspension or revocation of approval to operate.

- 1.4.1 A Process Facility must comply with the plans for the design and operation of the facility approved by the solid waste management authority. A Process Facility must not:
 - a. Contribute to the pollution of the air or waters of the State;
 - b. Cause an impairment of the environment;
 - c. Cause a health or safety hazard to employees of the facility or the general public; or
 - d. Cause a public nuisance.
 - e. The solid waste management authority may suspend or revoke its approval to operate a Process Facility if the owner or operator of the facility fails to comply with the provisions of a permit issued pursuant to NAC 444.676.

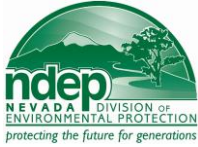


Process Facility Guidance Document

2 Storage Requirements

2.1 Storage of solid wastes before Processing

- 2.1.1 The owner or occupant, or both, of any premises, business establishment or industry are responsible for the safe and sanitary storage of all solid waste accumulated at the premise until it is processed.
- 2.1.2 All garbage and similar putrescible waste:
 - 2.1.1.1 Must be stored in:
 - (1) Durable, nonabsorbent, watertight and easily cleanable containers that are resistant to corrosion and rodents. The covers of such containers must prevent the entry of flies.
 - (2) Other types of containers acceptable to the solid waste management authority which conform to the intent of NAC 444.660 to 444.666, inclusive.
 - 2.1.2.1 Except as otherwise provided, may not be stored for more than 1 week before collection and transport to the Processing Facility.
 - (1) The size and allowable weight of the container must be determined by the Processing Facility, subject to the approval of the solid waste management authority.
 - (2) If garbage and similar putrescible wastes are stored in combination with nonputrescible wastes, containers for the storage of the mixture must meet the requirements for garbage storage.
 - (3) The solid waste management authority may approve the storage of garbage and similar putrescible wastes for more than 1 week before collection in a remote community if the municipality in whose jurisdiction the storage occurs demonstrates that an alternative minimum collection frequency will not result in increased litter or odors, the harboring of vectors, the storage of excess waste outside of containers, or any other health hazard, public nuisance or impairment to the environment. The solid waste management authority may revoke its approval of an alternative minimum collection frequency.
 - (4) Medical wastes must be stored in watertight, tightly covered and clearly labeled containers that are resistant to corrosion and are in a safe location, inaccessible to the public. In addition, medical wastes must be stored in cleanable containers with liners or in a manner approved by the solid waste management authority. Medical wastes must not be deposited in containers with other solid wastes. Medical wastes must be transported separately from other solid wastes to an approved disposal site and handled in accordance with a method approved by the solid waste management authority.
 - (5) Bulky wastes or other non-putrescible wastes unsuitable for storage containers must be stored in a manner that does not cause a nuisance.



Process Facility Guidance Document

3 Process Facilities: Contents of report concerning design. The report concerning the design of the Process Facility must:

- 3.1.1 Be prepared under the direction of and signed and stamped by a professional engineer who is licensed in the State of Nevada
- 3.1.2 Include, without limitation, a general location map that shows land use and zoning within a 1-mile radius of the Process Facility.
- 3.1.3 Include, without limitation, plans and specifications of the Process Facility in sufficient detail to demonstrate compliance with the design standards set forth in NAC 444.6664. The plans must:
 1. Be drawn to a scale of not more than 200 feet per inch and must include, without limitation, contour intervals of not more than 5 feet;
 2. Show existing and proposed contours;
 3. Show access roads and traffic routing inside of and around the Process Facility;
 4. Include, without limitation, provisions for the control of surface water runoff and show grades, berms, dikes, swales and other devices used for drainage and control of surface water;
 5. Show fencing, equipment, shelter, employee facilities, waste handling areas and any other appurtenance;
 6. Include provisions for the control of surface water to minimize the contact of storm water with waste materials and to prevent pollutants or other contaminants from entering the waters of the State;
 7. Include the maximum processing rate of the facility and the maximum storage capacity, in cubic yards, for processed and unprocessed waste and recovered materials;
 8. Include, without limitation, provisions for weighing and measuring incoming solid waste;
 9. Include, without limitation, provisions for controlling odors and dust as necessary to prevent a public nuisance;
 10. Define the population and area to be served by the Process Facility;
 11. List the anticipated types, quantities and sources of solid waste to be received at the Process Facility.
 12. Include a detailed description of the site of the facility and process, a diagram indicating the manner in which the materials are processed at the facility and the design capacity and environmental controls for the facility.



Process Facility Guidance Document

4 Operating Plan Requirements

4.1 Process Facilities: Requirements for operating plan. The operating plan of the Process Facility must include, without limitation:

- 4.1.1 Proof of ownership of the land on which the Process Facility will be located.
- 4.1.2 A report of the design of the Process Facility
- 4.1.3 A plan for operating the Process Facility
- 4.1.4 A plan for the closure of the Process Facility that identifies the procedures required to close the facility and describes the manner in which the facility will comply with the provisions for closure. The plan must include a detailed written estimate, in current dollars, of the cost to hire a third person to close the Process Facility in accordance with the plan.
- 4.1.5 Proof of financial assurance
- 4.1.6 A list of the materials that will be recovered at the Process Facility.
- 4.1.7 A complete description of the process that will be used to recover/recycle/convert any materials. Inclusive of a process flow diagram explaining each step in the process.
- 4.1.8 A description of the final use, or the available markets, for the materials identified for recovery.
- 4.1.9 Provisions for the control of access to the Process Facility;
- 4.1.10 The number of attendants who will be at the Process Facility during operating hours;
- 4.1.11 A list of the equipment and machinery that will be used at the Process Facility;
- 4.1.12 Procedures for controlling vehicular traffic;
- 4.1.13 The types of wastes that the Process Facility will not receive and a list of the facilities where such waste will be directed;
- 4.1.14 A program for detecting and preventing the disposal of regulated hazardous waste and polychlorinated biphenyl wastes;
- 4.1.15 The procedures for measuring or weighing materials that is accepted by the Process Facility;
- 4.1.16 The proposed capacity and expected life of the Process Facility
- 4.1.17 The location of storage areas for processed and unprocessed materials and recovered materials at the Process Facility;
- 4.1.18 The frequency and method of transfer of solid waste to a disposal site;
- 4.1.19 The maximum time that solid waste will be stored at the Process Facility;
- 4.1.20 The proposed operating hours;
- 4.1.21 A contingency plan that describes procedures for emergencies and alternate solid waste handling systems;
- 4.1.22 A plan approved by the local fire authority for the prevention and control of fires;
- 4.1.23 Arrangements with local authorities, the Permittee shall make arrangements with State and local authorities. If State and/or local officials refuse to enter into or renew existing preparedness and prevention arrangements with the Permittee, the Permittee must document this refusal in the operating record.
- 4.1.24 A plan for the management of special wastes that are proposed for acceptance at the facility; and
- 4.1.25 A description of the operating standards for the Process Facility
- 4.1.26 The safety procedures and protective equipment required for persons who handle materials at the Process Facility.
- 4.1.27 Any other information that the solid waste management authority requires to evaluate the proposed operation of the facility.



Process Facility Guidance Document

4.2 Process Facilities: Construction

- 4.2.1 A Process Facility must be constructed with:
- 4.2.2 Any barriers and appurtenances necessary to control access to the station;
- 4.2.3 An all-weather access road;
- 4.2.4 Appurtenances to control litter; and
 - 1. Areas for processing, tipping, sorting and storing that:
 - 2. Are located within a covered enclosure with at least three sides; and
- 4.2.5 Have a floor with a hard surface such as concrete or asphalt pavement and a drainage structure for the recovery of liquids.
- 4.2.6 The Process Facility must be constructed to comply with the requirements regarding signs set forth in NAC 444.690.
 - 1. Handling and salvage of solid waste; maintenance of records; handling of asbestos; removal of remaining waste at final closure.
- 4.2.7 A Process Facility must be kept in a neat and orderly condition. All residual wastes or other residual material must be promptly removed from the Process Facility.
- 4.2.8 Any area that is used for tipping, handling or storing solid waste must be free of standing water. The drainage from the floor of such an area must be discharged into a sewer or its equivalent.
- 4.2.9 A person shall not salvage materials from a Process Facility unless he:
 - 1. Is authorized by the solid waste management authority;
 - 2. Is supervised by the operator of the station;
 - 3. Stores the salvaged material in clearly identified containers or areas; and
 - 4. Maintains the salvaged material in a safe, sanitary and orderly manner.
- 4.2.10 The operator of the Process Facility shall maintain accurate records of the operations of the facility. The records must be furnished upon request to the solid waste management authority or be made available for inspection by the solid waste management authority at any reasonable time. The records must include, without limitation:
 - 1. A daily log of the quantity of materials received and transported;
 - 2. Instances in which the facility rejected a waste load; and
 - 3. Any emergencies or unusual events.
 - 4. Documentation of Inspections and Training
- 4.2.11 Materials must be processed not more than 72 hours after acceptance unless the owner or operator is prevented from doing so because of an emergency such as a fire or flood. The owner or operator shall notify the solid waste management authority not more than 24 hours after an emergency that results in the storage of materials for more than 72 hours.
- 4.2.12 At the final closure of a Process Facility, any remaining wastes must be removed to a disposal site that has been issued a permit by the solid waste management authority.

4.3 Operating criteria: Program for detecting and preventing disposal of regulated hazardous waste and PCB wastes.

- 4.3.1 The owner or operator shall carry out a program at the Process Facility for detecting and preventing the processing of regulated hazardous waste and PCB wastes. The program must include, but is not limited to:
 - 1. Random inspections of incoming loads;
 - 2. Records of inspections;



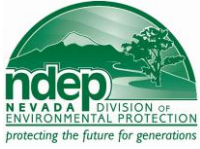
Process Facility Guidance Document

3. Training persons employed at the unit to recognize regulated hazardous waste and PCB wastes;
 4. Procedures for handling hazardous waste or PCB wastes found at the site; and
 5. Notification of the solid waste management authority if hazardous waste or PCB wastes are discovered at the unit.
- 4.3.2 As used in this section:
1. "Hazardous waste" includes those wastes described by 40 C.F.R. Part 261.3 which are not excluded by 40 C.F.R. Part 261.4(b) or generated by a conditionally exempt small quantity generator in accordance with 40 C.F.R. Part 261.5, as those sections existed on November 8, 1993.
 2. "PCB" has the meaning ascribed to it in 40 C.F.R. Part 761.3, as that section existed on November 8, 1993.
- 4.3.3 A Process Facility that has been approved by the solid waste management authority may not modify:
1. The storage or processing capacity of the facility;
 2. The types of waste that a facility may accept; or
 3. The design or method of operation of the facility, unless the facility obtains the prior approval of the solid waste management authority for those modifications. An application to modify a Process Facility must be submitted on a form prescribed by the solid waste management authority.
- 4.4 Plan for operating. The plan for operating the Process Facility must provide a detailed description of the proposed operating procedures and include, without limitation:
- 4.4.1 Standards for design.
- 4.4.2 A Process Facility must be constructed with:
1. Barriers and appurtenances necessary to control access to the facility;
 2. A road that provides access to the facility in all kinds of weather;
 3. Appurtenances to control litter;
 4. Provisions that screen the facility from the view of members of the general public;
 5. In areas where putrescible wastes will be received, processed or stored, a covered enclosure with at least three sides, and a floor with a durable surface that contains drainage controls to control runoff and prevent runoff or the accumulation of standing water; and
 6. In areas where materials from the construction, refurbishment or demolition of buildings or other structures will be received, processed or stored a floor with a durable surface that contains drainage controls to control runoff and prevent runoff or the accumulation of standing water.
- 4.4.3 A Process Facility that is open to the public must comply with the provisions relating to signs set forth in NAC 444.690.
- 4.4.4 The design and location of a Process Facility must comply with applicable local ordinances.
- 4.5 Transfer, removal, recovery and storage of materials.
- 4.5.1 Materials that are accepted by a Process Facility must be:
1. Transferred to a disposal site that has been issued a permit by the solid waste management authority; or



Process Facility Guidance Document

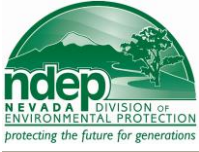
2. Recovered for reuse or recycling.
 - 4.5.2 Unless the owner or operator is unable to do so because of an emergency, putrescible materials or materials that is mixed with putrescible materials must be removed from a Process Facility not more than 72 hours after acceptance by the facility.
 - 4.5.3 Nonputrescible materials may not be stored at the Process Facility for more than 7 days. Not more than 3,000 cubic yards of materials may be stored at the facility at one time, unless otherwise approved by the solid waste management authority.
 - 4.5.4 Recovered materials may not be stored at the facility for more than 1 year. At least 75 percent of the materials recovered at the facility must be sold and removed from the facility in a 12-month period. Any recovered materials stored for more than 1 year must be considered waste and properly disposed of at a disposal site that has been issued a permit by the solid waste management authority or a facility approved by the solid waste management authority.
 - 4.5.5 Solid waste or recovered materials may not be stored in piles which are more than 15 feet in height or have an area at the base which is more than 5,000 square feet. A distance of at least 12 feet must be maintained between adjacent piles of material and at least 10 feet between any pile of materials and the boundary of the facility.
 - 4.5.6 The acceptance, handling and transportation of asbestos must be conducted in the manner prescribed by NAC 444.965 to 444.976, inclusive.
 - 4.5.7 The owner or operator of a Process Facility shall:
 - (a) Inspect the area of the facility daily and collect, and properly dispose of, all scattered paper and lightweight debris; and
 - (b) Comply, in accordance with the provisions of NAC 444.660, with any local ordinances concerning the storage, collection or transportation of solid waste.
- 4.6 Maintenance, availability and content of records; classification of certain information as trade secret; reporting of recycled materials.
- 4.6.1 The operator of a Process Facility shall maintain accurate operating records at the facility. The records must be furnished upon request to the solid waste management authority or made available for inspection by the solid waste management authority during the regular business hours of the facility. The records must include:
 1. The quantity of materials received at the facility.
 2. The quantity of solid waste transported to disposal sites and the name and location of each such disposal site.
 3. The quantity of recovered materials removed from the facility and the name and location of each facility that receives the recovered materials.
 4. The receipt or rejection of prohibited wastes.
 5. Any emergencies or unusual events.
 - 4.6.2 A daily record of:
 1. The quantity of materials received at the facility.
 2. The quantity of solid waste transported to disposal sites and the name and location of each such disposal site.
 3. The quantity of recovered materials removed from the facility and the name and location of each facility that receives the recovered materials.
 4. The receipt or rejection of prohibited wastes.
 5. Any emergencies or unusual events.
 - 4.6.3 The operator of the facility may request that certain information included in the records be classified as a trade secret. If the solid waste management authority determines that such information is a trade secret, it shall not disclose that information unless ordered to do so pursuant to a court order.
 - 4.6.4 The owner or operator of a Process Facility shall comply with the requirements of NAC 444A.135 concerning the reporting of recycled material.



Process Facility Guidance Document

4.7 Closure of facility

- 4.7.1 The owner or operator of a Process Facility shall notify the solid waste management authority in writing at least 180 days before the date the facility is expected to close. The facility may not accept any solid waste after the expected closing date.
- 4.7.2 The owner or operator shall, within 30 days after receiving the final shipment of solid waste, remove all remaining solid waste, litter, recovered materials and inoperable equipment in accordance with the plan for closure of the facility, except that all putrescible waste must be removed within 72 hours after receipt.



Process Facility Guidance Document

FINANCIAL ASSURANCE



Process Facility Guidance Document

Financial Assurance Mechanisms Required for approval of Process Facility

NAC 444.74775 Surety bond or other financial assurance required to cover cost of closure. (NRS 444.560)

1. The owner or operator of a Process Facility shall obtain a surety bond, or any other mechanism of financial assurance approved by the solid waste management authority, to cover the cost to close the facility, including the removal and proper disposal of the maximum inventory of waste and recovered materials for which the facility is designed. The owner or operator shall provide financial assurance for the closure of the facility until the facility is closed and the closure has been approved by the solid waste management authority.
2. The surety bond must be issued by a corporation licensed to do business in this State and include an indemnity agreement that guarantees payment to a trust fund or to the solid waste management authority.
3. If payment is guaranteed to a trust fund, the trustee of the trust fund must be an entity which is authorized to act as a trustee and whose trust operations are regulated and examined by a federal or state agency.
4. The owner or operator of the Process Facility or any other person who is authorized to conduct activities for the closure of the facility may request reimbursement from the trustee for any cost incurred to close the facility. The trustee may provide reimbursement for that cost only if there is sufficient money in the trust fund to pay the remaining costs to close the facility, and proof and justification of the cost is placed in the operating records of the facility. The owner or operator shall notify the solid waste management authority that the proof and justification for the reimbursement of the cost was placed in the operating records of the facility and that he has received the reimbursement.
5. The owner or operator of the facility shall review annually the estimate of the cost to close the facility upon which the bond or other mechanism of financial assurance is based and submit the estimate to the solid waste management authority for its review and approval.

NAC 444.6853 Financial assurance: Trust fund. (NRS 444.560)

1. An owner or operator may satisfy the requirements of NAC 444.685 by establishing a trust fund which conforms to the requirements of this section. The trustee must be an entity which has the authority to act as a trustee and whose trust operations are regulated and examined by a federal or state agency. A copy of the trust agreement must be placed in the operating records of the disposal site.
2. The owner or operator shall annually make payments into the trust fund over the term of the period for payment into the fund.
3. If a trust fund is used to demonstrate financial assurance for closure and postclosure, the first payment into the fund must be at least equal to the current estimate of the cost for closure or postclosure, except as otherwise provided in NAC 444.6857, divided by the number of years of the period for payment into the fund. The amount of subsequent payments must be determined by the following formula:

$$\text{NextPayment} = \frac{CE-CV}{Y}$$

where:

CE is the current estimate for closure or postclosure, as adjusted for inflation or other changes.

CV is the current value of the trust fund.

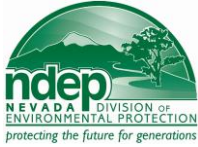
Y is the number of years remaining in the period for payment into the fund.

4. If a trust fund is used to demonstrate financial assurance for corrective action, the first payment into the trust fund must be at least equal to one-half of the current estimate of the cost for corrective action, except as otherwise provided in NAC 444.6857, divided by the number of years in the period for payment into the fund. The amount of subsequent payments must be determined by the following formula:

$$\text{NextPayment} = \frac{RB-CV}{Y}$$

where:

RB is the most recent estimate of the required balance in the trust fund needed for corrective action.



Process Facility Guidance Document

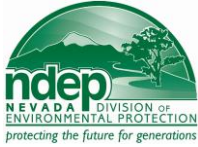
CV is the current value of the trust fund.

Y is the number of years remaining in the period for payment into the trust fund.

5. The owner or operator shall:
 - (a) For a trust fund for closure and postclosure, obtain and make the initial payment into the trust fund before April 9, 1997, or the initial receipt of solid waste, whichever is later.
 - (b) For a trust fund for corrective action, obtain the trust fund and make the initial payment into the trust fund no later than 120 days after the remedy for corrective action has been selected in accordance with the requirements of NAC 444.7497, 444.7498 and 444.7499.
 - (c) Maintain the trust fund until he is no longer required to demonstrate financial responsibility pursuant to NAC 444.6851, 444.68515 and 444.6852.
6. If the owner or operator establishes a trust fund after having used one or more alternate mechanisms specified in NAC 444.68525, the first payment into the trust fund must be at least equal to the amount which the fund would have contained if the trust fund were established initially and annual payments made pursuant to this section.
7. The owner, operator or any other person authorized to conduct activities for closure, postclosure or corrective action may request reimbursement from the trustee for related expenditures. Requests for reimbursement may be granted by the trustee only if sufficient money is remaining in the trust fund to cover the remaining costs of closure, postclosure or corrective action, and if justification and documentation of the cost is placed in the operating records of the disposal site. The owner or operator shall notify the solid waste management authority that the documentation of the justification for reimbursement has been placed in the operating records and that reimbursement has been received.
8. The owner or operator may terminate the trust fund only if he substitutes alternate financial assurance as specified in this section or is no longer required to demonstrate financial responsibility in accordance with the requirements of NAC 444.6851, 444.68515 or 444.6852.
9. As used in this section, "period for payment into the fund" means:
 - (a) In the case of a trust fund for closure or postclosure, no more than 10 years of the process facility's projected lifecycle.
 - (b) In the case of a trust fund for corrective action, over one-half of the estimated length of the program for corrective action.

NAC 444.68535 Financial assurance: Surety bond guaranteeing payment or performance. (NRS 444.560)

1. An owner or operator may demonstrate financial assurance for closure or postclosure by obtaining a surety bond guaranteeing payment or performance which conforms to the requirements of this section. An owner or operator may demonstrate financial assurance for corrective action by obtaining a surety bond guaranteeing performance which conforms to the requirements of this section.
2. A bond must:
 - (a) If for closure and postclosure, be obtained by the owner or operator and become effective before April 9, 1997, or the initial receipt of waste, whichever is later.
 - (b) If for corrective action, be obtained by the owner or operator and become effective no later than 120 days after the remedy for corrective action has been selected in accordance with the requirements of NAC 444.7497, 444.7498 and 444.7499.
 - (c) Be maintained until the owner or operator is no longer required to demonstrate financial responsibility pursuant to NAC 444.6851, 444.68515 and 444.6852.
3. The owner or operator shall notify the solid waste management authority that a copy of the bond has been placed in the operating records of the disposal site.

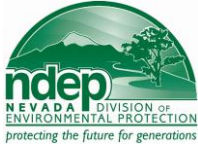


Process Facility Guidance Document

4. The surety company issuing the bond must be among those listed as an acceptable surety on federal bonds in Circular 570 of the U.S. Department of the Treasury which is published each July in the Federal Register.
5. Except as otherwise provided in NAC 444.6858, the sum of the bond must be in an amount at least equal to the current estimate for closure, postclosure or corrective action, whichever is applicable.
6. The surety must become liable on the bond if the owner or operator fails to make payments or perform as guaranteed by the bond.
7. In addition to obtaining the surety bond, the owner or operator shall establish a trust fund. The trust fund must meet the requirements of NAC 444.6853, except the requirements for initial payment and subsequent annual payments specified in that section.
8. The surety shall deposit payments made under the terms of the bond directly into the trust fund. Payments from the trust fund must be approved by the trustee.
9. The terms of the bond must authorize the surety to cancel the bond by sending notice of cancellation by certified mail to the owner or operator and to the solid waste management authority at least 120 days before cancellation. If the surety cancels the bond, the owner or operator shall obtain alternate financial assurance as specified in NAC 444.68525 to 444.6859, inclusive.
10. The owner or operator may cancel the bond only if alternate financial assurance is substituted as specified in NAC 444.68525 to 444.6859, inclusive, or the owner or operator is no longer required to demonstrate financial responsibility in accordance with NAC 444.6851, 444.68515 or 444.6852.

NAC 444.6854 Financial assurance: Letter of credit. (NRS 444.560)

1. An owner or operator may satisfy the requirements of NAC 444.685 by obtaining an irrevocable letter of credit which conforms to the requirements of this section.
2. A letter of credit must:
 - (a) If for closure and postclosure, be obtained by the owner or operator and become effective before April 9, 1997, or the initial receipt of waste, whichever is later.
 - (b) If for corrective action, be obtained by the owner or operator and become effective no later than 120 days after the remedy for corrective action has been selected in accordance with the requirements of NAC 444.7497, 444.7498 and 444.7499.
 - (c) Be maintained until the owner or operator is no longer required to demonstrate financial responsibility pursuant to NAC 444.6851, 444.68515 and 444.6852.
1. The owner or operator shall notify the solid waste management authority that a copy of the letter of credit has been placed in the operating records of the disposal site.
2. The issuing institution must be an entity which has the authority to issue letters of credit and whose operations are regulated and examined by a federal or state agency.
3. A letter from the owner or operator must be filed with the letter of credit in the operating records that includes:
 - (a) A reference to the letter of credit by number;
 - (b) The issuing institution;
 - (c) The date of issuance;
 - (d) The name of the owner or operator;
 - (e) The address of the disposal site; and
 - (f) The amount of money assured.
4. Except as otherwise provided in this section, the letter of credit must be irrevocable and issued for a period of at least 1 year in an amount at least equal to the current estimate for closure, postclosure or corrective action, whichever is applicable. The letter of credit must provide that the expiration date will be



Process Facility Guidance Document

automatically extended for a period of at least 1 year unless the issuing institution has cancelled the letter of credit.

5. The terms of the letter of credit must authorize the issuing institution to cancel the letter of credit by sending notice of cancellation by certified mail to the owner or operator and to the solid waste management authority at least 120 days before the cancellation. If the letter of credit is cancelled by the issuing institution, the owner or operator shall obtain alternate financial assurance.
6. The owner or operator may cancel the letter of credit only if alternate financial assurance is substituted as specified in NAC 444.68525 to 444.6859, inclusive, or the owner or operator is released from the requirements of this section in accordance with NAC 444.6851, 444.68515 or 444.6852.

NAC 444.6855 Financial assurance: Insurance. (NRS 444.560)

1. An owner or operator may demonstrate financial assurance for closure and postclosure by obtaining insurance, which conforms to the requirements of this section.
2. The insurance must:
 - (a) Be obtained by the owner or operator and become effective before April 9, 1997, or the initial receipt of waste, whichever is later; and
 - (b) Be maintained until the owner or operator is no longer required to demonstrate financial responsibility pursuant to NAC 444.6851, 444.68515 and 444.6852.
3. The insurer must be licensed to transact the business of insurance, or eligible to provide insurance as an excess or surplus lines insurer, in this State.
4. The owner or operator shall notify the solid waste management authority that a copy of the policy of insurance has been placed in the operating records of the disposal site.
5. The policy of insurance must guarantee that money will be available to close the municipal solid waste landfill unit whenever final closure occurs or to carry out a program for postclosure whenever the period of postclosure begins, whichever is applicable. The policy must also guarantee that once closure or postclosure begins, the insurer is responsible for paying money to the owner, operator or any other person authorized to conduct the closure or postclosure, up to an amount equal to the face amount of the policy.
6. Except as otherwise provided in NAC 444.6853, the policy of insurance must be issued for a face amount at least equal to the current estimate for closure or postclosure, whichever is applicable. Actual payments by the insurer must not change the face amount, although the insurer's future liability may be lowered by the amount of the payments.
7. An owner, operator or any other person authorized to conduct the closure or postclosure may receive reimbursements for related expenditures. Requests for reimbursement may be granted by the insurer only if the remaining value of the policy is sufficient to cover the remaining costs of the closure or postclosure, and if justification and documentation of the cost is placed in the operating records of the disposal site. The owner or operator shall notify the solid waste management authority that documentation of the justification for reimbursement has been placed in the operating records and that reimbursement has been received.
8. Each policy of insurance must contain a provision allowing the assignment of the policy to a successor owner or operator. The assignment may be conditional upon the consent of the insurer, if the consent is not unreasonably refused.
9. The policy of insurance must provide that the insurer may not cancel, terminate or fail to renew the policy except for a failure to pay the premium. An automatic renewal of the policy must, at a minimum, provide the insured with the option of renewal at the face amount of the expiring policy. If there is a failure to pay the premium, the insurer may cancel the policy by sending notice of cancellation by certified mail to the owner, operator and solid waste management authority at least 120 days before the cancellation. If the insurer cancels the policy, the owner or operator shall obtain alternate financial assurance as specified in NAC 444.68525 to 444.6859, inclusive.



Process Facility Guidance Document

10. If a policy of insurance provides coverage for postclosure, the insurer shall, commencing on the date that liability to make payments pursuant to the policy accrues, annually increase the face amount of the policy. The increase must be equivalent to the face amount of the policy, less any payments made, multiplied by an amount equal to 85 percent of the most recent rate of interest for or 85 percent of the equivalent yield announced by the United States Treasury for 26-week treasury bills.
11. The owner or operator may cancel the policy of insurance only if he substitutes alternate financial assurance in accordance with NAC 444.68525 to 444.6859, inclusive, or he is no longer required to demonstrate financial responsibility in accordance with the requirements of NAC 444.6851, 444.68515 and 444.6852.
12. As used in this section, "face amount" means the total amount the insurer is obligated to pay under the policy.