

LETTER FROM CHIEF FINANCIAL OFFICER

I, _____, the chief financial officer of
(Name of Chief Financial Officer)
 _____, have prepared this letter
(Company Name and Address of UST Owner, UST Operator, or Guarantor)
 in support of the use of the _____ to demonstrate financial
(Select One: Financial Test of Self Insurance / Guarantee)
 responsibility for taking corrective action and compensating third parties for bodily injury and
 property damage caused by sudden and nonsudden accidental releases in the amount of at least
 _____ per occurrence and _____ annual aggregate arising
(\$120,000 + \$600 Per UST) *(\$120,000 + \$600 Per UST)*
 from operating underground storage tank(s) (USTs).

FACILITIES ASSURED BY THIS FINANCIAL TEST

Underground storage tanks at the following facilities are assured by this financial test by this
 _____ . *(List facilities in the following table.)*
(Select One: UST Owner / UST Operator / Guarantor)

Facility List *(Attach separate sheets if needed.)*

Facility Name	Facility Address	Facility Identification Number

NON-UST ENVIRONMENTAL LIABILITY *(Complete this section only if applicable.)*

This _____ is using self-insurance or a corporate guarantee
(Select One: UST Owner / UST Operator / Guarantor)
 to demonstrate financial responsibility in the amount of _____ for non-UST
(Dollar Amount)
 environmental liabilities. These non-UST environmental liabilities consist of hazardous waste
 management facilities, hazardous waste storage facilities, and/or injection wells regulated under
 40 CFR Parts 264.101, 264.143, 264.145, 265.143, 265.145, 264.147, 265.147, and 144.63.

AUDITOR OPINIONS

This _____ has not received an adverse report or a “going
(Select One: UST Owner / UST Operator / Guarantor)
 concern” qualification from an independent accountant on his financial statements for the last
 completed fiscal year.

CHIEF FINANCIAL OFFICER LETTER WORKSHEET

REQUIRED NET WORTH

- | | | | | |
|----|----|---|----|---------|
| 1. | a. | Number of tank owner/operator's underground storage tanks (USTs) in North Carolina being covered by self-insurance or corporate guarantee <i>(USTs that are manifolded together are considered separate USTs. A multi-compartment UST is considered one UST.)</i> | | _____ |
| | b. | Proportion covered | | _____ 1 |
| | c. | Cleanup factor <i>(multiply 0.05 x 20,000 x #1a x #1b)</i> | \$ | _____ |
| | d. | Third party factor <i>(multiply 0.02 x 100,000 x #1a x #1b)</i> | \$ | _____ |
| 2. | | Cleanup and third-party factor total <i>(sum of #1c and #1d)</i> | \$ | _____ |
| 3. | | Guarantor factor <i>(Enter \$200,000 if you are a guarantor. Enter zero if you are not a guarantor.)</i> | \$ | _____ |
| 4. | | Net worth used to assure non-UST environmental liabilities x 10 <i>(Multiply by ten (10) the non-UST environmental liability dollar amount from page 1 of this letter. Enter zero if not applicable.)</i> | \$ | _____ |
| 5. | | Net worth used to assure USTs outside North Carolina <i>(Enter the dollar amount of assurance you are providing using self-insurance or a corporate guarantee to meet the financial responsibility requirements for USTs outside North Carolina. Enter zero if not applicable.)</i> | \$ | _____ |
| 6. | | <u>Net worth required to self-insure or be a guarantor of a corporate guarantee</u> <i>(sum of #2, #3, #4, and #5)</i> | \$ | _____ |

ACTUAL NET WORTH

- | | | | | |
|----|--|--|----|-------|
| 7. | Total tangible assets <i>(Obtain from company balance sheet.)</i> | | \$ | _____ |
| 8. | Total liabilities <i>(Obtain from company balance sheet.) (If any of the amount reported on #6 is included in total liabilities, you may deduct that amount from this line and add that amount to #9.)</i> | | \$ | _____ |
| 9. | <u>Tangible net worth</u> <i>(subtract #8 from #7)</i> | | \$ | _____ |

QUALIFICATION CRITERIA (To qualify to self-insure or be a guarantor of a corporate guarantee, you must answer "yes" to both #10 and #11. You must also answer "yes" to either #12, #13, #14, #15, or #16.)

- | | | | <u>YES</u> | <u>NO</u> |
|-----|---|-------|------------|-----------|
| 10. | Is tangible net worth of #9 at least \$150,000 (for an UST owner or operator) or \$350,000 (for a guarantor)? | _____ | _____ | _____ |
| 11. | Is tangible net worth equal to or greater than net worth required to self-insure or be a guarantor of a corporate guarantee, that is, is #9 equal to or greater than #6? | _____ | _____ | _____ |
| 12. | Has a compilation report been issued by a certified public accountant or certified public accounting firm? <i>(If "yes" submit compilation report with CFO letter.)</i> | _____ | _____ | _____ |
| 13. | Have financial statements for the latest fiscal year been filed with the Securities and Exchange Commission? <i>(If "yes" submit financial statements with CFO letter.)</i> | _____ | _____ | _____ |
| 14. | Have financial statements for the latest fiscal year been filed with the Energy Information Administration? <i>(If "yes" submit financial statements with CFO letter.)</i> | _____ | _____ | _____ |
| 15. | Have financial statements for the latest fiscal year been filed with the Rural Electrification Administration? <i>(If "yes" submit financial statements with CFO letter.)</i> | _____ | _____ | _____ |
| 16. | Has financial information been provided to Dun and Bradstreet? Has Dun and Bradstreet provided a financial strength rating of 4A or 5A? <i>(Answer "yes" only if both criteria have been met.) (If "yes" submit financial information with CFO letter.)</i> | _____ | _____ | _____ |

I hereby certify that the wording of this letter is identical to the wording specified in 15A NCAC 2O .0302, as such regulations were constituted on the date shown immediately below, and that the information contained herein is complete and accurate.

(Signature of Chief Financial Officer)

(Printed Name of Chief Financial Officer)

(Title)

(Date)