

## **ATTACHMENT H: FINANCIAL ASSURANCE DEMONSTRATION 40 CFR 146.85 CLEAN ENERGY SYSTEMS MENDOTA**

### **1. Facility Information**

Facility name: CLEAN ENERGY SYSTEMS  
MENDOTA\_INJ\_1

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Office: 916-638-7967

Well location: MENDOTA, FRESNO COUNTY, CA  
LAT/LONG COORDINATES (36.75585015/-120.36440423)

Clean Energy Systems (CES) is providing financial responsibility pursuant to 40 CFR 146.85. CES plans to use a single financial instrument to cover the costs of: corrective action, injection well plugging, post-injection site care and site closure, and emergency and remedial response. Financial instruments currently under consideration include a: Trust Agreement, Escrow Agreement, or a Certificate of Insurance. The selected financial instrument will use recommended language and be consistent with provisions and exclusions in the actual policy.

Before CES makes a significant financial investment in acquiring site-specific data securing financial assurance(s), CES requests that the Environmental Protection Agency (EPA) review this pre-construction application and if the site characteristics and development plan are suitable, grant CES conditional approval. Upon conditional approval, CES will obtain one of the above referenced instruments and resubmit this application with details.

The estimated costs of each of the covered activities, as provided by Clean Energy Systems, are presented in Table 1. This attachment is one of the several documents listed below that was prepared by Schlumberger and delivered to Clean Energy Systems. These documents were prepared to support the Clean Energy Systems preconstruction application to the EPA.

- (Schlumberger, Attachment A: Summary of Requirements Class VI Operating, 2020)
- (Schlumberger, Attachment B: Area of Review and Corrective Action Plan, 2020)
- (Schlumberger, Attachment C: Testing and Monitoring Plan, 2020)
- (Schlumberger, Attachment D: Injection Well Plugging Plan, 2020)
- (Schlumberger, Attachment E: Post-Injection Site Care and Site Closure Plan, 2020)
- (Schlumberger, Attachment F: Emergency and Remedial Response Plan, 2020)
- (Schlumberger, Attachment G: Construction Details Clean Energy Systems Mendota, 2020)
- (Schlumberger, Attachment H: Financial Assurance Demonstration, 2020)
- (Schlumberger, Class VI Permit Application Narrative, 2020)
- (Schlumberger Quality Assurance and Surveillance Plan, 2020)

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*Table 1. Cost Estimates for Activities to be Covered by Financial Responsibility.*

<b>Activity</b>	<b>Low-End Cost Estimate (2015\$)</b>	<b>Middle Cost Estimate (2015\$)</b>	<b>High-End Cost Estimate (2015\$)</b>
Performing Corrective Action on Wells in AoR	110,000	212,000	438,000
Plugging Injection Wells	124,000	187,000	304,000
Post-Injection Site Care	6,400,000	8,938,000	11,057,000
Site Closure	570,000	851,000	1,584,000
Emergency and Remedial Response (Scenario B)	13,096,000	25,603,000	80,925,000
<b>Totals</b>	<b>20,300,000</b>	<b>35,790,000</b>	<b>94,308,000</b>

## 2. References

- Schlumberger Quality Assurance and Surveillance Plan. (2020). *Quality Assurance and Surveillance Plan.*
- Schlumberger, Attachment A: Summary of Requirements Class VI Operating. (2020). *Attachment A: Summary of Requirements Class VI Operating and Reporting Conditions.*
- Schlumberger, Attachment B: Area of Review and Corrective Action Plan. (2020). *Attachment B: Area of Review and Corrective Action Plan 40 CFR 146.84(b) Clean Energy Systems Mendota.*
- Schlumberger, Attachment C: Testing and Monitoring Plan. (2020). *Attachment C: Testing and Monitoring Plan 40 CFR 146.90 Clean Energy Systems Mendota.*
- Schlumberger, Attachment D: Injection Well Plugging Plan. (2020). *Attachment D: Injection Well Plugging Plan 40 CFR 146.92(B) Clean Energy Systems Mendota.*
- Schlumberger, Attachment E: Post-Injection Site Care and Site Closure Plan. (2020). *Attachment E: Post-Injection Site Care and Site Closure Plan 40 CFR 146.93(A) Clean Energy Systems Mendota.*
- Schlumberger, Attachment F: Emergency and Remedial Response Plan. (2020). *Attachment F: Emergency and Remedial Response Plan 40 CFR 146.94(A) Clean energy Systems Mendota.*
- Schlumberger, Attachment G: Construction Details Clean Energy Systems Mendota. (2020). *Attachment G: Construction Details Clean Energy Systems Mendota.*
- Schlumberger, Attachment H: Financial Assurance Demonstration. (2020). *Attachment H: Financial Assurance Demonstration 40 CFR 146.85 Clean Energy Systems Mendota.*
- Schlumberger, Class VI Permit Application Narrative. (2020). *Class VI Permit Application Narrative 40 CFR 146.82(A) Clean Energy Systems Mendota.*