From: McDonald, Jeffrey
To: "Gilmore, Tyler J"
Subject: RE: Timing of Trust Funding
Date: Tuesday, February 04, 2014 2:46:00 PM

I'll call you later this afternoon.

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From: Gilmore, Tyler J [mailto:Tyler.Gilmore@pnnl.gov]
Sent: Tuesday, January 28, 2014 5:41 PM
To: McDonald, Jeffrey; Bayer, MaryRose
Subject: Timing of Trust Funding

Hi Jeff and Molly,
After our conference call we read again the white paper that you sent out for the discussion;

Breakdown of Phases

The trust fund must be funded according to when the financial risks are incurred on the project in three distinct activities:

Pre-Injection: Once an injection or monitoring well is drilled, plugging costs will eventually need to be incurred. Therefore, the trust account should be funded with the cost of plugging injection and monitoring wells as soon as drilling the well begins.

Injection: As soon as injection of CO_2 begins in the Class VI well(s), certain activities will necessarily need to occur (corrective action that is performed on a phased basis, post-injection site care and monitoring, and site closure). Therefore, the trust account should be funded with the costs associated with these activities.

Post-Injection: While all costs must be covered at the start of the post-injection phase, the trust account may phase out these costs as the activities are completed (with approval from the UIC Program Director). For example, once wells have been plugged, their corresponding plugging costs may be subtracted from the total value of the trust account.

This doesn't say that the trust has to be funded before EPA will issue a draft decision. For clarification, is this how you read the funding increments?
Thanks
Tyler