QUESTIONS RE NERT'S 2016 BUDGET

1. Assumptions for the Environmental Account Financial Forecast state that "RD/RA implementation to be phased beginning 2018 at a cost of $650,000,000."
    a. What are the assumptions on which this number is based?
    b. Do the underlying assumptions consider a range of costs and/or alternatives? If so, what are they?
2. F07: Stormwater Conveyance Modification – why is this work necessary? Is it for stormwater permit compliance or for some other reason?
3. F10: Unit 1 Demolition – why is this work necessary now? Will DOD reimburse NERT for any of this work? Is there a less expensive alternative to demolition?
    a. Budget includes pre-demolition costs for Unit 2 – why is this work necessary? Is there a less expensive alternative?
4. Envirogen's budget estimates are not included in budget package. Please send us a copy of Envirogen's 2016 budget.
    a. I01: Base Operations and Maintenance -- $4,245,307
        i. Footnote 23 explains this budget represents the fixed annual costs associated with ETI's comprehensive O&M and maintenance services for the GWETS as contemplated in the December 5, 2012 agreement between NERT and ETI.
        ii. According to December 5, 2012 agreement, NERT is to pay ETI $2,543,600/year – why is amount in budget so much more? Why wasn't the annual expense related to the Plant Director position included in the December 5, 2012 agreement?
5. I05: Continuous Optimization Program Support – why was nothing spent in 2015, although $500,000 had been budgeted, COP is ongoing, and ETI is the GWETS operator?
    a. What is the "Trust Fee Application reporting" that is referred to in footnotes 27 and 39?
6. J02: Permit Compliance and Reporting – is it necessary to have both Ramboll Environ and Tetra Tech involved in this work? Any way to streamline/lower costs?
7. K01: Continuous Optimization Program Support – how is the $1 million calculated? What is the approval process for expanding the scope of work?
    a. RE's K01 budget = $193,000, and TT's K01 budget = $8,000
8. L05: Unspecified Work Plan Preparation and Peer Review – why is $550,000 budgeted for this task in 2016, compared to $50,000 budgeted in 2015 and $46,000 actually spent in 2015? What is the approval process for expanding the scope of work? Why won't NDEP approval of project documentation be required prior to implementation? (note 21)
    a. How is this item different from F99: Unspecified Project Implementation ($400,000)?
        i. What is the approval process for expanding the scope of work for F99? Why won't NDEP approval of project documentation be required prior to implementation? (note 21)
9. M09: Perchlorate Quantification (Phase I) – if the perchlorate quantification work identifies AMPAC as having a greater influence on perchlorate concentrations in the weir construction

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area than currently believed, will NERT seek reimbursement or cost sharing from AMPAC for the cost of treating groundwater extracted during SNWA's weir construction dewatering?

10. N01: NDEP/AG Staff Project Management and Support, N07: NERT Front-Funding for NDEP-led Implementation – how do $660,791 (for N01) and $530,991 (for N07) in 2016 budget correlate to: (1) $647,867 NDEP told the Legislature on February 1, 2016 that NDEP has requested from NERT, and (2) $655,654 NDEP requested from NERT on January 20, 2016?