**Section 601.80 Application Information – Financial**

The applicant shall demonstrate that it either possesses the necessary funds, or has reasonable assurance of obtaining the necessary funds, to cover the estimated costs of conducting all activities over the planned operating life of the project, including costs of construction, operation, closure, post-closure and institutional control.

a) Operation. The applicant shall *post a performance bond with the Department or show evidence of liability insurance or other means of establishing financial responsibility in an amount sufficient to adequately provide for any necessary remedial actions or liabilities that might be incurred by the operation of the disposal facility during the operating period and during a reasonable period of post-closure care* [420 ILCS 20/6(b)].

AGENCY NOTE: This may include costs associated with failure of the operator or failure to fulfill terms of the contract and costs associated with transferring operation and ownership. The italicized text is a direct quotation from the Illinois Low-Level Radioactive Waste Management Act, which has not been updated to reflect Illinois Executive Order 2003-12, effective July 1, 2003, which transferred the responsibilities of the Illinois Department of Nuclear Safety to the Agency. In this case, the Department means the Illinois Emergency Management Agency.

b) Closure and Post-Closure.

1) In addition to complying with the requirements of 32 Ill. Adm. Code 326, the applicant shall provide assurances that sufficient funds will be available to carry out disposal facility closure and post-closure. These assurances shall be based on Agency-approved cost estimates reflecting the Agency-approved plan for disposal facility closure and post-closure. The applicant's cost estimates must take into account total costs that would be incurred if an independent contractor were hired to perform the closure and post-closure work. The assurances shall establish that there will be sufficient funds for:

A) Decontamination or dismantlement of disposal facility structures; and

B) Closure and post-closure of the disposal facility so that, following termination of the license and transfer of custody of the disposal site to the State, the need for active maintenance is eliminated to the extent possible.

2) Liability under the financial assurance mechanism shall remain in effect until the license has been terminated.

c) Institutional Control Period Funding.

1) Prior to the issuance of the license, the applicant shall provide for Agency approval a copy of a binding arrangement, such as a lease or contract, between the applicant and the State that ensures that sufficient funds will be collected and available to cover the costs of monitoring and projected maintenance during the institutional control period.

2) The binding arrangement will be reviewed periodically by the Agency to ensure that changes in inflation, technology and disposal facility operations are reflected in the arrangements. Subsequent changes to the binding arrangement shall be submitted to the Agency for approval.