Winston H. Hickox
Agency Secretary, Cal/EPA

State of California
California Environmental Protection Agency

Gray Davis
Governor

Air Resources Board | Department of Pesticide Regulation | Department of Toxic Substances Control
Integrated Waste Management Board | Office of Environmental Health Hazard Assessment | State Water Resources Control Board | Regional Water Quality Control Board

PUBLIC NOTICE OF BROWNFIELDS INSURANCE WORKSHOPS

on

California's New Environmental Insurance Program:

Financial Assurances and Insurance for Redevelopment (FAIR)

Tuesday, May 21, 2002 – 10 a.m. - approximately 4 p.m.
Cal/EPA Headquarters Building
1001 I Street
Central Valley Auditorium
Sacramento, California 95814

Wednesday, May 22, 2002 – 10 a.m. - approximately 4 p.m.
Ronald Reagan State Office Building
300 South Spring Street
Ronald Reagan Auditorium
Los Angeles, California 90013

The Secretary of the California Environmental Protection Agency (Cal/EPA) has been authorized and directed by statute (Chapter 6.8 of Division 20 of the California Health & Safety Code, at §§25395.40 through §§25395.45) to hold two public stakeholder workshops regarding the design and implementation of the *California Financial Assurance and Insurance for Redevelopment Program* (the "*FAIR Program*").

The objective of the *FAIR Program* is to lower the transaction costs of "environmental insurance" by providing a package of pre-negotiated and standardized policies to stimulate the cleanup and redevelopment of brownfields and other environmentally impaired properties throughout the state. The Secretary has authorized and designated ***MGP Environmental Partners LLC*** to manage the implementation process, including the public stakeholder workshops.

The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see the Web site: www.flexyourpower.ca.gov

1001 I Street | Sacramento, CA 95814
phone: 916.445.3846 | fax: 916.445.6401
www.calepa.ca.gov

The Secretary will solicit the participation of one or more qualified insurance companies, through a competitive selection process, to become a designated insurance provider for the *FAIR Program*. The insurance products to be offered under the *FAIR Program* include (as defined in the statute):

- "Pollution liability insurance"
- "Cost overrun insurance"
- "Secured creditor insurance;" and
- "... any other insurance product that the secretary selects."

The competitive selection process will begin with the issuance of a *Request for Qualifications and Proposal* ("the *RFQP*") to be sent to environmental insurance companies who meet the statutory criteria. According to the statute, any participating insurance company must be *"authorized in California to offer environmental insurance"* and must have *"an A.M. Best Financial Strength Rating of A+ or better and an A.M. Best Financial Size Category of FSC X or larger."*

Public attendance at these workshops is being solicited and encouraged, in order to insure that the Secretary has a comprehensive opportunity to receive and consider the views of the affected communities and entities.

The agenda for each stakeholder workshop is as follows:

- General introduction
- Discussion of the background and objectives of the FAIR program
- Discussion of the proposed terms and conditions of the RFQP:
  - Program terms (pricing; subsidies)
  - Standardized policy forms and terms
  - Marketing and distribution plans
  - Other services to be provided by the selected insurer(s)
- Solicitation of questions and comments

To confirm your attendance at the workshops, please RSVP by email or fax to MGP Environmental Partners at reshen@mindspring.com or (203) 973-1356. If you plan to provide comments or make a presentation, you are encouraged to bring a written copy for inclusion in the workshop record. If you cannot attend one of the workshops, you may also submit written comments by email or fax.

Contact:
Bruce Sean Reshen
MGP Environmental Partners LLC

FAX: (203) 973-1356
Email: reshen@mindspring.com