

U.S. Department of  
Homeland Security

United States  
Coast Guard



DIRECTOR  
NATIONAL POLLUTION FUNDS CENTER

US COAST GUARD STOP 7100  
4200 WILSON BLVD STE 1000  
ARLINGTON, VA 20598-7100  
Staff Symbol: Cm  
Phone: 202-493-6745  
Toll-Free: 1-800-358-2897 Ext. 3-6745  
FAX: 202-493-6896  
Email: jonathan.a.abramson@uscg.mil

16480  
June 21, 2010

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

BP Exploration & Production, Inc.  
Attn: Mr. Dave Odermatt  
200 Westlake Park Blvd.  
Houston, TX 77079

BP Corporation North America, Inc.  
501 Westlake Park Blvd.  
Houston, TX 77079

Anadarko E&P Company, LP  
P.O. Box 1330  
Houston, TX 77251-1330

Anadarko Petroleum Corporation  
P.O. Box 1330  
Houston, TX 77251-1330

MOEX Offshore 2007 LLC  
9 Greenway Plaza, Suite 1220  
Houston, TX 77046

Transocean Holdings Incorporated  
P.O. Box 2765  
Houston, TX 77252-2765

QBE Underwriting, LTD  
Lloyds Syndicate 1036  
Attn: Messrs. Mendes & Mount, Inc.  
750 Seventh Avenue  
New York, NY 10019-6829

RE: DEEPWATER HORIZON  
FPN: N10036

Dear Sir or Madam:

On April 21, 2010, the Federal On-Scene Coordinator determined that the DEEPWATER HORIZON and the undersea well located at Mississippi Canyon 252 discharged oil into the Gulf of Mexico. The U.S. Coast Guard initiated pollution removal actions and the Federal Government has incurred and continues to incur costs. Under the Oil Pollution Act of 1990 (33 USC 2701 et seq.), responsible parties and guarantors are jointly and severally liable for the costs incurred. Enclosed is the third bill associated with this project. This is a demand for full payment. This bill represents costs that were not previously billed and an explanation of those costs is enclosed. Additional removal costs will be billed as the response continues to progress.

Subj: DEEPWATER HORIZON

16480  
June 21, 2010

The removal costs in this bill are separate from and in addition to any other type of liability that you may incur including, but not limited to, damages, fines, and penalties.  
Payment should be made by check or money order payable to the U.S. Coast Guard.

Send your payment to: U.S. Coast Guard - Oil Pollution  
RE: N10036  
P.O. Box 70959  
Charlotte NC 28272-0959

For wire or bank transfers, please refer to the attached Methods of Payment sheet.

If you have any questions regarding this debt or your rights in connection with this bill, you may contact me at the National Pollution Funds Center, 1-800-358-2897 ext. 3-6745. Please note the Federal Project Number (N10036) on all correspondence to insure proper credit to your account and a timely and accurate resolution of this matter.

Sincerely,



JONATHAN A. ABRAMSON  
Case Officer  
U.S. Coast Guard

Enclosure: (1) BILL # N10036-003-10  
(2) Explanation of Costs  
(3) Rights and Collections Alternatives

Keep this portion of the statement for your records.

Return receipt at bottom with payment.

**NATIONAL POLLUTION  
FUNDS CENTER**

Federal Project/Bill Number:

N10036-003-10

Original Bill Date:

**JUN 21 2010**

TAX I.D. NUMBER 54-6010204

Date of this Statement (if different):

To: **BP EXPLORATION & PRODUCTION INC  
200 WESTLAKE PARK BLVD  
HOUSTON TX 77079**

UNITED STATES

DESCRIPTION	AMOUNT
FPN: N10036 This is a bill for U.S. Government costs. See second page for list of charges. This bill does not include, among other things, any other removal costs, damages, or any administrative or civil penalty which has been or may be assessed. Interest is charged on balances over 30 days past due. Interest rate is market-based and is subject to change pursuant to OPA §1005, 33 USC 2705; current rate is .36% per annum. The terms of this bill are controlling; no other terms affixed to any payment are acceptable.	
Principal Due	\$51,435,548.27
Accrued Interest	\$0.00
Total Due	\$51,435,548.27
This invoice reflects collections received to date totaling:	\$0.00

Send Payment To: **U.S. COAST GUARD – Oil Pollution  
RE: FPN N10036-003-10  
P.O. Box 70959  
Charlotte, NC 28272-0959**

Tear along perforation ...

Federal Project/Bill Number: N10036-003-10  
Case Officer: Abramson

Billed on **JUN 21 2010**

Your billing address (please pen-and-ink any errors or changes):

Amount Due as of **JUN 21 2010**

**BP EXPLORATION & PRODUCTION INC  
200 WESTLAKE PARK BLVD  
HOUSTON TX 77079**

**\$51,435,548.27**

UNITED STATES

Please send this remittance advice with your payment in the enclosed envelope. Make check payable to "U.S. Coast Guard" & write FPN N10036-003-10 on the check. To avoid additional late fees, we must receive payment by July 16, 2010

**U.S. Coast Guard – Oil Pollution  
RE: FPN N10036-003-10  
P.O. Box 70959  
Charlotte, NC 28272-0959**

Amount Paid  
\$ \_\_\_\_\_

**N10036; Deepwater Horizon  
USCG Daily Indirect Costs for May 2010**

	USCG Personnel	USCG Boats/Cutters	USCG Aircraft	USCG Equipment	USCG Vehicle	Total Indirect Costs
1-May	\$205,560.00	\$0.00	\$211,199.50	\$0.00	\$0.00	\$416,759.50
2-May	\$184,591.00	\$0.00	\$163,650.90	\$0.00	\$0.00	\$348,241.90
3-May	\$138,953.00	\$0.00	\$129,509.00	\$0.00	\$0.00	\$268,462.00
4-May	\$105,669.00	\$0.00	\$159,156.00	\$0.00	\$0.00	\$264,825.00
5-May	\$270,524.00	\$211,680.00	\$117,444.40	\$782.00	\$0.00	\$600,430.40
6-May	\$252,367.00	\$395,220.00	\$277,776.50	\$2,352.00	\$0.00	\$927,715.50
7-May	\$346,126.00	\$578,760.00	\$157,460.90	\$2,352.00	\$0.00	\$1,084,698.90
8-May	\$332,842.00	\$578,760.00	\$235,573.50	\$410.00	\$0.00	\$1,147,585.50
9-May	\$276,938.00	\$578,760.00	\$173,317.10	\$1,626.00	\$0.00	\$1,030,641.10
10-May	\$262,298.00	\$578,760.00	\$149,102.60	\$245.00	\$0.00	\$990,405.60
11-May	\$307,029.00	\$0.00	\$148,406.00	\$0.00	\$0.00	\$455,435.00
12-May	\$318,314.50	\$0.00	\$198,266.10	\$245.00	\$0.00	\$516,825.60
13-May	\$345,565.00	\$0.00	\$207,054.20	\$0.00	\$0.00	\$552,619.20
14-May	\$338,628.00	\$0.00	\$150,287.80	\$245.00	\$0.00	\$489,160.80
15-May	\$337,129.00	\$0.00	\$133,404.60	\$10,584.00	\$0.00	\$481,117.60
16-May	\$269,965.00	\$298,200.00	\$111,418.60	\$0.00	\$0.00	\$679,583.60
17-May	\$375,713.00	\$0.00	\$136,263.60	\$10,763.00	\$0.00	\$522,739.60
18-May	\$280,840.00	\$0.00	\$119,855.00	\$11,576.00	\$0.00	\$412,271.00
19-May	\$354,461.00	\$0.00	\$230,521.30	\$15,994.00	\$0.00	\$600,976.30
20-May	\$302,514.00	\$0.00	\$141,694.50	\$0.00	\$0.00	\$444,208.50
21-May	\$358,418.00	\$0.00	\$103,459.40	\$10,492.00	\$0.00	\$472,369.40
22-May	\$363,154.00	\$299,880.00	\$167,183.70	\$1,084.00	\$0.00	\$831,301.70
23-May	\$275,777.00	\$0.00	\$181,943.90	\$9,408.00	\$0.00	\$467,128.90
24-May	\$268,153.50	\$0.00	\$124,534.60	\$9,408.00	\$0.00	\$402,096.10
25-May	\$279,756.50	\$0.00	\$197,968.40	\$9,408.00	\$0.00	\$487,132.90
26-May	\$260,875.00	\$0.00	\$178,845.80	\$9,408.00	\$0.00	\$449,128.80
27-May	\$294,337.00	\$0.00	\$193,427.80	\$23,732.00	\$0.00	\$511,496.80
28-May	\$272,354.00	\$0.00	\$210,014.30	\$23,384.00	\$0.00	\$505,752.30
29-May	\$259,284.00	\$0.00	\$49,275.00	\$23,384.00	\$0.00	\$331,943.00
30-May	\$221,194.50	\$0.00	\$0.00	\$9,408.00	\$0.00	\$230,602.50
31-May	\$265,649.00	\$0.00	\$0.00	\$9,408.00	\$0.00	\$275,057.00
	<b>\$8,724,979.00</b>	<b>\$3,520,020.00</b>	<b>\$4,758,015.00</b>	<b>\$195,698.00</b>	<b>\$0.00</b>	<b>\$17,198,712.00</b>

**OBLIGATIONS THROUGH JUNE 13TH, 2010 (See Attached Sheet): \$ 34,236,836.27**

**TOTAL AMOUNT ON THIS BILL: \$ 51,435,548.27**

N10036; Deepwater Horizon	MIPR and PRFA OBLIGATIONS BILLED				
	Agency	Previous Ceiling	Previously Billed Amount	Present Ceiling	Amount Billed on N10036-003-10
USEPA HQ	\$ -	\$ -	\$ 3,500,000.00	\$ 2,625,000.00	
DOI - MMS	\$ 3,000,000.00	\$ 2,250,000.00	\$ 3,000,000.00	\$ -	
DOI - USFWS	\$ 7,077,473.00	\$ 5,308,104.75	\$ 10,653,318.00	\$ 2,681,883.75	
NOAA	\$ 9,119,027.00	\$ 6,839,270.25	\$ 17,768,941.00	\$ 6,487,435.50	
USDA Wildlife	\$ 273,785.00	\$ 205,338.75	\$ 273,785.00	\$ -	
EPA Region 6	\$ 7,178,429.10	\$ 5,383,821.83	\$ 15,953,129.10	\$ 6,581,025.00	
LA GOHSEP	\$ 1,250,000.00	\$ 937,500.00	\$ 1,250,000.00	\$ -	
DOI - NPS	\$ 2,025,000.00	\$ 1,518,750.00	\$ 2,025,000.00	\$ -	
LA - DOC	\$ 349,290.00	\$ 261,967.50	\$ 349,290.00	\$ -	
U.S. Customs & Border Patrol	\$ 2,250,000.00	\$ 1,687,500.00	\$ 4,415,700.00	\$ 1,624,275.00	
LA Dept. Public Safety	\$ 1,500,000.00	\$ 1,125,000.00	\$ 1,500,000.00	\$ -	
LA Military Affairs	\$ 372,800.00	\$ 279,600.00	\$ 394,178.00	\$ 16,033.50	
LA Dept. Natural Resources	\$ 541,822.00	\$ 406,366.50	\$ 541,822.00	\$ -	
LA Dept. of Wildlife & Fisheries	\$ 3,017,000.00	\$ 2,262,750.00	\$ 5,769,078.00	\$ 2,064,058.50	
LA Dept. of Transportation	\$ 97,058.00	\$ 72,793.50	\$ 97,058.00	\$ -	
LA DEQ	\$ 767,364.00	\$ 575,523.00	\$ 767,364.00	\$ -	
NIOSH	\$ 325,000.00	\$ 243,750.00	\$ 634,664.00	\$ 232,248.00	
LA Dept. of Health & Hospitals	\$ 692,427.00	\$ 519,320.25	\$ 692,427.00	\$ -	
LA Agriculture & Forestry	\$ 9,152.29	\$ 6,864.22	\$ 18,888.29	\$ 7,302.00	
U.S. Dept. of Labor	\$ 500,818.12	\$ 375,613.59	\$ 500,818.12	\$ -	
Office of Coastal Protection & Restoration	\$ 353,600.00	\$ 265,200.00	\$ 353,600.00	\$ -	
DOI - Nat. Wetlands Research Ctr.	\$ -	\$ -	\$ 80,000.00	\$ 60,000.00	
US HHS - Response	\$ -	\$ -	\$ 1,300,000.00	\$ 975,000.00	
US HHS - NIEHS	\$ -	\$ -	\$ 352,000.00	\$ 264,000.00	
U.S. Dept. of Agriculture	\$ 433,130.00	\$ 324,847.50	\$ 461,511.27	\$ 21,285.95	
EPA Region 4	\$ 5,725,000.00	\$ 4,293,750.00	\$ 5,725,000.00	\$ -	
MS DEQ	\$ 50,000.00	\$ 37,500.00	\$ 50,000.00	\$ -	
AL EMA	\$ 150,000.00	\$ 112,500.00	\$ 150,000.00	\$ -	
OSHA Region IV	\$ -	\$ -	\$ 220,000.00	\$ 165,000.00	
MS State Port Authority (Gulfport)	\$ 200,000.00	\$ 150,000.00	\$ 200,000.00	\$ -	
NAVSUPSALV	\$ 3,500,000.00	\$ 2,625,000.00	\$ 7,250,000.00	\$ 2,812,500.00	
National Guard Bureau (LA)	\$ 6,600,000.00	\$ 4,950,000.00			
National Guard Bureau (MS)	\$ 1,062,097.78	\$ 796,573.34			
National Guard Bureau (AL)	\$ 580,250.00	\$ 435,187.50			
National Guard Bureau (FL)	\$ 18,500.00	\$ 13,875.00			
National Guard Bureau	\$ 2,133,250.00	\$ 1,599,937.50			
National Guard Bureau	\$ 130,000.00	\$ 97,500.00			
National Guard Bureau	\$ 455,947.00	\$ 341,960.25			
National Guard Bureau (FL)	\$ 14,961.00	\$ 11,220.75			

National Guard Bureau (AL)	\$ 16,420.00	\$ 12,315.00		
National Guard Bureau (LA)	\$ 7,914,114.00	\$ 5,935,585.50		
National Guard Bureau (AL)	\$ 109,621.02	\$ 82,215.77		
National Guard Bureau (MS)	\$ 437,700.00	\$ 328,275.00		
National Guard Bureau (FL)	\$ 18,500.00	\$ 13,875.00		
National Guard Bureau (LA,MS,AL,FL)			\$ 23,141,971.25	\$ 2,737,957.84
Army Air NG	\$ 90,000.00	\$ 67,500.00	\$ 183,000.00	\$ 69,750.00
LA Army NG	\$ 4,530,000.00	\$ 3,397,500.00		
LA Army NG	\$ 2,900,832.00	\$ 2,175,624.00		
LA Army NG	\$ 7,785,240.00	\$ 5,838,930.00		
LA Army NG			\$ 15,216,072.00	\$ -
Army Air NG (LA)	\$ 166,830.00	\$ 125,122.50		
Army Air NG (AL)	\$ 63,000.00	\$ 47,250.00		
Army Air NG (MS)	\$ 370,950.00	\$ 278,212.50		
Army Air NG (LA)	\$ 185,000.00	\$ 138,750.00		
Army Air NG			\$ 1,869,206.00	\$ 812,569.50
Mississippi Air NG	\$ 1,225,481.82	\$ 919,111.37	\$ 2,424,731.73	\$ 899,437.43
Alabama Air NG	\$ 1,968,492.00	\$ 1,476,369.00	\$ 4,209,356.00	\$ 1,680,648.00
Alabama Air NG	\$ 30,000.00	\$ 22,500.00	\$ 45,500.00	\$ 11,625.00
Alabama Air NG	\$ 5,000.00	\$ 3,750.00	\$ 14,300.00	\$ 6,975.00
Commander, HQ, USAF CAP	\$ 152,780.00	\$ 114,585.00	\$ 152,780.00	\$ -
MS National Guard	\$ 45,000.00	\$ 33,750.00	\$ 259,380.00	\$ 160,785.00
Scott AFB - TRANSCOM	\$ 1,720,000.00	\$ 1,290,000.00	\$ 1,819,638.40	\$ 74,728.80
USARNorth, Ft. Sam Houston	\$ 208,392.00	\$ 156,294.00	\$ 208,392.00	\$ -
Commander Navy Region Southeast	\$ 15,000.00	\$ 11,250.00	\$ 15,000.00	\$ -
DOI - NMC (Repair NSFCC Equipment)	\$ 381,004.00	\$ 285,753.00	\$ 381,004.00	\$ -
Naval Air Station Jacksonville	\$ 17,279.92	\$ 12,959.94	\$ 17,279.92	\$ -
Naval Air Station Jacksonville	\$ 2,926.40	\$ 2,194.80	\$ 2,926.40	\$ -
Naval Air Station Jacksonville	\$ 6,400.20	\$ 4,800.15	\$ 6,400.20	\$ -
Navy Facility NAS Jacksonville	\$ 2,133.44	\$ 1,600.08	\$ 2,133.44	\$ -
910TH OG Youngstown ARS	\$ -	\$ -	\$ 125,000.00	\$ 93,750.00
US Robins AFB	\$ -	\$ -	\$ 1,400,000.00	\$ 1,050,000.00
AFNorth, Tyndall AFB	\$ -	\$ -	\$ 11,500.00	\$ 8,625.00
USPFO of Florida	\$ -	\$ -	\$ 5,850.00	\$ 4,387.50
Florida National Guard	\$ -	\$ -	\$ 11,400.00	\$ 8,550.00
PREVIOUS OBLIGATION TOTAL:	\$ 92,121,278.09			
TOTAL AMOUNT ON PREVIOUS INVOICE:		\$ 69,090,958.57		
		<b>CURRENT OBLIGATION TOTAL:</b>	<b>\$ 137,770,393.12</b>	
		<b>TOTAL AMOUNT ON THIS INVOICE:</b>	<b>\$ 34,236,836.27</b>	

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METHODS OF PAYMENT

TO PAY OIL SPILL CLEAN UP COST TO THE NATIONAL POLLUTION FUNDS CENTER

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WIRE TRANSFER / BANK TRANSFER

1. SEND TO : Federal Reserve Bank, New York City, NY [via any U.S. bank]

Only U.S. banks can wire directly to the Federal Reserve Bank. Foreign banks cannot wire directly to the Federal Reserve Bank but must go through an intermediary U.S. bank. Foreign banks may send the wire transfer to the U.S. bank of their choice, who, in turn, forwards the wire transfer to the Federal Reserve Bank.

2. BENEFICIARY (B N F): 70 06 0000  
The U.S. Treasury's Agency Location Code for the U.S. Coast Guard.

3. ABA #: 021030004 Treas NYC  
The Receiver's Financial Institution (FI) -- American Banking Association (ABA) Number (#) for the U.S. Coast Guard.

4. TYPE / SUBTYPE CODE: 10 00 (Type / Subtype Code is Mandatory.)

5. ORIGINATOR TO BENEFICIARY (O B I): For description.  
Cite the Bill Number(s) in the description.

SWIFT CODE:  
FRNYUS33FX1  
(FOREIGN TRANSFER)

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BY MAIL (BANK DRAFT OR CHECK)

PAYMENT SHOULD BE MADE PAYABLE TO: U.S. COAST GUARD

IF PAYMENT IS SENT BY MAIL, SEND TO:

BANK DRAFT ON FOREIGN BANK

U. S. Coast Guard  
Finance Center  
P.O. Box 4121  
Chesapeake, VA 23327-4121

BANK DRAFT ON U. S. BANK

U. S. Coast Guard-Oil Pollution  
RE: *FPN Bill Number*  
P. O. Box 70959  
Charlotte, NC 28272-0959

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USCG/NPFC TAX ID (TIN): 54-6010204

USCG/NPFC DUNS: 806754677

## Explanation of Costs

**"CG Equipment"** Total cost of Coast Guard-owned equipment used during the removal action based on standard hourly rates published in Commandant Instruction 7310.1 (series). Standard rates typically include crew complement, fuel, maintenance, field operational support, administrative support and depreciation.

**"CG Personnel"** Total cost of Coast Guard personnel (both military and civilian employees), other than crew complements, used to conduct, direct and/or monitor the removal action or settle claims based on standard hourly rates published in Commandant instruction 7310.1 (series). Standard rates reflect average pay, allowances, government contribution to employee benefits (e.g. FICA, medical), training, change of station, and unfunded retirement costs. Actual costs of travel or per diem are not included - see "CG Travel".

**"CG Personnel – Reserve"** Total cost of Coast Guard Reserve personnel, other than crew complements, used to conduct, direct, and/or monitor removal actions or settle claims (similar to "CG Personnel" explained above). Coast Guard Reserve personnel frequently augment regular Coast Guard military and civilian in all facets of response operations especially on large and or long-term pollution incidents.

**"TAD/TDY"** Total cost of travel and per diem for Coast Guard personnel employed to conduct, direct and/or monitor the removal action or settle claims. Per diem (meals and lodging) rates are specified in the Joint Federal Travel Regulations but only actual lodging expenses are reimbursed. Travel costs are based on federal contract carrier rates on commercial aircraft or actual costs of rental cars, etc.

**"CG Purchases"** Total cost of purchases of materials or services by the Federal On-Scene Coordinator (FOSC) in support of the removal action or to settle claims. Actual costs without sales tax. Examples of typical purchases: replacement of damaged equipment or consumables, lodging and meals for CG personnel at the removal action (in lieu of per diem), transportation of CG equipment (GBL), film used to photograph the oil discharge and damage. Purchase Orders are prepared by a CG Contracting Officer.

**"Marine Safety Lab"** Total cost for oil samples tested by the CG Marine Safety Lab at Groton, CT to determine the source of a discharge. Costs are based on standard charges for each test and depend on the number of samples.

**"EPA Personnel"** Total cost of EPA personnel used to conduct, direct and/or monitor the removal action based on actual hourly salary and benefits costs.

**"EPA Travel"** Total cost of EPA travel to conduct, direct and/or monitor the removal action. Per diem (meals and lodging) rates are specified in the Joint Federal Travel Regulations but only actual lodging expenses are reimbursed. Travel costs are based on federal contract carrier rates on commercial aircraft or actual costs of rental cars, etc.

**"EPA-Indirect Costs"** EPA's indirect costs consist of the administrative costs of EPA's Headquarters and Regional offices that provide administrative support to the rest of the Agency. Also included are depreciation costs as well as the costs of fringe benefits funded by the Office of Personnel Management. Also included are the Regional administrative support costs that are incurred on a regional level.

**"EPA or CG Contract"** Total costs for equipment, labor and materials used by a commercial cleanup contractor hired by the Federal On-Scene Coordinator (FOSC) for the removal action or to settle claims. Also, total costs of Technical Assist Team (TAT) or Superfund Technical Assist and Response Team (START) contract support based on rates approved by the EPA Contracting Official. Each EPA region has its own TAT/START contractor. The contractor's invoice is based on rates agreed to by the Contracting Officer. The FOSC certifies on each invoice that the work was performed and that it was consistent with the National Contingency Plan (NCP) 40 CFR 300.

**"Site Specific IAG"** (Inter-Agency Agreement) A financial instrument that provides funding to EPA FOSCs (Federal On-Scene Coordinators) for certain oil spill incidents. These financial agreements may be used for cases that involve: lengthy removal actions; large project ceilings; multiple agencies; complex contracting mechanisms; or some other condition that requires extra management attention.

**"PRFA"** (Pollution Removal Funding Authorization) An agreement and financial obligation by the Federal On-Scene Coordinator (FOSC) to reimburse another government agency (federal, state or local) for assistance during the removal action. The PRFA specifies which removal activities will be reimbursed and establishes a dollar limit. The agency that is subject to a PRFA becomes a "contractor" for the FOSC but may hire a commercial cleanup contractor to perform the actual work. Each reimbursement under a PRFA is a separate line item on the billing.

**"Claim Paid"** Payment made by the National Pollution Funds Center (NPFC) by type of claim and claimant. Types of claims: (A) natural resources, (B) real or personal property, (C) subsistence use, (D) revenues, (E) profits and earning capacity, (F) public services, or (G) removal costs. The Responsible Party (RP) is liable for damages resulting from the oil discharge or substantial threat of a discharge 33 USC 2702 and 2715. Example: Claim Paid (B) - ABC Resort Hotel, this is a property damage claim paid to ABC Resort Hotel for which the NPFC is seeking reimbursement from the RP.

**"INRDA"** (Initiate the Assessment of Natural Resource Damages) Payment made by the National Pollution Funds Center (NPFC) via an Inter-Agency Agreement (IAG) with a Federal Lead Administrative Trustee per Executive Order 12777 to initiate the assessment of natural resource damages. This funding is made available per Section 6002(b) of the Oil Pollution Act of 1990 and covers Pre-assessment Activities as outlined in 15 CFR 990, Subpart D.

## **RIGHTS, RESPONSIBILITIES, COSTS AND COLLECTION ALTERNATIVES**

**YOUR RIGHTS.** You have the right to an explanation of the basis and nature of the debt, an accounting and how we calculated the debt.

If you would like to inspect the documents that form the basis of the debt, please request a copy from the Case Officer assigned to your case. Copies will be provided free of charge. The Case Officer's contact information can be found on the billing letter.

You may dispute the information in the documents, submit additional material for consideration and request that we review or reconsider the determination of the debt.

You may request a written repayment agreement in lieu of paying the entire balance of your debt at one time. Reconsideration for other than prompt full payment requires a review of your financial condition, including access to recent income tax returns. If funds are collected in excess of the debt, they will be promptly refunded to you, unless prohibited by law.

**INSURANCE COVERAGE.** If you have insurance coverage, contact your insurance agent to determine whether your policy covers any of the costs you are being billed.

**BANKRUPTCY.** If you file for bankruptcy, or if you were in bankruptcy at the time of the incident and an automatic stay is in effect, you are not subject to any offset during the stay. Please notify us of the stay by sending evidence about the bankruptcy proceedings.

**JOINT INCOME TAX RETURN.** If you file a joint income tax return, contact the Internal Revenue Service before filing your return to protect the share of your spouse's tax return refund, IRS Form 8379 is required.

**INTEREST.** Any balance not paid within 30 days of the original bill notice is a delinquent balance. A delinquent balance will subject you to additional charges for interest from the date of delinquency.

**TREASURY DEPARTMENT DEBT MANAGEMENT SERVICE (DMS).** We are required to refer debts that are delinquent for 180 days to the DMS for further collection. If the delinquent debt is referred to DMS for collection, additional fees will be added to the amount due. Those fees will vary based on whether DMS collects the debt directly or through a private collection agency. Debts may be referred to the Justice Department for collection by litigation at any time.

**TREASURY OFFSET PROGRAM (TOP).** In addition to the above fees, you may be charged a fee for tax offset or federal salary offset if collection is made through TOP. A separate fee is charged each time a collection is made. The U.S. Treasury is not required to send notice to debtors before it offsets payments.

**ADMINISTRATIVE OFFSET.** The DMS may collect your debt through administrative offset. DMS may withhold money owed to you by the United States Government. The offset includes:

- Income tax refunds
- Certain Social Security benefits
- Black Lung benefits
- Salaries of Federal employees (up to 15% of current net disposable pay per pay period). The debtor may request a hearing
- Retirement benefits, including Railroad, Federal and military benefits
- Vendor or contractor payments
- Travel reimbursements and advances

**ADMINISTRATIVE WAGE GARNISHMENT (AWG).** The DMS may also collect the debt through administrative wage garnishment (AWG) without a court hearing. The DMS may contact your employer and garnish a portion of your net disposable pay. If AWG is used in the collection of the debt, you may request a hearing to review the debt by notification to the agency on or before the 15<sup>th</sup> business day following the mailing of the administrative wage garnishment notice. The notification will stay the withholding order until the debtor has been provided the requested hearing. Failure to timely request a hearing by notification to the agency on or before the 15<sup>th</sup> business day following the mailing of the administrative wage garnishment notice will still entitle you to a hearing upon request, but will not delay the withholding order. 31 CFR § 285.11(f).

**CONSUMER REPORTING AGENCIES.** The debt may be reported to consumer reporting agencies. The information that may be disclosed to consumer reporting agencies includes the debtor's:

- Name and Address
- Social Security Number
- Taxpayer Identification Number
- Amount, Status, and History of the debt
- The Program under which the debt arose

**DELINQUENT DEBTS ARE A BAR TO CERTAIN FEDERAL PROGRAMS.** Debtors owing money to the U.S. Government are barred from obtaining federal loans, including student loans and FHA mortgages, federal loan insurance, federal grants, or federal guarantees.

**PENALTIES FOR MAKING FALSE STATEMENTS.** Information provided by you must represent all material facts and must be true to the best of your knowledge and belief. Misrepresentation of facts in this matter is subject to prosecution under Federal law, including but not limited to 18 USC § 1001, and 31 USC § 3729.