

Annual Adjustment of Cost Estimates

Owners or operators of facilities regulated by the Solid Waste Financial Assurance office shall annually adjust their facility closure cost estimates for inflation and submit updated information to the Department. Rule 62-701.630(4), Florida Administrative Code (F.A.C.), identifies requirements for submission of closure cost estimates. Requirements are outlined below:

- [Form 62-701.900\(28\)](#) is used to prepare and submit closure cost estimates.
- Annual cost estimate adjustments may be made either by recalculating the maximum cost of closure or by using an inflation factor. See below for information on inflation factor adjusting of cost estimates. Contact your permitting office for assistance with the form.
- For owners or operators using an escrow agreement to demonstrate financial assurance, cost estimates must be submitted between July 1 and September 1 of each year.
- For owners or operators using an alternate financial mechanism to demonstrate financial assurance, cost estimates must be submitted between January 1 and March 1 of each year.
- Please submit Form 62-701.900(28) to the appropriate permitting office with a copy to:

Solid Waste Financial Coordinator
Department of Environmental Protection
2600 Blair Stone Road, MS 4565
Tallahassee, Florida 32399-2400

Inflation Factor Adjusting of Cost Estimates

1999 Cost Estimate x 1.015 = 2000 Cost Estimate

2000 Cost Estimate x 1.020 = 2001 Cost Estimate

2001 Cost Estimate x 1.020 = 2002 Cost Estimate

2002 Cost Estimate x 1.010 = 2003 Cost Estimate

Cost estimates updated between January 1 and March 1, 2004
2003 Cost Estimate x 1.010 = 2004 Cost Estimate

Calculation of the Inflation Factor

- The inflation factor is derived from the most recent Implicit Price Deflator for Gross National Product published by the U.S. Department of Commerce in its Survey of Current Business, pursuant to Rule 62-701.630(4)(b)(2), F.A.C.
- To calculate the current inflation factor, divide the latest published annual Deflator by the Deflator for the previous year.
- Implicit Price Deflator data can be obtained from

U.S. Department of Commerce
Bureau of Economic Analysis
Washington, D.C.
(202) 606-9700
<http://www.bea.doc.gov>