



Environmental Due Diligence



This series of fact sheets highlights our expertise in Managing Environmental Liability and covers the following topics:

- Site Assessment and Remediation
- Environmental Due Diligence
- Liability Assessment
- Risk Assessment
- Impact Assessment
- Geotechnical Engineering

ICF International shows clients how to successfully balance regulatory requirements, engineering judgment, economics, and scientific knowledge to ensure that risk and liability from environmental concerns are appropriately identified and effectively managed.

Understanding and managing environmental, health, and safety (EHS) risks is critical whether you are buying, selling, or evaluating assets for business planning and expansion. Many organizations turn to ICF International as their Environmental Due Diligence advisor when considering a merger, acquisition, divestiture, or Sarbanes-Oxley compliance. The escalating cost of managing environmentally impaired sites contaminated because of past activities, coupled with new and more stringent regulations, have heightened corporate managers' desires to better understand the nature of the EHS risks associated with their current operations or proposed acquisitions.

Our Approach

At ICF, we undertake EHS due diligence assessments to help our clients understand the EHS condition of their assets—so they can make the best decisions for ongoing business success. A part of this understanding is an awareness of the scope and magnitude of the potential financial exposure represented by EHS risks. Through our assistance, our clients can make critical transaction decisions, and confidently minimize risk and liability by adapting these decisions to the information uncovered.



Environmental due diligence can provide identification and quantification of risk and liability. The Phase I due diligence assessment is focused on identifying and characterizing significant potential environmental, health and safety liabilities associated with past and current practices at the facility or from off-site sources. ICF has performed Phase I assessments in accordance with ASTM, various State, and the U.S. EPA All Appropriate Inquiries (AAI) standards. Phase II environmental site investigations are typically undertaken in order to further characterize the nature and extent of potential contamination. Phase II efforts enable the client to more precisely understand the environmental risks that need to be managed, and refine the potential future costs of remediation. ICF's geologists, engineers, hydrologists, chemists, and risk assessors are capable of conducting on-site sampling and analysis of all media (soil, ground water, sediment, surface water, wastewater, air) and using that information to develop risk-based cleanup goals and associated costs. We develop technical solutions to address identified issues and prepare budget-quality cost estimates for the implementation of these solutions.

We have conducted Phase I reviews for a range of transactions in excess of \$20 billion in North and South America, Europe, the Middle East, and the Far East. Our clients include corporations, law firms, banks, insurance companies, and other members of the financial community.

Industrial Knowledge and Experience

- Aerospace and Defense
- Automotive
- Basic Manufacturing
- Biotechnology
- Chemicals
- Computers
- Energy
- Electronics
- Metals and Mining
- Pharmaceuticals
- Transportation
- Waste Management

Featured Solutions



Due Diligence Assessment of Alumina Refinery

ICF performed a comprehensive environmental, health, and safety due diligence assessment of a 1,400-acre alumina refinery located in St. Croix, U.S. Virgin Islands, in support of a property divestiture. We identified

significant potential liabilities and costs associated with managing the identified liabilities. Our assessment supported the successful sale of the property to a brownfields redevelopment company that plans to remediate and redevelop the property to attract environmentally responsible industrial and recreational businesses to the site.

Estimation of Costs for Corrective Action

For a Fortune 50 chemical and specialty products company, we conducted a review of a potential acquisition with six manufacturing plants in France, Spain, England, and the United States. This project involved assessing each facility's EHS status, conducting on-site sampling and analyses to characterize potential contamination, developing technical solutions and preparing budget-quality cost estimates for implementation of these solutions.

All Appropriate Inquiries (AAI) Support

ICF prepared a regulatory analysis and is providing technical training support for EPA's new AAI regulation, which became effective on November 1, 2006. ICF analyzed the costs and benefits of brownfields redevelopment under previous Phase I standards and the proposed AAI rule, organized public meetings, and summarized public comments. ICF designed and is conducting an AAI training course for EPA, HUD, state agencies, tribal organizations, brownfields grantees, and attorneys in numerous locations across the country. Our support for this rulemaking gives ICF first-hand and comprehensive knowledge of AAI and newly revised ASTM standards.

Phase I Assessments for National Pharmacy Chain

ICF staff have conducted Phase I assessments in general conformance with ASTM standards for a national chain of pharmacies. Coordination, time management, and project deadlines were critical components with the company as they typically required a 30-day project completion timeline for each site. ICF also performed asbestos and lead-based paint surveys at potential property purchases where existing buildings and structures existed.

About ICF International

ICF International (NASDAQ: ICFI) partners with government and commercial clients to deliver consulting services and technology solutions in the energy, climate change, environment, transportation, social programs, health, defense, and emergency management markets. The firm combines passion for its work with industry expertise and innovative analytics to produce compelling results throughout the entire program life cycle, from analysis and design through implementation and improvement. Since 1969, ICF has been serving government at all levels, major corporations, and multilateral institutions. More than 3,000 employees serve these clients worldwide. ICF's Web site is www.icfi.com.

International Due Diligence Environmental Assessment

Two large, international manufacturing corporations had agreed to exchange their consumer electronics and medical electronics businesses. We were retained by one of the corporations to conduct environmental risk assessments at 28 facilities involved in the deal within a 2-month time period. We deployed assessment teams simultaneously in Europe, South America, Southeast Asia, Mexico, Canada, and the United States. ICF International followed up on the initial assessments by carrying out field sampling at certain critical facilities to characterize suspected on-site contamination.

Due Diligence Assessment of Cement Plants in UK

ICF performed environmental due diligence assessments at three cement plants located in the United Kingdom, to support a potential acquisition by a Brazilian cement company. Our assessments identified and characterized significant potential environmental liabilities associated with past and current practices at each facility, and quantified the potential financial impacts resulting from enacted and proposed CO₂ emissions policies in the UK and European Union.

Phase I Assessment of 12-Story Office Building

ICF performed a Phase I environmental site assessment of a 12-story office building located in downtown Washington, DC for a large national real estate development company. The assessment was performed in accordance with the new AAI and ASTM E1527-05 standards, and identified potential environmental liabilities associated with the property, including the presence of asbestos-containing materials and groundwater contamination associated with off-site underground storage tanks.

Liability Assessment of Aluminum Primary Reduction Plant

ICF conducted a facility-wide assessment of potential environmental liabilities of a 60 year old primary aluminum reduction plant. ICF experts conducted interviews with current and past facility managers, performed thorough facility inspections, reviewed comprehensive environmental documents, and conducted interviews with state and local environmental regulators. ICF compiled an environmental liability matrix, which identified issues and costs to mitigate the issues. The liability assessment was used by management in planning for a potential facility sale.



For more information, contact:

Scott Broten
+1.949.333.6683
sbrotten@icfi.com

Kevin Palaia
+1.781.676.4071
kpalaia@icfi.com

ICF International
1 Ada Parkway, Suite 100
Irvine, CA 92618

ICF International
33 Hayden Avenue, 3rd Floor
Lexington, MA 02421