**Section 704.211 Definitions**

a) "Plugging and abandonment plan" or "plan" means the plan for plugging and abandonment prepared in accordance with Sections 704.150 and 704.181(f).

b) "Current plugging and abandonment cost estimate" or "current cost estimate" means the most recent of the estimates prepared in accordance with Sections 704.212(a), (b), and (c).

c) "Parent corporation" means a corporation that directly owns at least 50 percent of the voting stock of the corporation that is the injection well owner or operator; the latter corporation is deemed a "subsidiary" of the parent corporation.

d) The following terms are used in the specifications for the financial test for plugging and abandonment. The definitions are intended to represent the common meanings of the terms as they are generally used by the business community.

 "Assets" means all existing and all probable future economic benefits obtained or controlled by a particular entity.

 "Current assets" means cash or other assets or resources commonly identified as those that are reasonably expected to be realized in cash or sold or consumed during the normal operating cycle of the business.

 "Current liabilities" means obligations whose liquidation is reasonably expected to require the use of existing resources properly classifiable as current assets or the creation of other current liabilities.

 "Independently audited" refers to an audit performed by an independent certified public accountant in accordance with generally accepted auditing standards.

 "Liabilities" means probable future sacrifices of economic benefits arising from present obligations to transfer assets or provide services to other entities in the future as a result of past transactions or events.

 "Net working capital" means current assets minus current liabilities.

 "Net worth" means total assets minus total liabilities and is equivalent to owner's equity.

 "Tangible net worth" means the tangible assets that remain after deducting liabilities; such assets would not include intangibles such as goodwill and rights to patents or royalties.

BOARD NOTE: Derived from 40 CFR 144.61 (2005).

(Source: Amended at 31 Ill. Reg. 605, effective December 20, 2006)