

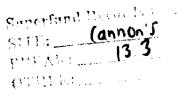
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EPA ANNOUNCES \$10 960 292 DE MINIMIS SETTLEMENT WITH 276 OF 476 POTENTIALLY RESPONSIBLE PARTIES AT CANNONS ENGINEERING CORPORATION HAZARDOUS WASTE SUPERFUND SITES

BOSTON -- THE ENVIRONMENTAL PROTECTION AGENCY (EPA) ANNOUNCED TODAY THAT A \$10,960,292 DE DIMINIMIS SETTLEMENT, THE FIRST OF ITS KIND, HAS BEEN PROPOSED WITH 276 OF THE 476 CURRENT POTENTIALLY RESPONSIBLE PARTIES (PRPs) INVOLVED IN THE CANNONS ENGINEERING CORPORATION HAZARDOUS WASTE SITES. THE \$10,960,292 PAYMENT THAT THE 276 PARTIES WILL PAY IN THE SETTLEMENT AMOUNTS TO APPROXIMATELY 21% OF THE TOTAL CLEANUP COSTS FOR THE FOUR SUPERFUND SITES WHICH COMPRISES THE CANNONS CASE SITES.

The Cannons Engineering Corporation Superfund sites, which have an estimated cleanup cost of \$52 million, include Superfund sites in Bridgewater and Plymouth Massachusetts, the Tinkham's Garage hazardous waste site in Londonderry, New Hampshire, and the Gilson Road hazardous waste site in Nashua, New Hampshire.

The agreement proposes to settle with Parties in the Cannons case who were generators or transporters responsible for less than one percent of the waste at each of the four sites with which they are associated.

EPA Regional Administrator Michael Deland said "A de minimis settlement allows small Parties responsible for contamination to resolve their liabilities without incurring substantial legal costs. I see this settlement as an important step in being able to include as many Parties as we possibly can to pay for the cleanup of these four sites."

The agreement also settles the claims of the Commonwealth of Massachusetts and the State of New Hampshire for any cleanup costs which the states incur at the sites. "The superb cooperation between the two states and EPA in this enforcement action set the stage for this precedent-setting success," said Deland.

This is the first major <u>de minimis</u> settlement under the provisions of the Superfund Admendment and Reauthorization Act (SARA) of 1986. To qualify for <u>de minimis</u> consideration PRPs must have contributed waste in small volumes, relative to other contributors, and that waste must not be significantly more toxic or present a greater hazard than other substances found at the site.

In exchange for the settlement payments, the government agrees not to sue the 276 Parties for further civil or administrative liablities in connection with the four Cannons sites.

However, settling Parties may be called upon to fund assessments of damages to natural resources under the trusteeship of the National Oceanic and Atmospheric Administration (NOAA) at the Bridgewater, Plymouth and Nashua sites if data gathered in the next thirty months does not eliminate the need for damage assessments. The PRPs will be released from responsibility for any natural resource damages discovered by these assessments.

The EPA is holding a 30 day public comment period during which written comments concerning the proposed settlement will be accepted. Following the review of comments, a determination will be made by the government if it is appropriate to execute the settlement in light of the comments received. The comment period begins with publication in the Federal Register early this week (2/8).

The Cannons Engineering Corporation (CEC) purchased property in Bridgewater, Massachusetts in 1974 to handle, store and incinerate chemical wastes. The Bridgewater facility conducted hazardous waste recycling and incineration activities from September 1974 until 1980 when the Massachusetts Executive office of Environmental Affairs revoked Cannons Engineering's hazardous waste license because of alleged reporting and waste handling violations. In November of 1980, CEC stopped operations at the Bridgewater site. Between 1980 and 1982, the Massachusetts Department of Environmental Quality Engineering (DEQE) and the EPA investigated the site. During these investigations, the DEQE removed 155,000 gallons of liquid waste and approximently 700 drums containing waste from the Bridgewater facility. In 1982, the site was added to the EPA's Superfund National Priorities List, thus making it eligible for Federal Superfund Cleanup funds.

The Plymouth, MA site was used as an auxiliary storage facility for CEC's excess waste stream. CEC eventually began taking in more waste volume than it could process. Wastes were mixed together at the Bridgewater facility, and shipped offsite to Plymouth and to the two New Hampshire sites. CEC and several waste haulers disposed of CEC wastes from the Bridgewater site in a quarry at the Gilson Road site which were reported as being incinerated by CEC. CEC wastes were also disposed of in a residential neighborhood at the Tinkham's Garage site. Thus, wastes originally sent to the CEC facility in Bridgewater were shipped to three remote sites, causing extensive contamination at the sites which has resulted in the expenditure of more than \$23.2 million in response actions at the sites to date. Current cost projections indicate that a total of \$52 million will ultimately be spent at the sites.

In 1986, approximately 600 Parties were notified of potential liability in connection with some or all of the Cannons sites. Negotiations with those Parties commenced in May of that year. Of the initial 600 Parties, there are 22 site owners and operators, 30 transporters and 424 generators with whom the government is actively in current contact.

The current CEC case de minimis settlement achieves three objectives which EPA believes are in the public interest. First, the de minimis settlement raises significant revenues that otherwise would not be available through conventional negotiation approaches at this early stage of the enforcement process. By doing so, the Cannons de minimis settlement sends a message to the regulated community and the public that waste contributors to a hazardous waste site, no matter how small, are expected to contribute their fair share to the government's cost of remediation and that through <u>de minimis</u> settlements they will be given an opportunity to do so voluntarily. Second, the de minimis settlement eliminates a large number of Parties from the case. The smaller pool of remaining responsible Parties increases negotiation efficiency on the part of the government and the remaining Parties. As a result, the overall effectiveness of the Superfund program is enhanced. Third, under the terms of this settlement, small volume waste contributors to the sites have been allowed to settle their liability in an expeditious fashion. This prospect realizes the congressional objectives underlying the new Superfund Amendments and Reauthorizations Act (SARA) of 1986 by eliminating the need of Parties to incur large transaction costs, which may exceed the liabilities of many Parties, in what may be a protracted enforcement action.

The 276 Parties named in the de minimis settlement are:

Below are listed the parties who have executed Binding Letters of Intent committing to participate in the settlement:

Acme Laundry; Acushnet Saw Mills Co.; Advanced Materials Systems; Aerovox Industries, Inc.; Agway Petroleum; Alden Corrugated Container; Allen Manufacturing Co.; Aluminum Processing Corp.; American Airlines; American Biltrite Inc.; American Brush Inc.; Anderson Fuel, Inc.; Arkwright, Inc.; Ashworth Plastics Products Co.; Atlas Tack Corp.; Attleboro Mfg. Co.; Automatic Machine Products Co.; Baird Corp.; Barnstable D.P.W.; Barnstable Group; Barnstable High School; Barnstable Public School System; Barnstable Water Co.; Barnstable, Town of, Barnstable Dump; BASF Wyandotte Corporation; BAT; Bay State Gas Co.; Bay Village; Beaver Builders, Inc.; Beebe Rubber Co.; Belding Chemical Industries; Benzenoid Organics; BIF Corp.; Bird & Son (Phillipsdale, RI); Bishop Feehan High School; Bishop Gerrard High School; Bishop Stang High School; Blackstone Valley School; Borden & Remington Co., Div. of Tillotson Co.; Boston Edison Co.; Boston Globe/General Printing Ink Co.; Boston Globe/Huber, J.M. Corp.; Boston Globe/U.S. Printing Co.; Boston Whaler Co.; Brant Point Vessel; Brewster, Town of, Old Brewster Elementary; Brick, K.F. Co.; Brittany Dyeing & Printing Corp.; Brockton Hospital; Browning Ferris Industries Group; C.J. Osborne Chemical; C.P.C. Engineering; California Paints; Cambridge Electric Light Co.; Canal Electric Co.; Cape Cod Regional High School; Cape Dory Yachts; Carlton Processing Co.; Carol Cable Co.; Chatham School Group; Chemi-Graphic, Inc.; Chevron Group; Christy's Market; Cleveland Twist Drill Co.; Coastal Services, Inc. Group; Compo Industries, Inc.; Conrail; Container Corp. of America; Continental Screw Co.; Cooley Inc.; Cornell-Dubilier Electric Corp.; Cotuit Elementary School; Coyle & Cassidy High School; Coyne Industrial Laundries, Inc.; Cranston Printworks; Crosby Valve & Gauge Co.; Crown Cork & Seal Co.; Danielson Curtain Co., Inc.; Data Packaging Corp.; David Clark Company, Incorporated; Dennis, Town of, Water District; Dennis-Yarmouth School Group; Dennison Mfg. Co.; Dexter Corp., C.H. Dexter Division; Donle's Tire & Appliances; E.A. Wilson Company; East Bridgewater Public Schools; Eastham Fire Dept.; Easton, MA, Town of; Eaton, Charles A. Co.; Electric Sewer Cleaning Co., Inc.; Electronics Corp. of America; Engelhard Minerals & Chemicals Corp.; Essex Group Co.; Exxon Co. Group; Farm Credit Service; Federal Products Corporation; First National Bank; Foster Grant Corp.; Foster Miller Associates; Frionor Kitchens, Inc.; GAF Corp.; General Motors Corp. Group; General Polymer, Inc.; General Printing Ink Co.; General Tire & Rubber - Bolta Products; Glen Oil; Globe #12 Barge - Vessel; Globe Manufacturing Co.; Goodyear Tire & Rubber Co.; Graphic Arts Finishers, Inc.; Gravely International, Inc.; Gray Textile Corp.; Great A & P Tea Co., Store #179 Orleans, MA; Great American Chemical Corp.; GTE Sylvania Inc.; Gulf Oil Co.: East Providence, RI; Hancock Paint & Varnish Co.; Harris Corp., Nashua, NH; Harris Graphics Corporation; Hartford-Universal Ball Co.; Harwich School Dept.; Hathaway Oil Co.; Haverhill Gas Company; Hermetite Corp.; High Voltage Engineering; Hilsinger Corp.; Hollingsworth & Vose; Hornig, Oscar H.; Huber, J. M. Corp.

(Telegraph Publ.): Hull Public Schools; Hurley Packaging Co.; Hy-Line Harbor Tours; Hyannis Elementary School; Hyannis Harbor Tours; I.C.I. United States Inc.; IBM (E. Fishkill N.Y.); Industrial Machine Corp.; Ingersoll-Rand; J. P. Noonan Transporation Co.; Johnson & Johnson Group; Johnson Products; K.J. Quinn & Co:, Inc.; Kaiser Aluminum & Chemical Corporation; Kalwall Corporation; L.G. Balfour Company Group; La Baron Foundry; Lawrence Print Works; Leavens Manufacturing Co., Inc.; Lindberg Heat Treating Co.; Liqwacon; Long Island Chronic Disease Hospital; MA Disposal Services Co.; MA State Quartermaster; MA, Commonwealth of, Metro District Commission; Madico, Inc.; Mansfield School Dept.; Marson Corp.; Massachusetts Institute of Technology; Mearl Corporation; Merrimack Industrial Finishes; Michelson's; Mid-Cape Ford; Midland Print Works; Milton Smith Oil Service; Mobil Oil Corp. Wellfleet Service Center; Mobil Oil Corp. E. Boston, MA; Monomoy Fuel, Inc.; Mount Hope Machinery; Murray Carver Co.; Nashua Corp.; National Guard (MA) Group; Nauset Regional School District; New Bedford Gas & Edison Light Co.; New Bedford Gear Co.; New Bedford Thread Co., Inc.; New England Container Co.; New England Power Co.; New England Power Service Co.; New England Printed Tape Company; New England Telephone & Telegraph Co.; Newport Hospital; News Publishing Co. of Framingham, MA; NL Chemicals/NL Industries, Inc.; North American Phillips Lighting Corp.; North East Solvents Reclamation Corp.; Northeast Petroleum Group; Northeast Products; Northeast Utilities Service Co.; Norton Co.; Norwich Leather Co.; Odeco (U.K.) Inc.; Old Colony YMCA; Olin Corp.; Ornsteen Chemicals, Inc.; Our, Robert B. Co.; Owens - Illinois, Inc.; Penick Corporation; Perfection Oil Co., Inc.; Pharmasol Corp.; Pollak, Joseph Corp.; Pratt & Whitney Aircraft Group; Proctor & Gamble; Providence Gravure, Inc.; Providence Journal; Quincy & Company; Quincy Dye Works, Inc.; RI Hospital; Raytheon Group; Reed & Barton Group; Reichhold Chemical, Blane Div.; Reliable Electronic Finishing Co., Inc.; Reynolds & Markman, Inc.; Reynolds Group; Rockwell International; Rogers Corp.; Royce Aluminum Corp.; Rusty's, Inc.; Sanitoy Inc.; Schrafft Candy Co.; Scudder & Taylor; Sealol Inc.; Sears & Roebuck Co.; Semiconductor Processing Co. Inc.; Shell Oil Co. Group; Simeone Corp.; Sippican Corp.; Smith Valve; St. Jacques Church; St. Mary's School; St. Regis Paper Co.; Stanchem, Inc.; Stanley Works, Stanley Hardware Div.; Stead Aviation; Steam Associates, Inc.; Strathmore Paper Co., Woronoco Mills; Suffolk Services, Inc.; Sunoco Group; T.H. Baylis Chemical Co.; Taunton Municipal Lighting Plant; Taunton Redevelopment Authority; Teknor Apex Company; Teledyne Rodney Metals; Texas Instruments; Textron Group; Theodore S. Harmon, Inc.; Thomas Strahan Co.; Tobey Hospital; Triangle Pacific; Trinity Oil Co.; U.S. Gypsum Co.; U.S. Air Force Group; U.S. Coast Guard Group; U.S. Dept. of Commerce; U.S. Post Office Group; Union Camp Corp.; Union Industries; Union Oil Co. of CA (AMSCO Div.); Union Paper Co.; Uniroyal, Inc.; United Methodist Church; University of Massachusetts; Van Deusen Aviation; Ventron Corp. Group; Vetorino Bros!, Inc.; Viking Wire Co. Inc.; W.E. Atkinson Lumber Company;

Wareham School Dept.; Wellfleet Elementary School; Westvaco-U.S. Envelope Division Woods Hole Oceanographic Institution; Woods Hole Steamship Authority; Woonsocket, City of; Worcester City Hospital; Worcester Telegram & Gazette; and Xidex Corp.

These 276 parties will pay an estimated \$10,960,292 in settlement payments under the agreement.

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CEC SUPERFUND SITES BACKGROUND INFORMATION

CANNONS-BRIDGEWATER/ Bridgewater, MA

The Cannons Engineering Corporation purchased property in Bridgewater in 1974 to handle, store and incinerate chemical wastes. The facility conducted hazardous waste recycling and incineration activities from September 1974 until 1980 when the Commonwealth of Massachusetts revoked CEC's hazardous waste license because of alleged reporting and waste handling violations.

CANNON'S PLYMOUTH / Plymouth, MA

The Plymouth site was licensed as a storage facility for CEC's excess waste stream.

In the late 1970s, CEC began taking more wastes that it could process. To deal with its excess waste, CEC shipped wastes from its tanks at the Bridgewater facility off-site to Plymouth and to the two New Hampshire sites. The excess waste, which was reported to have been incinerated at the Bridgewater site, was illegally dumped at the two New Hampshire sites. CEC was convicted of criminally falsifying its incinerator reports for this scheme.

GILSON ROAD-SYLVESTER/ Nashua, NH

At the Gilson Road site, dumping often occurred after dark in a garage, when tanker trucks would unload waste through a pipe leading to an adjacent fill area and draining into the water table at the site.

TINKHAM GARAGE/ Londonderry, NH

At the Tinkham Garage site, industrial wastes were disposed of in septic systems and in open fields adjacent to a residential neighborhood causing soil and groundwater contamination. Residential drinking water supplies were threatened and had to be replaced at both sites.

Although CEC conducted this illegal dumping without informing its customers, the Superfund law imposes "cradle-to-grave" liability on generators and transporters of hazardous wastes, so that they must clean up any environmental problems created by the handling of their wastes. This liability applies at sites like the Londonderry and Nashua sites, whether or not the customers knew of the ultimate destination of their wastes.

Cleanup actions at the Cannons sites have cost approximately \$36.9 million, with future cleanup costs expected to total \$29.9 million more, totalling \$66.8 million.