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New York Joins Inquiry Into River Damage

By ANDREW C. REVKIN

In a move that could lead to a protracted legal battle between New York State and one of the nation's largest industrial companies, the state will join a Federal effort to determine the costs of environmental damage to the Hudson River from toxic chemicals, Gov. George E. Pataki announced yesterday.

The inquiry will also determine if any polluters should be sued to recover those costs.

While Mr. Pataki and other state officials named no particular polluters yesterday, the decision to investigate the damage clearly represented a blow to the General Electric Company, which operated two factories on the upper Hudson that produced the river's most significant single taint — a concentration of polychlorinated biphenyls, or PCB's, a toxic chemical that may cause cancer in humans.

Last month, the chairman of General Electric, John F. Welch Jr., met with Mr. Pataki to urge him to wait for more scientific data before deciding whether to join the Federal inquiry.

Later, in a letter to the Governor dated June 23, Mr. Welch predicted that a lawsuit would be long and costly, and he invoked the company's 126 years as a major employer and taxpayer in the state in urging Mr. Pataki to move slowly.

Seeking compensation for damages to natural resources under the Federal Superfund law could result in more than \$1 billion in claims against Hudson River polluters by the state and Federal governments, several environmental experts said.

For example, commercial and recreational fishermen have lost about \$40 million a year for the last 23 years because of bans on catching valuable Hudson River species like striped bass, which were contaminated with PCB's, said Cara Lee, the environmental director of Scenic Hudson Inc., a private environmental group based in Poughkeepsie.

Mr. Pataki's decision to involve New York in the assessment was significant, Ms. Lee said, because the Superfund law allows for a broader array of environmental damages to be tallied when a state is involved in the assessment.

"The state has stepped up to the plate," she said.

John P. Cahill, the State Commis-

A blow to General Electric, whose factories tainted the Hudson with PCB's.

sioner of Environmental Conservation, said that the environmental damage assessment would extend from the river's upper reaches, where PCB's coat the bottom, to New York Harbor, where a mix of heavy metals, PCB's, dioxins, and other toxic chemicals from a variety of sources taint the water and mud.

The initial investigation will be aimed only at tallying the environmental damage, Mr. Cahill said. Any decision to seek monetary penalties would take years, he said.

But the State Attorney General, Dennis C. Vacco, said that making polluters pay for cleaning the river was clearly a goal of the investigation.

"Even when active pollution stops," Mr. Vacco said in a written

statement, "polluters still must compensate the public for the long-term harm to our resources."

The Federal Environmental Protection Agency is already six years into a study of how to clean up the worst taint in the upper river, a stain of PCB's that flowed for four decades from two General Electric factories in the upstate towns of Hudson Falls and Fort Edward. But that study is examining only the cost of the specific cleanup, not damages to the ecosystem as a whole or to assets like beaches or fisheries.

"The importance here is the shift in the debate from just science to economics," Ms. Lee said. She said that by far the most significant taint in the river is the concentration of PCB's from the General Electric plants.

General Electric officials said the company has already spent more than \$120 million to stop the flow of PCB's from its old factory grounds.

Yesterday, David Warshaw, a spokesman for General Electric, said the company was glad to see that the Pataki administration was looking at the river as a whole rather than restricting its inquiry solely to G.E.

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