



Philip Services Corporation

Washington State Department of Ecology seeks public comment on legal agreement with Philip Services Corp.

Proposed consent decree available for public comment

The state Department of Ecology (Ecology) negotiated a settlement with Philip Services Corporation (PSC). This settlement maintains PSC's responsibility for cleanup of several contaminated sites across the state, while settling its liability at other sites.

PSC cleanups in Washington were at risk due to the company's Chapter 11 bankruptcy, reorganization, and sale. Other companies and entities will continue their cleanup responsibility at the sites where PSC is released from cleanup liability.

Ecology invites the public's comments on the legal agreement. Public comments are due by December 27, 2003. See page 2 for more information.

Background

Philip Services Corporation (PSC) is a national corporation with a number of subsidiaries, including Burlington Environmental Inc. PSC currently operates facilities that accept hazardous waste for treatment and/or storage in Kent and Tacoma, Washington. PSC also currently owns or leases properties in Seattle (Georgetown and Pier 91) and Washougal that used to manage hazardous waste; however, these facilities are not currently operating. Soil and underground water contamination from hazardous substances exists at all of these facilities.

PSC is also potentially liable for hazardous waste cleanups at two sites it does not own: the Pasco Sanitary Landfill and the Landsburg Mine, near Ravensdale. PSC is one of many potentially liable parties at these sites. Under the Washington Model Toxics Control Act, Washington's cleanup law, each of these potentially liable parties

is responsible, both separately and as a group, for all cleanup actions and costs.

In June 2003, PSC filed for Chapter 11 bankruptcy reorganization in federal bankruptcy court in Houston, Texas. In early September, the court approved a buyer to purchase the company. The buyer requires that PSC eliminate at least \$30 million of environmental liability, either by legally abandoning contaminated properties or by discharging claims of environmental liability.

This \$30 million condition put PSC cleanup responsibilities in Washington at risk. Among other things, PSC filed a motion to abandon its former hazardous waste management facility at Washougal. In addition, its Plan of Reorganization proposed discharging its liability for the cleanups at Pasco Landfill, Landsburg Mine, and Pier 91. If PSC's attempted reorganization fails, the company will enter into bankruptcy liquidation. This would likely result in the state having to assume at least a portion of the cleanup burdens at PSC's Georgetown, Kent, Tacoma and Washougal facilities.

Background Information on Pier 91.

The Pier 91 Complex consists of 216 acres and is owned by the Port of Seattle. The four-acre Tank Farm (a tank storage area) is the portion of the facility undergoing corrective action; it is not currently occupied. PSC leased the Tank Farm from the Port of Seattle from 1980 until 1997. Neither PSC nor the Port of Seattle currently treat, store, or dispose of any dangerous waste at the Tank Farm, they are working to correct or clean up contamination that has resulted from improper dangerous waste management in the past.

November 2003

PUBLIC COMMENT PERIOD

November 28, 2003 through
December 27, 2003

SEND WRITTEN COMMENTS

TO:
Stacie Singleton, Dept of Ecology
PO Box 47706
Olympia, WA 98504-7706
(360) 407- 407-6708
(360) 407- 407-6715 (FAX)
Email: ssin461@ecy.wa.gov

PUBLIC HEARING:
Will be held if requested by 10 or more people.

INFORMATION REPOSITORIES
You may review the draft consent decree at the following locations:

WA Department of Ecology
Eastern Regional Office
4601 N. Monroe
Spokane, WA 99205-1295
Tel: 509-329-3415

WA Department of Ecology
Northwest Regional Office
3190 160th Ave. SE
Bellevue, WA 98008-5452
Tel: 425-649-7190
(by appointment)

Black Diamond Library
24301 Roberts Drive
Black Diamond, WA 98010
Tel: 360-886-1105

Mid-Columbia Library – Pasco
1320 W. Hopkins Street
Pasco, WA 99301
Tel: 509-545-1019

Seattle Public Library – Central
(Business/Govt/Languages, 3rd Fl)
800 Pike Street
Seattle, WA 98101
Tel: 206-386-4636

Seattle Public Library – Queen
Anne, 400 W. Garfield Street,
Seattle, WA 98119
Tel: 206-386-4227

Seattle Public Library – Magnolia,
2801 34th Ave.W.
Seattle, WA 98199
Tel: 206-386-4225

Or by accessing Ecology's website:
<http://www.ecy.wa.gov/programs/hwtr/foia/index.html>

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Background Information for Landsburg Mine.

This site is an abandoned coal mine. Underground mining created a surface trench and in the late 1960s, industrial waste was disposed of in the trench. The disposal area is above about 500 feet of abandoned mine workings. The primary concern is underground water contamination. The area is rural residential and many homes are supplied by well water. Ground-water monitoring has not detected any contamination to date. A preliminary cleanup study has been completed at the site and a draft plan for cleanup was submitted to Ecology.

Background Information for Pasco Sanitary

Landfill. The landfill began operating in 1958. Between 1972 and 1974, more than 30,000 drums and many tons of bulk chemical waste were disposed at the site in several locations. The 40-acre municipal solid waste landfill stopped receiving waste in 1993. It largely contains household and commercial garbage.

Groundwater monitoring at the site began in 1983. Results of this monitoring and additional studies indicated that contaminants were released to the environment from the facility. Several of these chemicals, many of which are familiar solvents, are found in concentrations of concern to human health and the environment.

The site was listed on the federal National Priority List of hazardous waste sites in 1990. Sites on this "Superfund List" are high priority for investigation and cleanup.

Ecology's Proposed Consent Decree

Under the proposed consent decree, PSC's cleanup liability at Pasco Sanitary Landfill, Landsburg Mine and Pier 91 will be settled based on agreements PSC has reached with other potentially liable companies or entities at those sites.

Under these agreements, PSC will make payments over time to benefit cleanup. Also, PSC will not abandon its properties in Washougal and will continue cleanup there. PSC will also remain responsible for future cleanup at facilities in Seattle (Georgetown), Kent and Tacoma.

Ecology Welcomes Comments

Ecology is seeking public comment on the proposed consent decree. A public hearing may be scheduled if 10 or more people request one. Ecology will provide advance notice of any scheduled hearing date. Additional information about this agreement can be requested by calling Stacie Singleton at 360-407-6708, TTY (for the speech or hearing impaired) 711 or 800-833-6388, or by accessing Ecology's website:

<http://www.ecy.wa.gov/programs/hwtr/foia/index.html>

Send comments to:

By letter or e-mail:

Stacie Singleton, Department of Ecology
Hazardous Waste & Toxics Reduction
PO Box 47600, Olympia, WA 98504-7600
e-mail address: ssin461@ecy.wa.gov

For hand delivery:

Stacie Singleton, Department of Ecology
Hazardous Waste & Toxics Reduction
300 Desmond Drive, Lacey, WA 98503

To be considered, comments must be postmarked or received (by e-mail or via hand delivery) by December 27, 2003.

The most effective comments are those in which the commenter provides specific information describing his or her points or concerns.

Responding to Comments

Ecology will review all comments received by the close of the comment period and will make recommendations for any suggested changes to the document. If no significant changes are made, the consent decree will be considered a final document and entered into a court of law.

For more information

If you have questions, or want to obtain documents in an alternative format, contact Stacie Singleton at PO Box 47600, Olympia, WA 98504-7600 or at 360-407-6708 (voice) or, TTY (for the speech or hearing impaired) 711 or (800) 833-6388. To be on a list for future mailings regarding the consent decree, contact Stacie Singleton.

The *Consent Decree* is a legal document, approved and entered by a court, formalizing an agreement between Ecology and potentially liable persons (PLPs). Once signed, a Consent Decree relieves liability of a PLP for known contamination once the cleanup is complete.

A *Potentially Liable Person* is defined as any individual(s) or company(s) potentially responsible for, or contributing to, the contamination problems at a site. Whenever possible, Ecology requires these PLPs, through administrative and legal actions, to clean up hazardous waste sites for which they may be liable.
