Port Angeles Harbor Trustee Council













January 20, 2016

Via email to dmassen@gapac.com

David Massengill, Senior Director Georgia-Pacific LLC 133 Peachtree Street NE Atlanta, GA 30303

Re: Natural Resource Damage claims at Port Angeles Harbor; Proposed Tolling Agreement

Dear Mr. Massengill:

The Port Angeles Harbor Natural Resource Trustee Council sent you a letter dated December 10, 2015, transmitting a draft of a proposed statute of limitations Tolling Agreement for the Trustees' natural resource damage (NRD) claims against Georgia-Pacific LLC arising from Georgia-Pacific LLC's release of hazardous substances into Port Angeles Harbor. We asked for your review and comment on the Tolling Agreement and encouraged you to execute the agreement and begin discussions with us regarding the damage assessment we provided you on May 1, 2014, and regarding the potential for negotiating a settlement of our NRD claims under CERCLA. We asked for a written response by not later than January 11, 2016. Also on December 10, 2015, we sent an identical letter to six other Potentially Responsible Parties (PRPs), including all those who have identified themselves as part of the Western Port Angeles Harbor Group (WPAHG).

To date, we have received no written response from anyone on behalf of Georgia-Pacific, but Ecology's attorney has had a conversation with your counsel Steve Thiele, discussed below. So we now write again to convey a strong sense of urgency that we receive a written response. While we reject your position that the CERCLA limitations period has already expired, we are approaching a point where that could come into play. Therefore the Trustees have been working with the U.S. Department of Justice (USDOJ) to determine appropriate steps to preserve our claims in the event that we do not have a Tolling Agreement in place in the near future.

Please be assured, however, that in a more positive vein, we sincerely believe that settlement with all Trustees of NRD claims under CERCLA will be the most pragmatic and constructive way to proceed for all parties. Resolution of our NRD claims can be effectively integrated with the cleanup and should facilitate coordinated planning and implementation for both. Two years ago, the WPAHG emphasized the importance of having a time-frame that would enable this to occur. That is our objective as well, and we believe that with a damage assessment already in hand, this is a realistic prospect.

The proposed Tolling Agreement is a standard DOJ-approved form; it preserves all claims and arguments for all parties. It should be relatively simple to finalize. Some modifications may be possible, but realistically changes must be limited in order to stay within DOJ parameters for Tolling Agreements. We would also be happy to arrange a conference call for legal counsel as a means of discussing final language or any questions or concerns. Above all, we need to work this out in the very near future. Mr. Thiele indicated in his recent conversation with Ecology's attorney that some WPAHG parties are intending to meet in mid-February to begin discussing our December 10 letter. We must respectfully note that that is not nearly soon enough; the Tolling Agreement needs to be in place by mid-February.

Thank you for your consideration. We hope you will respond favorably and without delay.

Sincerely,

PORT ANGELES HARBOR TRUSTEE COUNCIL

Kauca Robcoord Ayson, Ecology

Robert Neely, NOA

Jeff Krausmann, USFWS

Beirne, I wer Blytha Klallam Tribe

Douglas Sollon, Jamestown S'Klallam Tribo

Roma Call, Port Gamble S'Klallam Tribe

cc: Western Harbor PRPs Deanna Chang, USDOJ

Port Angeles Harbor Trustee Council













January 20, 2016

Via email to <u>nschaaf@merrillring.com</u>

Norm Schaaf, Vice President/Timberlands and Administration Merrill & Ring 813 E. 8th Street Port Angeles, WA 98362

Re: Natural Resource Damage claims at Port Angeles Harbor; Proposed Tolling Agreement

Dear Mr. Schaaf:

The Port Angeles Harbor Natural Resource Trustee Council sent you a letter dated December 10, 2015, transmitting a draft of a proposed statute of limitations Tolling Agreement for the Trustees' natural resource damage (NRD) claims against Merrill & Ring arising from Merrill & Ring's release of hazardous substances into Port Angeles Harbor. We asked for your review and comment on the Tolling Agreement and encouraged you to execute the agreement and begin discussions with us regarding the damage assessment we provided you on May 1, 2014, and regarding the potential for negotiating a settlement of our NRD claims under CERCLA. We asked for a written response by not later than January 11, 2016. Also on December 10, 2015, we sent an identical letter to six other Potentially Responsible Parties (PRPs), including all those who have identified themselves as part of the Western Port Angeles Harbor Group (WPAHG).

To date, we have received no communication, written or otherwise, from anyone on behalf of Merrill & Ring in response to our previous letter. So we now write again to convey a strong sense of urgency that we receive a written response. While we reject your position that the CERCLA limitations period has already expired, we are approaching a point where that could come into play. Therefore the Trustees have been working with the U.S. Department of Justice (USDOJ) to determine appropriate steps to preserve our claims in the event that we do not have a Tolling Agreement in place in the near future.

Please be assured, however, that in a more positive vein, we sincerely believe that settlement with all Trustees of NRD claims under CERCLA will be the most pragmatic and constructive way to proceed for all parties. Resolution of our NRD claims can be effectively integrated with the cleanup and should facilitate coordinated planning and implementation for both. Two years ago, the WPAHG emphasized the importance of having a time-frame that would enable this to occur. That is our objective as well, and we believe that with a damage assessment already in hand, this is a realistic prospect.

The proposed Tolling Agreement is a standard DOJ-approved form; it preserves all claims and arguments for all parties. It should be relatively simple to finalize. Some modifications may be possible, but realistically changes must be limited in order to stay within DOJ parameters for Tolling Agreements. We would also be happy to arrange a conference call for legal counsel as a means of discussing final language or any questions or concerns. Above all, we need to work this out in the very near future. Ecology's attorney has had a phone conversation with Georgia-Pacific counsel Steve Thiele indicating that some WPAHG parties are intending to meet in mid-February to begin discussing our December 10 letter. We must respectfully note that that is not nearly soon enough; the Tolling Agreement needs to be in place by mid-February.

Thank you for your consideration. We hope you will respond favorably and without delay.

Sincerely,

PORT ANGELES HARBOR TRUSTEE COUNCIL

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Robert Meely, NOAA

Jeff Krausmann, USPWS

Matt Beime, Rover Blwha, Klallam Tribe

Douglas Sellon, Jamestown S'Klallam Tribe

Roma Call, Port Oamble S'Klallam Tribe

cc: Western Harbor PRPs Deanna Chang, USDOJ

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Port Angeles Harbor Trustee Council













January 20, 2016

Via email to <u>Harold.norlund@npiusa.com</u>

Harold Norlund, Resident Mill Manager Nippon Paper Industries USA Co., Ltd. a sensitive of the sense of the P. O. Box 271 Port Angeles, WA 98362

Re: Natural Resource Damage claims at Port Angeles Harbor; Proposed Tolling Agreement Dear Mr. Norlund:

The Port Angeles Harbor Natural Resource Trustee Council sent you a letter dated December 10, 2015, transmitting a draft of a proposed statute of limitations Tolling Agreement for the Trustees' natural resource damage (NRD) claims against Nippon Paper Industries arising from Nippon's release of hazardous substances into Port Angeles Harbor. We asked for your review and comment on the Tolling Agreement and encouraged you to execute the agreement and begin discussions with us regarding the damage assessment we provided you on May 1, 2014, and regarding the potential for negotiating a settlement of our NRD claims under CERCLA. We asked for a written response by not later than January 11, 2016. Also on December 10, 2015, we sent an identical letter to six other Potentially Responsible Parties (PRPs), including all those who have identified themselves as part of the Western Port Angeles Harbor Group (WPAHG).

To date, we have received no communication, written or otherwise, from anyone on behalf of Nippon in response to our previous letter. So we now write again to convey a strong sense of urgency that we receive a written response. While we reject your position that the CERCLA limitations period has already expired, we are approaching a point where that could come into play. Therefore the Trustees have been working with the U.S. Department of Justice (USDOJ) to determine appropriate steps to preserve our claims in the event that we do not have a Tolling Agreement in place in the near future.

Please be assured, however, that in a more positive vein, we sincerely believe that settlement with all Trustees of NRD claims under CERCLA will be the most pragmatic and constructive way to proceed for all parties. Resolution of our NRD claims can be effectively integrated with the cleanup and should facilitate coordinated planning and implementation for both. Two years ago, the

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Thank you for your consideration. We hope you will respond favorably and without delay.

Sincerely,

PORT ANGELES HARBOR TRUSTEE COUNCIL

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Rebecca Layson, Ecology

Robert Neely, NOAA

Joff Krausmann, USPWS

Matt Beirne, Lower Blwhy, Klallam Tribe

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Roma Call, Port Gamble S'Klallam Tribe

cc: Western Harbor PRPs Deanna Chang, USDOJ