

# \*\*\*ATTENTION\*\*\*

## ***AER Superfund Site Update***

EPA Region IV held a *de minimis* group meeting in Atlanta on October 20, 2010. The purpose of the meeting was to have the *de minimis* PRPs meet as a group in one location to discuss their options and to form a *de minimis* PRP group for group representation. EPA recommends that all parties form a *de minimis* PRP group. The PRP group will have the benefit of negotiating a settlement and will avoid any non-payment issues. It is almost always much simpler to join the PRP group rather than trying to settle as an individual party.

Barbara Gallo with Krevolin & Horst, LLC specializes in environmental law, and she volunteered to manage the *de minimis* PRP group for a 5% fee of the settlement amount. For most PRPs, this amount is extremely reasonable. If any party elects to abstain from joining the PRP group, they will be negotiating independently with EPA, and perhaps the other PRP groups, to settle their liability for the site.

EPA hopes to issue a final draft of the cost matrix in about a month. Most likely, the dollar amount for all parties will increase because some of the businesses have likely closed and/or filed for bankruptcy. All remaining parties will be required to absorb their share.

There is an existing PRP group, which includes 42 parties of larger generators who shipped materials to this site. There are an additional group of individual parties who may join the PRP group at some point in the future. There may be disagreements regarding the liability amounts for the individual PRP groups, and they will need to be settled.

For most *de minimis* parties, the best option is to join the *de minimis* PRP group. The PRP group will form a steering committee some time soon. The PRP group handles the negotiations, drafting of documents and agreements and the legal matters for the entire group and all participants. We recommend that you join the *de minimis* PRP group when the opportunity arises.

A few highlights from the meeting:

- 1260 individual companies identified as *de minimis*
- 74 large PRPs
  - 42 large PRPs represented by King & Spalding (PRP group)
- EPA will be handling *de minimis* parties in this fashion (as a group rather than as individuals) from this point forward

You will be receiving information from EPA and/or from Ms. Gallo in the near future. Please forward copies of any information you receive regarding the AER site via fax at 803-793-0500 or email to [EHScompliance@crandallusa.com](mailto:EHScompliance@crandallusa.com) and we will review the materials for you.

The presentation that EPA used at the meeting is available for review at [www.crandallusa.com](http://www.crandallusa.com).