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DEP SETTLES GROUND WATER CLAIMS WITH VALERO REFINERY

Compensation for Natural Resource Damages at Gloucester County Site

(o6/01) TRENTON - Department of Environmental Protection (DEP) Commissioner Bradley M. Campbell today announced an agreement with Valero Refining Company to preserve four properties in southern New Jersey totaling 615 acres as compensation to the public for ground water pollution at its oil refinery in Greenwich.

"Preserving land parcels in South Jersey where ground water is replenished rapidly will help to keep our future water resources healthy," said Acting Governor Richard J. Codey. "Valero's voluntary settlement demonstrates that our enforcement message is being heard."

Valero Refining Company will fund the acquisition of four properties located in Winslow Township, Camden County (359.5 acres); East Greenwich Township, Gloucester County (60.5 acres); Pennsville Township, Salem County (130 acres); and, Lawrence Township, Cumberland County (65 acres). Valero also will pay the Department's assessment costs.

"New Jersey continues to secure restoration projects that provide long-term protection of its ground water resources," said Commissioner Campbell. "We remain vigilant in our efforts to not only clean up contamination from past industrial operations, but also vindicate the public's right to compensation for losses of our water resources."

The "resource-to-resource" form of compensation developed by the state avoids costly litigation and instead focuses on restoration and land preservation projects. DEP uses this method for companies that voluntarily approach the state willing to settle natural resource damage liability. In the resource-to-resource compensation model, settling companies must protect an area of land with a good aquifer recharge rate that is similar to the acreage of ground water polluted.

DEP's preferred voluntary settlement track has resulted in the settlement of natural resource damages at 1,200 hazardous sites. The total preserved wildlife habitat and aquifer recharge area is more than 5,200 acres.

DEP is working with the company to remediate discharges of hazardous substances to ground water at its Greenwich site that was impacted by various spills and leaks during fuel processing activities.

The proposed NRD settlement with Valero appeared in the January 3 issue of the New Jersey Register and is subject to a 30-day public comment period.

Valero Refining Company is a Delaware corporation with principal offices at 800 Billingsport Road in Greenwich.
Background on DEP Natural Resource Damage Program

Natural Resource Damage claims compensate the residents of New Jersey for the injury and lost use of natural resources due to contamination. Injuries can refer to both ecological injuries to wetlands, wildlife, ground water or surface water and to human use injuries such as the closure of a waterway to fishing, a beach to swimming or an aquifer for use as drinking water supply.

In addition to protecting more than 5,200 acres of wildlife habitat and aquifer recharge area, DEP and the Attorney General’s Office have recovered approximately $30.5 million since 2002. DEP uses this money to restore wetlands and endangered species habitat, increase public access to natural resources, and protect and manage resources injured by oil spills and hazardous waste sites. DEP also is working with 50 additional responsible parties representing about 500 sites that seek to voluntarily resolve their liability for natural resource damages.

NRD claims are separate from the costs associated with cleaning up contamination. New Jersey’s Spill Compensation and Control Act makes any entity that has discharged hazardous substances onto the land or into the waters of the state liable for both cleanup and for natural resource injuries.

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Related Link:

**NJDEP- Natural Resource Restoration Settlements**
http://www.nj.gov/dep/nrr/settlements/

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