

**Testimony of Chuck Schwer  
Waste Management Division, Director  
Vermont Department of Environmental Conservation  
February 15, 2017**

**SEC. 10 APPROPRIATIONS: AGENCY OF NATURAL RESOURCES**

**1.G. State Share (10%) of Capital Construction Costs for Remediation Systems at Federal Superfund Sites**

**SUMMARY:**

|                 | SFY18            | SFY19              | SFY18-19           |
|-----------------|------------------|--------------------|--------------------|
| Elizabeth Mine  | \$550,000        | \$555,000          | \$1,105,000        |
| Ely Mine        | \$400,000        | \$2,200,000        | \$2,600,000        |
| Commerce Street | \$0              | \$769,000          | \$769,000          |
|                 | <b>\$950,000</b> | <b>\$3,524,000</b> | <b>\$4,474,000</b> |

Under federal law, the U.S. EPA has authority to designate hazardous waste sites as eligible for Superfund monies. Vermont has entered into agreements with the U.S. EPA to designate fourteen locations as Superfund sites in Vermont, and to cost-share 10% of the total capital costs for remediation at these sites where there is no viable responsible party. Three Superfund sites in Vermont will be entering the remediation implementation phase during FY18-19, which will trigger the state's 10% share. If Vermont does not fund its 10% share, the state would forego \$9.9 million in matching federal funds at Elizabeth Mine; \$23.4 million in matching federal funds at Ely Mine; and \$6.9 million in matching federal funds for the Commerce Street site. Total federal matching funds for all three sites is \$40.2 million in FY18-19.

Elizabeth Mine, Strafford/Thetford/Norwich VT (Superfund Site) FY18: \$550,000  
FY19: \$555,000

Elizabeth Mine is the largest of the three former copper mines in Vermont. Mine tailing piles have created acid mine drainage problems that have impacted surface water, affected stream biota and threaten public health in the Lord Brook Watershed. The State of Vermont executed a Superfund Contract with EPA in 2015 to address the Lord Brook Watershed. The State obligation for the remediation will be 10% of EPA's remedial cost, not to exceed \$1.1M. The total project costs are estimated to be \$11M.

Ely Mine, Vershire VT (Superfund Site) FY18: \$400,000  
FY19: \$2,200,000

The Ely abandoned copper mine has similar problems as the Elizabeth Mine including tailing piles with acid mine drainage problems affecting surface water, affected stream biota and public health. The USEPA has finalized the Records of Decision for Operational Units 1, 2 and 3 for the Ely Mine Site. VT-DEC has submitted letters of concurrence for the remedial designs. Addressing groundwater contamination at this site will begin in SFY18 and implementation of capping the waste rock at the site will begin in SFY19. The State obligation for the remediation will be 10% of EPA's remedial cost, estimated to be \$26M.

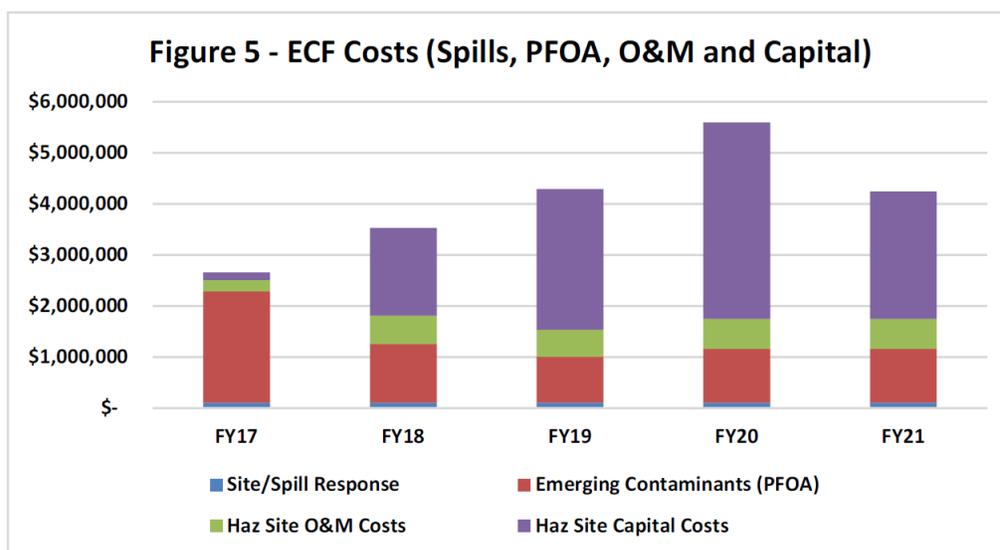
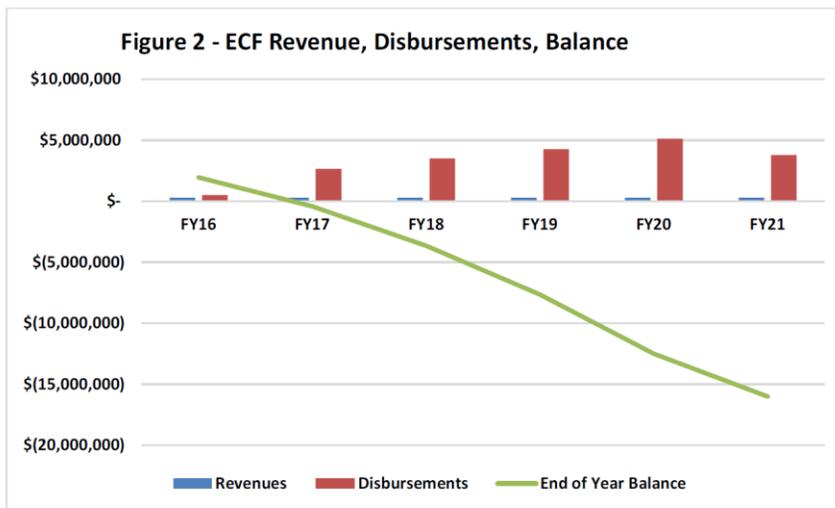
Commerce Street, Williston VT (Superfund Site)

FY19: \$769,000

The Commerce Street site is a former industrial site in Williston, VT. This site involves the release of chlorinated solvents that have affected public health as vapor intrusion has been measured in neighboring homes, as well as significant groundwater contamination. The responsible party is a bankrupt Canadian company. The property is listed on federal Superfund and is currently under Remedial Investigation. VT-DEC anticipates covering up to \$769,000 for the state's 10% share of the \$7.69 M remedy.

Environmental Contingency Fund (10 V.S.A. § 1283)

Superfund costs are normally carried by the Environmental Contingency Fund, 10 V.S.A. § 1283. The ECF does not, however, have sufficient funds to pay for the State's 10% share for Superfund sites. Transferring capital costs related to Superfund sites to the Capital Bill will help stabilize the Environmental Contingency Fund and allow the State to continue using the ECF for investigating and remediating sites where the responsible parties are unknown or unwilling to pay for clean up.



Source: Report on “Projected Capital Needs, Obligations and Funding Recommendations for the Environmental Contingency Fund,” 2016 Act 157, H.878 § 32 (1/4/2017)  
<http://legislature.vermont.gov/assets/Legislative-Reports/2017-01-04-DEC-Environmental-Contingency-Fund-Report.pdf>