SUPERFUND DESKBOOK

An ELI Deskbook

Allison Rumsey & Michael Daneker

ENVIRONMENTAL LAW INSTITUTE

Washington, D.C.

Copyright. 1986, 1988, 1989, 1990, 1992, 2014

Environmental Law Institute

2000 L Street, NW, Suite 620, Washington, DC 20036

Published 1986. Second Edition 2014.

August 2014

All rights reserved. No part of this work may be reproduced or transmitted in any form by any means, electronic or mechanical, including photocopying and recording, or by any information storage or retrieval system, without permission in writing. Copyright is not claimed as to any part of the original work prepared by a United States government officer or employee as part of that person's official duties.

Printed in the United States of America.

ISBN 978-1-58576-165-4

Table of Contents

Abo	ut th	ie Authors	vii
Fore	word	1	ix
Intr	oduc	tion	xi
Glos	sary		.xiii
I.	CERCLA Liability		
	Α.	Who Is Liable Under CERCLA?	1
	В.	A Release or Threatened Release	1
	C.	From a Facility	2
	D.	Leading to the Incurrence of Response Costs	2
	Е.	The Defendant Is a "Covered Person"	3
		1. Current Owner Liability	3
		2. Current Operator Liability	4
		3. Former Owner and Operator Liability	5
		4. Arranger Liability	6
		5. Transporter Liability	10
	F.	Variations on Liable Parties	11
		1. Parent Liability: Bestfoods and Its Progeny	11
		2. Successor Liability	12
		3. Municipalities	17
		4. Federal Facilities	18
II.	De	fenses and Exceptions to Liability	23
	Α.	Statutory Defenses	23
	В.	Innocent Purchaser and Bona Fide Prospective Purchaser	25
		1. Innocent Purchaser	25
		2. Bona Fide Prospective Purchaser Exception	26
		3. Liens	27
	C.	Equitable Defenses	28
	D.	De Minimis and De Micromis Contributors	30
	Е.	Security Interest Exception	31
	F.	Indemnification	31

III.	Section 107 Cost Recovery Versus §113 Contribution Claims				
	Α.	What Is a §107 Claim?	33		
	В.	What Is a §113 Claim?	34		
	C.	Atlantic Research and Aviall: Who May Bring a \$107 Claim and Who May			
		Bring a §113 Claim?			
	D.	Contribution Protection			
	Е.	Joint and Several Liability Divisibility/Allocation	38		
	F.	The "Gore Factors"			
IV.	Th	The Site Cleanup Processes			
	Α.	Removal Versus Remediation Overview	41		
	В.	The National Contingency Plan	42		
		1. History of the National Contingency Plan	42		
		2. Consistency With the National Contingency Plan	43		
	C.	Section 104 Remediation Process	44		
		1. Hazard Ranking System	44		
		2. Placing Sites on the National Priorities List	45		
		3. Section 104(e) Requests	46		
		4. Remedial Investigation/Feasibility Study	47		
		5. Overview of a Remedial Investigation	48		
		6. How Clean Is Clean: ARARs and §121	48		
		7. Operable Units	49		
		8. Overview of a Feasibility Study	50		
		9. Risk Assessment	50		
		10. Human Health Risk Assessment	51		
		11. Ecological Risk Assessment	52		
		12. Role of the Agency for Toxic Substances and Disease Registry	52		
	D.	Selecting a Remedy	53		
		1. Principal-Threat Waste Policy	54		
		2. Record of Decision	55		
		3. Implementation of the Remedy	55		
		4. Financial Assurance	56		
		5. Community Participation	57		
	Е.	Section 106 Removal Actions	57		
	F.	Challenging a §106 Order	58		
	G.	Penalties for Failure to Comply	59		
	Н.	Constitutionality of a \$106 Order	60		

	I.	Judicial Review of EPA Cleanup Decisions Under §104 or §106					
		1. Lim	its on the Availability of Judicial Review	61			
		2. Pre-	Enforcement Challenges Not Barred by \$113(h)	64			
		3. Post	-Enforcement Judicial Review	65			
	J.	Forming	a PRP Group	65			
	K.	Unilater	al Orders, Administrative Consent Orders, and Consent Decrees	66			
V.	Na	Natural Resources Damages					
	Α.	A. Brief Summary of Key Points					
	В.	Elements	Elements of NRD Claim				
		1. Trus	stees' Burden of Proof and Rebuttable Presumption	70			
		2. Cau	sation	71			
	C.	Calculat	ing Natural Resource Damages	71			
		1. Type	es of Damages	71			
		2. Prim	nary Restoration	72			
		3. Con	npensatory Restoration	72			
		4. Reas	sonable Assessment Costs	72			
	D.	D. Establishing Baseline					
	Е.	Establish	ping Injury	73			
		1. Met	hods of Calculating Damages	73			
		2. Human Use and Non-Use Damages					
	F.	F. Prohibition on Double Recovery					
	G.	G. Settlement					
	Н.	H. Limitations on NRD Liability					
	I.	Procedur	ral Considerations	78			
		1. Righ	nt to Jury Trial	78			
		2. Scor	pe and Standard of Review	78			
		3. Stan	ding	79			
		4. Noti	ice of NRD Assessment	79			
		5. Join	der of Third Parties	79			
		6. Stati	ute of Limitations	80			
VI.	Us	Useful Documents					
	Ap_{i}	pendix 1	CERCLA	83			
	Ap_{i}	pendix 2	EPA Policy for Municipality and Municipal Solid Waste	193			
		pendix 3	Guidance on Agreements With Prospective Purchasers of Contaminated Property 1995				
	Appendix 4		Bona Fide Prospective Purchasers and the New Amendments				
			-				

Page vi Superfund Deskbook

Appendix	5	Issuance of CERCLA Model Agreement and Order on Consent for Removal Action by a Bona Fide Prospective Purchaser	237
Appendix	6	Interim Guidance re Criteria Landowners Must Meet to Qualify for BFPP 2003	271
Appendix	7	Guidance on Federal Superfund Liens	295
Appendix	8	Supplemental Guidance on Federal Superfund Liens	307
Appendix	9	Use of Federal Superfund Liens to Secure Response Costs	325
Appendix	10	Interim Enforcement Discretion Policy Concerning Windfall Liens Under §107(r) of CERCLA	331
Appendix	11	Streamlined Approach for Settlements With De Minimis Waste Contributors	363
Appendix	12	Guidance on CERCLA Settlements With De Micromis Waste Contributors	377
Appendix	13	Revised Settlement Policy and Contribution Waiver Language re Exempt De Micromis and Non-Exempt De Micromis Parties	397
Appendix	14	Revisions to CERCLA Judicial and Administrative Settlement Models to Clarify Contribution Rights and Protection From Claims Following the Aviall and Atlantic Research Corporation Decisions	425
Appendix	15	Defining Matters Addressed in CERCLA Settlements	437
Appendix	16	Revised Policy on Performance of Risk Assessments During Remedial Investigation	453
Appendix	17	Guide to Principal-Threat and Low-Level-Threat Wastes	459
Appendix	18	Model Remedial Design-Remedial Action (RD-RA) Consent Decree for CERCLA	465
Appendix	19	Revised Model Administrative Order on Consent for Remedial Investigation and Feasibility Study	549
Appendix	20	Revised Model CERCLA De Minimis Landowner Model Consent Decree and Administrative Order on Consent (2004)	599
Appendix	21	Final Model Administrative Order on Consent for Remedial Design	645
Appendix	22	Revised Model Settlement Agreement and Order on Consent for Removal Actions	687

About the Authors



Allison Rumsey is a partner in Arnold & Porter LLP's Washington, D.C., office, where she is on the firm's management committee. Ms. Rumsey's practice focuses on litigation and remedial issues at major contaminated sites and rivers, including toxic tort, natural resources damages, and cost allocation. Most recently, she represented BP in the litigation brought by the United States, citizen and environmental groups, states, and foreign states arising from the 2010 Deepwater Horizon oil spill. Prior to joining Arnold & Porter, Ms. Rumsey was counsel to the Assistant Attorney General for the Environment at the U.S. Department of Justice and an Honors Trial Attorney in the Natural Resources Section.



Michael Daneker, a partner in Arnold & Porter LLP's Washington, D.C., office, concentrates his practice in environmental law and toxic tort litigation. He has represented clients at complex contaminated sites across the country for over 20 years, including some of the largest Superfund remediation sites in the United States. Mr. Daneker's work often includes not only litigation, but also working with companies to develop a long-term strategy for site resolution, including remedy selection, natural resource damage mitigation, risk transfer mechanisms, and brownfields redevelopment. Mr. Daneker has also served as defense litigation counsel in numerous citizen suits under environmental statutes and has been defense counsel in various matters related to the 2010 Deepwater Horizon oil spill in the Gulf of Mexico.

Additional authors

The NRD Section was written by Brian Israel. Mr. Israel, a partner in Arnold & Porter LLP's Washington, D.C., office, concentrates his practice in environmental litigation and counseling. Mr. Israel represents corporations in matters involving contaminated properties and oil spills, including toxic tort lawsuits and Natural Resource Damages (NRD) claims. He has been serving as lead NRD counsel to BP in relation to the Deepwater Horizon oil spill and serves as lead counsel on several of the other large NRD cases in the country. Prior to joining Arnold & Porter, Mr. Israel was an Honors Trial Attorney in the Environmental Enforcement Section at the U.S. Department of Justice.

The authors also received assistance from Margaret Barry, Jeremy Peterson, Matthew Sullivan, Sarah Greer, Matt Christiansen, Nathan Foster, Jocelyn Wiesener, Bridget Joyce, Guido Toscano, Noah Browne, Rubina Madni, Edward Stone, and Leigh Logan.

Foreword

For many practitioners, the Environmental Law Institute's last edition of the *Superfund Deskbook* is still a daily companion even though it is over 20 years old. In a sense, this is not at all surprising. Given the complexity and confusion that surrounds Superfund law and policy, a single volume that combines analysis and key statutory and policy materials is extremely useful. But my colleagues at ELI have been sensitive to the fact that Superfund law and policy has continued to evolve, so a revised text and a new selection of materials became an imperative. With this new edition, I am confident that the past tradition of having the deskbook close at hand will continue for many years into the future. ELI was lucky to enlist a skilled team from Arnold & Porter LLP to prepare the analysis and help select the key materials, and they have done a superb job. Here you have in one place the most important materials you need to answer your questions and jump-start your research.

For a practitioner, Superfund is not only about the legal scheme associated with who is liable and which company pays how much, but increasingly about the nuts and bolts of remediating and/or redeveloping a contaminated site. This edition, therefore, goes beyond the legal issues relating to liability, defenses, and cost recovery/contribution, although it addresses the evolving law on these topics, and also addresses the process and issues involved in developing and implementing a remedy and in redeveloping a contaminated site. The goal of this addition was to assist a practitioner in contaminated site cleanup.

As a national environmental research and publishing organization dedicated to the development of more effective and more efficient environmental protection and pollution control programs, the Environmental Law Institute takes pride in the publication of this book. It will be an invaluable addition to ELI's other reference works. This book stands as a testament to ELI's commitment to fostering a better understanding of the major environmental statutes and is a continuing manifestation of ELI's commitment to serve the professional pollution control community with authoritative information it can use in the interest of better managing our natural resources.

John Cruden President Environmental Law Institute