

# Innovative PRP Resolution



The Business of Brownfields  
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# Donnellon Environmental, LLC

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- Long Term Resolution of Environmental Liability
- Environmental Liability Evaluation
- Transaction Support
- Insurance and Financial Solutions
- Project Management – Synergy Environmental, Inc

# Synergy Environmental, Inc

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- ❑ Perform all aspects of Environmental Investigation and Remediation
- ❑ Emphasis on achieving closure/release of liability/problem solving
- ❑ Problem solving innovative technology – FUELVIEW, Remote operated ozone injection, TCE in bedrock expertise
- ❑ For more: [www.synergyenvinc.com](http://www.synergyenvinc.com)

# Overview

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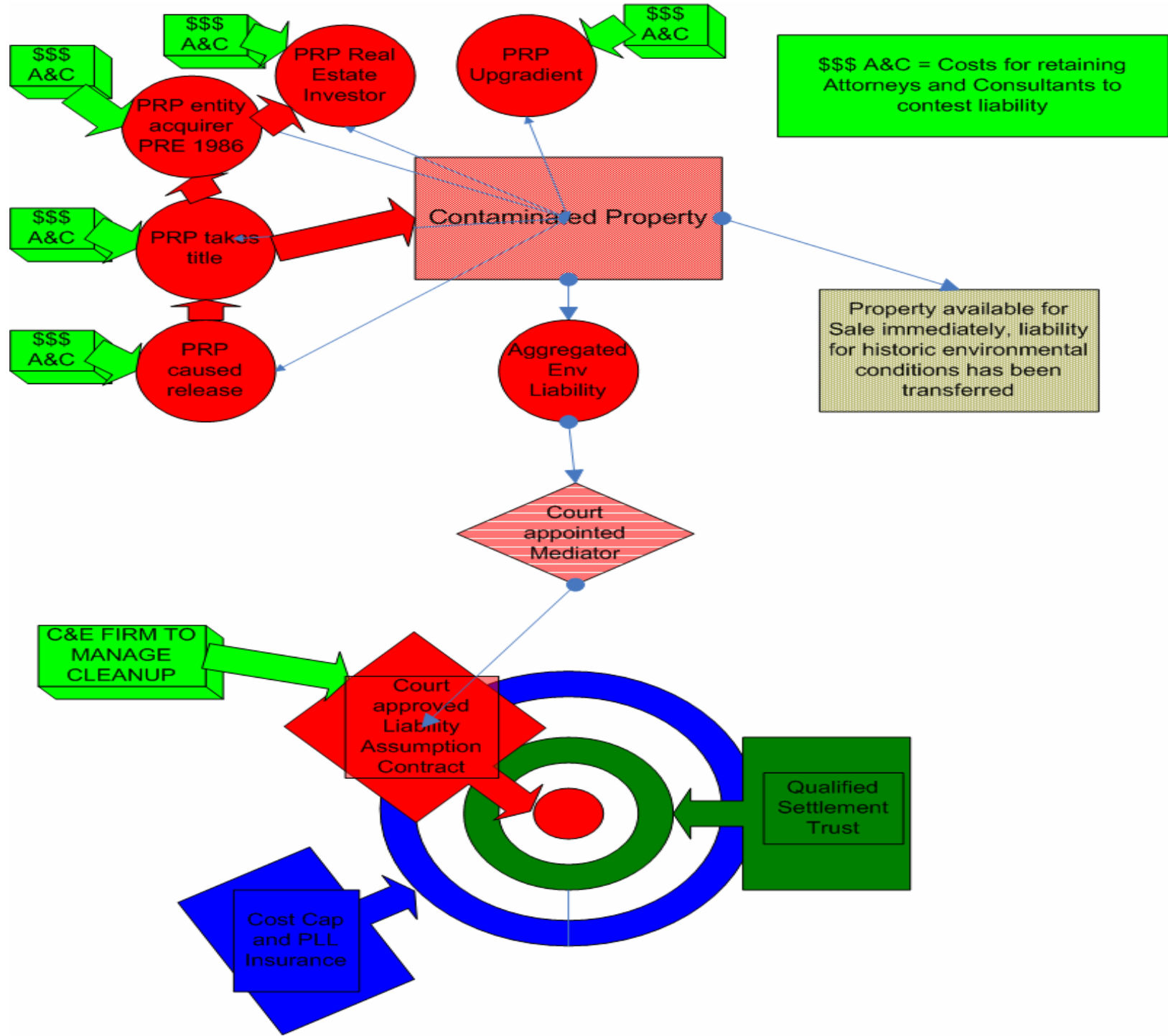
- ❑ Clients today seek fixed price, long term solutions to site remediation
- ❑ Typical C&E firms have risk management constraints in assuming performance risk
- ❑ Example of proven transaction structure which meets client needs and protect other stakeholders
- ❑ Case Study– PRP settlement

# Case Study - Background

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## □ PRP Settlement

- Multiple parties involved
- Liability from chain of title and upgradient gw contribution
- TCE in shallow groundwater is driver on remediation
- Also Vapor Intrusion and minor soil impact
- 15 year, contentious debate over responsibility/allocation



# Case Study - Drivers

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- ❑ Site owner's counsel pushing for settlement
- ❑ Court appointed mediator supportive
- ❑ Remaining RP's not in hurry - favorable cash flow/job security/billable hours
- ❑ RFP process for walk away price and work plan
- ❑ Judge gave deadline – settle based on this plan or head to litigation

# Case Study - Technical Issues

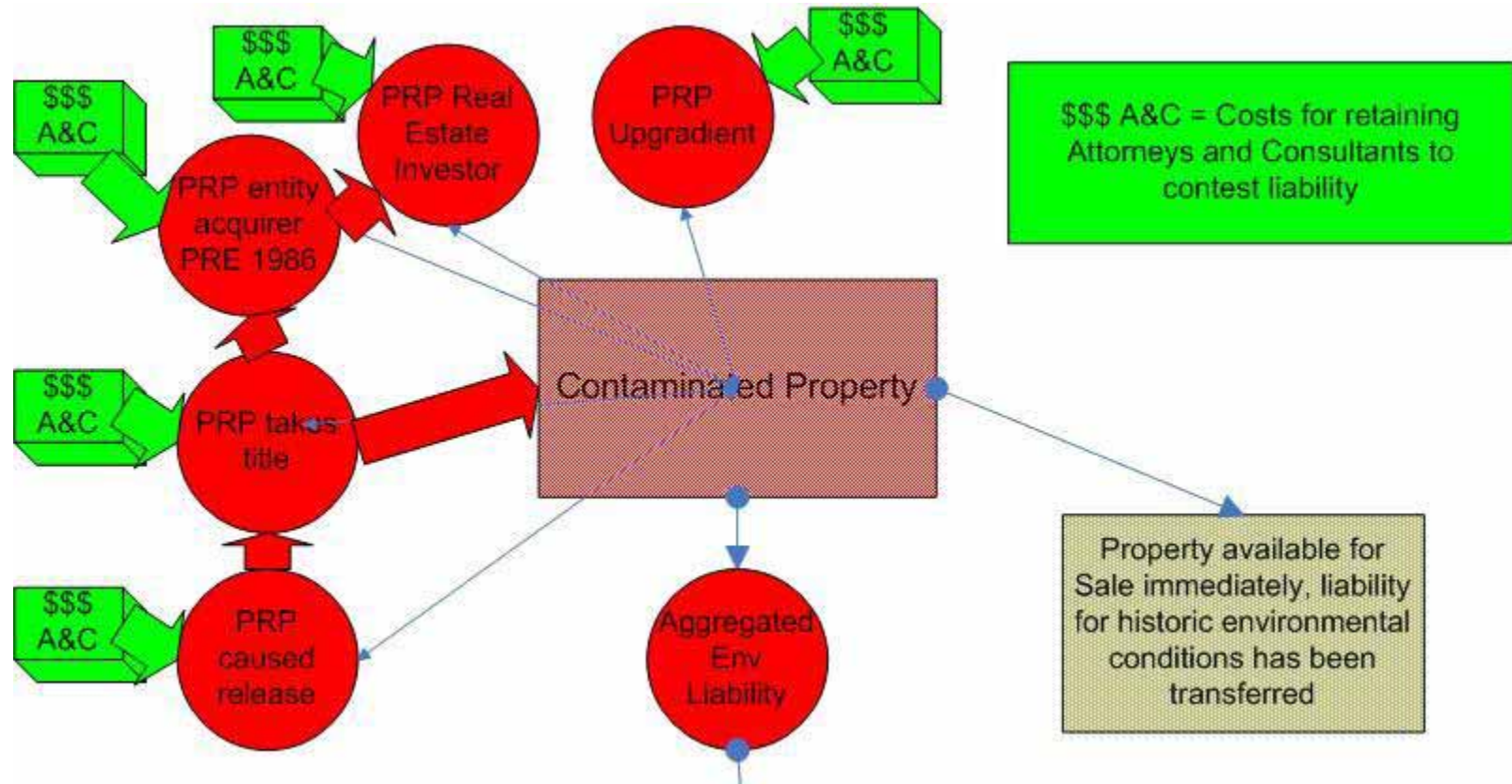
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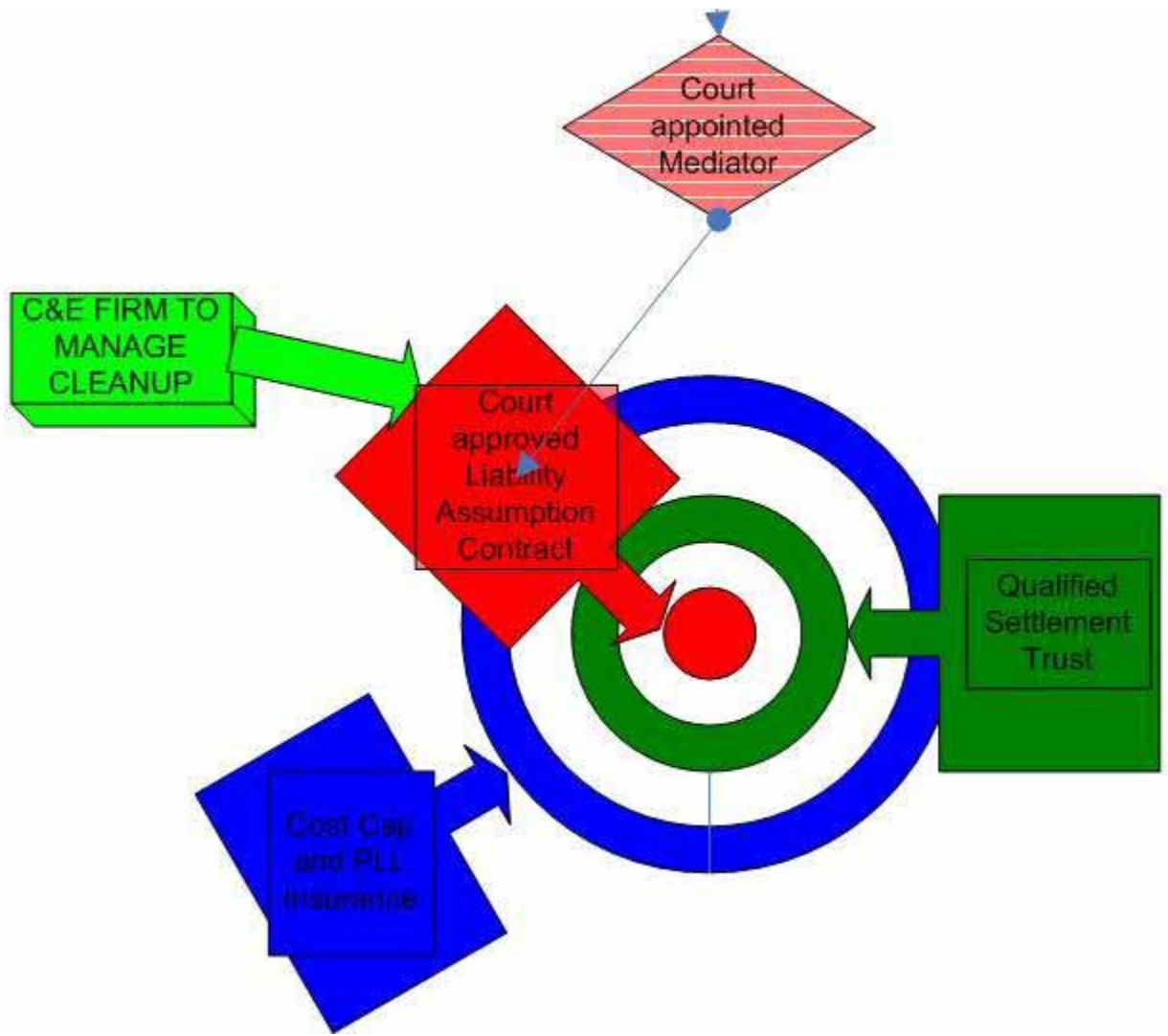
- ❑ Draft RAP identified multiple remedial alternatives
- ❑ Remedial Goals – protect drinking water well in deep aquifer, prevent offsite migration, vapor intrusion.
- ❑ Remedy selected – injection treatment of EOS – treatment window of 2 -2 ½ years, multiple treatments scoped.
- ❑ Key to remedy selection - relatively inexpensive and long lasting

# Transaction Details -Risk Financing

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- PRP's funded 468B Qualified Settlement Trust (Bank of NY)
- Components of fund:
  - Remedial Workplan costs
  - Insurance premiums
  - Insurance Buffer (deductible)
  - Long Term O&M (separate fund)





# CONCLUSION

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- Transactions are complex, but useful
  - Bring lingering problems to conclusion
  - Enable real estate transactions to occur
  - Cost effective – money is spent for cleanup and certainty of outcome, end litigation costs
  
- Variety of atypical skills needed
  - Knowledge of insurance, finance, real estate
  - Relationships and experience needed
  - Technology matters