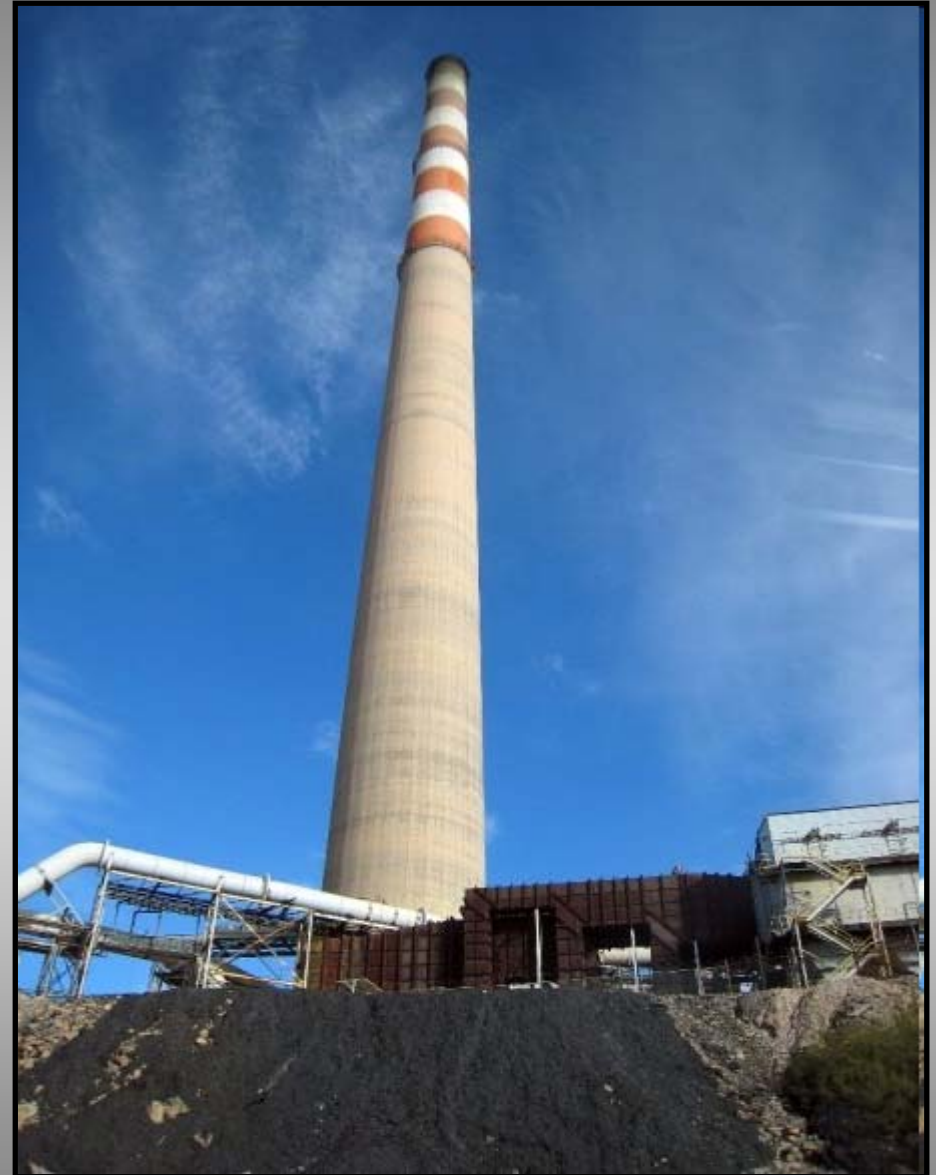


ASARCO

Remediation and Reuse Challenges



Senator Eliot Shapleigh

ASARCO: a Brief History

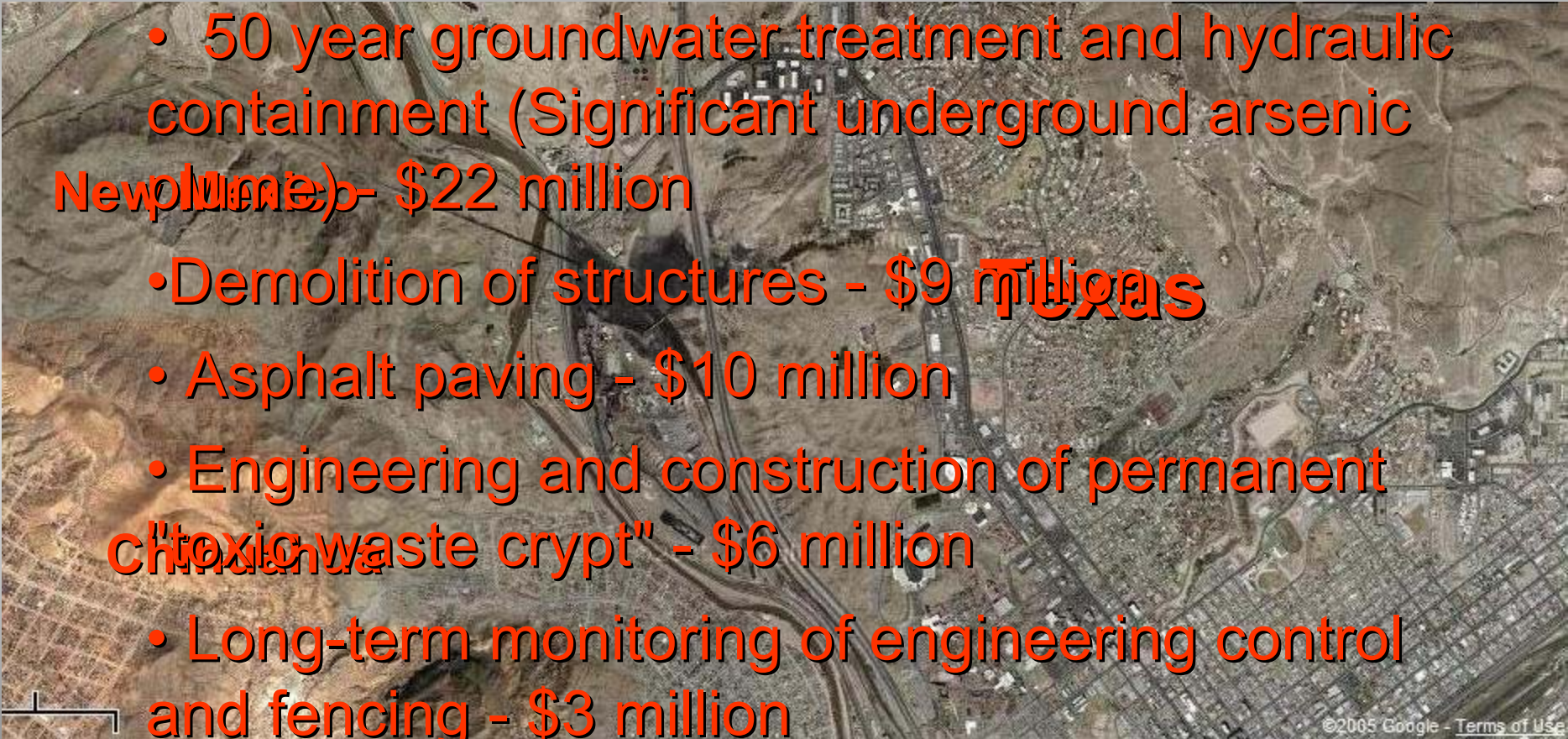
- 1999: ASARCO ceases operations
- 2002: Application for permit renewal
- 2004: TCEQ refers case for hearings
- 2005: contested case hearing in El Paso
- 2006: TCEQ refers permit to Director
- 2008: TCEQ approves permit ~ 3 to 0
- 2009: EPA disallows "grandfathered" status
- 2009: ASARCO requests to void permits

ASARCO's Bankruptcy

- 2005: ASARCO declares bankruptcy
- \$25 billion in claims filed
 - \$11 billion environmental
 - largest environment-related bankruptcy in U.S. history
- ~\$1 billion in bankruptcy estate
- Peruvian - mine worth up to \$5 billion- litigation recently resolved in favor of ASARCO LLC
- ~\$1.8 billion in future sales proceeds

Onsite Remediation Activities

- \$52 million estimate



• 50 year groundwater treatment and hydraulic containment (Significant underground arsenic Newplume)- \$22 million

• Demolition of structures - \$9 million

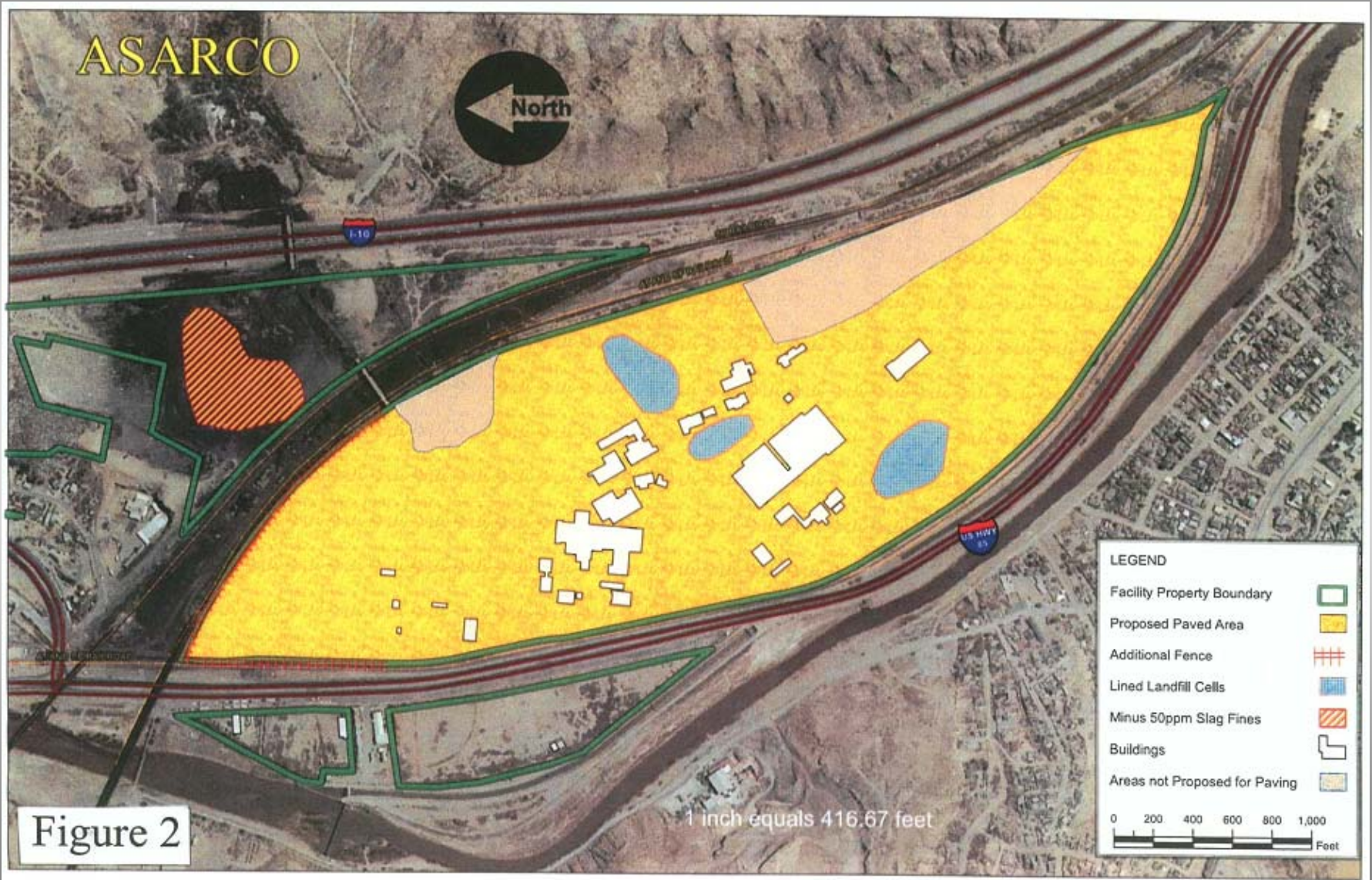
• Asphalt paving - \$10 million

• Engineering and construction of permanent "toxic waste crypt" - \$6 million

• Long-term monitoring of engineering control and fencing - \$3 million

• Other expenses - \$2 million

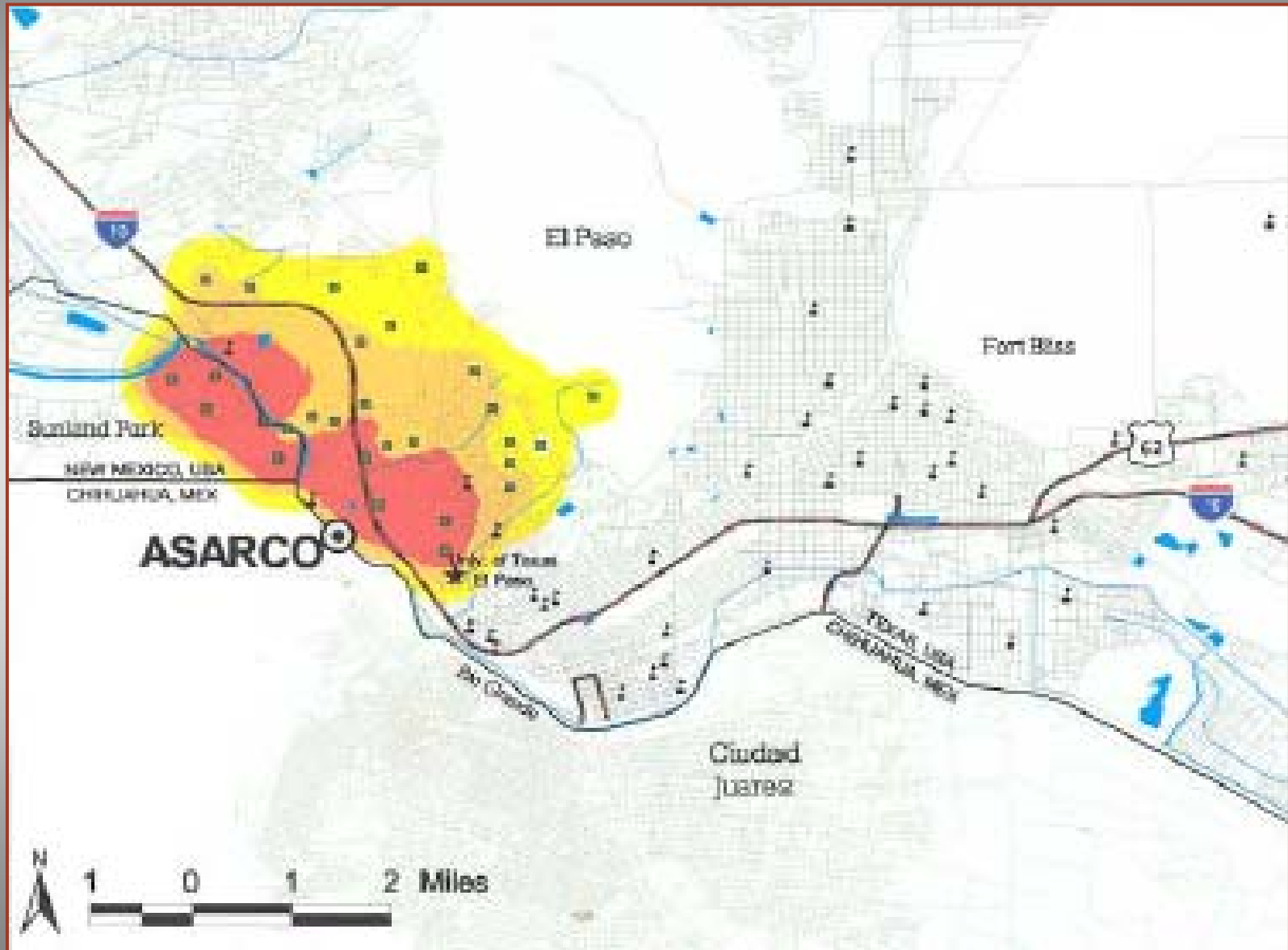
Cheapest Approach Possible?



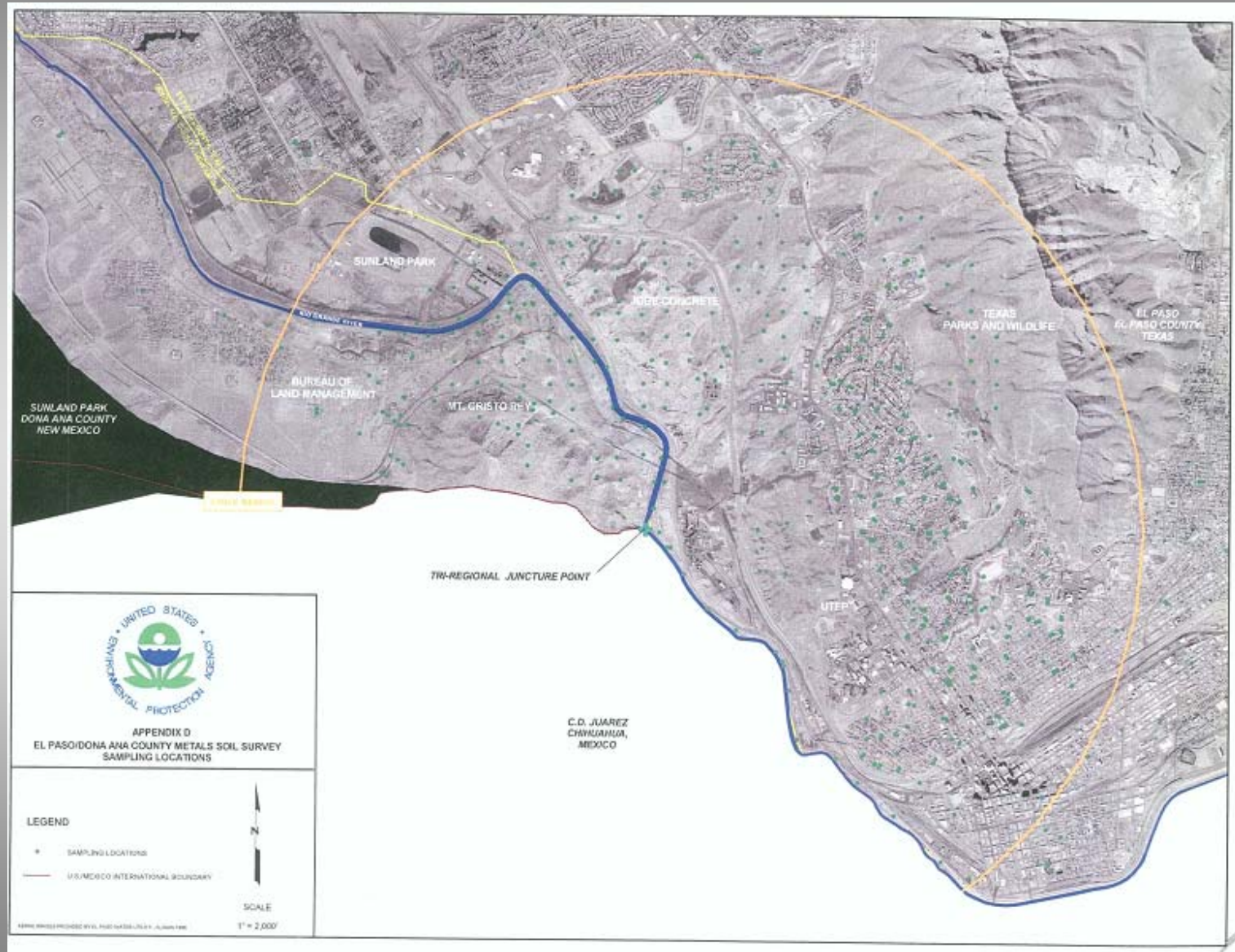
"Cleanup" Limited to the 100 Acre Site?



Offsite Cleanup Finished?



Offsite Cleanup Finished?



Problems with TCEQ

- Hazardous waste illegally burned
- Failed to address Ionate fertilizer pollution
- Hired ASARCO's expert to test airshed
- Secret meetings with ASARCO, Baker Botts
- Forced City through \$1.4 million flawed process
- \$52 million "cleanup" not a real cleanup

What Do We Do?

- Ask for an immediate Congressional investigation into the ASARCO permit, workers' pensions and health care, and cleanup
- Initiate a united and concerted effort to have EPA guarantee "develop-ready" onsite and offsite cleanup
- Request the EPA to strip TCEQ of its delegated authority to oversee the cleanup process
- Fight for reimbursement of the \$1.4 million the City expended on the permit renewal process
- Create community consensus around highest and best use of ASARCO property