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U.S. ENVIRONMENTAL PROTECTION AGENCY
BEFORE THE COMMITTEE ON
ENVIRONMENT AND PUBLIC WORKS
UNITED STATES SENATE

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Madam Chairwoman and members of the Committee, I am Carol Rushin, the Acting Regional Administrator for Region 8, U.S. Environmental Protection Agency (EPA). I am pleased to appear today to discuss the Superfund response activities in Libby, Montana. The Libby Asbestos Site is one of the Agency's top Superfund priorities and we remain committed to working with our state, Federal and local governmental partners to take the steps necessary to protect human health and the environment in Libby.

BACKGROUND

For more than 60 years, a vermiculite mine owned originally by the Zonolite Corporation and purchased by W.R. Grace in 1963, was one of Libby's largest employers. The now-closed vermiculite mine once produced a large proportion of the world's vermiculite - with an estimated cumulative output of more than five million tons from 1963 to 1990. The processed vermiculite ore mined in Libby was used as a soil conditioner and in the manufacture of insulation, packaging and other materials.

Over the years it operated, the mine and related facilities employed a total of about 2000 workers in Libby. The ore was milled and beneficiated (partly cleaned of impurities) on the mine property. After milling, the ore was transported to a screening plant where the ore was

graded prior to shipment by railroad to other processing plants around the country. It also went to one of two processing plants that operated in Libby during different periods in the mine's history, prior to bagging for shipment.

The vermiculite ore contained amphibole asbestos. Exposure to asbestos resulting from operation of the mine and related processing facilities has led to serious public health impacts among members of the Libby community. Asbestos-related health effects include malignant mesothelioma, an incurable, fatal cancer of the chest cavity which is associated with asbestos exposure. Further, exposure to asbestos is associated with an increased risk of all lung cancers, particularly when combined with smoking. Exposure to asbestos can also cause pleural abnormalities and asbestosis, a debilitating respiratory illness caused by progressive scarring of the lung tissue that can also be fatal.

SITE INVESTIGATIONS AND RESPONSE

In November 1999, the EPA sent an Emergency Response Team to Libby to investigate asbestos contamination in the community. EPA's first priorities were to assess the risk to public health from asbestos contaminated vermiculite in Libby and then take action to reduce this risk.

In December 1999, EPA began collecting samples - nearly 700 - from air, soil, dust and insulation at residences and businesses. Indoor air sample results were released in January 2000, first to property owners and then to the general public. EPA determined that Libby amphibole asbestos was present at unacceptable levels in certain locations. EPA immediately began to inspect public schools for possible exposure to asbestos and to locate areas in and near Libby

that were likely to have high levels of contamination. EPA took emergency removal actions at the Libby High School, the Libby Middle School, the Libby Administration Building, and the Plummer Elementary School grounds. Removal actions were also taken at two former vermiculite processing facilities (the Export Plant and the Screening Plant).

Between 2000 and 2002, EPA addressed asbestos contamination at the vermiculite mine road and disposal areas. EPA also removed contaminated material from community ball fields and conducted sampling of area residences.

On May 9, 2002, EPA approved a Removal Action Memorandum Amendment for the Libby Asbestos Site, authorizing additional work at known locations and sources, including residential contamination in houses associated with vermiculite insulation. As of September 13, 2008, removal activities have been completed at a total of 1,048 properties. EPA is also conducting cleanup activities in Troy, Montana, including a completing a removal action at Troy High School. Removal actions will continue, as needed, to address immediate risks before the final remedies are selected and carried out at Libby.

To determine the extent of contamination in Libby from amphibole asbestos, EPA established a program to inspect all properties. To date, EPA or the Montana Department of Environmental Quality have screened through the Contaminant Screening Study (CSS) more than 4000 properties in Libby and through the Troy Asbestos Property Evaluation (TAPE) plan to screen more than 1200 properties in Troy for the presence of asbestos-containing materials. EPA also has collected additional remedial investigation data from the Export Plant and the

former Stimson Lumber Mill.

Ongoing Remedial Investigations have discovered that portions of riprap used to stabilize the banks of at least three local creeks were quarried from a syenite formation at the former vermiculite mine. This material contains numerous rocks comprised of up to 100% Libby amphibole asbestos (LA) that when encountered creates potential exposures to LA. Field inspections and sampling conducted in July and August of 2007 identified LA-bearing rocks in three of the creeks so far: Flower Creek, Granite Creek, and Callahan Creek. EPA sampling indicated that as a result of the direct contact with the LA-bearing rocks, there is an increase in the frequency of potential exposure to high levels of respirable LA fibers. Work began on the three creeks this summer in August 2008 and construction activities are planned to be completed by the beginning of November 2008.

COMMUNITY INVOLVEMENT

EPA has Information Centers open in both Troy and Libby. The Information Center in Libby is staffed by a full-time contractor and the on-site EPA Remedial Project Manager to provide ongoing assistance. In Troy, the Information Center is staffed by a full-time contractor and the State Project Manager. EPA also attends the Libby Technical Advisory Group meetings, County Commissioner Meetings, and Community Advisory Group meetings on a monthly basis. In addition, special Town Hall meetings are provided for special topics including an annual summary of investigation and construction activities at Libby and Troy, updates on Toxicity studies, and summary updates of data for each of the Operable Units (e.g., the Mine, the Export Plant, etc.). The on-site EPA Remedial Project Manager also closely communicates regularly

with staff from the Montana congressional delegation.

Beginning in October 2006, EPA implemented the Environmental Resource Specialist (ERS) program for the entire site. This was set up to assist with unplanned and somewhat urgent exposures to Vermiculite Attic Insulation and Libby Amphibole Asbestos. For instance, in the winter of 2006-2007, there were two separate house fires where LA vermiculite material existed in the structures. As a result of the fires, substantial releases took place in and around the areas of the homes. The ERS program provides a full-time service where property owners, firemen, and other affected personnel or citizens can obtain access to LA expertise outside of the normal course of scheduled clean-up actions. To date, EPA has assisted with more than 170 calls requesting assistance. Through this program, EPA has: 1) directly assisting the Fire Department in understanding Libby Amphibole Asbestos which helped them successfully obtain a $250,000 grant for an additional set of turnout gear, a commercial washer and dryer, and a complete decontamination trailer; 2) provided 40 hour hazardous substance and 40 hour Asbestos Contractor/Supervisor training courses for local contractors and community members; and 3) excavated contaminated Libby Amphibole soils to prepare the area for the new City Pavilion being constructed on the former Export Plant.

EPA is also working in partnership with Economic Development Authority (EDA), the Montana Department of Commerce (DOC) and the citizens of Libby to revitalize the Stimson Lumber Site. The goal of the project is to develop a strategy and market infrastructure that will make it easy for industry, businesses, and consumers to reduce the waste they generate, acquire and use recycled materials, and purchase products containing recycled materials. The

redevelopment of the former 411 acre saw mill site will create a market for wood fiber and provide the basic infrastructure needed for future woody biomass projects. Potential projects range from a co-generation facility, a small diameter Hew Saw mill, a pellet plant, the production of bio bricks, bio fuel production, and a wood to ethanol plant. In 2008, EPA issued a $20,000 Brownfields Program grant to assist in redevelopment efforts for the Stimson Lumber Site. EPA, EDA, Montana DOC, and the local community plan to convene a reuse strategy workgroup to identify and consider a range of compatible, sustainable, and realistic redevelopment opportunities for the long-term reuse of the site.

LONG-TERM RESPONSE

The Libby Asbestos Site (which includes Troy, Montana) was added to the NPL in October 2002, authorizing EPA to take action to provide long-term protection at Libby through remedial actions. To select final remedies that will provide long-term protection at the Libby site, EPA must complete a baseline risk assessment that includes exposure data and toxicity information.

To develop additional information about potential exposure to amphibole asbestos, EPA expanded the boundary area for the Libby Outdoor Ambient Air Sampling Program. This program has been completed and a final report summarizing the results will be finished by December 2008. EPA has also conducted a series of Indoor and Outdoor Activity Based Sampling (ABS) studies on residential properties. The Activity Based Sampling is designed to evaluate the effectiveness of EPA's current property cleanup program, and will also provide crucial asbestos exposure data needed for a complete baseline risk assessment. The first phase of

the data collection for the Libby ABS studies on residential properties has been completed and we expect a final report in 2009.

To ensure that EPA has all the information it needs to support a baseline risk assessment for Libby, in January 2007, EPA convened a group of more than 30 scientists from EPA, the Agency for Toxic Substances and Disease Registry (ATSDR) and the National Toxicology Program to identify data gaps and recommend additional studies. Based on the recommendations developed from the January 2007 meeting, the Agency has identified and is implementing a comprehensive program ("Libby Toxicity Assessment Action Plan) of 12 studies to support the development of the Libby toxicity assessment and four studies that support important Libby exposure assessment analytical needs. These studies are expected to take two more years to complete. The scientific team has met several times since January 2007 to help oversee and guide the work. The Agency provides monthly reports to Senator Baucus on our progress. In the meantime, cleanup work at the site will continue and exposure assessment work will be completed.

Related to EPA's Libby Toxicity Assessment Action Plan is the continued support of the Center for Asbestos Related Disease (CARD) which is an essential resource for crucial epidemiological studies. We anticipate funding CARD early next fiscal year at a level that would sustain their support for the epidemiological studies for one year while ATSDR establishes its longer-term research program.

A schedule for Records of Decision (RODs) at Libby is largely dependent on progress

made on the exposure assessment and toxicity assessment work. However, we anticipate that RODs may be completed in a shorter timeframe at some of the former processing areas. If exposure pathways have been completely addressed, EPA's tentative schedule will address seven site areas (operable units) between 2009 and 2011.

RECENT DEVELOPMENTS

W.R. Grace Settlement

This summer, W.R. Grace paid EPA $250 million, the highest sum in the history of the Superfund program, to reimburse the Federal government for the costs of the investigation and cleanup of asbestos contamination in Libby. The settlement was approved by the Federal Court on June 2, 2008. The money must be used for expenditures related only to the Libby Asbestos Superfund Site, such as paying for future cleanup work, helping with the Operations and Maintenance (O&M) of the remedy, and paying for future site-specific investigations.

The action settles a bankruptcy claim brought by the Federal government to recover money for past and future costs of cleanup of contaminated schools, homes and businesses in Libby. EPA placed the settlement proceeds into a special account within the Superfund that will be used to fund Libby cleanup work. The $239 million ($11 million in a separate account for O&M) will be used for future cleanups and site-specific investigations. It should also be noted that this money will not be used for the remediation of the Mine site, which is Operable Unit 3. W.R. Grace is paying for the work at the Mine under a separate agreement with EPA.

ATSDR Initiative

In June, EPA and the Agency for Toxic Substances and Disease Registry (ATSDR)

agreed to an $8 million health risk initiative to add to the understanding of long-term health effects of exposure to asbestos amphibole in Libby, Montana, and the surrounding community. ATSDR Libby Amphibole Health Risk Initiative directly supports and complements EPA's Libby Toxicity Assessment Action Plan by conducting and expanding epidemiological studies of persons exposed to Libby amphibole. In addition, the Initiative promises to bring world class researchers to the Libby community and seek partnerships with local public health providers who are most familiar with Libby's asbestos related diseases. This Initiative will provide for longer-term public health activities and research that will allow the public health community to better understand and manage the adverse health effects associated with exposure to Libby amphibole.

CONCLUSION

EPA remains committed to protecting public health and the environment by reducing exposure to amphibole asbestos in Libby and Troy, Montana. EPA will continue to work closely with our Federal, state, and local partners as cleanup efforts progress. The cleanup activities in Libby, Montana, have always been an Agency priority and will remain one of the Superfund program's top priorities in the years ahead.