



RHODE ISLAND

DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

235 Promenade Street, Providence, RI 02908-5767

TDD 401-222-4462

October 8, 2002

Mr. Dennis Gagne
USEPA-New England
1 Congress Street - Suite 1100
Boston, MA 02114-2023

Mr. Al Haring, Director
US Department of the Navy, Northern Division
Code 1823, Mail Stop #82
10 Industrial Highways
Lester, PA 19113-2090

RE: Naval Station Newport, Tank Farms 1, 2, 3, 4 & 5

Dear Mr. Gagne and Mr. Haring:

This letter is written in regards to the Navy's proposal, as outlined in a letter dated 17 July 2002 and further discussed in our 19 September 2002 meeting, to remove Tank Farms 1, 2, 3, 4 & 5 from the United States Environmental Protection Agencies (USEPA) Superfund Program and/or proceed with the remediation of these sites under a State lead rather than the current EPA lead. It is our understanding from the meeting that removing the Tank Farms from Superfund is not a viable option at this time since the sites have not been characterized to an extent where EPA is willing to consider de-listing them or finding that no CERCLA wastes exist at the sites.

Therefore, the Navy's remaining option is to request that the agencies consider proceeding with the remediation of these sites through a State-lead scenario under our Rules and Regulations for the Investigation and Remediation of Hazardous Material Releases (Remediation Regulations). In order for this to occur, we believe the following conditions or stipulations must be met or agreed to prior to commencement of this alternative:

- EPA must agree to allow the clean-up to proceed under a State-lead scenario, thus making EPA the support agency. If this were to be the case, be advised that this scenario typically involves EPA conducting it's own risk assessment upon completion of the clean-up to determine if the site needed any further remediation under CERCLA and possibly recommend a No-Action ROD.
- EPA, the State, and the Navy must consider amending or supplementing the Federal Facilities Agreement (FFA) to document this new agreement and approach and allow the site clean-up to proceed in this manner.

Enclosure (1)

OCT 15 2002

30% post-consumer fiber

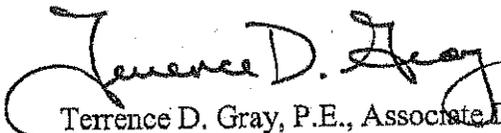
- Unless the FFA itself is amended in sufficient detail to outline all aspects of our new partnership and approach, that approach must be documented in an Enforcement Agreement, such as a Memorandum of Agreement (MOA), with EPA. Under such an agreement the EPA would agree to allow the State to take the lead on the project. Under a Voluntary Procedure Letter or Letter of Responsibility with the Navy, the State would require several stipulations, including;

- A) The Navy must agree to completely fund DEM's oversight of the project,
- B) The Navy must provide a complete schedule of the investigation and remediation activities, and
- C) Monies for any oversight contractors the State may hire to aid their review of deliverables or conduct field oversight must be allocated.

The Navy must fully comply with all applicable State regulations including the Remediation Regulations. Failure by the Navy to comply with any portion of the State administrative process would result in termination of the MOA with EPA and therefore resumption of an EPA-lead on the project.

We eagerly await your response. If you have any questions or require additional information please contact Matt DeStefano of the Office of Waste Management at (401) 222-2797, ext. 7141 or myself at (401) 222-6677, ext. 2410.

Sincerely,



Terrence D. Gray, P.E., Associate Director of Air, Compliance and Waste
Department of Environmental Management

cc L. Hellested, Chief, DEM OWM
M. DeStefano, DEM OWM
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