

IN THE SUPERIOR COURT FOR THE STATE OF ALASKA
FOURTH JUDICIAL DISTRICT AT FAIRBANKS

STATE OF ALASKA,

Plaintiff,

v.

WILLIAMS ALASKA PETROLEUM,
INC., an Alaska corporation; THE
WILLIAMS COMPANIES, INC., a
Delaware corporation; FLINT HILLS
RESOURCES ALASKA, LLC, an
Alaska limited liability corporation;
FLINT HILLS RESOURCES, LLC, a
Delaware limited liability corporation,

Defendants.

FILED in the Trial Courts
State of Alaska Fourth District

MAR 06 2014

By _____ Deputy

Case No. 4FA-14- 01544 CI

**COMPLAINT FOR DAMAGES, RESPONSE COSTS AND
CIVIL ASSESSMENTS, INJUNCTIVE AND OTHER RELIEF**

Plaintiff, the State of Alaska (State), by and through the Office of the Attorney General, states the following for its complaint against Williams Alaska Petroleum, an Alaska corporation; The Williams Companies, Inc., a Delaware corporation; Flint Hills Resources, LLC, an Alaska limited liability corporation and Flint Hills Resources, a Delaware corporation.

JURISDICTION

1. This is a civil action for damages, response costs, assessments, injunctive and other relief arising out of Defendants' ownership and operation of the North Pole Refinery in North Pole, Alaska (NPR).

2. Subject matter jurisdiction is proper pursuant to the common law and Alaska statutory law including AS 22.10.020 and AS 09.05.015.

3. This court has jurisdiction over the parties.

4. Venue is properly laid in the Fourth Judicial District pursuant to AS 22.10.030 and Alaska Civil Rule 3(c) because the claims arose in the Fourth Judicial District.

PARTIES

5. Plaintiff State of Alaska is a sovereign state of the United States and is entitled to bring this action. The State brings this action on behalf of its Department of Environmental Conservation.

6. The Department of Environmental Conservation (DEC) is the agency of state government with jurisdiction to enforce state environmental laws.

7. Williams Alaska Petroleum Company, Inc. (WAPI) is an Alaska corporation licensed to and doing business in the State of Alaska. In 1998, WAPI acquired MAPCO Inc. (MAPCO) and was the successor in interest to MAPCO's liabilities arising out of MAPCO's ownership and operation of NPR from 1980 to 1988. Said defendant was the owner/operator of the NPR from 1998 to March 31, 2004.

8. The Williams Companies, Inc. is a Delaware corporation and is the guarantor on an Asset Sale and Purchase Agreement for the NPR entered into between Williams Alaska Petroleum, Inc. and Flint Hills Resources, LLC on March 31, 2004. Said defendant is licensed to and doing business in Alaska

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2 9. Flint Hills Resources Alaska, LLC (FHAR) is an Alaska limited liability
3 corporation licensed to and doing business in the State of Alaska. Said defendant has
4 owned/operated NPR since April 1, 2004. Said defendant is licensed to and doing
5 business in Alaska.
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7 10. Flint Hills Resources LLC (FHR) is a Delaware limited liability corporation
8 that purchased NPR in 2004 and has owned/operated NPR at material times referenced in
9 this matter. Said defendant is licensed to and doing business in Alaska.
10

11 **BACKGROUND**

12 11. Earth Resources of Alaska constructed the NPR in 1976 and began refining
13 operations in 1977. MAPCO owned and operated the refinery between 1980 and 1998.
14 WAPI acquired MAPCO in 1998 and thereafter owned and operated the NPR from 1998
15 through March 31, 2004.

16 12. During the period of time that MAPCO owned and operated NPR oil spills
17 occurred from refinery operations. Those spills resulted from leaking storage tanks,
18 leaking sumps, inadequately constructed sumps, an overflow of the wastewater handling
19 pond and certain petroleum handling procedures. During the first three years of operation,
20 enough petroleum products had been spilled or leaked and escaped to groundwater that a
21 fire was triggered during excavation work done in September, 1980.
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23 13. From 1977 to 1987, there were 92 documented petroleum spills/leaks that
24 resulted in more than 160,000 gallons of petroleum materials being leaked or were spilled
25 at the site. These numbers do not accurately reflect the amounts actually spilled or leaked
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2 during that time period since, by June of 1988, MAPCO had recovered over 276,000
3 gallons of product from recovery wells located on the refinery site.

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5 14. Observation wells, monitoring wells, recovery wells, several french drains
6 and an oil barrier were installed over the years by MAPCO to detect the sources of the
7 contamination and to monitor its status.

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9 15. Two types of groundwater contamination were identified on the refinery
10 property during WAPI's ownership that were of particular concern to DEC. The first
11 plume was a combination of benzene, toluene, ethyl benzene and xylenes (BTEX). The
12 second was a plume of light non-aqueous phase liquid (LNAPL).

13
14 16. On or about June 9, 1986, MAPCO began recovering petroleum products
15 from six collection wells located within the refinery. On or about August 1, 1986
16 MAPCO temporarily ceased pumping operations to recover the petroleum products. DEC
17 concluded that it was likely that recoverable quantities of liquid petroleum product
18 remained in the ground.

19
20 17. In late 1986 tests showed that the groundwater beneath NPR was
21 contaminated with benzene. At that time, DEC and MAPCO entered in to a Compliance
22 Order by Consent (hereinafter "COBC"). In consideration of DEC's promise to refrain
23 from legal action, MAPCO agreed to perform certain acts by specific deadlines. The acts
24 included: a) reactivate all existing collection wells installed at the refinery; b) install 20
25 liquid or vapor sensing monitoring wells around the perimeter of the refinery; c) the
26 liquid contained in the monitoring wells was to be sampled on a weekly basis for the

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2 presence of liquid petroleum product; d) drinking water sources for the refinery were to
3 be tested on a monthly basis; e) the existing waste water holding pond at the refinery was
4 to be expanded and modified; f) an environmental audit was to be conducted to identify
5 the source, reasons for, and corrective actions necessary to reduce the abnormally high
6 concentration of hydrocarbons in the ground and holding pond; g) DEC reserved the right
7 to initiate administrative or legal proceedings or otherwise enforce any violations
8 discovered as a result of the environmental audit; and h) in the event of a breach of the
9 terms and conditions of the COBC, DEC was entitled to seek civil penalties or pursue
10 administrative or legal remedies. The COBC constituted a DEC order under
11 AS 46.03.850. The COBC is binding on MAPCO and subsequent purchasers or lessees of
12 the refinery.
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15 18. In 1987, MAPCO began continuous automated recovery of petroleum
16 products in the ground water at five wells on site. Also in 1987, the drinking water at the
17 refinery was tested and found to be unaffected, as was the City of North Pole's water
18 system. The refinery connected to City water and began some monitoring and treatment
19 of the groundwater. Also, further site characterization work was performed.
20

21 19. In January 1988, an enhanced recovery system was installed at three wells.
22 Through June 1988, an estimated total of 276,400 gallons of product had been recovered
23 from the recovery wells.

24 20. On March 5, 1987, representatives of the Environmental Protection Agency
25 (EPA) conducted a Resource Conservation and Recovery Act (RCRA) inspection of the
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2 refinery. That inspection resulted in concerns regarding releases of hazardous wastes or
3 hazardous waste constituents into the environment at the refinery, EPA and MAPCO
4 entered into a Consent Agreement and Final Order on January 6, 1989 that required
5 MAPCO to perform numerous corrective action measures.
6

7 21. In 1998, WAPI acquired MAPCO through a stock acquisition transaction.
8 WAPI became the successor in interest to liabilities accruing the operation of NPR during
9 MAPCO's ownership and operation.

10 22. In 2001, WAPI's environmental consultant, Shannon & Wilson conducted
11 a Contaminant Characterization Study of the NPR property and discovered the presence
12 of sulfolane at locations at the north end of the refinery property. Sulfolane was first used
13 by MAPCO in its refining process in September of 1985 after construction of an
14 extraction unit was completed. Sulfolane is a manufactured chemical developed in the
15 early 1960s as a solvent. Sulfolane is used to extract high purity aromatic components
16 from crude oil in order to strip out parts of crude oil to make gasoline. Sulfolane is
17 miscible in water. WAPI and FHAR continued the use of sulfolane during the times that
18 they operated NPR.
19

20 23. Shannon & Wilson did not list sulfolane as a contaminant of interest in its
21 June, 2002 Site Characterization and Corrective Action Plan submitted to WAPI because
22 DEC did not consider sulfolane to be a "regulated contaminant" at the time. DEC,
23 however, did direct WAPI to sample for sulfolane until the source of the sulfolane could
24 be determined. WAPI never identified a specific source of the sulfolane in the
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2 groundwater but did conclude that sulfolane was present in the groundwater due, at least
3 in part, to spills or leaks that occurred during MAPCO's and WAPI's ownership of NPR.
4 WAPI discontinued monitoring for sulfolane after July, 2002.

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6 24. During WAPI's ownership and operation of NPR, WAPI documented 126
7 spills and leaks resulting in a release of 21,197 gallons of petroleum products.

8 25. Based upon information and belief, WAPI intentionally failed to report or
9 under-reported spills and leaks that occurred during its ownership and operation of NPR.
10 WAPI management has acknowledged those practices and has attributed them to "fear of
11 being disciplined or from fear of negatively impacting 'the numbers'".

12
13 26. WAPI and FHR entered into an Asset Sale and Purchase Agreement
14 (ASPA) for the purchase of NPR effective April 1, 2004. The ASPA referenced the
15 presence of sulfolane in the groundwater at the NPR site and provided that FHR agreed to
16 take responsibility for the sulfolane that was "existing, known" and disclosed as of
17 April 1, 2004. Under the terms of the ASPA, WAPI was required to purchase a
18 \$50 million dollar policy of environmental liability insurance to cover environmental
19 risks. WAPI purchased this insurance.

20
21 27. After the transfer of ownership, FHR hired WAPI's environmental staff,
22 with one exception, and retained all of WAPI's NPR environmental files. FHR also
23 retained WAPI's environmental consultant, Shannon & Wilson.

24 28. In June of 2004 FHR directed Shannon & Wilson to perform additional
25 work so that FHRA could "gain a comprehensive understanding of the distribution of
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2 subsurface contamination potentially attributable to past activities” at the refinery and to
3 “take appropriate measures to ensure this contamination is remediated or does not pose
4 an environmental or human health risk.”

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6 29. In September 2004, Shannon & Wilson advised FHRA that since
7 groundwater can move contaminants off-site there was a possibility that contaminants
8 had moved off-site. Shannon & Wilson observed that “[g]roundwater represents potential
9 off-site contaminant migration medium.” Also, Shannon & Wilson concluded that the
10 “[s]ulfolane data suggests fresh hydrocarbons releases have occurred” and it
11 recommended that the sulfolane monitoring that it had been doing for WAPI be resumed.
12 At that point, FHRA should have concluded that the sulfolane extended beyond the
13 sampling disclosed as part of the ASPA. Later in September of 2004, sulfolane was
14 detected in sampling one of the monitoring wells at a level of which was eleven times
15 greater than the level detected from the same well in 2001.
16

17 30. On October 19, 2004 DEC advised FHR’s president that “[t]he source(s) of
18 Sulfolane in the ground water at the refinery needs to be determined.” FHR was also
19 advised that DEC now considered sulfolane to be a regulated contaminant and that “the
20 soil cleanup standards will be the 2001 Canadian Association of Petroleum Producers soil
21 quality guidelines and the water cleanup standards will be the 2002 British Columbia
22 Provincial government’s water quality guidelines.”
23

24 31. In January 2005, Shannon & Wilson advised FHRA and DEC that a sample
25 taken in September 2004 from a monitoring well on the NPR site detected sulfolane at a
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level more than eleven times greater than that detected in the same monitoring well in October 2001.

32. FHRA did not determine any sulfolane sources in 2005 and erroneously concluded that any sulfolane in the ground was from historical releases that occurred before it owned NPR. FHRA was on notice, as early as July 20, 2004 that sulfolane was in the groundwater at the refinery site.

33. In June 2005, Shannon & Wilson, based on data showing that contamination might be migrating to the northwest, recommended to FHRA that three additional groundwater monitoring wells be installed on refinery property to serve as sentry wells capable of detecting subsurface contaminants migrating in that direction off the refinery site. FHR agreed with the recommendation and the wells were installed. Soon after installation, one of the three wells tested positive for sulfolane.

34. In January 2006, DEC, as it had done in October 2004, advised FHR's President that DEC considered sulfolane to be a regulated contaminant in accordance with 18 AAC 75.325(g). DEC reiterated its reliance on the 2001 Canadian Association of Petroleum Producers soil quality guidelines and the water quality guidelines of the British Columbia Provincial Government adopted in 2002. DEC's correspondence specified a sulfolane cleanup level for ground water of 350 ug/L.

35. Shannon & Wilson presented a proposal to FHRA in April 2006 to implement a ground water monitoring program and to investigate the probable sources of sulfolane. FHRA was advised by Shannon & Wilson that sulfolane was highly soluble in

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2 water and would be highly mobile in the subsurface and “will migrate at a similar
3 velocity to the groundwater flow.” Shannon & Wilson cautioned FHRA that “there may
4 be a sulfolane source providing continuous input” into the groundwater.
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6 36. In the spring and early summer of 2006, sulfolane, near and exceeding the
7 groundwater cleanup levels, was found in samples taken from one of the three monitoring
8 wells installed onsite in 2005. Shannon & Wilson interpreted this data as evidencing a
9 constant source of sulfolane chronically leaching into groundwater, as opposed to an
10 acute surface release.

11 37. In its final report on the groundwater monitoring efforts undertaken in
12 2006, Shannon & Wilson concluded that the extent of the subsurface sulfolane
13 contamination had not been determined and that additional efforts should be pursued to
14 determine the sources and distribution of sulfolane at the refinery. Shannon & Wilson, on
15 October 24, 2006, recommended installing additional monitoring wells along NPR’s
16 property boundary to serve as sentry wells to determine whether sulfolane was leaving
17 refinery property. Shannon & Wilson’s recommendation was consistent with standard
18 environmental practices to determine whether a contaminant is migrating downgradient.
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20 38. DEC agreed with Shannon & Wilson’s recommendation on the monitoring
21 wells and so advised FHRA. FHRA ostensibly concurred with Shannon & Wilson’s and
22 DEC’s recommendation that additional monitoring wells be installed. However, rather
23 than immediately implementing Shannon & Wilson’s recommendation, FHR waited
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2 18 months and then decided, in January 2008, to hire a new environmental consultant,
3 Barr Engineering, and have a "cold eye review" of the situation done.

4 39. In August 2008, after completing its "cold eye review", Barr Engineering
5 advised FHRA that the sulfolane had migrated beyond the monitoring network "and
6 possibly beyond FHR-Alaska property." Barr recommended more monitoring wells on
7 the boundary of the refinery "[b]ecause there was a data gap between the downgradient
8 network and the property boundary." Barr Engineering's conclusions were virtually
9 identical to the conclusions that Shannon and Wilson had reached almost two years
10 before.
11

12 40. After receiving Barr Engineering's recommendation, the installation of the
13 monitoring wells began in August 2008 and was completed in early October of 2008.
14 Sampling from the newly installed monitoring wells done in October confirmed the
15 presence of sulfolane at the property boundary and indicated that sulfolane had migrated
16 off the refinery site. In fact, two of the newly installed monitoring wells that detected
17 sulfolane in the ground water were actually off the refinery property.
18

19 41. In November 2009, sulfolane was found in the City of North Pole raw
20 water supply and in a private well. The Alaska Department of Health and Social Services
21 (DHSS) and the United States Environmental Protection Agency (EPA) were contacted
22 by DEC for help in evaluating the toxicity of the sulfolane detected. DHSS contacted the
23 Agency for Toxic Substances and Disease Registry (ATSDR) a federal public health
24 agency of the United States Department of Health and Human Services that assists state
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2 and local governments in responding to environmental threats to reduce exposure to
3 hazardous substances by using the best science. After consulting with ATSDR, DHSS
4 informed DEC that the cleanup level of 350 ug/L may be insufficiently protective of
5 human health.
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7 42. Also in November of 2009, FHRA began providing well owners in the
8 vicinity of NPR with bottled water as a substitute for well water which could be
9 contaminated.

10 43. In February 2010 ATSDR published a preliminary health consultation that
11 recommended a 25 ug/L for a recommended action level in drinking water to be
12 protective of infants, 40 ug/L for children and 87.5 ug/L for adults. Upon the
13 recommendation of ATSDR and DHSS, DEC adopted the 25 ug/L as an interim cleanup
14 level and inform FHR that it must redo a risk assessment and additional site
15 characterization, including a complete well search, to come into compliance with
16 18 AAC 75. DEC requested EPA to develop a toxicity value for sulfolane.
17

18 44. During the first quarter of 2011, DEC held regular meetings with federal
19 and state agencies investigating the toxicity of sulfolane.
20

21 45. In May 2011, after a peer review, including review by members of the
22 multi-agency Minimum Risk Levels Peer Review Panel, ATSDR released a revised
23 health consultation that lowered their previous recommendation to 20 ug/L in drinking
24 water for infants, 32 ug/L for children and 70 ug/L for adults.
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2 46. From April 12, 2004 to December 8, 2012, FHRA documented 177 spills or
3 leaks at NPR.

4 47. In January 2012, the EPA announced a Provisional Peer Reviewed Toxicity
5 Value (PPRTV) that results in an EPA regional screening level for sulfolane in
6 groundwater of 16 ug/L. Later, in June of 2012 EPA completed its Preliminary
7 Assessment and National Priorities List ranking and found NPR was eligible for a
8 superfund listing.
9

10 48. DEC completed its evaluation of the cumulative exposure from all exposure
11 pathways and set a site-specific cleanup level of 14 ug/L for NPR.
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13 49. Since the discovery of sulfolane in late 2009 in private drinking wells
14 adjacent to NPR, FHRA has taken steps to provide alternative water sources to the over
15 300 affected properties with contaminated water wells. These steps have included: the
16 delivery of bottled water; the installation and delivery of potable water to storage tanks
17 and the installation of a "point of entry" filtration system in homes. On information and
18 belief, FHR is spending approximately \$2.3 million annually to operate and to monitor
19 these systems.
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21 50. One long term option for supplying water to residents living in the affected
22 areas adjacent to NPR with contaminated ground water wells is to expand the existing
23 City of North Pole's piped water system to serve affected properties. On information and
24 belief, the projected cost of doing this is in excess of \$50 million.
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2 51. FHRA has been operating a "pump and treat" system to prevent migration
3 of hydrocarbons off the NPR site. The current annual cost of running this system is
4 approximately \$500,000. The cost of the proposed system enhancements is
5 approximately \$3.2 million, plus additional annual operations cost.
6

7 52. The presence of sulfolane contamination in groundwater impacts
8 excavations for structures, utilities and other improvements on land that may be
9 undertaken on properties within the sulfolane groundwater plume. A "dewatering
10 management plan" needs to be developed to treat contaminated water encountered in the
11 field, or to find alternatives to limit the amount of extracted water. Defendants have
12 refused DEC's requests to develop such plans. The estimated cost of developing such
13 plans is \$200,000.
14

15 53. Research, originally undertaken by the University of Alaska Fairbanks, to
16 better understand the degradation of sulfolane as well as its fate and transport needs to be
17 continued in order to fill important data gaps that may potentially impact cleanup of
18 sulfolane. This additional research is estimated to cost in excess of \$400,000.
19

20 GENERAL ALLEGATIONS

21 54. Sulfolane is a hazardous substance within the meaning of AS 46.03.745,
22 AS 46.09.900, AS 46.03.826, and 18 AAC 75.990.

23 55. NPR and the area surrounding it where sulfolane or petroleum
24 contamination is now located is "the Site" under Alaska environmental statutes and
25 regulations.
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2 56. Defendants have caused or permitted the discharge of oil at the Site in
3 violation of AS 46.03.710 and AS 46.03.740.

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5 57. Defendants have caused or permitted the release of sulfolane at the Site in
6 violation of AS 46.03.745.

7 58. Defendants' releases of sulfolane have polluted or added to the pollution of
8 soil, subsurface soil and groundwater in violation of AS 46.03.710 by rendering the
9 groundwater impure and unfit for human consumption or use.

10 59. Defendants' discharges of oil have polluted or added to the pollution of
11 soil, subsurface soil and groundwater in violation of AS 46.03.710 by rendering the
12 groundwater impure and unfit for human consumption or use.

13
14 60. Defendants have failed to contain and cleanup the discharges of oil in
15 violation of AS 46.04.020 and 18 AAC 75.

16 61. Defendants have not taken reasonable efforts to contain and clean up the
17 releases of sulfolane promptly after learning of the releases in violation of AS 46.09.020
18 and 18 AAC 75.

19 62. Defendants have failed to contain and clean up the releases of sulfolane in
20 violation of AS 46.09.020 and 18 AAC 75.

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22 63. Under AS 46.03.822 the owner and operator of a facility from which there
23 is a release of hazardous substances is strictly liable for response costs and damages
24 resulting from that release.

64. The corrective actions required by the COBC have not been completed by Defendants.

FIRST CLAIM FOR RELIEF

**INJUNCTIVE RELIEF
(AS 46.03.765)**

65. Plaintiff realleges and incorporates herein by reference each and every allegation set forth above.

66. Each Defendants' violation of AS 46.03.710, AS 46.03.740, AS 46.03.745, AS 46.04.020, AS 46.09.020 and 18 AAC 75. 75.325 – 75.390 are continuing.

67. Defendants should be enjoined pursuant to AS 46.03.765 to 1) prohibit their continuing violations of AS 46.03.710, AS 46.03.740, AS 46.03.745, AS 46.04.020, AS 46.09.020 and 18 AAC 75.325 – 75.390 and 2) order Defendants to comply with State Oil and Hazardous Substance Cleanup requirements.

SECOND CLAIM FOR RELIEF

**COST RECOVERY
(AS 46.03.822; AS 46.03.760(d))**

68. Plaintiff realleges and incorporates herein by reference each and every allegation set forth above.

69. Since 2009, the Department of Environmental Conservation of the State of Alaska has responded to the discovery of sulfolane contamination associated with the Site.

70. Plaintiff State of Alaska has incurred unreimbursed response costs, including legal fees and costs, in excess of \$900,000 and those costs are ongoing.

71. Pursuant to AS 46.03.822, AS 46.03.760(d), AS 46.03.763, and other law, Defendants are strictly liable, jointly and severally, for the full amount of actual expenses incurred by the State as a result of these releases and threatened releases of hazardous substances, including direct and indirect costs of response, containment, removal or remedial action, full reasonable attorneys fees and costs, and incidental administrative expenses.

72. Plaintiff has incurred and will incur additional costs in seeking to collect the amount due. Defendants are liable for those additional costs.

THIRD CLAIM FOR RELIEF

DECLARATORY RELIEF FOR FUTURE RESPONSE COSTS (AS 22.10.020(g); AS 46.03.822; AS 46.03.760(d))

73. Plaintiff realleges and incorporates herein by reference each and every allegation set forth above.

74. Plaintiff State of Alaska will continue to incur response costs for cleanup, monitoring and other related activities in amounts to be proven.

75. Pursuant to AS 46.03.822, AS 46.03.760, AS 46.03.763, and other law, Defendants are strictly liable, jointly and severally, for the full amount of actual expenses incurred by the State in the future as a result of the releases, including direct and indirect

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2 costs of response, containment, removal or remedial action, full reasonable attorney's
3 fees and costs, and incidental administrative expenses incurred by the State.

4 76. Pursuant to AS 22.10.020(g), Plaintiff seeks a declaration from the Court
5 that Defendants are liable, pursuant to AS 46.03.822, AS 46.03.760 and AS 46.03.763,
6 for all recoverable expenses, including direct and indirect costs of response, containment,
7 removal or remedial action, full reasonable attorney's fees and costs and incidental
8 administrative expenses incurred by the State in the future as a result of the releases of
9 sulfolane.
10

11 **FOURTH CLAIM FOR RELIEF**

12 **CIVIL ASSESSMENTS**
13 **(AS 46.03.760(a))**

14 77. Plaintiff realleges and incorporates herein by reference each and every
15 allegation set forth above.

16 78. Pursuant to AS 46.03.760(a), each Defendant is liable to Plaintiff for civil
17 assessments of not less than \$500, nor more than \$100,000 for each initial violation, plus
18 not more than \$5,000 for each day thereafter for each violation, and for all other damages
19 and costs incurred by Plaintiff.
20

21 **FIFTH CLAIM FOR RELIEF**

22 **NATURAL RESOURCE DAMAGES AND RESTORATION COSTS**
23 **(AS 46.03.822 and AS 46.03.780)**

24 79. Plaintiff realleges and incorporates herein by reference each and every
25 allegation set forth above.

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2 80. Under Article VIII, Sections 3 and 13 of the Alaska Constitution
3 groundwater is a public natural resource held in trust for the people of Alaska.

4 81. The sulfolane releases at the Site has destroyed and/or damaged the State's
5 groundwater.
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7 82. Defendants' efforts to date have not returned the groundwater to its pre-
8 injury condition. Defendant's current efforts will require the passage of many years in
9 order for the groundwater to return to its original condition.

10 83. Pursuant to AS 46.03.822 and AS 46.03.780, Defendants are liable to the
11 State for those sums necessary to restore the Site to its pre-release condition, and to
12 compensate the State for the interim loss of the natural resources destroyed or damaged
13 by the spills. These losses include, but are not limited to, the cost of expanding the
14 existing City of North Pole's piped water system to serve affected properties, the cost of
15 providing alternative safe water or filtration systems to the properties with contaminated
16 water wells, the cost of developing and implementing a dewatering management plan, the
17 cost of research necessary to understand the natural breakdown of sulfolane and its
18 transport to all parts and depths of the aquifer, and the cost of operating a "pump and
19 treat" system at NPR to prevent the migration contaminants off the NPR site.
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22 **RELIEF SOUGHT**

23 WHEREFORE, Plaintiff asks this Court:

24 A. to adjudge and decree that Defendants have engaged in the conduct alleged
25 herein and to enter judgment in favor of the Plaintiff and against each Defendant;
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B. to award all statutorily authorized civil assessments, oil and hazardous substance response costs, natural resource damages, restoration costs, and compensatory, incidental damages in an amount to be proven at trial;

C. to enjoin Defendants' violations pursuant to AS 46.03.765 and order Defendants to comply with State Oil and Hazardous Substance Cleanup requirements;

D. to award prejudgment interest, full reasonable attorneys' fees and the costs of this action;

E. to grant such other and additional relief as may be just and proper.

DATED March 6, 2014

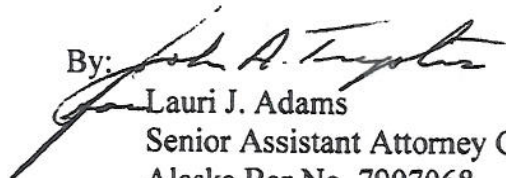
MICHAEL C. GERAGHTY
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By:



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