WEST MORGAN EAST LAWRENCE WATER AND SEWER AUTHORITY

SETTLES CASE AGAINST DAIKIN

DECATUR—July, 18 2018 — The West Morgan East Lawrence Water and Sewer Authority (the Authority) has reached a four million dollar settlement with Daikin in the lawsuit brought by the Authority against Daikin and 3M over the PFC chemicals once produced at those companies’ Decatur, Alabama location.

The money is intended to pay the cost of the new granular activated carbon (GAC) filtration system the Authority built and installed in response to the EPA health and drinking water advisory issued related to the chemicals. The GAC system is a temporary solution to the continuing and long term problem of PFC chemicals in the Tennessee River.

Since coming online, the GAC filtration system has worked as expected and successfully removed the chemicals from the raw water pumped from the Tennessee River to the point that the finished drinking water is well below the advisory levels. Frequently, tests of the finished drinking water show non-detectable levels of PFOA and PFOS, the two chemicals at issue in the EPA warning.

State law requires the Authority to pass on such improvement costs to customers, but the payment by Daikin covered the installation and construction costs and as a result they will not be passed to the customers. “We are pleased that Daikin honored the settlement agreement reached
last year,” said Don Sims. “Removing the PFC from the finished water and the customers not having to pay for the GAC system has always been our priority. This is excellent news.”

Carl Cole, one of the Authority’s lawyers said, “Daikin really stepped up to do the right thing. They should be commended for recognizing the problem these chemicals in the river posed and being willing to do something about it. This still is not over though. It is too bad that the others responsible for putting these chemicals in the river are not acting as responsibly and acknowledging the problem.”

The Authority still has claims against 3M and is seeking a permanent solution in the form of a reverse osmosis filtration system. “The GAC system is working well, but everyone understands that it is temporary. It was built quickly in response to the EPA advisory and the carbon wears out and has to be replaced. Long term, the permanent solution is a state of the art filtration system. That’s our goal and if litigation is unsuccessful, we will have to consider public funding,” said Don Sims.

A Birmingham law firm objected to the settlement of the Authority’s customers’ claims causing those refunds to the individual customers not to occur. “We felt it was right to do something for the customers as well as the Authority, because of the major problems these chemicals have caused for these customers. Claims on behalf of all customers remain pending, and hopefully, one day, they will get something directly. For now, every WMEL customer is getting the benefit of clean drinking water and most importantly, one of the parties responsible for the contamination is paying for it, not the customers,” said Cole.

The PFOA and PFOS are the subject of the EPA advisory, however there are similar chemicals in the PFC family that are currently unregulated. These next generation PFC chemicals are in the Tennessee River and are being studied by scientists all over the world to
determine the health effects. “Everything suggests these chemicals are harmful. We are just beginning to understand how seriously harmful. They did not pay almost a billion dollars in Minnesota because they are safe,” Cole said. “It seems like every day there is a new study confirming the negative health consequences of these chemicals and in North Carolina they were looking at criminal charges for putting these next generation chemicals in the water. Every single day that 3M fails to take responsibility for the chemicals that they put in our river, in our land and in our bodies, they are telling the people of Lawrence and Morgan county that their lives don’t matter,” continued Cole. “They paid $850 million dollars in cash to the state of Minnesota, the home of 3M, but in Alabama, we are still waiting for 3M to do the right thing. It may take a jury to force them to do the right thing and we are committed to making that happen if necessary.”

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