Coal Company's Cost for Spills May Exceed $7M

LISA CORNWELL, Associated Press

CINCINNATI (AP) — An Ohio company pleaded guilty Friday to criminal violations of the federal Clean Water Act involving coal-wastewater spills into a southeast Ohio stream — spills that could cost the company more than $7 million.

The Ohio Valley Coal Company pleaded guilty to the two misdemeanor violations in U.S. District Court in Columbus in a plea agreement with federal prosecutors. The judge will review the agreement before deciding whether to approve it and the pleas, court officials said.

The agreement involved spills of wastewater into Captina Creek in Belmont County in 2008 and 2010. The 2010 spill of coal-wastewater, or slurry, killed more than 4,000 fish and animals.

In addition to pleading to violating a federal water pollution permit, the company also will pay more than $1 million in federal and state fines and restitution under the agreement. As part of the agreement, the company already has installed a $6 million double-walled slurry pipeline.

Ohio Valley's parent company, Murray Energy Corp. acknowledged in a statement Friday that it had reached an agreement with the U.S. Attorney's Office for the Southern District of Ohio "to resolve potential charges, stemming from two incidents." Murray, based in northeast Ohio's Pepper Pike and in St. Clairsville in southeast Ohio, said Ohio Valley began two years ago to install the "pipe-within-a-pipe system" designed to eliminate the potential for another release.

Murray said its independently operated subsidiary also has installed equipment and controls to monitor the pipeline.

The U.S. Attorney's Office said Ohio Valley in 2008 "negligently" failed to sample and monitor the flow of pollutants discharged from a holding pond at its Powhatan Mine No. 6 and the illegal discharge of coal slurry turned the creek black for 22 miles downstream.

The 2010 pipeline rupture at a coal preparation plant in Beallsville that spilled thousands of gallons of slurry into the stream violated the company's wastewater discharge permit, prosecutors said.

Ohio Valley will pay a $500,000 fine to the federal government, $455,000 in fines and restitution to the Ohio Environmental Protection Agency and $95,000 in fines and restitution to the Ohio Department of Natural Resources, if the judge approves the agreement.

Captina Creek, considered to be one of the highest quality streams in the state, is

one of the only Ohio locations where the state endangered and federally threatened Hellbender salamander is actively breeding, according to the Ohio EPA.

"It was important that the company pay restitution based on the high quality of this stream and the degradation from the spills," said Heidi Hetzel-Evan, a state Department of Natural Resources spokeswoman.

The agreement also requires Ohio Valley to serve a one-year probation, during which it would develop a slurry-release prevention and emergency response plan and submit it for Ohio EPA approval.

"Today's pleas send a clear message to other potential violators that corporations will be held responsible for environmental crimes," Randall Ashe, special agent in charge of the U.S. EPA's criminal enforcement program in Ohio, said in a release.

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