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## **ADEQ Director Owens Announces \$69,000 Penalty Against Arizona American Water Company for TCE Drinking Water Contamination in Scottsdale and Paradise Valley**

PHOENIX (April 3, 2008) – Arizona Department of Environmental Quality (ADEQ) Director Steve Owens today announced that Arizona American Water company will pay \$69,000 in penalties for water-quality violations in which its customers in Scottsdale and Paradise Valley received drinking water with levels of TCE (trichloroethylene) in excess of federal health standards.

The company is paying the penalty under a Consent Order it has entered into with ADEQ.

“This is the maximum penalty allowed under Arizona law for these violations,” Director Owens stated. “The company delivered contaminated drinking water to its customers, failed to maintain and operate its facilities to deliver safe drinking water, and failed to implement an adequate emergency plan. This is simply unacceptable.”

TCE is an industrial solvent used to remove grease from metal parts and is an ingredient in adhesives, paint removers and spot removers. Some people who drink water with elevated levels of TCE over many years may have an increased risk of cancer and experience liver problems.

Some of the company’s wells draw from groundwater containing TCE, but the water must be treated to remove the contaminant before it is safe to drink.

About 2:30 p.m. on Jan. 15, 2008, the company’s water treatment system broke down and the alarm system failed to operate. At about 6:30 a.m. the following morning, an operator noticed that the system was not working and turned it back on. The company shut down the system at 9:30 a.m. but did not alert ADEQ and the Maricopa County Environmental Services Department (MCESD) until late that afternoon, about 4 p.m. At about 5 p.m., the company began using a “reverse 911” system to warn its customers not to drink or cook with tap water, but, according to the company, the warning reached only 65 to 70 percent of the company’s nearly 5,000 customers. The company also issued a press release.

Tests taken by the company on Jan. 16 found levels of TCE of up to 23 parts per billion (ppb) in the drinking water. The drinking water standard for TCE is 5 ppb. Tests did not show TCE levels below 5 ppb until results were received (for samples taken the day before) on Jan. 19, when ADEQ and MCESD authorized the company to lift the warning against drinking the water.

In addition to requiring Arizona American to pay the maximum penalty allowed under state law, the Consent Order requires the company to stop using the two wells impacted by TCE contamination in the groundwater as drinking water sources until a new operations plan is approved. It also requires the company to submit a new plan for treating the water, including weekly sampling, as well as a new emergency operations plan.

ADEQ also cited the company for dumping water contaminated with excessive TCE levels into streets and storm sewers in Scottsdale and Paradise Valley without having a permit to do so and without notifying ADEQ or MCESD. The storm sewers empty into Indian Bend Wash and eventually into the Salt River.

The penalty also covers violations by the company between Oct. 9-17, 2007, when the company distributed drinking water mixed with inadequately treated TCE-containing water and failed to notify ADEQ and MCESD until a month later in November 2007.