Settlement in DuPont Water Suit

By MICHAEL JANOFSKY

WASHINGTON, Sept. 9 - DuPont has agreed to settle a class-action lawsuit in which West Virginia residents accused the company of having contaminated local water supplies with an important chemical used to make Teflon products.

The settlement, which is subject to approval from a circuit court judge, would include cash payments and other expenditures valued at $85 million as well as $22.6 million in legal fees and as much as $235 million for a medical monitoring program if an independent panel finds a link between the chemical, perfluorooctanoic acid, or PFOA, and human health.

"After two years of discussions, we are pleased to reach an agreement that places our combined priorities where they belong - on the community and not on lengthy and contentious legal proceedings," Stacey J. Mobley, general counsel for DuPont, said in a statement, adding that the settlement implied no admission of liability by DuPont.

But Ken Cook, president of the Environmental Working Group, an organization that has focused on what it says are the adverse affects of chemicals used in making Teflon and a critic of DuPont, contended that the company would not have settled "if officials didn't think they were guilty of polluting local tap water and the people themselves."

The settlement grew out of a 2001 lawsuit against DuPont filed on behalf of people living in or near Parkersburg, W.Va., where DuPont has been making Teflon for 50 years. The suit accused the company of knowingly contaminating the land, air and water around the plant and said that excessive amounts of PFOA had been found in drinking water.

The company responded by saying neither PFOA nor Teflon posed any health risks to human beings.

In addition to the financial terms of the settlement, DuPont has agreed to provide six water districts in the Parkersburg area with water-treatment equipment to reduce the amount of PFOA to levels prescribed by the water districts. Also, the company has agreed to create a panel that will study any potential link between PFOA and human illness.

Under the settlement, DuPont would be relieved of financial burdens for personal injury claims and for water-treatment technologies if no link is found.

DuPont, meanwhile, faces other legal challenges to its Teflon-making operation. In July, in response to a complaint by the Environmental Working Group, the federal Environmental Protection Agency cited the company for two violations of the Toxic
Substances Control Act and one violation of the Resource Conservation and Recovery Act. The company, which is contesting the E.P.A. charges, is facing fines of $25,000 a day for violations before Jan. 30, 1997, and up to $27,500 a day for violations occurring after that date.

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