



EXHIBIT 1

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
NEW ENGLAND REGION
1 Congress Street, Suite 1100
BOSTON, MA 02114-2023

September 10, 2001

Erika Durr, Clerk of the Board
U.S. Environmental Protection Agency
Environmental Appeals Board (MC - 1103B)
Ariel Rios Building
1200 Pennsylvania Ave., N.W.
Washington, D.C. 20460-0001

John E. Darling
Serafini, Serafini, Darling, & Correnti
63 Federal Street
Salem, MA 09170

Re: Notice of Uncontested and Severable Conditions
South Essex Sewerage District, NPDES Permit No. MA 0100501
NPDES Appeal No. 01-13

Dear Ms. Durr and Mr. Darling:

On February 9, 2001, EPA New England (the Region) issued a National Pollutant Discharge Elimination System (NPDES) permit (No. MA 0100501) to the South Essex Sewerage District (the District). The permit superseded a permit first issued on September 26, 1994, and modified on September 15, 1999.

On March 21, 2001, the District filed a Notice of Appeal and Petition for Review with the Environmental Appeals Board. In its brief, the District contested four conditions in the permit. Despite good-faith efforts, the District and the Region have been unable to resolve the issues raised in the permit appeal. Therefore, in order to resolve the permit appeal pending before the Board, the Region is withdrawing the contested conditions pursuant to 40 C.F.R. § 124.19(d). In place of the withdrawn conditions, any corresponding conditions in the prior permit will continue to apply.

In the near future, the Region intends to propose permit modifications to replace the withdrawn conditions. Such modifications will proceed through the same public notice and comment procedures as would apply to any other permit modification subject to 40 C.F.R. Part 124.

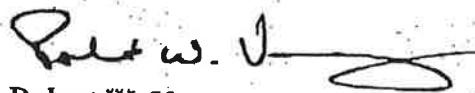
By this letter, EPA New England hereby withdraws the following contested conditions of NPDES permit MA0100501:

1. Flow limit identified in Part I.A.1, Effluent Limitations and Monitoring Requirements
2. Total Residual Chlorine limit identified in Part I.A.1, Effluent Limitations and Monitoring Requirements
3. Infiltration/Inflow requirements identified in Part I.C.1, Operation and Maintenance of the Sewer System
4. Ambient water quality monitoring program identified in Part I.E, Ambient Monitoring Program

Those portions of the permit that are not being withdrawn have not been contested. Therefore, all remaining conditions in the permit will become fully effective enforceable obligations thirty (30) days from the date of this Notice as provided by 40 C.F.R. §124.16(a)(2)(i).

If you have any questions regarding this correspondence, please feel free to contact attorney Rona Gregory at 617-918-1096.

Sincerely,



Robert W. Varney
Regional Administrator

cc: Rona H. Gregory, EPA
Brian Pitt, EPA
George Papadopolous, EPA
Austine Frawley, EPA
Diane Boisclair, EPA
Paul Hogan, MADEP