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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

August 12, 2009

REGION 2 290 BROADWAY NEW YORK, NEW YORK 10007-1866

BY FACSIMILE AND POUCH MAIL

Honorable Barbara A. Gunning Administrative Law Judge U. S. Environmental Protection Agency Mail Code 1900 401 M. Street, SW Washington, D.C., 20460

Re: U.S. Department of Veteran's Affairs, Docket No. RCRA-02-2008-7507

Dear Judge Gunning:

As per your Honor's Prehearing Order dated June 18, 2009, I am writing to report on the status of the above-captioned matter. The above-noted Order directed that the parties hold a settlement conference on or before July 31, 2009. Please be advised that the parties held such a conference and made progress toward settlement. During this conference the parties discussed the possibility of including a Supplemental Environmental Project (SEP) as part of the settlement. Respondent has submitted a written proposal to Complainant detailing the SEP and proposing a budget for it. Complainant has reviewed Respondent's proposal and has given Respondent written comments on it. Yesterday, the parties discussed the SEP and made further progress toward settlement.

The parties are mindful of the prehearing exchange schedule established in your Honor's Order. As the parties expect to settle this matter without the added expense of engaging in unnecessary pre-litigation exercises, the parties will endeavor to move expeditiously toward settlement. As your Honor is aware, SEP projects in general, and certainly this proposed SEP, require time to fully develop, review and approve at the regional and headquarters levels. In addition, the current matter involves two federal agencies where the involvement of several layers of management review is likely. Still, the parties will try to move this matter along and Complainant will keep the Court apprised as to our progress.

Respectfully submitted,

Čarl R. Howard Assistant Regional Counsel

cc: Ms. Joy Vilardi Rizzuto, Esq., for Respondent

CERTIFICATE OF SERVICE

I certify that I have this day caused (or am causing) to be sent the foregoing status report to the following addressees listed herein in the manner listed below:

Copy by Facsimile and Pouch Mail:

Original and One Copy Hand Delivered to:

Copy by Regular Mail to Attorney for Respondent:

8-12-29

Date

Honorable Barbara A. Gunning Administrative Law Judge U. S. Environmental Protection Agency Mail Code 1900 401 M. Street, SW Washington, D.C., 20460

Ms. Karen Maples Regional Hearing Clerk U.S. Environmental Agency, Region II 290 Broadway New York, NY 10007-1866

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