UNITED STATES DISTRICT COURT FOR THE DISTRICT OF RHODE ISLAND

UNITED STATES OF AMERICA and STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS,

Plaintiffs,

Civil Action No.

v.

EW HOLDING CORP. and K-SEA TRANSPORTATION CORP.,

Defendants.

NOTICE OF LODGING

The United States of America ("United States") hereby notifies the Court that the United States is lodging today a proposed consent decree that has been entered into by the United States, the State of Rhode Island and Providence Plantations (the "State"), EW Holding Corp. (as successor to Odin Marine Corporation and Thor Towing Corporation), K-Sea Transportation Corp. (as successor to Eklof Marine Corp.), West of England Ship Owners Mutual Insurance Association (Luxembourg), and Gregory R. Aitken. The proposed consent decree resolves claims of the United States and the State set forth in a complaint that is being filed at the same time as the lodging of the proposed consent decree. The claims in the complaint have been brought pursuant to Section 1002(b)(2)(A) of the Oil Pollution Act of 1990 ("OPA"), 33 U.S.C. § 2702(b)(2)(A), as well as R.I.G.L. ch. 46-12.5.1, for damages for injury to natural resources and

assessment costs arising from an oil spill in the waters of Block Island Sound, on January 19, 1996, that resulted from the grounding of the barge North Cape and the tug Scandia (the "North Cape Oil Spill"). The complaint alleges that Odin Marine Corp. was the owner of the tank barge North Cape at the time of the North Cape oil spill, that Thor Towing Corp. was the owner of the tug Scandia at the time of the spill, and that Eklof Marine Corp. was the operator of both the tank barge North Cape and the tug Scandia at the time of the spill. West of England Ship Owners Mutual Insurance Association (Luxembourg) provided insurance coverage with respect to the spill, and Gregory R. Aitken was the Captain of the tug Scandia at the time of the spill.

Pursuant to the proposed consent decree, the Settling

Defendants will implement a lobster restoration program that will

involve the v-notching and restocking of 1.248 million female

legal-size lobsters into the waters of Block Island Sound by

December 31, 2004. In addition, the Settling Defendants will

make a payment to the United States and the State in the amount

of \$8 million, which will be used by the natural resource

Trustees (the United States National Oceanic and Atmospheric

Administration ("NOAA"), the United States Department of the

Interior ("DOI"), and the Rhode Island Department of

Environmental Management ("RIDEM")), to implement the following

restoration projects: shellfish restoration (quahog

transplanting), salt pond land acquisition, loon restoration

(acquisition of land or easements to protect loon nests), sea

bird restoration (acquisition of land or easements to protect eider nests), piping plover restoration project, and a fish run project. Finally, the Settling Defendants, pursuant to the agreement, have paid the Trustees the following amounts toward the Trustees' costs of assessment that have not previously been reimbursed: \$2,714,940.20 to NOAA, \$358,474.60 to DOI, and \$250,000 to RIDEM.

At this time, the Court should not take any action with respect to the proposed Consent Decree. The United States will shortly publish a notice of the lodging of the proposed consent decree in the Federal Register and provide the public with a 30-day comment period. After the close of the comment period, the United States and the State will file a motion seeking the Court's approval of the proposed consent decree unless comments have been filed with the Department of Justice demonstrating that the proposed consent decree is inappropriate, improper, or inadequate.

¹ The Settling Defendants have already paid \$200,000 of this \$8 million total.

Respectfully Submitted,

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CERTIFICATE OF SERVICE

I hereby certify that on this 6th day of July, 2000, I caused a copy of the foregoing to be served by first-class mail, or federal express, on the persons listed below:

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