



Michael T. Carroll
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Corporate Environmental Programs
General Electric Company
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April 2, 2004

Kevin M. Pennell, President
K & K Realty Corporation
1277 East Street
Pittsfield, MA 01201

Re: Your Property at 1277 East Street (Tax Parcel No. K10-14-1)

Dear Mr. Pennell:

As you know, the General Electric Company (GE) has entered into a Consent Decree with the U.S. Environmental Protection Agency (EPA), the Massachusetts Department of Environmental Protection (MDEP), and other governmental bodies covering several areas near GE's Pittsfield facility which are part of the GE-Pittsfield/Housatonic River Site. Your above-referenced property is located within a portion of that Site known as East Street Area 1-North. As you will also recall, GE conducted sampling of the soils in that area, including at your property, to determine whether they contain concentrations of polychlorinated biphenyls (PCBs) and other chemicals that would require cleanup under the standards in the Consent Decree. During this process, GE has submitted to EPA a number of work plans and reports relating to that sampling and GE's evaluations of the sampling results, and has provided copies to you. All of these submittals have now been approved by EPA.

In addition, GE sent you a letter dated December 26, 2002, explaining the options that the Consent Decree provides for the owners of commercial properties like yours. To recap briefly, the Consent Decree provides that, for such commercial properties, the owner has two options relating to the cleanup (if necessary) and future use of the property (assuming that the property does not already meet the Consent Decree standards for future residential use). One of those options would involve the owner's execution of a legal deed restriction on the property, known as a "Grant of Environmental Restriction and Easement" (or "ERE" for short), which would allow continuation of the current type of use of the property (i.e., commercial use) but would place restrictions on future changes to different types of use (e.g., future use for residential or recreational purposes) and on future excavations. The Consent Decree requires GE to offer the owner 18% of the property's assessed value in exchange for such an ERE. However, if the owner elects not to execute an ERE on the property, GE would implement what is called a Conditional Solution and no compensation would be provided to the owner. Under a Conditional Solution, GE would clean up the property (if necessary) to standards protective of its current use for commercial purposes and would agree to conduct additional cleanup (if necessary) in the future if the owner meets certain conditions demonstrating a commitment to implement a future use for which such additional cleanup is necessary.

Our letter to you of December 26, 2002 explained these options in more detail. In response, by letter of January 24, 2003, you advised GE that you did not wish to execute an ERE on your

property. Accordingly, GE thereafter informed EPA that GE would implement a Conditional Solution at your property. The purpose of the present letter is to bring you up to date on GE's evaluation of your property and to explain the terms of the Conditional Solution for your property, including the requirements that GE has agreed to for future actions at your property, as well as the levels of PCBs and other chemicals in soil at your property.

The most recent document that GE has submitted to EPA covering your property is entitled *Revised Conceptual RD/RA Work Plan for East Street Area 1-North* and was submitted to EPA, with a copy to you, in January 2004. That document included a detailed evaluation (in accordance with the procedures specified in the Consent Decree) of the concentrations of PCBs and other chemicals in soil in this area, including at your property, to determine whether cleanup is necessary. As described in that document, the existing concentrations of PCBs in soil at your property not only meet but are well below the applicable cleanup standards for PCBs in soil at commercial properties like yours, as set out in the Consent Decree, which were developed by EPA to be fully protective of human health and the environment. In addition, the existing concentrations of other chemicals in soil at your property meet the Consent Decree standards for those chemicals at commercial properties, although, for a couple of chemicals (e.g., lead and antimony), they would not meet the standards that would be applicable to residential properties. For these reasons, as GE's January 2004 Conceptual RD/RA Work Plan concludes, no cleanup actions are necessary at your property, and GE will implement a Conditional Solution for your property. By letter of March 18, 2004, EPA approved GE's Conceptual RD/RA Work Plan, including the conclusion that no cleanup actions are necessary at your property.

Under the Consent Decree, GE is required to provide a notice to the owners of properties where Conditional Solutions are implemented, explaining (1) the requirements applicable to GE and the owner regarding future cleanup activities at the property and (2) the levels of PCBs and other chemicals remaining at the property. This letter provides that notice, as discussed below.

1. Requirements for Implementing Future Cleanup

As noted above, since the existing concentrations of PCBs and other chemicals in the soil at your property already meet the applicable cleanup standards, no cleanup or other further actions are required at your property at this time. Accordingly, a Conditional Solution will be implemented for your property, effective immediately. Under the Consent Decree requirements for Conditional Solutions, this means the following:

If, in the future, you should decide to change the current use of your property to residential or recreational use or to expand your operations or demolish part or all of your existing building and the new use is legally permissible, GE will conduct cleanup actions at your property, if necessary, to be protective for such future use, provided that certain conditions specified in the Consent Decree are met. Specifically, those conditions require that you satisfy the following criteria:

- First, you must show that you have submitted a plan to the appropriate governmental authorities to authorize the future use (if such a plan or authorization is necessary for the

use) and that such plan (if required) has been approved by the governmental authorities. Such governmental approvals may include zoning approval, Conservation Commission approval, building permits, and any other necessary approvals, as applicable.

- In addition, you must provide to EPA and to GE (directly or through EPA) "other documented evidence of a commitment to such use," such as, for example, evidence of financing or other financial assurance for the project, other plans for implementing the project (such as architectural plans, contracts for performance of the project, or other similar plans), or an affidavit that you intend to go forward with the project or other change in use if the necessary cleanup actions are taken.

If you provide this required documentation and EPA determines that you have satisfied the above criteria and that cleanup is necessary to allow such use, EPA will notify GE. GE will then be required to submit work plans for any necessary sampling and/or cleanup actions to allow such use and, upon EPA approval, to implement those plans. Such cleanup may include soil removal or other remediation as necessary to meet the applicable cleanup standards for the new use, or may include, for activities that involve excavation or off-property disposition of soils, actions to ensure the proper excavation, management, and disposition of such soils. While GE is required to conduct such additional cleanup actions in the event that the above conditions are met, GE also retains any rights it may have under the law to seek contribution from others for costs incurred by GE to clean up contaminants not related to GE.

In the event that you sell your property, these same requirements will continue to apply provided that the successor owner meets the criteria specified above.

In addition, you should be aware that the Consent Decree requires GE to conduct annual inspections of your property to determine whether there has been any changes in activities and uses that would be inconsistent with current uses or would involve exposure to soils greater than three feet in depth. These inspections may require us to contact you further in the future.

For purposes of providing the documentation described above or if you have any question about this matter, the following are the relevant contact persons:

For GE: Michael T. Carroll
Manager, Pittsfield Remediation Programs
General Electric Company
100 Woodlawn Ave.
Pittsfield, MA 01201
(413) 494-3500

For EPA: Michael Nalipinski
Project Manager
U.S. Environmental Protection Agency
EPA New England
One Congress Street, Suite 1100
Boston, MA 02114
(617) 918-1268

For MDEP: Susan Steenstrup
 Acting Section Chief, Special Projects
 Bureau of Waste Site Cleanup
 Massachusetts Department of Environmental Protection
 436 Dwight Street
 Springfield, Massachusetts 01103
 (413) 755-2264

2. Existing Levels of PCBs and Other Chemicals

GE is also required to notify the owner of the levels of PCBs and other chemicals on a property where a Conditional Solution is implemented. For your property, those levels have been described in prior reports submitted to EPA, copies of which were sent to you. These include *GE's Pre-Design Investigation Report for East Street Area 1-North Removal Action*, submitted in April 2003, as well as the above-mentioned Revised Conceptual RD/RA Work Plan, submitted in January 2004. For your convenience, the attached Table 1 summarizes, for each of the relevant depth intervals evaluated at your property, the average concentrations of PCBs and of the other chemicals that were retained for evaluation after an initial conservative screening step established in the Consent Decree. That table also provides relevant standards for comparison. As shown in that table, the concentrations of these chemicals in the soil at your property are all lower than the applicable standards.

Please call me at 413-494-3500 if you have any questions about the information in this letter.

Very truly yours,



Michael T. Carroll
 Manager, Pittsfield Remediation Programs

Attachment

cc: Dean Tagliaferro, EPA
 Michael Nalipinski, EPA
 Tim Conway, EPA
 John Kilborn, EPA
 Holly Inglis, EPA
 Anna Symington, MDEP
 Susan Steenstrup, MDEP
 Robert Bell, MDEP
 John Novotny, GE
 Roderic McLaren, GE
 James Bieke, Shea & Gardner

TABLE 1
RESIDUAL CONCENTRATIONS IN SOIL AT PARCEL K10-14-1

Depth Interval (feet below ground)	Constituent Concentration (in parts per million - ppm) ¹					
	PCBs ²	Benzo(a)- pyrene ³	PCDD/PCDF TEQs ⁴	Antimony ⁵	Arsenic ⁶	Lead ⁷
0- to 1-foot depth	0.35	0.43	0.000026	242	9.4	845
0- to 3-foot depth	0.30	0.39	0.000026	218	8.7	763
1- to 6-foot depth	0.22	0.18	N/A	1.7	5.4	14.3
0- to 15-foot depth	0.28	0.32	0.0000037 (for 1-15 ft depth)	146	7.2	511

Notes:

1. This table includes those chemical constituents which were retained for evaluation at this property after an initial conservative screening step. All concentrations listed are averages except for PCDD/PCDF TEQs, for which the maximum concentration is given.
2. For comparison, cleanup standards in Consent Decree for PCBs at commercial properties are 25 ppm for 0-1 foot and 0-3 foot depths, 200 ppm for 1-6 foot depth, and 100 ppm for 0-15 foot depth. Cleanup standard for PCBs at residential properties is 2 ppm (all depths).
3. For comparison, for benzo(a)pyrene, the current MDEP default soil standard for unrestricted use is 0.7 ppm (all depths). In addition, a property-specific risk evaluation for this and other non-PCB constituents in soils at Parcel K10-14-1, as presented in GE's Revised Conceptual RD/RA Work Plan and approved by EPA, shows that these constituents do not pose risks above the human health-based risk benchmarks in the Consent Decree.
4. This column lists the maximum concentrations of Toxicity Equivalency Quotients (TEQs) for polychlorinated dibenzo-p-dioxins (PCDDs) and polychlorinated dibenzofurans (PCDFs). For comparison, cleanup standards under Consent Decree for PCDD/PCDF TEQs at commercial properties are 0.005 ppm for 0-1 foot and 0-3 foot depths and 0.02 ppm for 1-15 foot depth (no separate standards for 1-6 foot or 0-15 foot depth intervals).
5. For comparison, for antimony, the current MDEP default soil standard for unrestricted use at commercial-type properties is 40 ppm (all depths). However, a property-specific risk evaluation for this and other non-PCB constituents in soils at Parcel K10-14-1, as presented in GE's Revised Conceptual RD/RA Work Plan and approved by EPA, shows that these constituents do not pose risks above the human health-based risk benchmarks in the Consent Decree.
6. For comparison, for arsenic, the current MDEP default soil standard for unrestricted use is 30 ppm (all depths). In addition, a property-specific risk evaluation for this and other non-PCB constituents in soils at Parcel K10-14-1, as presented in GE's Revised Conceptual RD/RA Work Plan and approved by EPA, shows that these constituents do not pose risks above the human health-based risk benchmarks in the Consent Decree.
7. For comparison, the cleanup standards for lead in soil at commercial properties, as approved by EPA under the Consent Decree for use in property-specific risk evaluations, are 2,008 ppm for the 0-1 foot and 0-3 foot depths and 6,000 ppm for the 1-6 foot and 0-15 foot depths.