



CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY

NEWS RELEASE

Department of Toxic Substances Control

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Contact: Jeanne Garcia

818.551.2176

Ron Baker

916.324.3142

Temporary Restraining Order Obtained on Behalf of DTSC

Sacramento --- Department of Toxic Substances Control (DTSC) Director Ed Lowry today announced that the his Department has obtained a temporary restraining order against BKK Corporation (BKK) as part of an action to preserve a \$37 million insurance policy to fund environmental protection activities at a West Covina hazardous waste landfill. A hearing on the preliminary injunction will be held on October 30, 2003.

BKK recently stated that it would not pay its premium on the policy due on October 15, 2003. The corporation has two premium payments left on the policy, which reimburses BKK up to \$1.3 million a year for monies it spends on environmental protection activities at the landfill. DTSC sought the Order to compel BKK to reserve the money it will receive from this year's reimbursement to pay the upcoming premium. DTSC recently approved more than \$900,000 to be reimbursed from the policy. More than \$426,000 is pending approval.

"The decision by the court is a positive step to preserve a valuable insurance policy that will provide years of environmental protection for the people of California," said Lowry.

In California, closed landfills are required to have financial assurance, such as an insurance policy or trust account, which ensures that money will be available to fund appropriate monitoring and maintenance. The BKK policy is intended to fund 30 years of maintenance and environmental care at the hazardous waste landfill, located at 2210 South Azusa Avenue in West Covina, California.

On behalf of DTSC, the Attorney General's Office filed a compliant for injunctive relief and requested a temporary restraining order against BKK in the Superior Court for the County of Los Angeles. On October 8, 2003, the court issued the Order temporarily restraining BKK from using up to \$1,139,500 from its upcoming reimbursement, except to pay the October 15, 2003, premium payment. The hearing on October 30, 2003, is to determine whether BKK should be ordered to use the held funds to pay the premium.

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The Department of Toxic Substances Control's mission is to restore, protect, and enhance the environment and ensure public health, environmental quality and economic vitality by regulating hazardous waste, conducting and overseeing cleanups, and developing and promoting pollution prevention.

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"The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our Web-site at www.dtsc.ca.gov."