Navajo Nation begins drawdown of $1.2 billion Tronox settlement

The Navajo Nation is finally receiving funds from the $5.15 billion Anadarko v. Tronox settlement. According to terms of the settlement, the U.S. EPA will receive $985 million for cleanup of 49 sites on the Navajo Nation.

The Navajo Environmental Protection Agency is also receiving funding from the settlement, a total of $43 million. The initial drawdown from the settlement will be 60 percent, or $26.4 million, which will be deposited in the next 10 days.

The remaining 40 percent will be paid after three months.

“These funds will go toward the cleanup of 50 abandoned uranium mines on the Navajo Nation. On Dec. 12, 2013, we announced that we prevailed in the bankruptcy case involving Anadarko Petroleum and Kerr-McGee Corporation,” said Navajo Nation President Ben Shelly.

Although we are receiving more than a billion dollars, much more is needed to address the 520 abandoned uranium mines on the Navajo Nation, he added.

“Any funds resulting from this lawsuit are welcomed and long overdue,” President Shelly said.

The claims against Anadarko and Kerr-McGee involved cleanup for a number of former uranium mines and uranium processing site located in Cove, Ariz. and Shiprock, N.M. The Navajo Nation Department of Justice and Navajo EPA worked together to bring the settlement to a conclusion.

President Shelly became involved with the bankruptcy case when he was previously serving as vice president. During the previous administration, he met with Allison McFarlane, chairman of the U.S. Nuclear Regulatory Commission about prioritizing cleanups on the Nation.

On Jan. 23, 2015, Stephen Etsitty announced that since an appeal was not filed with the presiding judges, the Navajo Nation would begin receiving settlement funds in the next several days. Etsitty is the executive director of Navajo EPA.

“I understand the initial amount we will receive is $26.4 million. This is 60 percent of the total amount we are set to receive,” Etsitty said. “The remaining 40 percent will come in a few more months to the Nation and U.S. EPA.”

Other claimants, including U.S. EPA, will also begin receiving funds from the settlement. U.S. EPA is set to receive approximately $600 million to cleanup 50 abandoned uranium mines on the Navajo Nation. In addition to the U.S. EPA, other claimants in the case included 22 states, four environmental response trusts, and a trust for a number of environmental and tort plaintiffs.

According to Etsitty, the $26.4 million will be wired to the Navajo EPA Hazardous Substances Fund. The fund is authorized by a fund management plan that was approved by the Budget and Finance Committee and the Comprehensive Environmental Response Compensation and Liability Act, he added.

On Jan. 23, the U.S. EPA issued a news release from Region 9 in San Francisco that stated the Anadarko and Kerr-McGee settlement was finalized and that funds are to be disbursed for cleanups around the country.

Jared Blumenfeld, U.S. EPA Regional Administrator for the Pacific Southwest, said communities from the Navajo Nation to Henderson, Nev. are finally getting funding needed to take critical steps toward cleaning up toxic legacies that pollute their environment.

“After decades of trying to avoid their environmental responsibilities, Anadarko is today paying billions of dollars to immediately fund these and other critical environmental cleanups,” Blumenfeld said.

The cleanup of radioactive waste remaining from cold war era Kerr-McGee mining operations will begin later in 2015, including the former uranium mill in Shiprock.