Parnell absolves future owners of North Pole refinery of liability for groundwater contamination

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JUNEAU—Gov. Sean Parnell has decided that the state won't consider a new owner of the Flint Hills refinery in North Pole liable for the groundwater contamination stemming from years of chemical spills at the site. A company official, meanwhile, indicated a number of parties are reportedly looking to buy the soon-to-close plant.

Parnell's announcement was heralded as good news for the Interior economy but left questions about the long-term environmental clean up and mitigation of soil and groundwater contamination in the North Pole area unanswered.

Earlier this week, Flint Hills spokesman Jeff Cook sent a letter to Interior lawmakers saying that the company has had "a number of inquiries from parties interested in purchasing our North Pole Refinery and keeping it in operation" but said he needed assurances from the state that a prospective buyer won't have to pay for the clean up.

"These conditions will require a dedicated and timely effort by Governor Parnell and his administration, along with encouragement and support from all those interested in seeing the refinery continue in operation," Cook wrote in the letter.

Among the conditions, Flint Hills notes "a buyer needs certainty that it won't be assuming liability for off-site contamination that it didn't cause."

Parnell responded Thursday afternoon with a post on his official Facebook page, saying that in the interest of "tackling the important issue of refinery capacity in our state" that a new buyer won't need to worry about the cleanup costs.

"Today, I agreed the state would be willing to absolve a third-party purchaser of the Flint Hills Refinery from environmental liability to the state relating to historic spills at the site," he wrote.

The announcement drew a barrage of mostly negative Facebook comments from people concerned whether or not the sulfolane that leaked into the North Pole area's soil and groundwater would be addressed.

Parnell responded Friday morning that he will still be holding Flint Hills and the previous owner, Williams Alaska, under which most of the spills are believed to have occurred, liable.