

Spill Compensation Fund Fact Sheet for Homeowners with Potable Well Contamination and the Submission of a Damage Claim

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Contaminated Site Remediation & Redevelopment
New Jersey Department of Environmental Protection



The Spill Compensation Fund (Spill Fund) was established in 1976 by the Spill Compensation and Control Act, N.J.S.A. 58:10-23.11 et seq. The purpose of the Spill Fund is to provide compensation for damages resulting from the discharge of hazardous substances.

The Processing of Damage Claims Pursuant to the Spill Compensation and Control Act, N.J.A.C. 7:1J, are the rules and regulations governing the filing and processing of Spill Fund Damage claims. A courtesy copy of these rules can be viewed and downloaded at www.nj.gov/dep/rules/rules/njac7_1j.pdf. Damage claims are paid by the New Jersey Department of Environmental Protection (DEP) through the Environmental Claims Administration (ECA) to compensate innocent parties of hazardous substance discharges.

Potable well contamination often requires the treatment of the existing well using a Point of Entry Treatment System (POET) or connection to the public water supply, if available. For eligible POET claims, the ECA authorizes compensation for the installation of a POET, and for ongoing POET maintenance and monitoring services, as long as the claimant remains the owner of the property. Private and public water purveyors are required to file Water Supply System Claims, which are not eligible for maintenance and monitoring costs.

Spill Fund Eligibility

For a Spill Fund Claim to be considered for eligibility:

1. The Claimant must submit the claim within one year of the date of discovery of the damage.

For a homeowner ("Claimant"), that means within one year from the date of the water sample confirming that contaminant levels are above the Maximum Contaminant Level (MCL) or Ground Water Quality Standards (GWQS) for a given contaminant(s). Or if DEP performed the well sampling as part of an unknown source investigation, the clock starts one year from the date of the DEP letter notifying the Claimant of the contamination.

2. The Claimant must complete and submit all required forms and documentation. The ECA will then evaluate the submittal for completeness and eligibility.
3. Claimants will be assigned a claim number and shall be notified of eligibility (or ineligibility) by the ECA in the form of an Offer to Pay or Denial letter. Costs are not covered until the Claimant receives an approval/eligibility letter from the ECA, and any remediation work done is at the Claimant's own risk.

Spill Fund Claim Applications

Claim application documents can be downloaded from the ECA web site at <https://www.nj.gov/dep/srp/finance/ecacclaim.htm>. Claimants may contact the ECA at (609) 984-2076 or SRP_SPILLFUND_GQ@DEP.NJ.GOV for assistance with completing the application.

Homeowner Claim applications:

Attach all the required documentation to the Spill Fund application. Documents that should be submitted with the application include:

- a. Copies of all sampling results. The regulations require that the Claimant submit both an initial and confirmation sample, showing results in exceedance of the Maximum Contaminant Level (MCL) or Ground water Quality standard (GWQS). Please ensure that sampling and analysis were performed by a New Jersey certified water-testing laboratory. Information regarding certified laboratories can be found at <https://www.nj.gov/dep/enforcement/oqa/certlabs.htm>.
- b. The Claimant must provide proof of ownership. This can be in the form of a current tax bill or property deed.
- c. If a waterline is available, then the Claimant must connect to the public water supply. The Claimant should submit three (3) bids from plumbers to connect to public water and three (3) estimates from certified well sealers to seal the contaminated well. Sealing the contaminated well is required if the Claimant wishes to receive financial assistance from the Spill Fund to connect to a waterline.

If no waterline is available, the Claimant should provide three (3) estimates for the installation of a POET. If the Claimant is unsure of what the bid should include, the ECA's POET specifications contain a bid sheet that the Claimant should provide to the vendors to complete. This will ensure that the Claimant has a complete bid.
- d. The last page of the Claim Form must be signed and notarized.
- e. Claims should be filed by Certified Mail Return - Receipt Requested. Proof of mailing date is essential because, by law, all claims must be filed within one year of the date of discovery of damage.

Filing a claim with the Spill Fund does not constitute a right to compensation. All claimants must show, by a preponderance of the evidence, that the claim satisfies all requirements for eligibility under the Act and that the amount of the claim correctly reflects, and is reasonable in relation to, the damages sustained by the claimant.