I N T E R O F F I C E M E M O R A N D U M

Date: 26-Sep-1994 07:59am CDT
From: J. Pat Hyland
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TO: Beth L. Rusert (RUSERT, BETH L.)

CC: KRCHMA, STEPHEN P (SPKRCH@CCMAIL)
CC: JONES, ROBERT T (RTJONE1@HP)
CC: Robert Jones (JONES, ROBERT N.)

Subject: ANNISTON --SETTLEMENT OF RELEASE COMPLAINT

The EPA has finally completed and forwarded the paperwork regarding the settlement of the alledged failure to report releases properl under CERCLA and EPCRA. The Complaint cites benzene releases on March 20, 1992 and Dec 24, 1992 and failure to report immediately and to followup with written notification. The total proposed penalty in the Complaint is $450K (before settlement). The Consent Agreement and Consent Order reflects the settlement we agreed to:

$16,600 Cash----$1650 to Region IV Superfund
$14,950 to Region IV general fund

Supplemental Environmental Project--Minimum value of $132,800.

EQUIVALENT TOTAL REQUIRED---$149,400

Supplemental Environmental Projects:

1. Benzene Vapor Recovery----------$60K

2. Blended Fuel Upgrade----------$275K

Total SEP----------$335K

(We submitted a list of proposed SEP projects to EPA. They insisted on us doing the Benzene Vapor Recovery before they would consider the Blended Fuel Upgrade as qualifying as a SEP. It could appear to a reporter that we paying the equivalent of $335K + $16.6K = $351.6K

Steve Krchma is preparing an answer to the complaint (which will

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include all of our correspondence sent to EPA. This may help with future arguments (Anniston or other plants). The Consent Agreement and Consent Order (CA/CO) has been sent to Jack Mayausky for signature and return to Krchma by the 28th. The Answer to the Complaint and signed CA/CO will be returned to EPA by the 30th. The checks will be forwarded within 30 days of our receipt of the fully executed CA/CO.

It is standard for the EPA to prepare and release a Press Statement with the CA/CO. Many times the EPA will give us a copy of the statement prior to the release to the press. Please work with Robert Jones to get the correct contact within Region IV to get a copy. Also please work with Robert to develope a Preparedness Statement and/or Press Release. I'm forwarding by courier, a copy of the Complaint and CA/CO.

If you have questions please call.