

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TEXAS

FILED
2012 SEP 25 PM 2:47
REGIONAL HEARING CLERK
EPA REGION VI

IN THE MATTER OF:)

MEMC PASADENA, INC.)
PASADENA, TEXAS)

RESPONDENT)
_____)

DOCKET NO. RCRA-06-2011-0958

CONSENT AGREEMENT AND FINAL ORDER

The Director of the Compliance Assurance and Enforcement Division of the United States Environmental Protection Agency (EPA), Region 6 (Complainant) and MEMC Pasadena, Inc., Pasadena, Texas (Respondent) in the above-referenced proceeding, hereby agree to resolve this matter through the issuance of this Consent Agreement and Final Order (CAFO).

I. PRELIMINARY STATEMENT

1. This proceeding for the issuance of a compliance order is brought by EPA pursuant to Section 3008 of the Resource Conservation and Recovery Act (RCRA), 42 U.S.C. § 6928, as amended by the Hazardous and Solid Waste Amendments of 1984 (HSWA) and is simultaneously commenced and concluded through the issuance of this Consent Agreement and Final Order (CAFO) pursuant to 40 C.F.R. §§ 22.13(b), 22.18(b)(2) and (3), and 22.37.

2. Notice of this action was given to the State of Texas prior to the issuance of this CAFO, as required by Section 3008(a)(2) of RCRA, 42 U.S.C. § 6928(a)(2).

MEMC Legal
[Signature]

3. For the purposes of this proceeding, the Respondent admits the jurisdictional allegations herein; however, the Respondent neither admits nor denies the specific factual allegations and conclusions of law contained in this CAFO.

4. The Respondent explicitly waives any right to contest the allegations and its right to appeal the proposed Final Order set forth therein, and waives all defenses which have been raised or could have been raised to the claims set forth in the CAFO.

5. Compliance with all the terms and conditions of this CAFO shall resolve only those causes of action which are set forth herein.

6. The Respondent consents to the issuance of the CAFO hereinafter recited and consents to the issuance of the Compliance Order contained therein.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. PRELIMINARY ALLEGATIONS

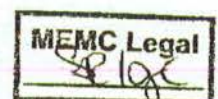
7. MEMC Pasadena, Inc. (Respondent) is a corporation incorporated under the laws of the State of Delaware and authorized to do business in the State of Texas.

8. "Person" is defined in 30 T.A.C. § 3.2(25) [40 C.F.R. §§ 260.10 and 270.2] as "an individual, corporation, organization, government or governmental subdivision or agency, business trust, partnership, association, or any other legal entity."

9. The Respondent is a "person" as that term is defined in 30 T.A.C. § 3.2(25) [40 C.F.R. §§ 260.10 and 270.2].

10. "Owner" is defined in 30 T.A.C. § 335.1(108) (40 C.F.R. § 260.10) as "the person who owns a facility or part of a facility."

11. "Operator" is defined in 30 T.A.C. § 335.1(107) (40 C.F.R. § 260.10) as "the person responsible for the overall operation of a facility."



12. "Owner or operator" is defined in 40 C.F.R. § 270.2 as "the owner or operator of any facility or activity subject to regulation under RCRA."

13. "Facility" is defined in 30 T.A.C. § 335.1(59)(A) (40 C.F.R. § 260.10) as meaning "all contiguous land, and structures, other appurtenances, and improvements on the land, used for storing, processing, or disposing of municipal hazardous waste or industrial solid waste. A facility may consist of several treatment, storage, or disposal operational units (e.g., one or more landfills, surface impoundments, or combinations of them)."

14. The Respondent owns and/or operates a chemical manufacturing plant located at 3000 North South Street, Pasadena, Texas.

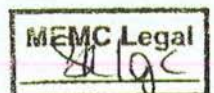
15. The plant identified in Paragraph 14 is a "facility" as that term is defined in 30 T.A.C. § 335.1(59)(1) (40 C.F.R. § 260.10).

16. The Respondent is the "owner" and/or "operator" of the facility identified in Paragraph 14, as those terms are defined in 30 T.A.C. § 335.1(107) - (108) (40 C.F.R. §§ 260.10 and 270.2).

17. The Respondent's facility is part of a larger complex of property, which is located at 1000 N. South Street - 3000 N. South Street, Pasadena, Texas, which is owned and/or operated by the following entities: Ethyl Corporation, Bigler, L.P., Albemarle Corporation, and the Respondent.

18. On or about May 1 - 2, 2008, the Respondent's facility was inspected by a representative of EPA pursuant to Section 3007 of RCRA, 42 U.S.C. § 6927.

19. On or about March 23, 2009, EPA sent an Information Request Letter to the Respondent pursuant to Section 3007 of RCRA, 42 U.S.C. § 6927.



20. On or about May 29, 2009, the Respondent submitted its Response to the Information Request Letter.

B. VIOLATIONS

Count One - Disposal of Hazardous Waste Into an Unpermitted Surface Impoundment

21. Pursuant to Sections 3005(a) and (e) of RCRA, 42 U.S.C. §§ 6925(a) and (e) and 30 T.A.C. § 335.43(a) [40 C.F.R. § 270.1(b)], a permit is required for the processing (treatment), storage, or disposal of hazardous waste.

22. The Respondent discharges process wastewater into the Process Canal.

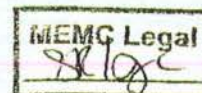
23. The Process Canal is owned by Ethyl Corporation and operated by Albemarle Corporation.

24. The Process Canal has an unlined earthen bottom.

25. "Surface impoundment" is defined in 30 T.A.C. § 335.1(145) (40 C.F.R. § 260.10) as " facility or part of a facility which is a natural topographic depression, man-made excavation, or diked area formed primarily of earthen materials (although it may be lined with man-made materials), which is designed to hold an accumulation of liquid wastes or wastes containing free liquids, and which is not an injection well or a corrective action management unit. Examples of surface impoundments are holding, storage, settling, and aeration pits, ponds, and lagoons."

26. The Process Canal is a "surface impoundment" as that term is defined by 30 T.A.C. § 335.1(145) (40 C.F.R. § 260.10).

27. The process wastewater identified in Paragraph 22 being discharged is a "solid waste", as that term is defined in 30 T.A.C. § 335.1(138) (40 C.F.R. § 261.2).

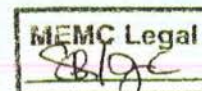


28. According to the readings at Sample Point SP-105 (MEMC), pH readings of less than 2 and greater than 12.5 occurred on the following days:

DATE	pH
A. June 6, 2006	12.52
B. June 8, 2006	12.51
C. June 17, 2006	12.66
D. August 1, 2006	12.55
E. October 21, 2006	12.61
F. October 25, 2006	12.72
G. November 1, 2006	12.54
H. November 2, 2006	12.75
I. November 13, 2006	12.74
J. December 14, 2006	12.52
K. January 2, 2007	12.62
L. March 17, 2007	12.65
M. March 26, 2007	12.53
N. April 11, 2007	12.67
O. April 25, 2007	12.62
P. April 28, 2007	12.56
Q. April 30, 2007	12.83
R. May 1, 2007	12.70
S. May 9, 2007	12.60
T. May 11, 2007	1.900
U. June 5, 2007	12.65
V. June 10, 2007	12.51
W. August 25, 2008	13.10, 12.9, 12.8, & 13
X. August 26, 2008	13.10
Y. August 31, 2008	13.20
Z. February 3, 2009	12.71

29. Solid waste with pH readings of less than 2 or greater than 12.5 is a hazardous waste which exhibits the characteristic of corrosivity. 30 T.A.C. § 335.1(69) (40 C.F.R. § 261.22).

30. On the dates identified in Paragraph 28 above, the Respondent discharged a characteristic hazardous waste (D002) from its facility into the Process Canal.



31. "Disposal" is defined in 30 T.A.C. § 335.1(44) (40 C.F.R. § 260.10) as "the discharge, deposit, injection, dumping, spilling, leaking or placing of any solid waste or hazardous waste (whether containerized or uncontainerized) into or on any land or water so that such hazardous waste or any constituent thereof may enter the environment or be emitted into the air or discharged into any waters, including groundwaters."

32. The Respondent is disposing of hazardous waste in the Process Canal.

33. To date, the Process Canal is not permitted to allow the disposal of hazardous waste.

34. Therefore, the Respondent has violated and continues to violate Sections 3005(a) and (e) of RCRA, 42 U.S.C. §§ 6925(a) and (e) and 30 T.A.C. § 335.43(a) [40 C.F.R. § 270.1(b)] by disposing of hazardous waste into an unpermitted surface impoundment.

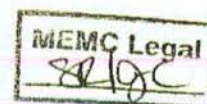
Count Two - Failure to Meet Land Disposal Restrictions

35. Pursuant to 30 T.A.C. § 335.431(c)(1) [40 C.F.R. § 268.40], D002 hazardous waste is prohibited from land disposal unless the generator treats the waste in accordance with the treatment standards set forth at 30 T.A.C. § 335.431(c)(1) [40 C.F.R. § 268.40].

36. According to 40 C.F.R. § 268.40, before a corrosive hazardous waste can be land disposed, its hazardous waste characteristic (corrosivity) must be removed.

37. According to 40 C.F.R. § 268.2(c), placement of hazardous waste into a surface impoundment is land disposal.

38. The Respondent placed D002 hazardous waste into the Process Canal without treating the waste to remove its corrosive characteristic.



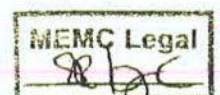
39. Therefore, the Respondent violated 30 T.A.C. § 335.431(c)(1) [40 C.F.R. § 268.40] by disposing of hazardous waste into a surface impoundment without meeting the applicable treatment standard.

III. COMPLIANCE ORDER

40. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), the Respondent is hereby Ordered to take the following actions and provide evidence of compliance within the time period specified below:

A. As of the effective date of this CAFO, the Respondent shall not dispose of hazardous waste into the Process Canal in violation of applicable regulations.

B. Within sixty (60) days of the effective date of this CAFO, the Respondent shall develop a sampling plan that meets the procedures set forth in "Test Methods for Evaluating Solid Waste, Physical/Chemical Methods", EPA Publication SW-846 and the corresponding method detection limits to sample the wastewater that is discharged to the Process Canal for VOC's, SVOC's, total metals, and pH. This is a one-time sampling event. The plan shall provide that samples be taken after each point where any dilution or treatment occurs to ensure that any characteristic hazardous waste loses its hazardous waste characteristic prior to discharge into the Process Canal. The Respondent shall implement the plan within 120 days of the effective date of this CAFO, and submit notification to EPA of that implementation. Within 180 days of the effective date of the CAFO, Respondent shall submit a report detailing the results of the sampling with sample locations illustrated on an engineering diagram. The Respondent shall keep a copy of the plan at the facility for a minimum of three years from the effective date of the CAFO.



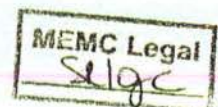
C. Within sixty (60) days of the effective date of this CAFO, the Respondent shall submit a plan to EPA outlining the measures it will take to prevent future disposal of hazardous waste to the Process Canal. The plan shall identify the location of each source of wastewater contributing to the discharge on an engineering diagram. Consideration shall be given to installing additional sampling locations or relocating the current sampling locations after each point where any dilution or treatment occurs to ensure that any characteristic hazardous waste loses its hazardous waste characteristic and meets the appropriate treatment standard prior to discharge into the Process Canal. The Respondent shall implement the plan within 120 days of the effective date of this CAFO, and submit notification to EPA of that implementation. The Respondent shall keep a copy of the plan at the facility for a minimum of three years from the effective date of the CAFO.

D. In all instances in which this Compliance Order requires written submissions to EPA, each submission must be accompanied by the following certification:

"I certify that the information contained in or accompanying this submission is true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations."

E. Copies of all documents required by this Compliance Order shall be sent to the following:

Chief
Compliance Enforcement Section (6EN-HE)
Hazardous Waste Enforcement Branch
Compliance Assurance and Enforcement Division
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733



Manager
 Waste Enforcement Section
 Texas Commission on Environmental Quality
 P.O. Box 13087, MC-128
 Austin, TX 78711-3087

IV. TERMS OF SETTLEMENT

A. PARTIES BOUND

41. The provisions of this CAFO shall apply to and be binding upon the parties to this action, their officers, directors, agents, employees, successors, and assigns. The undersigned representative of each party to this CAFO certifies that he or she is fully authorized by the party whom he or she represents to enter into the terms and conditions of this CAFO and to execute and to legally bind that party to it.

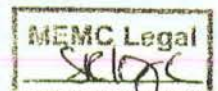
B. STIPULATED PENALTIES

42. In addition to any other remedies or sanctions available to EPA, if the Respondent fails or refuses to comply with any provision of Section III of this CAFO, the Respondent shall pay stipulated penalties in the following amounts for each day during which each failure or refusal to comply continues:

<u>Period of Noncompliance</u>	<u>Penalty Per Violation Per Day</u>
1st through 15th day	\$ 1,000
16th through 30th day	\$ 1,500
31st day and beyond	\$ 2,500

Penalties shall accrue from the date of the noncompliance until the date the violation is corrected, as determined by EPA.

43. Respondent shall pay stipulated penalties not more than fifteen (15) days after receipt of written demand by EPA for such penalties. The stipulated penalties shall be paid by certified



check, cashier's check, or wire transfer, made payable to "Treasurer, United States of America, EPA - Region 6". Payment shall be remitted in one of three (3) ways: regular U.S. Postal mail (including certified mail), overnight mail, or wire transfer. For regular U.S. Postal mail, U.S. Postal Service certified mail, or U.S. Postal Service express mail, the check(s) should be remitted to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

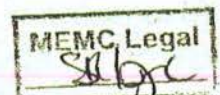
For overnight mail (non-U.S. Postal Service, e.g. Fed Ex), the check(s) should be remitted to:

U.S. Bank
Government Lockbox 979077 US EPA Fines & Penalties
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101
Phone No. (314) 418-1028

For wire transfer, the payment should be remitted to:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Field Tag 4200 of the Fedwire message should read
"D 68010727 Environmental Protection Agency"

PLEASE NOTE: Docket number RCRA-06-2011-0958 shall be clearly typed on the check to ensure proper credit. If payment is made by check, the check shall also be accompanied by a transmittal letter and shall reference the Respondent's name and address, the case name, and docket number of the CAFO. If payment is made by wire transfer, the wire transfer instructions shall reference the Respondent's name and address, the case name, and docket number of the



CAFO. The Respondent shall also send a simultaneous notice of such payment, including a copy of the check and transmittal letter, or wire transfer instructions to the following:

Guy Tidmore, Chief
Compliance Enforcement Section (6EN-HE)
Hazardous Waste Enforcement Branch
Compliance Assurance and Enforcement Division
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

Lorena Vaughn
Regional Hearing Clerk (6RC-D)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

The Respondent's adherence to this request will ensure proper credit is given when penalties are received in the Region.

44. The Respondent agrees not to claim or attempt to claim a federal income tax deduction or credit covering all or any part of the stipulated penalty paid to the United States Treasurer.

45. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, unless otherwise prohibited by law, EPA will assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim. Interest on the civil penalty assessed in this CAFO will begin to accrue thirty (30) days after the effective date of the CAFO and will be recovered by EPA on any amount of the civil penalty that is not paid by the respective due date. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a). Moreover, the costs of the Agency's administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. *See* 40 C.F.R. § 13.11(b).

46. EPA will also assess a \$15.00 administrative handling charge for administrative costs on unpaid penalties for the first thirty (30) day period after the payment is due and an additional \$15.00 for each subsequent thirty (30) day period that the penalty remains unpaid. In addition, a penalty charge of up to six percent per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. *See* 40 C.F.R. § 13.11(c). Should a penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. *See* 31 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.

47. Nothing in this agreement shall be construed as prohibiting, altering or in any way limiting the ability of EPA to seek any other remedies or sanctions available by virtue of the Respondent's violation of this CAFO or of the statutes and regulations upon which this agreement is based, or for the Respondent's violation of any applicable provision of law.

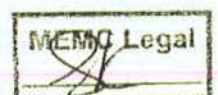
C. DISPUTE RESOLUTION

48. If the Respondent objects to any decision or directive of EPA in regard to Section III, the Respondent shall notify the following persons in writing of its objections, and the basis for those objections, within fifteen (15) calendar days of receipt of EPA's decision or directive:

Associate Director
Hazardous Waste Enforcement Branch (6EN-H)
Compliance Assurance and Enforcement Division
U.S. EPA - Region 6
1445 Ross Avenue
Dallas, TX 75202-2733

Chief, RCRA Enforcement Branch (6RC-ER)
Office of Regional Counsel
U.S. EPA - Region 6
1445 Ross Avenue
Dallas, TX 75202-2733

49. The Associate Director of the Hazardous Waste Enforcement Branch or his/her designee (Associate Director), and the Respondent shall then have an additional fifteen (15)



calendar days from EPA's receipt of the Respondent's written objections to attempt to resolve the dispute. If an agreement is reached between the Associate Director and the Respondent, the agreement shall be reduced to writing and signed by the Associate Director and the Respondent and incorporated by reference into this CAFO.

50. If no agreement is reached between the Associate Director and the Respondent within that time period, the dispute shall be submitted to the Director of the Compliance Assurance and Enforcement Division or his/her designee (Division Director). The Division Director and the Respondent shall then have a second 15-day period to resolve the dispute. If an agreement is reached between the Division Director and the Respondent, the resolution shall be reduced to writing and signed by the Division Director and Respondent and incorporated by reference into this CAFO. If the Division Director and the Respondent are unable to reach agreement within this second 15-day period, the Division Director shall provide a written statement of EPA's decision to the Respondent, which shall be binding upon the Respondent and incorporated by reference into the CAFO.

51. If the Dispute Resolution process results in a modification of this CAFO, the modified CAFO must be approved by the Regional Judicial Officer and filed pursuant to Section IV.E (Modifications).

D. NOTIFICATION

52. Unless otherwise specified elsewhere in this CAFO, whenever notice is required to be given, whenever a report or other document is required to be forwarded by one party to another, or whenever a submission or demonstration is required to be made, it shall be directed to the individuals specified below at the addresses given (in addition to any action specified by



law or regulation), unless these individuals or their successors give notice in writing to the other parties that another individual has been designated to receive the communication:

EPA: Guy Tidmore, Chief
Compliance Enforcement Section (6EN-HE)
Hazardous Waste Enforcement Branch
Compliance Assurance and Enforcement Division
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

Respondent: Edgardo Colón
Sr. Manager - ESH & Quality
MEMC Pasadena, Inc.
3000 N. South Street
Pasadena, TX 77503

E. MODIFICATION

53. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except as otherwise specified in this CAFO, or upon the written agreement of both parties, and approved by a Regional Judicial Officer, and such modification or amendment being filed with the Regional Hearing Clerk.

F. RETENTION OF ENFORCEMENT RIGHTS

54. EPA does not waive any rights or remedies available to EPA for any other violations by the Respondent of Federal or State laws, regulations, or permitting conditions.

55. Except as specifically provided in this CAFO, nothing herein shall limit the power and authority of EPA or the United States to take, direct, or order all actions to protect public health, welfare, or the environment, or prevent, abate or minimize an actual or threatened release of hazardous substances, pollutants, contaminants, hazardous substances on, at or from Respondent's facility. Furthermore, nothing in this CAFO shall be construed to prevent or limit EPA's civil and criminal authorities, or that of other Federal, State, or local agencies or



departments to obtain penalties or injunctive relief under other Federal, State, or local laws or regulations.

G. INDEMNIFICATION OF EPA

56. Neither EPA nor the United States Government shall be liable for any injuries or damages to person or property resulting from the acts or omissions of the Respondent, their officers, directors, employees, agents, receivers, trustees, successors, assigns, or contractors in carrying out the activities required by this CAFO, nor shall EPA or the United States Government be held out as a party to any contract entered into by the Respondent in carrying out the activities required by this CAFO.

H. COSTS

57. Each party shall bear its own costs and attorney's fees. Furthermore, the Respondent specifically waives its right to seek reimbursement of its costs and attorney's fees under 5 U.S.C. § 504 and 40 C.F.R. Part 17.

I. TERMINATION

58. At such time as the Respondent believes that it has complied with all terms and conditions of this CAFO, it may request that EPA concur whether the requirements of this CAFO have been satisfied. Such request shall be in writing and shall provide the necessary documentation to establish whether there has been full compliance with the terms and conditions of this CAFO. EPA shall, within ninety (90) days, identify in writing any specific objections it may have, noting the specific section of the CAFO at issue and the deficiency. This CAFO shall terminate when all actions required to be taken by this CAFO have been completed, and the Respondent has been notified by the EPA in writing that this CAFO has been satisfied and terminated.



J. EFFECTIVE DATE

59. This CAFO, and any subsequent modifications, become effective upon filing with the Regional Hearing Clerk.

THE UNDERSIGNED PARTIES CONSENT TO THE ENTRY OF THIS COMPLAINT AND CONSENT AGREEMENT AND FINAL ORDER:

FOR THE RESPONDENT:

Date: 9-4-12




Robin Prokop
Chief Operating Officer & Chairman of the Board
MEMC Pasadena, Inc.

MEMC Legal


FOR THE COMPLAINANT:

Date: SEP 20 2012

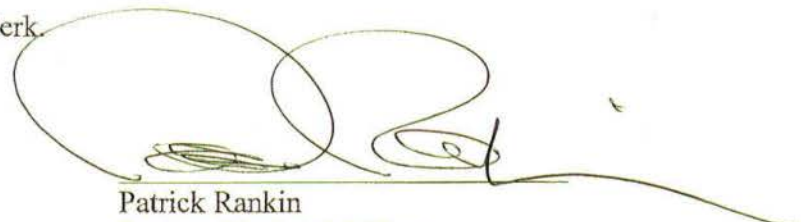


John Blevins
Director
Compliance Assurance and
Enforcement Division

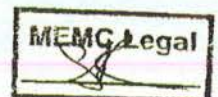
FINAL ORDER

Pursuant to the Section 3008 of RCRA, 42 U.S.C. § 6928, and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 C.F.R. Part 22, the foregoing Consent Agreement is hereby ratified. This Final Order shall not in any case affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order shall resolve only those causes of action alleged herein. Nothing in this Final Order shall be construed to waive, extinguish or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action. The Respondent is ordered to comply with the Compliance Order and terms of settlement as set forth in the Consent Agreement. Pursuant to 40 C.F.R. § 22.31(b) this Final Order shall become effective upon filing with the Regional Hearing Clerk.

Date: 9/24/12



Patrick Rankin
Regional Judicial Officer



CERTIFICATE OF SERVICE

I hereby certify that on the 25th day of September, 2012, the original and one copy of the foregoing Complaint and Consent Agreement and Final Order (CAFO) was hand delivered to the Regional Hearing Clerk, U.S. EPA - Region 6, 1445 Ross Avenue, Dallas, Texas 75202-2733, and that a true and correct copy of the CAFO was were placed in the United States Mail, certified mail, return receipt requested, 7607 6710 0002 1385 ¹⁴⁷⁷ addressed to the following:

Robert F. Wilkinson
Husch Blackwell L.L.P.
190 Carondelet Plaza
Suite 600
St. Louis, MO 63105

Eva Pen