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RDD Operations, LLC
28470 Citrin Drive
Romulus, MI 48116

Monday, May 7, 2007

Tom Sampson
Waste and Hazardous Material Division
Southeast Michigan District Office
Department of Environmental Quality

RE: Waste Removal, Decontamination and Re-Certification of the EDS Facility

Dear Mr. Sampson

In response to the MDEQ letter dated March 27, 2007, and in reference to item #6, RDD would like to submit the follow work plan and schedule for your review.

"First In – First Out" Waste Removal Plan for EDS's waste material

- Sample all storage tanks. *(Completed)*
- "RFP" to potential TSDF's *(Completed)*
- Review Pricing and TSD Capabilities. *(Completed)*
- Set up profiles (based on compatibility) at the designated TSD.
- Written and/or verbal notification to generators that their material will be disposed of at an alternate TSD.
- Begin removing the waste liquids from the tank based on a "First In – First Out" strategy.
- The waste will continue to be removed tank-by-tank working from the oldest stored material to the most recent.
- The solids will be removed and disposed of separately from the liquids.
- Core samples of the remaining solids will be taken for each tank in order to identify the appropriate TSD for disposal.
- Set up "Solids" profile at the appropriate TSD.
- Schedule industrial cleaning company to remove solids into a Vac-Box or Totes promptly after the liquids have been removed.
- Additional water will be used to move the heavy solids and to flush the lines.
- Each tank will be triple rinsed using a 4,000+ psi pressure washer and or Hotsy pressure washer.

- Clean water will be used to flush the piping throughout the facility.
- All rinse water will be transferred to RT-5 and then removed for disposal at project's completion.

Phase I - Based on EDS's records, RDD has been able to ascertain that the oldest known material on site arrived in August of 2006. The material was generated by EES Coke Battery, and shipped on manifest numbers 10326791 dated 08-09-06, and 10326831 dated 8-14-06. The volumes shipped were 7,300 gallons and 7,500 gallons respectively. RDD has identified tanks RT-5, PST-3, PST-4 and PST-5 as currently storing the above referenced waste. We are currently working on the characterization, profiling and approval process, and expect to have this completed by 05-07-07. The removal of the waste material is tentatively scheduled to begin 05-14-07, and should be completed by 05-18-07.

Phase II - Based on EDS's records, RDD has been able to identify the next oldest material arrived in September, 2006. The material was generated by Anderson Development, and shipped on manifest numbers 001181135 dated 9-11-06, and 001181136 dated 9-11-06. The volumes shipped were 4,629 and 4,202 respectively. RDD has identified that tank RT-8 is currently storing the above referenced waste. RDD will begin working on the characterization, profiling and approval process on May 14th, 2007. RDD expects to have this material approved into the appropriate TSDF by May 28th, 2007, and removed by June 1, 2007.

An additional component to this phase will be to empty and decontaminate the SST tank in preparation for the Radioactive Tracer Surveys that will be conducted on both wells in early June. This survey is an EPA requirement, and clean process water is needed for this test. The only tank that can be used for this survey is the SST tank.

Phase III - Based on EDS's records, RDD has been able to identify the remaining material to be based on EnviroSafe's material. RDD expects to have the characterization, profiling and approval process completed for this phase by June 15th, 2007. Since this phase will essentially remove the balance of EDS's stored material, logistics and receiving capabilities and the designated TSDF will play a major roll in the overall timing. RDD can expect to begin removing the remaining material during the week of June 18th, 2007, and is scheduled to have this phase completed by July 13th, 2007.

Phase IV - June 25th will begin the solids remove portion of this project, and will focus primarily on tanks ST-1 and ST-2. After the liquid volumes from these tanks have been removed, RDD will sample, characterize and profile the material into the appropriate TSDF. The approval process is estimated to be completed by July 6th, 2007. The removal of solids is expected to begin during the week of July 9th, 2007 and should take approximately 8-10 working days to complete.

¹ July 1st through July 20th is the "Shut Down" period for the automotive industry. Availability of trucks, labor and capacity limitations at the disposal facilities has been factored into timing of this phase.

Phase V – Decontamination of tanks and process lines will begin promptly after all the waste material has been removed. This phase should take approximately 5-8 working days, and will begin during the week of July 23rd, 2007, with a final completion date of July 31st, 2007.

As previously mentioned, profiling, waste approval, logistics and volume capacity at the TSDF's will play a major roll in the overall timing for this project. Although some adjustments to the dates may be required, RDD is committed to safely removing the waste within stated schedule.

Sincerely,

A handwritten signature in black ink, appearing to read 'Paul Wonsack', with a long horizontal flourish extending to the right.

Paul Wonsack
RDD Operations, LLC

cc. Ronda Blayer
Larry AuBuchon



JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
SOUTHEAST MICHIGAN DISTRICT OFFICE



STEVEN E. CHESTER
DIRECTOR

May 24, 2007

CERTIFIED MAIL

Mr. Paul Wonsack, Interim Manager
RDD Operations, LLC
28470 Citrin Drive
Romulus, Michigan 48174

RECEIVED

JUN - 5 2007

LARK HILL PLC

Dear Mr. Wonsack:

SUBJECT: EDS Facility, 28470 Citrin Drive, Romulus, Michigan;
MIR 000 016 055

This correspondence is written to acknowledge receipt of RDD's revised waste removal plan dated May 8, 2007. Staff of the Department of Environmental Quality (DEQ) have reviewed the plan and determined it to be acceptable with the following conditions:

- Weekly Summary Reports (Report), until the project is completed, are to be submitted to this office no later than Tuesday of the following week. The Report details the entire weeks activity and shall, at a minimum, reference the types and amounts of waste removed by date, the tanks involved, the original generators and associated manifest numbers, and copies of manifests, land disposal restriction forms, and waste characterizations for waste shipped off site. The Report shall also provide details of the decontamination activities.
- No on-site treatment of wastes may be conducted.
- Any deviation from the approved plan requires written approval from the DEQ.

If you have any questions you can contact me at the telephone number listed below or via e-mail at sampsont@michigan.gov.

Sincerely,

Thomas G. Sampson
Environmental Quality Analyst
Waste and Hazardous Materials Division
586-753-3849



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Thomas, Kinneitha M.

From: Stropkai, James [stropkaij@michigan.gov]
Sent: Wednesday, May 09, 2007 3:50 PM
To: King, Ronald A.
Cc: Buda, Steve; Blayer, Ronda; Tuma, Gary
Subject: EDS/ RDD

Ron,

To confirm our conversation regarding the ability of MDEQ to transfer the Part 111 license to a third entity. As I indicated to you what the EPA does with the UIC permit will directly affect whether MDEQ can transfer the Part 111 license. As we understand it if EPA merely revokes EDS's UIC permit the actual permit does not go out of existence, and is capable of being transfer by the EPA to a third party. If, however, the UIC permit is terminated the permit will go out of existence and any new UIC permit will have to begin at square one.

A similar situation exists with the Part 111 license. If the EPA merely revokes EDS's UIC permit MDEQ will be in a position to process a transfer of the EDS's Part 111 license to the third party to whom the UIC permit was transfered. If, however, the UIC permit is terminated by the EPA, MDEQ will be unable to transfer EDS's Part 111 license to a third party since it will no longer have complete compliment of permits/ licenses as required by the Part 111 license. An entity seeking to re-start the EDS facility will have to start as a new applicant by filing a construction permit application and going through the whole process for an initial permit. Likewise an initial Part 111 operating license application will need to be filed and reviewed as a initial applicant.

I hope this information is helpful. We wanted to make sure that you were aware of the ramification of the action the EPA may take regarding the UIC permit termination or revocation. Also the individual that Jim Sygo talked to is Rick Powells of EGT. If you have any questions let me know.

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JENNIFER M. GRANHOLM
GOVERNOR

STATE OF MICHIGAN
DEPARTMENT OF ENVIRONMENTAL QUALITY
LANSING



STEVEN E. CHESTER
DIRECTOR

May 8, 2007

Mr. Paul Wonsack
RDD Operations, LLC
28470 Citrin Drive
Romulus, Michigan 48174-2642

Dear Mr. Wonsack:

SUBJECT: Soil Samples; Spill Area Around Well Houses; Environmental Disposal
Systems, Inc; MIR 000 016 055

This letter acknowledges receipt of recent soil sampling results for volatile organic compounds (VOCs). The Department of Environmental Quality (DEQ), Waste and Hazardous Material Division, has reviewed the laboratory sheets which you submitted via e-mail on April 24, 2007.

This sampling was conducted to confirm previous VOCs soil sample analyses that were not definitive due to VOCs found in the laboratory quality control blank. This recent sampling and analyses shows that all soil samples from the facility and associated laboratory quality control samples were nondetect for VOCs.

In conjunction with previous soils samples analyzed for metals, semivolatile organic compounds, and cyanide that showed no impact; the data indicates that the spill area around the injection well houses has not been contaminated. No further action is needed in regards to the spill that occurred in the fall of 2006.

Thank you for your efforts in the investigation. Please contact me should you have any questions at slaytond@michigan.gov or by telephone.

Sincerely,

David Slayton, Geologist
Hazardous Waste Technical Support Unit
Hazardous Waste Section
Waste and Hazardous Materials Division
517-373-8012

cc: Mr. Lawrence AuBuchon/Mr. Thomas Sampson, DEQ
Mr. John Craig, DEQ
Ms. De Montgomery, DEQ
Mr. Steve Buda/Ms. Ronda L. Blayer/HWS-C&E File, DEQ

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**SUMMARY OF WASTE DISPOSAL AND TANK DECONTAMINATION
AS OF JUNE 12, 2007**

As of June 12, 2007, the following tanks have been emptied, and the waste disposed of properly:

RT-1

RT-2

RT-5

RT-8

RT-9

RT-10

PST-1

PST-2

PST-3

PST-4

PST-6

SST-1

H₂SO₄

NaOH

As of June 12, 2007, tanks RT-8 and PST-4 had been decontaminated and triple-rinsed.

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CLARK HILL
PLC
ATTORNEYS AT LAW

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Lansing, Michigan 48906
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Ronald A. King
Phone: (517) 318-3015
E-Mail: rking@clarkhill.com

March 22, 2007

VIA ELECTRONIC MAIL & U.S. MAIL

Mr. Lawrence M. Scott
O'Reilly Rancilio P.C.
Sterling Town Center
12900 Hall Road, Suite 350
Sterling Heights, MI 48313

Re: UIC Permit Transfer Agreement/ Aff

Dear Larry:

I appreciate your continued assistance relate Retirement System of the City of Detroit (the "Board" Corp., for assistance and cooperation from Doug Systems, Inc. ("EDS") with respect to seeking regulator permits and licenses associated with the operation of the purpose of this letter is to demand the immediate coope. Wicklund in executing the documents I have forwarded . Permit Transfer Agreement, Authorization of Remus J. Wicklund and the Part 625 permit transfer requests. As disci

As you are aware, at the time we negotiated the transi operations to RDD, we contemplated the continued cooperation and assist Wicklund and EDS in obtaining regulatory approval of the transfer of the permits and licenses to RDD or its designee. Paragraph 5.e. of the November 7, 2006 Acknowledgement and Assignment agreement expressly requires cooperation of Mr. Wicklund and EDS in executing documents necessary to effectuate any transfers. Consistent with the parties' agreement, the Board and RDD have expended considerable time and money since November of last year remedying the numerous regulatory non-compliance issues resulting directly from EDS' operation of the Romulus facility, promptly addressing the structural disrepair and neglect of the facility caused by EDS' operation, working with regulators to minimize liabilities created by EDS' operations and otherwise meeting the letter and spirit of the parties' agreement. All of this has occurred with no jeopardy to Mr. Wicklund.

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CLARK HILL PLC

Mr. Lawrence M. Scott
March 22, 2007
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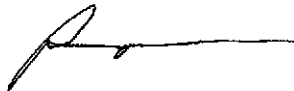
At this time, it is imperative that Mr. Wicklund honor his obligation and execute the documents which I have transmitted. Both the Michigan Department of Environmental Quality and U.S. Environmental Protection Agency are very anxious for the regulatory approval process for the transfer of the licenses and permits to move forward. The documents I transmitted are an integral part of the process. Mr. Wicklund's failure to promptly execute these documents may, in fact, jeopardize the transfer process and result in revocation of the licenses and permit. Should revocation occur as a result of Mr. Wicklund's actions or inaction, the consequences for him will be immediate and significant.

Given the stakes, I have been directed to take whatever steps are necessary to insure Mr. Wicklund's performance under the Acknowledgement and Assignment agreement. This letter is the initial step. In order to avoid any additional actions, the documents I transmitted for execution must be received in my office by no later than noon on Monday, March 26, 2007. To the extent the executed documents are delivered before that date, such action will demonstrate an effort on the part of Mr. Wicklund to work cooperatively pursuant to the parties' agreement.

In the interim, if you have any questions related to this matter, please do not hesitate to contact me.

Very truly yours,

CLARK HILL PLC



Ronald A. King

RAK:lss
cc: Ronald Zajac