

#### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

JUN 08 2017.

# <u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Ms. April S. Hinson The Chemours Company FC, LLC 2571 Fite Road Memphis, Tennessee 38127

> Re: The Chemours Company FC, LLC Consent Agreement and Final Order Docket No. EPCRA-04-2017-2007(b)

Dear Ms. Hinson:

Enclosed is a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter. The original CAFO has been filed with the Regional Hearing Clerk and served on the parties as directed in Section 22.6 of the Consolidated Rules of Practice, 40 C.F.R. Part 22. To ensure proper processing, the Respondent's Name and Docket Number for this case, identified above and in the CAFO, should be noted on any cashier's or certified check submitted in payment of the penalty.

Also, enclosed is a copy of a document entitled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts The Chemours Company FC, LLC, on notice of its potential duty to disclose to the Securities and Exchange Commission any environmental enforcement actions taken by the U. S. Environmental Protection Agency Region 4. Where used in the document, "SEC" refers to the Securities and Exchange Commission.

Should you have any questions concerning this matter or The Chemours Company FC, LLC's compliance status in the future, please contact Erika White of the EPA staff, at (404) 562-9195.

Sincerely.

Anthony G. Toney

Chief

Chemical Safety and Enforcement Branch

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**Enclosures** 

# UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 4

IN THE MATTER OF:			÷.
The Chemours Company FC, LLC )	)	: )	į
. Respondent.	)	* .: :	——————————————————————————————————————
Respondent.			
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# **CONSENT AGREEMENT AND FINAL ORDER**

# I. Nature of the Action

- 1. This is a civil penalty proceeding pursuant to Section 109 of the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA), as amended, 42 U.S.C. § 9609 and Section 325 of the Emergency Planning and Community Right-to-Know Act (EPCRA), 42 U.S.C.§ 11045 and pursuant to the Consolidated Rules of Practice Governing Administrative Assessment of Civil Penalties, and the Revocation/Termination or Suspension of Permits (Consolidated Rules), codified at 40 C.F.R. Part 22. Complainant is the Director of the Air, Pesticides and Toxics Management Division, Region 4, United States Environmental Protection Agency EPA. Respondent is The Chemours Company FC, LLC.
- 2. The authority to take action under Section 109 of CERCLA, 42 U.S.C. § 9609, and Section 325 of EPCRA, 42 U.S.C. § 11045, is vested in the Administrator of the EPA. The Administrator of the EPA has delegated this authority under CERCLA and under EPCRA to the Regional Administrators by the EPA Delegations 14-31 and 22-3-A, both dated May 11, 1994. The Regional Administrator, Region 4, has redelegated to the Director, Air, Pesticides and Toxics Management Division, the authority under CERCLA by the EPA Region 4 Delegation 14-31 dated March 8, 1999, and updated August 6, 2004, and the authority under EPCRA by the EPA Region 4 Delegation 22-3-A, dated November 8, 1994. Pursuant to these delegations, the Director of the Air, Pesticides and Toxics Management Division has the authority to commence an enforcement action as the Complainant in this matter.
- 3. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18(b) and desire to resolve this matter and settle the allegations described herein without a formal hearing. Therefore, without the taking of any evidence or testimony, the making of any argument, or the adjudication of any issue in this matter, and in accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.

#### II. Preliminary Statements

4. Respondent is a limited liability company doing business in the State of Tennessee.

- 5. Respondent is a "person" and is the "owner or operator" of a "facility" as those terms are defined in Section 329(7) of EPCRA, 42 U.S.C. § 11049(7) and Section 101(21) of CERCLA, 42 U.S.C. § 9601(21), Section 101(20)(A) of CERCLA, 42 U.S.C. § 9601(20)(A), and Section 101(9) of CERCLA, 42 U.S.C. § 9601(9), and by Section 329(4) of EPCRA, 42 U.S.C. § 11049(4), respectively.
  - 6. Respondent's facility is located at 2571 Fite Road, Memphis Tennessee, 38127.

# III. EPA's Allegations of Violations

#### Violation of Section 103(a) of CERCLA

- 7. Section 102(a) of CERCLA, 42 U.S.C. § 9602(a), required the Administrator of the EPA to publish a list of substances designated as hazardous substances which, when released into the environment, may present substantial danger to public health or welfare or the environment, and to promulgate regulations establishing the quantity of any hazardous substance the release of which was required to be reported under Section 103(a) of CERCLA, 42 U.S.C. § 9603(a). The EPA has published and amended such a list, including the corresponding reportable quantities (RQ) for those substances. This list which is codified at 40 C.F.R. Part 302, was initially published on April 4, 1985 (50 Fed. Reg. 13474) and is periodically amended.
- 8. Section 103(a) of CERCLA, 42 U.S.C. § 9603(a), and the regulations found at 40 C.F.R. § 302.6, require a person in charge of a facility or vessel to immediately notify the National Response Center (NRC), as soon as he or she has knowledge of a release of a hazardous substance from such facility or vessel in an amount equal to, or greater than the RQ.
- 9. Respondent was in charge of the facility during the relevant period described below.
- 10. Hydrogen cyanide is "hazardous substance" as that term is defined by Section 101(14) of CERCLA, 42 U.S.C. § 9601(14), with an RQ of 10 pounds, as specified in 40 C.F.R. § 302.4.
- 11. On September 11, 2014, a release of hydrogen cyanide above the RQ occurred at the facility.
- 12. The EPA alleges that Respondent violated the notification requirements of Section 103(a) of CERCLA, 42 U.S.C. § 9603(a), and the applicable CERCLA regulations, 40 C.F.R. § 302.6, by failing to immediately notify the NRC as soon as Respondent had knowledge of the release of hydrogen cyanide in an amount equal to or greater than its RQ from the facility and is therefore subject to the assessment of penalties under Section 109 of CERCLA, 42 U.S.C. § 9609.
- 13. Pursuant to Section 109 of CERCLA, 42 U.S.C. § 9609, and 40 C.F.R. Part 19, the EPA may assess a civil penalty for each violation of Section 103(a) of CERCLA, 42 U.S.C. § 9603(a). Each day a violation of Section 103 continues constitutes a separate violation. Civil

penalties under Section 109 of CERCLA, 42 U.S.C. § 9609, may be assessed by Administrative Order.

# Violations of Section 304(a) EPCRA

- 14. Section 304(a) of EPCRA, 42 U.S.C. §11004(a) and the regulations found at 40 C.F.R. § 355, Subpart C, require the owner or operator of a facility at which a hazardous chemical is produced, used or stored, to immediately provide notice to the State Emergency Response Commission (SERC) and Local Emergency Planning Committee (LEPC) as described in Section 304(b) of EPCRA, 42 U.S.C. § 11004(b), when there has been a release of an EPCRA extremely hazardous substance, or a CERCLA hazardous substance in an amount equal to or greater than the RQ from a facility. Section 304(a) does not apply to any release which results in exposure to persons solely within the site or sites on which a facility is located.
- 15. Respondent was the owner or operator of the facility during the relevant period described herein.
- 16. At all times relevant to this matter, the facility produced, used, or stored a "hazardous chemical" as defined under Section 311(e) of EPCRA, 42 U.S.C. § 11021(e), and under 29 C.F.R. § 1910.1200(c).
- 17. Hydrogen cyanide is an "extremely hazardous substance" as that term is defined by Section 329(3) of EPCRA, 42 U.S.C. § 11049(3), with an RQ of 10 pounds, as specified in 40 C.F.R. § 355 Appendices A and B.
- 18. On September 11, 2014, a release of hydrogen cyanide above the RQ occurred at the facility. The EPA alleges that the release resulted in the potential for exposure to persons beyond the site or sites on which the facility is located.
- 19. The EPA alleges that Respondent violated the notification requirements of Section 304(a) of EPCRA, 42 U.S.C. §11004(a), and the applicable EPCRA regulations of 40 C.F.R. § 355, Subpart C, by failing to immediately notify the SERC and LEPC as soon as Respondent had knowledge of the release of hydrogen cyanide in an amount equal to or greater than the RQ at Respondent's facility, and is therefore subject to the assessment of penalties under Section 325 of EPCRA, 42 U.S.C. §11045.
- 20. Pursuant to Section 325(b) of EPCRA, 42 U.S.C. § 11045(b), and 40 C.F.R. Part 19, the EPA may assess a civil penalty for each violation of Section 304(a) of EPCRA, 42 U.S.C. § 11004(a). Civil penalties under Section 325(b) of EPCRA, 42 U.S.C. § 11045(b), may be assessed by Administrative Order.

#### IV. Consent Agreement

21. For the purposes of this CAFO, Respondent admits the jurisdictional allegations set out above but neither admits nor denies the factual allegations set out above.

- 22. Respondent waives any right to contest the allegations and its right to appeal the proposed final order accompanying the Consent Agreement.
- 23. Respondent consents to the assessment of and agrees to pay the civil penalty as set forth in this CAFO.
- 24. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of CERCLA and EPCRA.
- 25. Compliance with this CAFO shall resolve the allegations of violations contained herein. In accordance with 40 C.F.R. § 22.18(c), compliance with this CAFO only resolves Respondent's liability for federal civil penalties for the allegations in Section III of this CAFO and does not affect the right of the EPA or U.S. to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violation of law. This CAFO does not waive, extinguish or otherwise affect Respondent's obligation to comply with all applicable provisions of EPCRA, CERCLA or other applicable laws and regulations.
- 26. Complainant and Respondent agree to settle this matter by their execution of this CAFO. The parties agree that the settlement of this matter is in the public interest and that this CAFO is consistent with the applicable requirements of CERCLA and EPCRA.

### V. Final Order

- 27. Respondent shall pay a civil penalty of **ELEVEN THOUSAND**, **FIVE HUNDRED FIVE DOLLARS (\$11,505)** for the CERCLA violation in Section III, which shall be paid within thirty (30) days of the effective date of this CAFO.
  - 28. Respondent shall pay the CERCLA civil penalty by one of the following methods:
    - a. For payment by standard delivery such as First Class United States Postal Service (USPS) without a signed receipt confirmation, forward a cashier's or certified check, payable to "EPA Hazardous Substance Superfund" to the following address:

U.S. Environmental Protection Agency Cincinnati Finance Center Box 979076 St. Louis, MO 63197-9000

The check shall reference on its face the Respondent Name and the Docket Number of the CAFO.

b. For payment by certified First Class USPS mail with a signed receipt confirmation or other such delivery service (e.g., FedEx, UPS, DSL, etc.), forward a cashier's or certified check, payable to "EPA Hazardous Substance Superfund" to the following address:

U.S. Environmental Protection Agency Cincinnati Finance Center Box 979076 1005 Convention Plaza SL-MO-C2-GL St. Louis, MO 63101 Delivery Contact Phone Number: (314) 425-1819

The check shall reference on its face the Respondent Name and the Docket Number of the CAFO.

- c. For an electronic payment select one of the electronic payment methods and follow the directions for <u>Superfund Payments Additional Information</u>, at the EPA web site found at https://www.EPA.gov/financial/payment.
- 29. Respondent shall pay a civil penalty of **ELEVEN THOUSAND**, **FIVE HUNDRED FIVE DOLLARS** (\$11,505) for the EPCRA violations in Section III, which shall be paid within thirty (30) days of the effective date of this CAFO.
  - 30. Respondent shall pay the EPCRA civil penalty by one of the following methods:
    - a. For payment by standard delivery such as First Class United States Postal Service (USPS) without a signed receipt confirmation, forward a cashier's or certified check, payable to "the EPA Hazardous Substance Superfund" to the following address:

U.S. Environmental Protection Agency Cincinnati Finance Center Box 979077 St. Louis, MO 63197-9000

The check shall reference on its face the Respondent Name and the Docket Number of the CAFO.

b. For payment by certified First Class USPS mail with a signed receipt confirmation or other such delivery service (e.g., FedEx, UPS, DSL, etc.), forward a cashier's or certified check, payable to "EPA Hazardous Substance Superfund" to the following address:

U.S. Environmental Protection Agency Cincinnati Finance Center Box 979077 1005 Convention Plaza SL-MO-C2-GL St. Louis, MO 63101 Delivery Contact Phone Number: (314) 425-1819

The check shall reference on its face the Respondent Name and the Docket Number of the CAFO.

- c. For an electronic payment select one of the electronic payment methods and follow the directions for <u>Civil Penalties Additional Information</u>, at the EPA web site found at https://www.EPA.gov/financial/makepayment.
- 31. At the time of payment, Respondent shall send a separate copy of the check, and a written statement that payment has been made in accordance with this CAFO, to the following persons at the following addresses:

Regional Hearing Clerk U.S. EPA Region 4 61 Forsyth Street, S.W. Atlanta, Georgia 30303

Erika White
U.S. EPA Region 4
Chemical Management and Emergency Planning Section
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

32. For the purposes of state and federal income taxes, Respondent shall not be entitled, and agrees not to attempt, to claim a deduction for any civil penalty payment made pursuant to this CAFO. Any attempt by Respondent to deduct any such payments shall constitute a violation of this CAFO.

#### VI. Other Provisions

- 33. Pursuant to 31 U.S.C. § 3717, the EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the civil penalty from the effective date of this CAFO if the penalty is not paid by the date required. Interest will be assessed at the rate established by the Secretary of Treasury pursuant to 31 U.S.C. § 3717. A charge will be assessed to cover the costs of debt collection, including processing and handling costs and attorney fees. In addition, a penalty charge will be assessed on any portion of the debt that remains delinquent more than ninety (90) days after payment is due.
- 34. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
  - 35. This CAFO shall be binding upon the Respondent, its successors, and assigns.
- 36. The following individual is authorized to receive service for the EPA in this proceeding:

Robert W. Bookman U.S. EPA Region 4 Chemical Management and Emergency Planning Section 61 Forsyth Street, S.W. Atlanta, Georgia 30303 (404) 562-9169

37. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally bind that party to it.

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# VII. Effective Date

38. The effective date of this CAFO shall be the date on which the CAFO is filed with the Regional Hearing Clerk.

AGREED AND CONSENTED TO:

The Chemours Company FC, LLC	
Ву:	(Signed) Date: 4/13/2017
Name: Bradley C. Mai	(Typed or Printed)
Title: Plant Manager	_(Typed or Printed)
U.S. Environmental Protection Agency  By:  Beverly H. Banister  Director	Date: 5/11/2011
Air, Pesticides and Toxics Managemen	nt Division

APPROVED AND SO ORDERED this

1/A

Tanya Floyd

Regional Judicial Officer

# **CERTIFICATE OF SERVICE**

I hereby certify that I have this day served a true and correct copy of the foregoing

Consent Agreement and Final Order: In the Matter of The Chemours Company FC, LLC,

<u>Docket Number: EPCRA-04-2017-2007(b)</u> on the parties listed below in the manner indicated:

Robert W. Bookman (Via the EPA's internal mail)
U.S. EPA Region 4
Chemical Management and Emergency Planning Section
61 Forsyth Street
Atlanta, GA 30303

Lynda Crum (Via the EPA's internal mail)
U.S. EPA Region 4
Office of Regional Counsel
61 Forsyth Street
Atlanta, GA 30303

Robert Caplan (Via the EPA's internal mail)
Senior Attorney
U.S. EPA Region 4
Office of Regional Counsel
61 Forsyth Street
Atlanta, GA 30303

April S. Hinson (Via Certified Mail - Return Receipt Requested)

The Chemours Company FC, LLC 2571 Fite Road

Memphis, TN 38127

Patricia A. Bullock, Regional Hearing Clerk

United States Environmental Protection Agency Region 4 Atlanta Federal Center 61 Forsyth Street, S.W. Atlanta, GA 30303 (404) 562-9511