



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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

JUL 27 2010

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. H. Allen Faulkner
Ascend Performance Materials LLC
P.O. Box 2204
Decatur, Alabama 35609-2204

SUBJECT: Ascend Performance Materials
Consent Agreement and Final Order
Docket No. EPCRA-04-2011-2008(b)

Dear Mr. Faulkner:

Enclosed please find an executed copy of the Consent Agreement and Final Order (CAFO) that resolves the Emergency Planning and Community Right-to-Know Act of 1986 (EPCRA) matter (Docket No. EPCRA-04-2011-2008(b)) involving Ascend Performance Materials. The CAFO was filed with the Regional Hearing Clerk, as required by 40 C.F.R. Part 22 and became effective on the date of the filing.

Also enclosed, please find a copy of the "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts you on notice of your potential duty to disclose to the Security and Exchange Commission (SEC) any environmental enforcement actions taken by the Environmental Protection Agency (EPA). If you have any questions with regards to the SEC's environmental disclosure requirements, you may refer to the contact phone number at the bottom of the SEC Notice.

If you have any questions, please call Mr. Erika White at (404) 562-9195.

Sincerely,

A handwritten signature in black ink, appearing to read "Carol B. Falconer".

Carol B. Falconer, Chief
EPCRA Enforcement Section

Enclosures

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4**

IN THE MATTER OF:

Ascend Performance Materials
Post Office Box 2204
Decatur, Alabama,

Respondent.

)
) Docket Number: EPCRA-04-2011-2008(b)
)
) Pursuant to Section 109 of the Comprehensive
) Environmental Response, Compensation, and
) Liability Act (CERCLA), as amended, 42
) U.S.C. § 9609; Section 325 of the Emergency
) Planning and Community Right-to-Know Act
) (EPCRA), 42 U.S.C. § 11045
)

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; 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 Ascend Performance Materials.

2. 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

3. 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 EPA. The Administrator of EPA has delegated this authority under CERCLA and under EPCRA to the Regional Administrators by 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 EPA Region 4 Delegation 14-31 dated March 8, 1999, and updated August 6, 2004, and the authority under EPCRA by 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.

RECEIVED
MAY 27 11 17:56
REGIONAL OFFICE
EPA REGION 4

4. Respondent is a corporation doing business in the State of Alabama.
5. Respondent is a "person" as defined in Section 101(21) of CERCLA, 42 U.S.C. § 9601(21), and Section 329(7) of EPCRA, 42 U.S.C. § 11049(7).
6. Respondent has a "facility" as that term is defined by Section 101(9) of CERCLA, 42 U.S.C. § 9601(9), and by Section 329(4) of EPCRA, 42 U.S.C. § 11049(4).
7. Respondent's facility is located at 1050 Chemstrand Avenue, Decatur, Alabama 35601.
8. Respondent is an "owner or operator" of the facility as that term is defined by Section 101(20)(A) of CERCLA, 42 U.S.C. § 9601(20)(A).

III. EPA's Allegations of Violations

A. Violations of CERCLA 103

9. Section 102(a) of CERCLA, 42 U.S.C. § 9602(a), required the Administrator of 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). EPA has published and amended such a list, including the corresponding reportable quantities (RQ) for those substances. This list was initially published on April 4, 1985 (50 Fed. Reg. 13474) and is periodically amended. The list is codified at 40 C.F.R. Part 302.
10. Section 103(a) of CERCLA, 42 U.S.C. § 9603(a), and the regulations found at 40 C.F.R. Part 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.
11. Respondent was in charge of the facility during the relevant period described below.
12. Propionitrile (CAS #107-12-0) is a "hazardous substance" as that term is defined by Section 101(14), 42 U.S.C. § 9601(14), with an RQ of 10 pounds, as specified in 40 C.F.R. § 302.4.
13. On January 16, 2006, Respondent had a release of propionitrile (CAS #107-12-0) above the RQ at the facility.
14. Respondent violated the notification requirements of Section 103(a) of CERCLA, 42 U.S.C. § 9603(a), by failing to immediately notify the NRC as soon as Respondent had knowledge of the release of propionitrile (CAS #107-12-0) in an amount equal to or greater than its RQ at Respondent's facility and is therefore subject to the assessment of penalties under Section 109 of CERCLA, 42 U.S.C. § 9609.

15. Pursuant to Section 109 of CERCLA, 42 U.S.C. § 9609, and 40 C.F.R. Part 19, EPA may assess a penalty not to exceed \$32,500 for each violation of Section 103(a) of CERCLA, 42 U.S.C. § 9603(a), that occurred after March 15, 2004, but before January 12, 2009. 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.

B. Violations of Section 304(a) EPCRA

16. Section 304(a) of EPCRA, 42 U.S.C. §11004(a), and the regulations found at 40 C.F.R. § 355.40, Subpart C, require the owner or operator of a facility at which hazardous chemicals are produced, used or stored, to immediately notify the State Emergency Response Commission (SERC) and Local Emergency Planning Committee (LEPC) when there has been a release of a CERCLA hazardous substance or extremely hazardous substance in an amount equal to or greater than the RQ.

17. Respondent was the owner or operator of the facility during the relevant period described below.

18. At all times relevant to this matter, the facility produced, used, or stored "hazardous chemicals" as defined under Section 311(e) of EPCRA, 42 U.S.C. § 11021(e), and under 29 C.F.R. § 1910.1200(c).

19. Propionitrile (CAS #107-12-0) 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. Part 355, Apps. A & B.

20. On January 16, 2006, and March 18, 2008, Respondent had a release of propionitrile (CAS #107-12-0) above the RQ at the facility.

21. Respondent violated the notification requirements of Section 304(a) of EPCRA, 42 U.S.C. § 11004(a), by failing to immediately notify the SERC and LEPC as soon as Respondent had knowledge of the release of propionitrile (CAS #107-12-0) 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.

C. Violation of Section 304(c) of EPCRA

22. Section 304(c) of EPCRA, 42 U.S.C. §11004(c), and the regulations found at 40 C.F.R. § 355, Subpart C, require the owner or operator of a facility at which hazardous chemicals are produced, used or stored, to provide a written follow-up emergency notice to the SERC and LEPC when there has been a release of a CERCLA hazardous substance or extremely hazardous substance in an amount equal to or greater than the reportable quantity.

23. Respondent was the owner or operator of the facility during the relevant period described below.

24. At all times relevant to this matter, the facility produced, used, or stored "hazardous chemicals" as defined under Section 311(e) of EPCRA, 42 U.S.C. § 11021(e), and under 29 C.F.R. § 1910.1200(c).

25. Propionitrile (CAS #107-12-0) 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. Part 355, Apps. A & B.

26. On March 18, 2008, Respondent had a release of propionitrile (CAS #107-12-0) above the RQ at the facility.

27. Respondent violated the notification requirements of Section 304(c) of EPCRA, 42 U.S.C. § 11004(c), by failing to provide a written follow-up emergency notice to the SERC and the LEPC when there had been a release of propionitrile (CAS #107-12-0) 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.

28. Pursuant to Section 325(b) of EPCRA, 42 U.S.C. § 11045(b), and 40 C.F.R. Part 19, EPA may assess a penalty of not more than \$32,500 for each violation of Sections 304(a) and (c) of EPCRA, 42 U.S.C. § 11004(a) and (c), that occurred after March 15, 2004, but before January 12, 2009. Civil penalties under Section 325(b) of EPCRA, 42 U.S.C. § 11045(b), may be assessed by Administrative Order.

D. Violations of Section 313 of EPCRA

29. Section 313 of EPCRA, 42 U.S.C. § 11023, and 40 C.F.R. §§ 372.22 and 372.30, require the owner or operator of a facility that (a) has 10 or more full-time employees; (b) is in a Standard Industrial Classification (SIC) major group or industry listed in 40 C.F.R. § 372.23(a) for which the corresponding North American Industry Classification System (NAICS) subsector and industry codes are listed in 40 C.F.R. §§ 372.23(b) and 372.23(c)); and (c) that manufactured, processed, or otherwise used a toxic chemical listed under Section 313(c) and in 40 C.F.R. § 372.65, in excess of an applicable threshold quantity established under EPCRA Section 313(f) and set forth in 40 C.F.R. § 372.25, during the calendar year, to complete and submit a toxic chemical release inventory reporting Form R (EPA Form 9350-1) to the Administrator of EPA and to the State in which the facility is located, by July 1 for the preceding calendar year for each toxic chemical known by the owner or operator to be manufactured, processed, or otherwise used in quantities exceeding the established threshold quantity during the preceding calendar year.

30. As set forth at EPCRA Section 313(f), 42 U.S.C. § 11023(f), and 40 C.F.R. § 372.25, the reporting threshold amount for a toxic chemical manufactured or processed at a facility is 25,000 pounds per calendar year. The reporting threshold for a toxic chemical otherwise used at a facility is 10,000 pounds.

31. Respondent has 10 or more full-time employees, as defined at 40 C.F.R. § 372.3 at its facility.

32. Respondent's facility is classified under the SIC code 2869 and the NAICS code 325199.

33. Respondent's facility is classified in a covered SIC code as described at 40 C.F.R. § 372.22 and in a covered NAICS code as described at 40 C.F.R. § 372.23.

34. Ammonia is a toxic chemical listed under EPCRA Section 313(c) and 40 C.F.R. § 372.65.

35. Respondent's facility manufactured the toxic chemical ammonia in excess of the 25,000 pound threshold quantity established under EPCRA Section 313(f) and 40 C.F.R. 372.25, during calendar year 2005.

36. Respondent failed to submit a Form R or Form A for ammonia to the Administrator of EPA and to the official designated by the Governor of the State of Alabama by July 1 of the required reporting year.

37. Respondent violated the reporting requirements of Section 313 of EPCRA, 42 U.S.C. § 11023, at its facility for calendar year 2005 for ammonia and is therefore subject to the assessment of penalties under Section 325 of EPCRA, 42 U.S.C. § 11045.

38. Pursuant to Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), and 40 C.F.R. Part 19, EPA may assess a civil penalty of not more than \$32,500 for each violation of Section 313 that occurred after March 15, 2004, but before January 12, 2009. Each day a violation of Section 313 continues constitutes a separate violation. Civil penalties under Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), may be assessed by an Administrative Order.

IV. Consent Agreement

39. 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.

40. Respondent waives any right to contest the allegations and its right to appeal the proposed Final Order accompanying the Consent Agreement.

41. Respondent consents to the assessment of and agrees to pay the civil penalty as set forth in this CAFO.

42. Respondent certifies that, as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of EPCRA and CERCLA.

43. Compliance with the CAFO shall resolve the allegations of violations contained herein. This CAFO shall not otherwise affect any liability of Respondent to the United States other than as expressed herein. Neither EPA nor Complainant waives any right to bring an enforcement action against Respondent for violation of any federal or state statute, regulation or permit, to initiate an action for imminent and substantial endangerment, or to pursue criminal enforcement.

44. 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

45. Respondent shall pay a civil penalty of SIX THOUSAND FOUR HUNDRED FIFTY DOLLARS (\$6,450) for the CERCLA violation which shall be paid within thirty (30) days of the effective date of this CAFO.

46. Respondent shall pay the CERCLA civil penalty by forwarding a cashier's or certified check, payable to "EPA Hazardous Substance Superfund" to one of the following addresses:

BY MAIL

U.S. Environmental Protection Agency
Superfund Payments
Cincinnati Finance Center
P.O. Box 979076
St. Louis, Missouri 63197-9000

BY OVERNIGHT

U.S. Bank
Attention: Natalie Pearson (314)418-4087
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, Missouri 63101

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

47. Respondent shall pay an EPCRA civil penalty of FORTY TWO THOUSAND SEVEN HUNDRED FIFTY DOLLARS (\$42,750) for the EPCRA violations which shall be paid within thirty (30) days of the effective date of this CAFO.

48. Respondent shall pay the penalty by forwarding a cashier's or certified check payable to "Treasurer, United States of America," to the following address:

BY MAIL

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

BY OVERNIGHT

U.S. Bank
Attention: Natalie Pearson (314) 418-4087
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, Missouri 63101

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

49. At the time of payment, Respondent shall send a separate copy of each 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
Air, Pesticides & Toxics Management Division
U.S. Environmental Protection Agency, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

Saundi Wilson
Office of Environmental Accountability
U.S. Environmental Protection Agency, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

50. 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

51. Pursuant to 31 U.S.C. § 3717, 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.

52. Complainant and Respondent shall bear their own costs and attorney fees in this matter.

53. This CAFO shall be binding upon the Respondent, its successors, and assigns.

54. The following individual is authorized to receive service for EPA in this proceeding:

Caron B. Falconer
Air, Pesticides & Toxics Management Division
U.S. Environmental Protection Agency, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

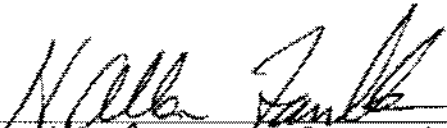
55. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally bind that party to it.

VI. Effective Date

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

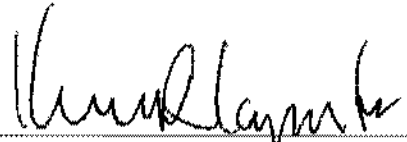
AGREED AND CONSENTED TO:

ASCEND PERFORMANCE MATERIALS

By: 
Name: H. ALLEN FAULKNER
Title: PLANT MANAGER


Date: 12/10/10

U.S. ENVIRONMENTAL PROTECTION AGENCY

By: 
Beverly H. Banister, Director
Air, Pesticides & Toxics Management Division
U.S. Environmental Protection Agency, Region 4

Date: 10/22/10

APPROVED AND SO ORDERED this 23rd day of Dec., 2010.


Susan B. Schub
Regional Judicial Officer

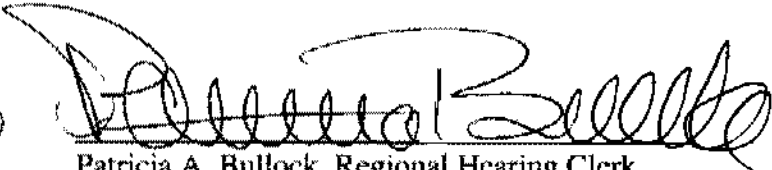
CERTIFICATE OF SERVICE

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 Ascend Performance Materials (Docket No. EPCRA 04-2011-2008(b)), on the parties listed below in the manner indicated:

Caron B. Falconer (Via EPA's internal mail)
Air, Pesticides & Toxics Management Division
U.S. Environmental Protection Agency, Region 4
61 Forsyth Street
Atlanta, GA 30303

Kevin B. Smith, Esq. (Via EPA's internal mail)
Office of Environmental Accountability
U.S. Environmental Protection Agency, Region 4
61 Forsyth Street
Atlanta, GA 30303

Ascend Performance Materials (Certified Mail - Return Receipt Requested)
Post Office Box 2204
Decatur, Alabama 35609-2204

Date: 12-27-10 
Patricia A. Bullock, Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 4
Atlanta Federal Center
61 Forsyth Street, S.W.
Atlanta, GA 30303
(404) 562-9511

EPA ACCOUNTS RECEIVABLE CONTROL NUMBER FORM

TO BE COMPLETED BY THE ORIGINATING OFFICE:

(Attach a copy of the final order and transmittal letter to Defendant/Respondent)

This form was originated by: Saundi Wilson on 12/28/10
(Name) (Date)

in the Region 4, ORC, OEA at (404) 582-9504
(Office) (Telephone Number)

Non-SF Judicial Order/Consent Decree
USAO COLLECTS

Administrative Order/Consent Agreement
FMO COLLECTS PAYMENT

SF Judicial Order/Consent Decree
DOJ COLLECTS

Oversight Billing - Cost Package required
Sent with bill

Not sent with bill

Other Receivable

Oversight Billing - Cost Package not required

This is an original debt

This is a modification

PAYEE: Ascend Performance Materials
(Name of person and/or Company/Municipality making the payment)

The Total Dollar Amount of the Receivable: \$ CERCLA = \$6450 / EPCRA = \$42,750
(If installments, attach schedule of amounts and respective due dates. See Other side of this form.)

The Case Docket Number: EPCRA 04 2011-2008(W)

The Site Specific Superfund Account Number: _____

The Designated Regional/Headquarters Program Officer: _____

The IFMS Accounts Receivable Control Number is: _____ Date: _____

If you have any questions, please call: _____ of the Financial Management Section at: _____

DISTRIBUTION:

A. **JUDICIAL ORDERS:** Copies of this form with an attached copy of the front page of the **FINAL JUDICIAL ORDER** should be mailed to:

- | | |
|--|---|
| 1. Debt Tracking Officer
Environmental Enforcement Section
Department of Justice RM 1647
P.O. Box 7611, Benjamin Franklin Station
Washington, D.C. 20044 | 2. Originating Office (EAD)
3. Designated Program Office |
|--|---|

B. **ADMINISTRATIVE ORDERS:** Copies of this form with an attached copy of the front page of the Administrative Order should be to:

- | | |
|--|---|
| 1. Originating Office
2. Regional Hearing Clerk | 3. Designated Program Office
4. Regional Counsel (EAD) |
|--|---|