PRP Informational Session
Chemetco Superfund Site

February 20, 2014
Agenda

• EPA Introductions
• Site Overview
• PRP Search
• Special Notice Letter
• RI/FS Negotiations
• Questions
• Discussion
Introductions

U.S. EPA
• Nefertiti DiCosmo, Project Manager
• Stephanie Linebaugh, Interim Project Manager
• Tom Martin, Attorney
• Margaret Herring, Civil Investigator

Contractor
• Ann Anderson, Toeroek
PRP Informational Meeting

• Purpose of Meeting
  – Introduce PRPs to each other and EPA staff
  – Provide overview of site work
  – Answer questions
  – PRPs to discuss negotiations strategy

• All information is available on the website
• General questions will be taken at the end
<table>
<thead>
<tr>
<th>Year Range</th>
<th>Event</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970-2001</td>
<td>Site operation of copper recycling/smelting</td>
</tr>
<tr>
<td>1981-1985</td>
<td>IEPA documents Chemetco RCRA and CWA violations</td>
</tr>
<tr>
<td>1986-1987</td>
<td>IEPA Superfund Preliminary Assessment/Site Inspection</td>
</tr>
<tr>
<td>1996</td>
<td>IEPA discovers 10-inch pipe discharging zinc oxide directly into Long Lake</td>
</tr>
<tr>
<td>1997</td>
<td>CAA files civil claim against Chemetco for CAA violations</td>
</tr>
<tr>
<td>1998-2000</td>
<td>Chemetco fined for RCRA violations and limited cleanup of pipe release</td>
</tr>
<tr>
<td>2002</td>
<td>IEPA Site Reassessment and Expanded Site Inspection</td>
</tr>
<tr>
<td>2003-2008</td>
<td>IEPA recovers data from electronic site files to identify PRPs</td>
</tr>
<tr>
<td></td>
<td>IEPA sends out 104(e) requests</td>
</tr>
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</table>
Site Timeline Cont.

2009  Expanded Site Inspection Report
2010  Site listed on the National Priorities List
2011  General Notice Letters (GNL) and 104 (e) requests sent to 115 PRPs
       Informational Session for GNL recipients
       Additional environmental data collection
5/2013 RI/FS Negotiations Begin
9/2013 Chemetco Bankruptcy Estate – Consent Decree/ Removal Action
1/2014 Special Notice Letters (SNL) sent
2/2014 Chemetco PRP informational session
# Facility Regulatory History

<table>
<thead>
<tr>
<th>Notice of Violations documented by IEPA or US EPA</th>
<th>Notice of Violations documented by IEPA</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>RCRA</strong> Notice of Violations -1985 and 2000</td>
<td></td>
</tr>
<tr>
<td><strong>CWA</strong> Notice of Violations -1996 and 1999</td>
<td></td>
</tr>
<tr>
<td><strong>CAA</strong> Notice of Violations-1992 and 1999</td>
<td></td>
</tr>
</tbody>
</table>
Chemetco is on the NPL

• National Priorities List
  – List of the most contaminated sites in America
  – Requires cleanup to protect human health and the environment
  – Allows EPA spend fund money to cleanup the site and seek cost recovery
Site Background

• Operations
  – Secondary copper smelter
  – Primarily produced copper cathodes and anodes
  – Wastes include slag, ZnO, bag house dust, spent refractory brick, etc
Sources of Contamination

- 837,000 tons of slag
- 35,000 tons of Zinc Oxide sludge bunker
- More than 70 tons of refractory brick
- Contaminants of potential concern include lead, cadmium, copper, zinc and dioxin
Sources Cont.

- Criminal Violation
- 1986 -1996
- Zinc Oxide discharge pipe
Current Cleanup Activities

• Reprocessing of slag material
  – Chemetco Bankruptcy Estate
  – September 2013 Consent Decree
• Oversight by EPA Removal Program
• Documents available on Chemetco website
PRP Search

- PRP Search Activity Timeframes
  - IEPA in 2003 - 2010
  - EPA since 2010 - Present

- Source: Electronic Data and Employee Interviews
  - Transaction Data (mainly from 2000 to 2001)
    - Dates
    - Weights
    - Types of Materials
    - Supplier Names
  - Explanation of PRP search included as part of Enclosure 5 of SNL.
### Example of Database

<table>
<thead>
<tr>
<th>Supplier Name</th>
<th>PRP Type</th>
<th>GNL Smt</th>
<th>GNL Response</th>
<th>ISRI Group</th>
<th>AVR Complete</th>
<th>Total Lotfi Wt for Supplier (Chemtaco Hartford Shipments)</th>
<th>Percent of Total Chemtaco Hartford Shipments Wts (432,392,904 lbs)</th>
<th>Cumulative Percent of Total Chemtaco Hartford Shipments Wts</th>
<th>VOLUMETRIC RANKING</th>
<th>TOTALS COR</th>
<th>Total Lotfi Wt for Current PRP Group applicable</th>
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<tbody>
<tr>
<td>RESOURCES MCM, COMPANIES</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>33,058,587</td>
<td>7.65%</td>
<td>7.65%</td>
<td>5</td>
<td>23,924,555</td>
<td>15,630,447</td>
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<tr>
<td>OLUN CORP BRASS DIV</td>
<td>Group PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>16,674,822</td>
<td>3.86%</td>
<td>11.52%</td>
<td>2</td>
<td>16,713,611</td>
<td>15,630,447</td>
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<tr>
<td>CENTROTRAD MINERALS &amp; METALS</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>13,994,769</td>
<td>3.24%</td>
<td>14.74%</td>
<td>4</td>
<td>7,822,692</td>
<td>11,158,458</td>
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<tr>
<td>DANA GLACIER VANDERVELL N. AMERI</td>
<td>Group PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>11,883,876</td>
<td>2.75%</td>
<td>17.49%</td>
<td>4</td>
<td>15,386,959</td>
<td>20,501,666</td>
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<tr>
<td>COZI IRON AND METAL INC.</td>
<td>Group PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>8,255,125</td>
<td>1.91%</td>
<td>19.40%</td>
<td>5</td>
<td>15,606,283</td>
<td>24,114,548</td>
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<tr>
<td>DP - WARREN COA 425 TINNED</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>6,295,511</td>
<td>1.44%</td>
<td>20.83%</td>
<td>6</td>
<td>7,822,692</td>
<td>31,936,248</td>
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<tr>
<td>TRANSFORMIT</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>5,018,118</td>
<td>1.16%</td>
<td>21.99%</td>
<td>7</td>
<td>4,617,513</td>
<td>25,501,666</td>
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<tr>
<td>MUELLER COMPANY</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>4,830,205</td>
<td>1.12%</td>
<td>23.11%</td>
<td>7</td>
<td>2,974,791</td>
<td>5,580,689</td>
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<tr>
<td>ATLAS METAL &amp; IRON CORP</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>4,382,801</td>
<td>1.01%</td>
<td>24.12%</td>
<td>9</td>
<td>3,189,744</td>
<td>8,757,425</td>
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<td>BORDER TRADING</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>4,206,281</td>
<td>0.97%</td>
<td>25.10%</td>
<td>10</td>
<td>4,856,246</td>
<td>13,601,666</td>
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<tr>
<td>INTERCO TRADING</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>3,077,872</td>
<td>0.92%</td>
<td>26.02%</td>
<td>11</td>
<td>3,497,027</td>
<td>17,098,693</td>
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<tr>
<td>DELPHI PACKARD/CLINTON DIV</td>
<td>Group PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>3,954,577</td>
<td>0.91%</td>
<td>26.93%</td>
<td>12</td>
<td>25,620,064</td>
<td>25,620,064</td>
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<tr>
<td>WOLVERINE TUBE CANADA</td>
<td>Group PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>3,809,813</td>
<td>0.88%</td>
<td>27.81%</td>
<td>13</td>
<td>5,164,049</td>
<td>5,164,049</td>
</tr>
<tr>
<td>FRY METALS INC ATTIC, DAVE COUL</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>3,445,196</td>
<td>0.80%</td>
<td>28.61%</td>
<td>14</td>
<td>2,843,349</td>
<td>28,483,933</td>
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<tr>
<td>DANA GLACIER VANDERVELL N. AMERI</td>
<td>Group PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>3,227,675</td>
<td>0.75%</td>
<td>29.35%</td>
<td>15</td>
<td>15,386,959</td>
<td>25,501,666</td>
</tr>
<tr>
<td>LACOMI METALEN</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>3,121,153</td>
<td>0.72%</td>
<td>30.08%</td>
<td>16</td>
<td>1,287,192</td>
<td>16,674,144</td>
</tr>
<tr>
<td>BIN CLINTON COA 425 TINNED</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>3,018,148</td>
<td>0.70%</td>
<td>30.77%</td>
<td>17</td>
<td>1,287,192</td>
<td>17,961,336</td>
</tr>
<tr>
<td>HURON VALLEY STEEL CORP</td>
<td>Individual PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>2,848,110</td>
<td>0.67%</td>
<td>31.44%</td>
<td>18</td>
<td>1,287,192</td>
<td>19,248,528</td>
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<tr>
<td>M. KIMBERLIN &amp; SONS, INC.</td>
<td>Group PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>2,753,933</td>
<td>0.64%</td>
<td>32.08%</td>
<td>19</td>
<td>15,606,283</td>
<td>20,501,666</td>
</tr>
<tr>
<td>DANA GLACIER VANDERVELL</td>
<td>Group PRP</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>Yes</td>
<td>2,722,966</td>
<td>0.63%</td>
<td>32.71%</td>
<td>20</td>
<td>15,386,959</td>
<td>20,501,666</td>
</tr>
</tbody>
</table>
General Notice Letters

- Sent in 2011 to PRPs identified by planned shipments
- PRPs were sent GNL if total weight sent to site was greater than 1 million pounds
- Group of PRPs formed after this mailing to submit good faith offer
Special Notice Letters
Jan. 21 2014

• SNLs
  – Notice of potential liability - No final liability determinations have been made
  – Opportunity to resolve liability via cleanup activities
• SNL Recipients
  – There are over 1,500 entities considered PRPs
  – EPA sent 431 Special Notices Letters to PRPs
• SNL recipients sent more than 150,000 lbs to the site.
• SNL Timeframes
  – 60 day moratorium – EPA will not initiate RI/FS – ends March 22, 2014
  – 30 day extension if Good Faith Offer is received – ends April 21, 2014
    • Expected AOC signatures by end of extension
SNL Recipients account for 90% of material

Table 5. Summary of Material Shipped to Chemetco Site

<table>
<thead>
<tr>
<th></th>
<th>REPORT XX</th>
<th>REPORT</th>
<th>WHDATA</th>
<th>TOTAL</th>
<th>SUPPLIERS GREATER THAN 150,000 POUNDS*</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Weight (Lbs.) Included</td>
<td>15,668,627</td>
<td>265,895,089</td>
<td>148,652,248</td>
<td>430,215,964</td>
<td>389,735,786</td>
</tr>
<tr>
<td>No. of Individual Suppliers</td>
<td></td>
<td></td>
<td></td>
<td>1519</td>
<td>475</td>
</tr>
<tr>
<td>Percent of Total Suppliers</td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
<td>31%</td>
</tr>
<tr>
<td>Percent of Total Weight</td>
<td></td>
<td></td>
<td></td>
<td>100%</td>
<td>90.50%</td>
</tr>
</tbody>
</table>

* = Final PRP List Ranking by Weight
Next Steps

Discovery and Notification → Assessment → Selection of Remedy (Decision) → Cleanup → Closeout

PRP Search/Involvement
Community Involvement

Notices, opportunities for settlement

Discovery and Notification → Integrated Assessment (Removal and Remedial Preliminary Assessment) → Integrated Assessment (Removal and Remedial Site Investigation) → National Priority Listing → Remedial Investigation and Feasibility Study → Record of Decision → Remedial Design → Remedial Action and Operational and Functional Determination → Operation and Maintenance → Closeout Milestones (Reports) → Deletion From National Priority List → Five-Year Review (If Required)
EPA’s Primary Goal

• **Site Clean-up**
  – PRPs are given a chance to perform the clean-up with EPA oversight
  – If no agreement is reached, EPA will conduct clean-up activities and seek cost recovery.
Remedial Investigation / Feasibility Study

• Remedial Investigation (RI)
  – Characterizes the nature and extent of contamination
  – Assesses risk to human health and the environment
• Feasibility Study (FS)
  – Develop cleanup alternatives
  – Conduct treatability studies
• Outcomes
  – RI/FS Report
  – Record of Decision (ROD)
RI/FS Time and Cost

- Each RI/FS is unique - actual cost and time will vary

- Typical RI/FS cost for similar smelter sites: $1,000,000 to 3,000,000 (not including EPA oversight)

- Typical Timeframe: 1 years – 3 years
Current Negotiations

- EPA started AOC negotiations for RI/FS with the PRP group (May 2013)
- EPA expects signature by April 2014
- PRPs can sign on to this AOC until EPA’s final signature
- All PRPs will be noticed again for remedial design and action negotiations
What if my company does not sign the AOC?

• Potential consequences of not signing the AOC:
  – PRP group can sue your company for contribution after the fact.
  – EPA may seek cost recovery under separate settlements at a later date
EPA Involvement

• Once AOC is signed
  – PRP group will chose a contractor to RI/FS
  – EPA will oversee work plans and work
  – PRP group will be billed annually for EPA oversight costs
PRP Group Discussion

• Call line and room reserved until 4 pm for PRP discussion.