March 31, 2021

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

The Chemours Company FC, LLC
CT Corporation System, Registered Agent
160 Mine Lake Ct Ste 200
Raleigh, NC 27615-6417

Re: Compliance Order With Administrative Penalty
Complaint #IS262001
Chemours Company-Fayetteville Works, Bladen County

Dear Chemours Company FC, LLC:

Enclosed is a Compliance Order With Administrative Penalty issued to you because of certain violations of the North Carolina Solid Waste Management Act (N.C. General Statute 130A, Article 9) and of the North Carolina Solid Waste Management Rules (15A N.C. Administrative Code 13B) which implements the Act. Along with the Compliance Order is an Administrative Penalty in the amount of $28,500.00 pursuant to N.C. General Statute 130A-22(a) plus Investigative Costs in the amount of $442.76 pursuant to N.C. General Statute 130A-22(j) for a total amount of $28,942.76. This Compliance Order with Administrative Penalty describes the violations of concern and the actions required by you to come into compliance with both the General Statutes and the Administrative Code.

You may appeal this Compliance Order With Administrative Penalty by filing a written petition for an administrative hearing with the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, NC 27699-6714, within thirty (30) days of the receipt of this Compliance Order. Your petition and filing fee must be submitted in accordance with the provisions of N.C. General Statutes 150B-23(a), 150B-23.2, and 130A-22(e). A copy of your petition must also be served on Mr. Bill Lane, General Counsel, NC Department of Environmental Quality, 1601 Mail Service Center, Raleigh, North Carolina 27699-1601.

If no administrative hearing is requested, the administrative penalty must be paid within sixty (60) days by certified check or money order, made payable to the Division of Waste Management. Payment should be mailed to the Solid Waste Section, Department of Environmental Quality, Attn: Compliance Officer, 1646 Mail Service Center, Raleigh, NC 27699-1646. A fee of $20.00 will be charged for all returned checks on which the payor bank has refused payment. I encourage you to schedule an informal conference at once with my staff to discuss this Compliance Order. Please contact Jason Watkins, Field Operations Branch Head at the Winston-Salem Regional Office at 336-776-9674.

Sincerely,

Michael E. Scott, Director
Division of Waste Management
Enclosure

cc: Dawn Hughes, Chemours Company – Fayetteville Works
    Kyle Peterson, Assistant Attorney General
    Ed Mussler, Solid Waste Section Chief
    Jason Watkins, Field Operations Branch Head
    Drew Hammonds, Eastern District Supervisor
    Jessica Montie, Environmental Program Consultant
    Central Files, Solid Waste
This Compliance Order With Administrative Penalty is issued under N.C. General Statutes 130A-22, the Solid Waste Management Act (N.C. General Statute 130A, Article 9), and the Solid Waste Management Rules (15A N.C. Administrative Code 13B). Title 15A of the N.C. Administrative Code, Chapter 13B contains standards and requirements applicable to the proper management of solid waste.

On March 1, 1971, the State of North Carolina, Department of Human Resources, Division of Health Services, Solid Waste Section, implemented a Solid Waste Management Program under the Solid Waste Management Act, N.C. General Statute 130A, Article 9 and Rules codified at 15A N.C. Administrative Code 13B. Solid Waste Management is now regulated by the Division of Waste Management of the Department of Environmental Quality. Michael E. Scott, Director of the Division of Waste Management, Department of Environmental Quality, has been delegated the authority to implement both the Act and the Rules. Based upon information available, the Division has determined that The Chemours Company FC, LLC is in violation of certain requirements of the Act and/or Rules, as set forth below.

STATEMENT OF FACTS

1. On June 1, 2020, the Division of Waste Management (Division) received a complaint regarding allegations of potentially contaminated soil being hauled from the Chemours Company FC, LLC – Fayetteville Works (Chemours) facility to the Hunt’s Construction No. 2 Land Clearing and Inert Debris (LCID) Landfill Notification #N1111 (landfill) located at 1321 Capstan Road, Fayetteville, Cumberland County. Drew Hammonds, Eastern District Supervisor with the Solid Waste Section (Section), Fayetteville Regional Office attempted to visit the landfill later in the day, however the landfill was closed.

2. On June 2, 2020, Mr. Hammonds visited the landfill and spoke with Jeremy Hunt, the landfill owner and operator. Mr. Hunt confirmed that a contractor for Chemours had delivered approximately 38 truckloads of soil and yard waste material for disposal, including stumps, brush, and root matting from the Chemours facility located at 22828 NC Highway 87 W in Fayetteville, NC on June 1 and 2, 2020. Mr. Hammonds observed this waste on site at the landfill, and none of the waste had been buried at that time. Mr. Hammonds told Mr. Hunt to cease acceptance of the waste, and that the waste would need to be removed for proper disposal at a permitted municipal solid waste landfill. Michael Scott, Division Director, contacted Chemours facility staff to relay the same information.

Chemours hold permits issued by the Department’s Division of Air Quality (Permit #03735T43), Division of Water Resources (NPDES Permit #NC0003573), and the Division of Waste Management’s Hazardous Waste Section (RCRA EPA ID# NCD 047 368 642), for air emissions, water discharges, and the management of hazardous waste, respectively. There is well-documented and pervasive contamination from per- and poly-fluoroalkyl substances (PFAS) at the Chemours - Fayetteville Works facility, including contamination of soils from air deposition. The results of soil sampling and analysis provided in the revised On-Site Assessment submitted by Chemours to the Department on October 31, 2019, and the Corrective Action Plan submitted by Chemours to the Department on December 31, 2019 indicates that the soil in areas near Outfall 002 and other locations from which the soil was removed and disposed of at the landfill is contaminated with PFAS. Chemours failed to perform analytical testing of the yard waste and soil for PFAS to determine where the waste is required to be disposed of prior to taking it to the LCID landfill for disposal. Because LCID landfills are not required to meet the same requirements as
sanitary landfills, such as being constructed with a liner, managing leachate, and conducting environmental monitoring; they are not able to accept contaminated soils.

3. On June 8, 2020, Mr. Hammonds met with Mr. Hunt at the landfill. Mr. Hunt stated that he was contracted by the contractor for Chemours to haul the waste to the Robeson County Landfill (7803-MSWLF-1997). Mr. Hunt stated that he transported approximately 40 truckloads of the waste generated by Chemours to the Robeson County Landfill on June 4 and 5, 2020. Mr. Hammonds obtained copies of the disposal receipts for these loads during a July 10, 2020 site visit to the Robeson County Landfill, which indicated that they had received approximately 826.5 tons of waste generated from Chemours.

4. On June 18, 2020, the Division issued a Notice of Violation and Notice of Intent to Enforce (NOV) to The Chemours Company FC, LLC. The NOV required Chemours to cease the disposal of the waste at a facility that was not permitted by the Division to receive such waste and to submit a corrective action plan detailing the removal of the waste from the Hunts Construction LCID landfill and the precautions that Chemours will take in the future to prevent further non-compliance.

5. On July 3, 2020, the Division received a response to the NOV via e-mail from Christel Compton, Environmental Program Manager, Chemours - Fayetteville Works, including the corrective action plan. The corrective action plan indicated that the soil and yard waste had been generated from construction, clean-up, and removal activities from areas near Outfall 002 and other areas around the Chemours facility where soil was contaminated.

6. On July 17, 2020, Jason Watkins, Field Operations Branch Head with the Section, spoke with Ms. Compton via telephone to discuss the corrective action plan. Mr. Watkins requested additional information regarding the proposed waste analysis and screening procedures.

7. On July 31, 2020, Ms. Compton submitted the waste analysis and screening procedures requested by Mr. Watkins on July 17, 2020 to Mr. Watkins via e-mail.

**STATEMENT OF VIOLATIONS**

The above facts constitute violations of the following Sections of Title 15A N.C. Administrative Code Subchapter 13B:

1. **Rule .0106(a):** “A solid waste generator shall be responsible for the satisfactory storage, collection and disposal of solid waste.”

2. **Rule .0106(b):** “The solid waste generator shall ensure that his waste is disposed of at a site or facility which is permitted to receive the waste.”

The Chemours Company FC, LLC is in violation of this Rule because the Chemours - Fayetteville Works facility failed to ensure that yard waste and soil waste generated at the facility that was potentially contaminated with PFAS was disposed of at a solid waste management facility that was permitted by the Division to receive such waste.

**HISTORY OF VIOLATIONS**

The Chemours Company FC, LLC Fayetteville Works facility (Chemours) has a documented compliance and enforcement history with the Department of Environmental Quality (Department) since 2017 for the release of PFAS, which can be reviewed on the Department’s website at [https://deq.nc.gov/news/key-issues/genx-investigation](https://deq.nc.gov/news/key-issues/genx-investigation). The Notices of Violation or other enforcement actions issued by the Department to Chemours include, but are not limited to:
1. On September 5, 2017, the Department asked the Attorney General's Office to institute a civil action for injunctive relief to restrain the violation or threatened violation of the law against Chemours to address environmental contamination.

2. On November 13, 2017, the Division of Water Resources issued a Notice of Violation and Intent to Assess a Civil Penalty to Chemours for a release of C3 Dimer Acid Fluoride from the Vinyl Ethers South Stack.

3. On November 16, 2017, the Division of Water Resources issued a Notice of Partial Suspension and 60-day Notice of Intent to Partially Revoke NPDES Permit to Chemours for the discharge of process wastewater.

4. On February 12, 2018, the Division of Waste Management issued a Notice of Violation to Chemours for violations of 15A NCAC 02L 0106(f).

5. On April 9, 2018, the Department filed an amended complaint and motion for preliminary injunctive relief against Chemours to control air emissions of PFAS.

6. On June 11, 2018, the Division of Waste Management issued a Notice of Violation and Notice of Intent to Enforce to Chemours for violations of 15A NCAC 02L 0202.

7. On January 4, 2021, the Division of Energy, Mineral, and Land Resources issued a Notice of Violations to Chemours for violations of G.S. 113A-54.1(b); 113A-57(1), (3), and (5); 15A NCAC 04B 0105 and 0118(a); and the conditions of Construction Stormwater General Permit NCG010000.

8. On January 26, 2021, the Department issued a Notice of Violation and Intent to Assess a Civil Penalty and Stipulated Penalty to Chemours for violations of NPDES Permit No. NC0089915 and Paragraph 12(e) of the Consent Order pertaining to NPDES discharges and effluent limits.

**PENALTY IMPOSED**

In addition to taking the actions specified above, The Chemours Company FC, LLC is hereby ordered to pay in accordance with N.C. General Statute 130A-22(a), an administrative penalty of $28,500.00 for violation of 15A N.C. Administrative Code 13B 0106(a) and (b), plus investigative costs pursuant to N.C. General Statute 130A-22(j) in the amount of $442.76, for a total amount of $28,942.76.

The factors considered in determining the administrative penalty are found in N.C. General Statute 130A-22(d) and include the following: the nature of the violations, the potential effect on the public health and environment, the degree and extent of harm caused by the violations, the types and amounts of wastes, duration of the violations, cause of the violations, the effectiveness of response measures taken by the violator, any damage to private property, the costs of rectifying any damage, the amount of money the violator saved by non-compliance, and any history of non-compliance.

The amount of this penalty and investigative costs shall be paid within sixty (60) days of receipt of this order by certified check or money order made payable to the Division of Waste Management. Payment should be mailed to:

Compliance Officer  
Solid Waste Section  
Division of Waste Management  
1646 Mail Service Center  
Raleigh, NC  27699-1646

**POTENTIAL CONSEQUENCES OF FAILURE TO COMPLY**

You are hereby advised that, pursuant to N.C. General Statute 130A-22, each day of continued violation of any requirement of the act, the rules, or any term or condition of a permit or any order issued under the act or rules constitutes a separate violation for which a penalty of up to $15,000.00 per day may be imposed. You may also be subject to further enforcement actions including injunction from operation of a solid waste management facility or a solid waste collection service and any such further relief as may be necessary to achieve compliance with the North Carolina Solid Waste Management Act and Rules.
OPPORTUNITY TO REQUEST A HEARING

You, The Chemours Company FC, LLC, have the right to request an administrative hearing to contest any matter of law, material fact, requirement, or penalty set forth herein. To exercise this right, you must file a written petition and pay a filing fee in accordance with N.C. General Statutes 150B-23(a), 150B-23.2, and 130A-22(e) within thirty (30) days of receipt of this Compliance Order With Administrative Penalty.

The petition must be signed by you or your attorney (if a corporation, the petition must be signed by your attorney). It must state facts tending to establish that the agency has deprived you of property, has ordered you to pay a fine or civil penalty, or has otherwise substantially prejudiced your rights, and that the agency has:

1. exceeded its authority or jurisdiction;
2. acted erroneously;
3. failed to use proper procedure;
4. acted arbitrarily or capriciously; or
5. failed to act as required by law or rule.

The petition must be filed and the fee paid within thirty (30) days of the date of receipt of this Order with the Office of Administrative Hearings, 6714 Mail Service Center, Raleigh, NC 27699-6714, in accordance with N.C. General Statute 150B-23(a). A copy of your petition must also be served on Mr. Bill Lane, General Counsel, NC Department of Environmental Quality, 1601 Mail Service Center, Raleigh, NC 27699-1601. Failure to complete either of these acts within the thirty-(30) day period may result in denial of any administrative hearing.

An administrative hearing will be conducted in accordance with applicable rules contained in Title 26 of the North Carolina Administrative Code. If you file a petition for an administrative hearing within thirty (30) days in accordance with the applicable statutes and rules, payment of the penalty is due within sixty (60) days after service of a copy of any final decision affirming the penalty. You may request a copy of the rules by calling the Office of Administrative Hearings at (919) 431-3000.

INFORMAL CONFERENCE

Whether or not you request an administrative hearing, the Division encourages you to schedule an informal conference to discuss this matter and to give you an opportunity to provide additional information, including any actions you have taken to correct the violation(s). If you desire an informal conference, please contact:

Jason Watkins
Field Operations Branch Head
Winston-Salem Regional Office
450 West Hanes Mill Road, Suite 300
Winston-Salem, NC 27105
336-776-9674

Note: The scheduling of an informal conference does not relieve you of the need to file your petition for an administrative hearing within the thirty-(30) day period.

By: ______________________________
Michael E. Scott, Director
Division of Waste Management
Department of Environmental Quality