

PUBLIC NOTICE

BANKRUPTCY SETTLEMENT TERMINATION OF CORRECTIVE ACTION PERMIT REFERRAL TO CERCLA MANAGEMENT

VELSICOL CHEMICAL, LLC

1199 WARFORD STREET

The Tennessee Department of Environment and Conservation (TDEC) Division of Solid Waste Management (DSWM) as discussed below has tentatively decided to (i) terminate a hazardous waste corrective action permit to Velsicol Chemical, LLC (Velsicol) for the Velsicol facility (EPA ID TND007024664) located at 1199 Warford Street, Memphis, Shelby County, Tennessee 38108; (ii) subject to Bankruptcy Court approval, enter into a settlement agreement with Velsicol to transfer the Velsicol facility to an environmental response trust where the State of Tennessee is the beneficiary and where Velsicol will no longer have an interest in the facility and Velsicol will be provided certain covenants not to sue and contribution protection; and (iii) refer the site from management under the permit to TDEC's Division of Remediation to be managed under CERCLA and its state equivalent. **TDEC invites the public to submit comments on this proposal during a 45-day comment period ending on July 21, 2025.**

The permit, TNHW-158, was issued to Velsicol on September 30, 2014, and was effective for ten years. Velsicol published a public notice on February 22, 2024, advising that Velsicol would hold a pre-application public meeting on March 21, 2024, as required by Tennessee Rule 0400-12-01-.07(1)(m). The purpose of the meeting was to provide information, answer questions, and receive comments concerning the permit reissuance.

The permit, TNHW-158, is only for corrective action of solid waste management units (SWMUs) and areas of concern (AOCs). There are no post closure units on the site. The current permit includes the corrective action conditions for the SWMUs and AOCs. As set forth more particularly in the Permit, Velsicol is required to investigate any release of hazardous waste or hazardous constituents at the facility, and to take appropriate corrective action for any such release.

Prior to submission of its renewal application, Velsicol filed a voluntary petition for relief under chapter 11 of the United States Bankruptcy Code in the United States Bankruptcy Court for the Northern District of Illinois as Case No. 23-12544. TDEC filed a Proof of Claim against Velsicol in the Bankruptcy Court asserting claims for remediation costs of the Memphis plant site, ground water contamination, remediation of Cypress Creek and oversight costs. TDEC and Velsicol have reached an agreement to settle these claims and Velsicol's environmental liabilities subject to approval of Velsicol's plan of reorganization. Under the terms of the settlement, Velsicol will transfer title to the Memphis plant site to an environment response trust, of which the State of Tennessee will be the sole beneficiary. As part of the settlement, Velsicol will make payments to the trust in the amount of approximately \$3.8 million over the course of 5 years. The trust will use such payments to fund continued remedial activities at the Facility. As part of the settlement and in exchange for the agreement to transfer the plant site and make payments to the trust by Velsicol, Velsicol will be provided a covenant not to sue, a release of liability and protection against third-party contribution claims under the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. § 9601 et seq. (CERCLA).

After the transfer of the site into the trust, the site will be referred from management under the Permit to TDEC's Division of Remediation to be managed under CERCLA and its state equivalent. Termination of the Permit is required to allow TDEC to propose the site for listing on the National Priorities List.

Based on the review of the application, and as authorized pursuant to Tennessee Rule 0400-12-01-.07(9), DSWM has determined that the permitted activity can be regulated more effectively using CERCLA to address potential offsite impacts. DSWM has made a tentative decision to terminate the permit under the authority of the Tennessee

Hazardous Waste Management Act of 1977, as amended, Tennessee Code Annotated, Section 68-212-101 et seq., and Rule Chapter 0400-12-01, Hazardous Waste Management. In accordance with Rule 0400-12-01-.07(9), this notice requires a 45-day comment period, beginning on the date of this publication. Pending consideration of any contrary information received, it is the present intent of DSWM to terminate this permit without issuing a post-closure permit.

An in-person public hearing will be held on Tuesday, July 1, 2025, at Benjamin L. Hooks Central Library at 3030 Poplar Avenue, Memphis, Tennessee 38111. An information session will be held from 5:00 p.m. to 6:00 p.m., CDT, for the public to inspect the draft documents with representatives from TDEC. The formal hearing will begin at 6:00 p.m., CDT with a presentation from TDEC on the terminated permit and Velsicol settlement. After the presentation, TDEC will receive oral comments from the public that will be recorded. The public may submit written comments at the meeting.

A virtual public hearing will be held on Monday, June 30, 2025. An information session will be held from 11:00 a.m. to 11:30 a.m., CDT. The formal hearing will begin at 11:30 a.m., CDT, with a presentation from TDEC on the terminated permit and Velsicol settlement. Those who wish to join the public hearing virtually can do so by using the following link: tn.gov/environment/notices/velsicol/public-hearing. Information regarding how to join by computer will be posted to this website at least 3 days prior to the public hearing. Online participants will be able to view maps, pictures, and other content that will be shared.

An electronic copy of the permit is available online at tn.gov/environment/notices/velsicol and the DSWM Central Office, located at the Davy Crockett Tower 7th Floor, 500 James Robertson Parkway, Nashville, TN 37243 (615-532-0780) and at the TDEC Memphis Environmental Field Office, 8383 Wolf Lake Drive, Bartlett, Tennessee 38133.

To comment on the proposed permit termination, contact Mr. Brett Harris, Hazardous Waste Permitting Manager, Division of Solid Waste Management, Tennessee Department of Environment and Conservation, Davy Crockett Tower, 7th Floor, 500 James Robertson Parkway, Nashville, Tennessee 37243 (615-393-9221), Brett.Harris@tn.gov.

To comment on the proposed Velsicol settlement outlined in this notice, the transfer of the site to CERCLA management, or the post-bankruptcy management of remediation of the site, contact Mr. Evan Spann, Deputy Director, Division of Remediation, Tennessee Department of Environment and Conservation, Davy Crockett Tower, 7th Floor, 500 James Robertson Parkway, Nashville Tennessee 37243 (615-532-0919), Evan.W.Spann@tn.gov.

Comments must be received by 4:30 p.m. CDT, July 21, 2025, to assure consideration.

After considering all comments, TDEC will make a final decision to terminate the permit and proceed with the bankruptcy settlement outlined above. Notice will be given to each person who has submitted written comments or requested notice of the final decision. At the time a final decision is issued, a Response to Comments document addressing all significant input received on the draft permit will be made available to the public. The final decision shall become effective upon signing by TDEC.

TDEC is an Equal Employment Opportunity/Affirmative Action (EEO/AA) employer. TDEC does not unlawfully discriminate on any basis prohibited by applicable law in any of its programs, services, or activities.

EEO/AA/ADAAA inquiries or complaints may be directed to the ADAAA Coordinator, TDEC HR Division, at 615-532-0200. Hearing-impaired callers may use the Tennessee Relay Service (1-800-848-0298).

If it is hard for you to read, speak, or understand English, TDEC may be able to provide translation or interpretation services free of charge. Please contact Janelle Starke at 615-906-2950 for more information.

If you would like to receive notices like this directly, contact the DSWM's Central Office for a Mailing List Request Form. Email Solid.Waste@tn.gov or call 615-532-0780.

NOTICE ISSUED: June 6, 2025

