October 18, 2007

Dear Senator Breen:

Per your recent request, I asked staff to provide me with an updated report on Charbert. The Office of Compliance & Inspection is responsible for tracking compliance with the consent agreement executed between Charbert and DEM on July 23, 2005, and requires Charbert to address issues in water, site remediation, and freshwater wetlands.

The water issues involve the continued use of four active wastewater lagoons (one of which is unauthorized), the site remediation issues involve investigation and remediation of groundwater contamination and stockpiles of material dredged from the wastewater lagoons, and the freshwater wetland issues involve restoration of wetlands that were altered in the construction and subsequent use of the unauthorized wastewater lagoons. An update on each is provided below:

Water: The Office of Water Resources (OWR) is reviewing a Charbert's proposal to modify the wastewater treatment lagoons and construct rapid infiltration beds (RIB). On July 25, 2007 OWR approved construction of a RIB in one area of the site to provide Charbert an opportunity to determine whether this technology would be effective. Charbert was required to complete the RIB and provide a final proposal to OWR by September 30, 2007. On October 5, 2007 OWR contacted Mr. Michael Healey from Charbert for an update, and was informed that they have not proceeded with construction of the RIB because the parent corporation, NFA Corp., is in the process of selling Charbert. Mr. Healey did not know, if and when the RIB will be constructed. He did state that NFA Corp. is aware of its obligations under the consent agreement and plans to fully meet its obligations. OWR requested, and Mr. Healey agreed, to follow up their conversation with correspondence outlining their discussions. Therefore, with
regard to Water, Charbert is in non-compliance with the consent agreement.

- **Site Remediation**: The Office of Waste Management (OWM) has been working with Charbert to investigate groundwater contamination within the overburden and bedrock. Charbert is in full compliance with the consent agreement with regard to this work. OWM (through DEM's Office of Legal Services) has drafted a letter to the Town of Richmond's attorney updating the town on our efforts. The letter is still in the review process and should be mailed shortly.

- **Freshwater Wetlands**: Restoration of the altered wetlands is tied to modification of the wastewater lagoons. This work has not proceeded, and Charbert is in non-compliance with the consent agreement.

I hope this information answers your questions and concerns. If you need further information, please do not hesitate to contact my office.

Sincerely,

[Signature]

W. Michael Sullivan, Ph.D.
Director