



State of Ohio Environmental Protection Agency

Southeast District Office

2195 Front Street
Logan, OH 43138

TELE: (740) 385-8501 FAX: (740) 385-6490
www.epa.state.oh.us

Bob Taft, Governor
Bruce Johnson, Lieutenant Governor
Joseph P. Koncelik, Director

January 8, 2007

**RE: LAWRENCE COUNTY
SITE - BIOMASS ENERGY**

Biomass Energy, LLC
65 Avenue of Champions
Nicholasville, KY 40356

**CERTIFIED MAIL
7005 1820 0008 1262 2206**

Attention: Mr. Mark Harris, President, Biomass

Dear Mr. Harris:

On December 28, 2006, and January 3, 2007, I conducted inspections of the Biomass property located in South Point, Lawrence County. The purpose of my inspections was to evaluate compliance with the consent order and applicable solid waste regulations and to determine if the coal/coke waste is in the process of being removed. This removal was detailed in the Consent Orders issued and signed by you on December 27, 2006.

This waste material was generated by Allied Signal (Honeywell) in 1999 and 2000. The coal and coke wastes is an unwanted waste from Allied Signal, (Honeywell). In April 1999, Allied Signal contracted with Biomass to receive and process (burn as fuel) these waste materials. The boilers at Biomass are inoperable and the wastes were never burned for fuel. Legitimate disposal of these waste materials must be accomplished.

The Order - Part 7 Injunctive Relief. Defendants are immediately enjoined from further scrapping or salvage activity at the Biomass facility until the performance penalty bond is in place.

I observed on December 28, 2006, and again on January 3, 2007, that the scrapping and salvaging of the metal has stopped. I met with you at the Biomass property on January 3, 2007, to discuss this aspect of the order. Mr. Jack Hager, the contractor that is salvaging the site, was also present. You informed Mr. Hager that he was not to remove any scrap metal from your property until further notified by you. You also stated that you sent him a letter concerning this matter last week. This is in compliance of the Consent Order.

I observed that you are in the process of securing the bunker building to prevent rain from entering the building. You have placed tarps over the entrances to the bunker building to the north and south. You were installing a plastic covering on the roof of the bunker building during my visit. You stated that you would try to have this completed this week. I informed you that I would conduct another inspection on Wednesday, January 10, 2007, to determine if the bunker building is secure.

I observed that the coal/coke waste remains in the bunker building. You stated that you have contacted two different local trucking companies to provide you with information on availability and costs to assist you in the removal of the waste in the building.

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Compliance with the requirements outlined in this letter, or the solid and infectious waste provisions contained in ORC Chapter 3734 and the rules promulgated thereunder, does not relieve the owner/operator of its obligation to comply with other applicable State and Federal laws and regulations.

Should you have any questions, please contact me at (740) 380-5246 or Steve Rine at (740) 380-5213.

Sincerely,



Clint Shuff, R.S.
Environmental Specialist
Division of Solid and Infectious Waste Management

CAS/jg

cc: Frank J. McCown, Judge, Lawrence County Court of Common Pleas
cc: Phil Thompson, Portsmouth Local Air Authority
cc: Kevin O'Hara, Division of Emergency and Remedial Response, SEDO
cc: Lawrence County Health Department
cc: Dan Palmer, Lawrence and Scioto County Solid Waste Management District
cc: Barry Chapman, DSIWM, CO
cc: Robert Eubanks, Office of the Ohio Attorney General
cc: Anthony Giuliani, Vorys, Sater, Seymour, and Pease LLP, 52 East Gay St. P.O. Box 1008, Columbus, Ohio 43216-1008

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3. Also complete item 4 if Restricted Delivery is desired.
- Print your name and address on the reverse so that we can return the card to you.
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1. Article Addressed to:

BIOMASS ENERGY
 MR. MARK HARRIS
 65 AVE OF CHAMPIONS
 NICHOLASVILLE KY 40316

DIATOM LIGN - BIOMASS

2. Article Number
(Transfer from service label)

7005 1820 0008 1262 2206

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 Addressee

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 R. Harris 1/29/06

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