



State of Ohio Environmental Protection Agency

Southeast District Office

2195 Front Street
Logan, Ohio 43138

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www.epa.state.oh.us

Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director

May 3, 2007

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

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

CERTIFIED MAIL 7005 1820 0008 1262 1070

Attention: Mr. Mark Harris, President, Biomass

Dear Mr. Harris:

On April 17, 2007, and April 26, 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 Orders issued by the Lawrence County Common Pleas Court on December 27, 2006, and to determine if the coke waste is in the process of being removed.

The coke waste material was generated by Allied Signal (Honeywell) in 1999 and 2000. The coke waste 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 remains to be accomplished.

The Order- Part 11 Injunctive Relief. Within fourteen (14) days, Defendants shall temporarily or permanently secure the storage bunker sufficient to prevent the infiltration of rain through the roof or the entrance ways of the waste storage bunker.

I observed on April 17, 2007, that the tarp at the south entrance of the Biomass bunker building was missing and the plastic over the opening at the west side of the bunker building was torn. I observed standing water in the bunker building on the April 17, 2007 inspection. The pooled water was located to the northwest portion of the bunker building near the north entrance. On the April 26, 2007, visit I observed that the tarp to the south entrance to the bunker building had been replaced.

Failure to secure the building sufficient to prevent the infiltration of rain is in violation of the order.

I observed that the coke waste remains in the bunker building. I did not observe the removal or transportation of the waste on either inspection.

LAWRENCE COUNTY
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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/cb

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

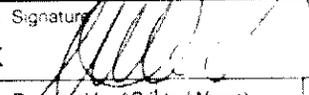
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1. Article Addressed to:

BIO MASS ENERGY
MARK HARRIS
65 AVE. OF CHAMPIONS
NICHOLASVILLE KY 40356

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