OHIO E.P.A.

MAR 12 2012

ENTERED DIRECTOR'S JOURNAL

BEFORE THE
OHIO ENVIRONMENTAL PROTECTION AGENCY

In the Matter of:

Ashland Inc.
Corporate Headquarters
50 E. River Center Blvd
P.O. Box 391
Covington, KY 41012-0391

Respondent

Director's Final Findings and Orders

PREAMBLE

It is agreed by the parties hereto as follows:

I. JURISDICTION

These Director's Final Findings and Orders (Orders) are issued to Ashland Inc. (Respondent) pursuant to the authority vested in the Director of the Ohio Environmental Protection Agency (Ohio EPA) under Ohio Revised Code (ORC) §§ 3734.13 and 3745.01.

II. PARTIES BOUND

These Orders shall apply to and be binding upon Respondent and successors in interest liable under Ohio law. No change in ownership of the Respondent or of the Facilities shall in any way alter Respondent's obligations under these Orders.

III. DEFINITIONS

Unless otherwise stated, all terms used in these Orders shall have the same meaning as defined in ORC Chapter 3734. and the rules promulgated thereunder.

IV. FINDINGS

All of the findings necessary for the issuance of these Orders pursuant to ORC § 3734.13 and 3745.01 have been made and are outlined below. Nothing in the findings shall be considered to be an admission by Respondent of any matter of law or fact. The Director of Ohio EPA had determined the following findings:

1. Respondent was the former owner/operator of facilities in Ohio located at 4600 East 71st Street, Cuyahoga Heights, Ohio (Cuyahoga Heights); 2788 Glendale-Milford Road, Evendale, Ohio (Evendale); 2191 West 110th Street, Cleveland, Ohio (Cleveland); 2854 Springboro Road West, Moraine, Ohio (Moraine); and 1842 Enterprise Parkway, Twinsburg, Ohio (Twinsburg) and is the current owner/operator of facilities located at 1745 Cottage Street, Ashland, Ohio (Ashland) and 5200 Blazer Parkway, Dublin, Ohio (Dublin); hereinafter, referred to collectively as the "Facilities."

2. Respondent is a "person" as defined in ORC § 3734.01(G) and Ohio Administrative Code (OAC) rule 3745-50-10(A).

3. Respondent notified Ohio EPA of its hazardous waste activities and was issued U.S. EPA identification numbers OHD002899912 (Evendale), OHD042311209 (Dublin), OHD076751320 (Cleveland), OHD071114375 (Ashland), OHD087708277 (Cuyahoga Heights), OHD074700311 (Moraine) and OHR000040816 (Twinsburg).

4. At the Springboro, Ashland, Cleveland, Dublin, Cuyahoga Heights, Twinsburg, Moraine and Evendale Facilities, Respondent generated "hazardous waste" as that term is defined by ORC § 3734.01(J) and OAC rules 3745-50-10(A) and 3745-51-03. Respondent was identified as a large quantity generator of hazardous waste at each of these Facilities.

5. Respondent additionally operated as a hazardous waste transporter, as defined in OAC rule 3745-50-10(A).

6. On April 7, 8, 14, 2005 and May 16, 2005, Ohio EPA conducted a compliance evaluation inspection at Vexor Technology, Inc. (Vexor). From this inspection and from subsequent inquiries, Ohio EPA obtained information that Respondent either transported or caused the transportation of hundreds of containers of hazardous waste to Vexor on multiple occasions. Vexor then stored these containers for hundreds of days. Vexor does not hold a hazardous waste facility installation and operation permit authorizing it to store hazardous waste.

7. From February 16, 2006 through July 26, 2006, Ohio EPA conducted compliance inspections at the Facilities referenced in Finding No. 1. At the time of the inspections, Respondent was the owner of the Facilities. As a result of these inspections, Ohio EPA has determined that Respondent, *inter alia*: unlawfully transported or caused the unlawful transportation of hazardous waste to an unpermitted facility, Vexor, on multiple occurrences

from approximately July 25, 2002 through August 4, 2009, in violation of ORC § 3734.02(F). Non-hazardous waste shipping papers accompanied the hazardous waste to Vexor.

8. Respondent was notified of violations referenced in finding No. 7. by letters dated February 22, 2006, April 5, 2006, July 31, 2006, and October 21, 2006.

9. Based on a review of documentation obtained from Vexor, Respondent, on multiple occasions, unlawfully transported hazardous waste from generators to Vexor, in violation of ORC § 3734.02(F).

10. Respondent operated facilities outside Ohio which engaged in the practice of storing and consolidating wastes from non-Ashland generators. From these facilities, Respondent utilized its transporters, as described in Finding No. 5, to transport the waste from these facilities to Vexor.

11. In all instances, once the hazardous waste was received at Vexor, Vexor analyzed the wastes for flashpoint and corrosivity characteristics as defined in OAC chapter 3745-51. Based upon Vexor's analysis, Vexor characterized the waste received as Ignitable (D001), Corrosive (D002) or both (D001 and D002) hazardous waste.

12. Vexor ultimately either shipped the hazardous waste to multiple authorized hazardous waste receiving facilities on various dates or, on some occasions, shipped materials back to Respondent.

V. ORDERS

Respondent shall achieve compliance with Chapter 3734. of the ORC and the regulations promulgated thereunder according to the following compliance schedule:

1. Within 30 days after the effective date of these Orders, Respondent shall pay Ohio EPA the amount of $30,000.00 in settlement of Ohio EPA's claims for civil penalties, which may be assessed pursuant to ORC Chapter 3734. and which will be deposited into the Environmental Remediation Fund established pursuant to ORC § 3734.28. Payment shall be made by an official check made payable to "Treasurer, State of Ohio" for $30,000.00. The official check shall be submitted to Ohio EPA, Office of Fiscal Administration, P.O. Box 1049, Columbus, Ohio 43216-1049, together with a letter identifying the Respondent and the Facility. A copy of this check shall be submitted in accordance with Section X. of these Orders, and an

additional copy of this check shall be sent to Supervisor, Processing/Records Management Unit, Division of Materials and Waste Management, Ohio EPA, P.O. Box 1049, Columbus, Ohio 43216-1049.

VI. TERMINATION

Respondent's obligations under these Orders shall terminate upon Ohio EPA's receipt of the official checks required by Section V. of these Orders.

VII. OTHER CLAIMS

Nothing in these Orders shall constitute or be construed as a release from any claim, cause of action or demand in law or equity against any person, firm, partnership or corporation, not a party to these Orders, for any liability arising from, or related to, the operation of Respondent's Facility.

VIII. OTHER APPLICABLE LAWS

All actions required to be taken pursuant to these Orders shall be undertaken in accordance with the requirements of all applicable local, state and federal laws and regulations. These Orders do not waive or compromise the applicability and enforcement of any other statutes or regulations applicable to Respondent.

IX. MODIFICATIONS

These Orders may be modified by agreement of the parties hereto. Modifications shall be in writing and shall be effective on the date entered in the journal of the Director of Ohio EPA.

X. NOTICE

All documents required to be submitted by Respondent pursuant to these Orders shall be addressed to:

For mailings, use the post office box number:

Scott J. Nally, Director
Ohio Environmental Protection Agency
Lazarus Government Center
Division of Materials Waste Management
P.O. Box 1049
Columbus, Ohio 43216-1049
Attn: Manager, Compliance Assurance Section

For deliveries to the building:

Scott J. Nally, Director
Ohio Environmental Protection Agency
Lazarus Government Center
Division of Materials Waste Management
50 West Town Street
Columbus, Ohio 43215
Attn: Manager, Compliance Assurance Section

or to such persons and addresses as may hereafter be otherwise specified in writing by Ohio EPA.

XI. RESERVATION OF RIGHTS

Ohio EPA and Respondent each reserve all rights, privileges and causes of action, except as specifically waived in Section XII. of these Orders.

XII. WAIVER

In order to resolve disputed claims, without admission of fact, violation or liability, and in lieu of further enforcement action by Ohio EPA for only the violations specifically cited in these Orders, Respondent consents to the issuance of these Orders and agrees to comply with these Orders. Compliance with these Orders shall be a full accord and satisfaction for Respondent's liability for the violations specifically cited herein.

Respondent hereby waives the right to appeal the issuance, terms and conditions, and service of these Orders, and Respondent hereby waives any and all rights Respondent may have to seek administrative or judicial review of these Orders either in law or equity.

Notwithstanding the preceding, Ohio EPA and Respondent agree that if these Orders are appealed by any other party to the Environmental Review Appeals Commission, or any court, Respondent retains the right to intervene and participate in such appeal. In such an event, Respondent shall continue to comply with these Orders notwithstanding such appeal and intervention unless these Orders are stayed, vacated or modified.

XIII. EFFECTIVE DATE

The effective date of these Orders is the date these Orders are entered into the Ohio EPA Director's journal.

XIV. SIGNATORY AUTHORITY

Each undersigned representative of a party to these Orders certifies that he or she is fully authorized to enter into these Orders and to legally bind such party to these Orders.

IT IS SO ORDERED AND AGREED:

Ohio Environmental Protection Agency

Scott J. Nally
Director

March 12, 2012
Date

IT IS SO AGREED:

Ashland Inc.

Karen T. Murphy
Signature

2/22/12
Date

KAREN T. MURPHY
Printed or Typed Name

Vice President - EH&S
Title