



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 1
1 CONGRESS STREET, SUITE 1100
BOSTON, MA 02114-2023

Centredale
119
42648

URGENT LEGAL MATTER -- PROMPT REPLY NECESSARY
CERTIFIED MAIL: RETURN RECEIPT REQUESTED

March 3, 2003

Barry S. Shepard, President
Eastern Color and Chemical Company
35 Livingston Street
Providence, RI 02904

Re: Notice of Potential Liability for Centredale Manor Restoration Project Superfund Site,
North Providence, Rhode Island

Dear Mr. Shepard:

This letter serves to formally notify Eastern Color and Chemical Company of the potential liability which it has or may have incurred with respect to the Centredale Manor Restoration Project Superfund Site, North Providence, Rhode Island ("Site"). In addition, this letter requests that you pay certain costs related to the Site and that you prepare to participate in the conduct or financing of certain clean-up activities at the Site, as discussed further below.

NOTICE OF POTENTIAL LIABILITY

The U.S. Environmental Protection Agency ("EPA") has documented the release or threatened release of hazardous substances, pollutants or contaminants at the Site. EPA has spent and is considering spending public funds on actions to investigate and control such releases or threatened releases. Unless EPA reaches an agreement under which a responsible party or parties such as yourself will properly perform or finance such actions, EPA may itself perform these actions or order responsible parties to perform these actions pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 *et seq.* ("CERCLA").

Under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. §§ 9606(a) and 9607(a), and other laws, responsible parties may be obligated to undertake actions deemed necessary by EPA to protect the public health, welfare or environment. Responsible parties may also be liable for all costs incurred by the government in responding to any release or threatened release at the Site.

Such costs may include, but are not limited to, expenditures for investigation, planning, clean-up response and enforcement activities. In addition, responsible parties may be required to pay damages for injury to, destruction of, or loss of natural resources, including the costs to assess such damages.

Responsible parties under CERCLA include persons who are current or former owners and/or operators of a site, persons who arranged for disposal of hazardous substances at a site, or persons who accepted hazardous substances for transport to a site selected by such persons.

EPA has evaluated a large body of evidence in connection with its investigation of the Site, including witness interviews; written statements and administrative depositions from persons familiar with activities at the former chemical and drum recycling companies that operated at the Site; and responses to CERCLA Section 104(e) information requests. Based on this evidence, EPA has information indicating that you are a potentially responsible party ("PRP") with respect to this Site. Specifically, EPA has reason to believe that you arranged by contract, agreement or otherwise for disposal or treatment, or arranged with a transporter for transport for disposal or treatment of hazardous substances found at the Site.

By this letter, EPA notifies you of your potential liability with regard to this matter. EPA also encourages you, as a PRP, to reimburse EPA for the costs incurred to date as set out below, to participate in a "General Notice Meeting" as described below, and to prepare to voluntarily perform or finance future response activities which EPA determines are necessary to address the contamination at the Site.

DEMAND FOR PAYMENT OF COSTS

In accordance with CERCLA and other authorities, EPA has undertaken certain actions and incurred costs in response to conditions at the Site. These response actions are described below. The costs to date associated with these actions are approximately \$11,340,000, excluding interest. EPA anticipates that it will expend additional funds for response activities at the Site under the authority of CERCLA and other laws, including those response activities described below.

In accordance with Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), demand is hereby made for payment of the above amount, and all interest authorized to be recovered under that Section or under any other provisions of law. Demand is also hereby made under these authorities for payment of all future costs, and interest thereon, that EPA may accrue in regard to the Site.

In the event the addressee of this notice intends or has already filed for dissolution or reorganization under bankruptcy laws, you are hereby requested to include EPA-Region I and the United States Department of Justice on any mailing or notice lists used in that proceeding. The United States reserves the right to file a proof of claim or application for reimbursement of administrative expenses in such a proceeding.

RESPONSE ACTIVITIES AT THE SITE

EPA has conducted or is planning in the future to conduct the following activities at the Site:

1. Previous Site activities:

Previous activities by EPA

- established site security;
- restricted access to contaminated soils;
- conducted certain characterization activities to assist in determining the extent of contamination at the Site;
- installed one and partially installed a second interim cap over two contaminated soil areas at the Site; and
- conducted an Engineering Evaluation/Cost Analysis for addressing the breached Allendale dam and contaminated soil and sediment on residential-use properties.

Previous activities by PRPs

- completed installation of a second interim cap over a contaminated soil area at the Site; and
- completed the restoration of the Allendale Dam.

2. Current Site activities:

Current activities by EPA

- a remedial investigation to identify the characteristics of the Site, to define the nature and extent of soil, sediment, air, surface water and ground water contamination at the Site, and to characterize the risk posed by the Site;
- a feasibility study to evaluate a number of different means for addressing the contamination at the Site and the risk posed by that contamination; and
- a continuing search for additional PRPs.

Current activities by PRPs

- sampling and analysis and excavation and off-site disposal of contaminated soils and sediments located in areas accessible by residential and recreational users.

3. Future Site activities:

Future work at the Site may include removal actions to address any remaining sources of contamination. Future work shall also include the design and implementation of the remedial action to be selected and approved by EPA for the Site and any operation, maintenance and monitoring activities necessary at the Site.

In addition to those activities enumerated above, EPA may, pursuant to its authorities under CERCLA and other laws, decide that other studies or clean-up activities are necessary to protect

public health, welfare or the environment.

FUTURE SPECIAL NOTICE AND NEGOTIATION MORATORIUM

At an appropriate point in the future, EPA will send to you, or a person you designate to represent you, a notice informing you that one or more of the above activities is pending and that your cooperation is being requested to negotiate an agreement to perform or finance those activities.

This forthcoming notice will tell you whether EPA has decided to use the "Special Notice" procedures pursuant to CERCLA Section 122(e), 42 U.S.C. § 9622(e), to formally negotiate the terms of a consent order or consent decree to conduct or finance response activities at the Site. If EPA does not use Section 122(e) Special Notice procedures, the notice will explain to you why EPA has determined that those procedures are not appropriate for this Site.

If EPA chooses to employ the Special Notice procedures under Section 122(e) CERCLA, that notice will commence formal negotiations between EPA and the PRPs. This notice will also trigger a moratorium on certain EPA activities at the Site. The purpose of the moratorium is to provide a period of time when PRPs and EPA may negotiate a settlement.

INFORMATION TO ASSIST POTENTIALLY RESPONSIBLE PARTIES

GENERAL NOTICE MEETING

EPA will hold a meeting for all those parties sent this notice on **Tuesday, March 18, 2003, at 1:00 p.m.** at the following location:

1 Congress Street - 11th Floor
Boston, Massachusetts

At this meeting, representatives of EPA will discuss EPA's activities at the Site to date, and its planned future activities. EPA will also provide you with additional information about the proposed removal activities. EPA will answer questions you may have regarding the Site or this notice letter. At the end of EPA's portion of the meeting, we will make a room available for the recipients of this letter to meet with the representatives of the existing PRPs.

For security purposes, we must provide our building security with the names of all visitors in advance. Please call Lauren O'Neill at (617) 918-1730 by noon on Monday, March 17, 2003, with the names of all individuals who will be attending the meeting. Please also provide the name of the company or firm with whom the person is associated.

SITE INFORMATION

In order to encourage you to meet with other PRPs and to begin organizing yourselves for future

negotiations with EPA, the following information has been attached to this letter:

1. A list of the names and addresses of PRPs to whom this notification is being provided. This list represents EPA's preliminary findings on the identities of PRPs. Inclusion on or exclusion from the list does not constitute a final determination by the Agency concerning the liability of any party for response actions at the Site (Enclosure A).
2. A list of contacts for PRPs previously identified for this Site (Enclosure B).
3. An evidentiary summary which sets forth the documentary evidence which indicates, along with other investigatory information gathered by EPA, that you are a PRP for this Site (Enclosure C).

In most cases, EPA seeks an active dialogue with PRPs regarding the search for additional PRPs. If you have evidence regarding the liability of any party for response actions at the Site which has not already been provided to EPA, you should provide that information no later than thirty (30) days from the date of this letter. In addition, if you are interested in participating in the search for additional PRPs, you should contact members of the EPA case team, listed below, for guidance on how you can best target your efforts. You should note that any evidence which you gather and offer to EPA regarding other PRPs will be subject to independent evaluation by EPA. Therefore, this evidence must be reliable and sufficiently detailed to be verified by EPA.

ORPHAN SHARE INFORMATION

Pursuant to the Superfund Reforms, when EPA enters into certain settlements, EPA may compensate settlors for a portion of the shares specifically attributable to insolvent and defunct PRPs ("orphan share"), if any. EPA believes that there may be PRPs at this Site who are insolvent or defunct. If in the future you, either individually or with other PRPs, enter into a cost recovery or RD/RA settlement with EPA and provide sufficient information about the existence, liability, and relative shares of responsibility of insolvent and defunct PRPs, EPA will analyze the information and determine whether to consider the shares of these parties in the amount of past costs and future oversight costs which EPA will seek to recover in such settlement.

STEERING COMMITTEE

EPA recommends that all PRPs form a single steering committee to negotiate on behalf of the entire group of PRPs, and to otherwise pursue the interests of the PRPs. Establishing an effective steering committee, which represents the different interests of all of the PRPs at the Site, is a critical component of the negotiation process.

EPA recognizes that the organization of a steering committee and the allocation of responsibility among PRPs may be difficult. If PRPs are unable to organize an effective steering committee or to reach consensus among themselves, we encourage the use of the services of a neutral third party to facilitate negotiations. If requested, EPA can provide a list of experienced third-party neutrals and

help arrange for the PRPs to meet with such a neutral.

ADMINISTRATIVE RECORD

In accordance with Section 113(k) of CERCLA, EPA must establish an administrative record containing the documents used by EPA to select the appropriate response action for the Site.

The administrative record is available to the public for inspection at:

EPA Records Center
1 Congress Street
Boston, MA 02114-2023
Telephone No. 617-918-1440.

Please call the EPA Records Center for current hours and directions.

This administrative record is also available at North Providence Union Free Library, 1810 Mineral Springs Ave., North Providence RI 02911 and Marion J. Mohr Memorial Library, 1 Memorial Avenue, Johnston, RI 02919.

In addition, this administrative record is available at <http://www.epa.gov/region01/superfund/resource/centredale.htm>.

TIMING AND FORM OF RESPONSE TO THIS LETTER

As a PRP, you should notify EPA in writing within 30 days from the date of this letter of your receipt of this letter, and your willingness to join the other PRPs in addressing the contamination at the Site, and in paying EPA's outstanding response costs set out in this letter. Your response should indicate the appropriate name, address, and telephone number for further contact with you. If you are already involved in discussions with state or local authorities, engaged in voluntary clean-up action, or involved in a lawsuit regarding this Site, you should continue such activities as you see fit. This letter is not intended to advise you or direct you with respect to any such activities. EPA requests that you report the status of such Site-related activities in your response to this letter.

Your response letter should be sent to:

Anna Krasko
U.S. Environmental Protection Agency
Office of Site Remediation and Restoration
1 Congress Street, Suite 1100 (HBO)
Boston, MA 02114-2023

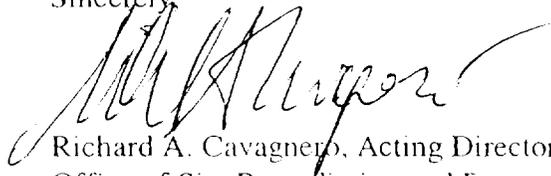
If EPA does not receive a timely response to this letter, EPA will assume that you do not wish to

negotiate a resolution of your liabilities in connection with the Site and that you have declined any involvement in performing the response activities, and paying outstanding costs.

If you have questions regarding the Site or this notice letter, please contact Anna Krasko at (617) 918-1232. If you have an attorney representing you in this matter, please direct his or her questions to Eve Vaudo of the EPA Office of Environmental Stewardship at (617) 918-1089.

The factual and legal discussions in this letter are intended solely to provide notice and information, and such discussions are not to be construed as a final agency position on any matter set forth herein. Due to the seriousness of the environmental and legal problems posed by conditions at the Site, EPA urges that immediate attention and a prompt response be given to this letter.

Sincerely,



Richard A. Cavagnero, Acting Director
Office of Site Remediation and Restoration

Enclosures

cc: Bret Jedele, RIDEM Legal Services
Louis Maccarone, RIDEM Remedial Project Manager
Eve Vaudo, EPA Office of Environmental Stewardship
Anna Krasko, EPA Remedial Project Manager
Ted Bazenas, EPA On-Scene Coordinator
Bruce Marshall, Chief, EPA Search & Cost Recovery Section
Rudy Brown, EPA Office of Government Relations

ENCLOSURE A

CONTACTS FOR GENERAL NOTICE LETTER RECIPIENTS

1. For American Hoechst Corporation

American Hoechst Corporation n/k/a CNA Holdings, Inc.
c/o Celanese Americas Corporation
86 Morris Avenue
Summit, NJ 07901

Contact: Gary M. Rowen
Assoc. General Counsel and
Corporate Vice President of Environment, Health and Safety.

2. For American Mineral Spirits Company

American Mineral Spirits Company
c/o Union Oil Company of California d.b.a. Unocal
2300 Barrington Road, Suite 500
Hoffman Estates, IL 60195

Contact: Theodore C. Hadley, Contract Attorney

3. For Ciba Geigy

Ciba Geigy
c/o Ciba Specialty Chemicals
540 White Plains Road
Tarrytown, NY 10591-9005

Contact: Anne Christien, Manager Regulatory Compliance

4. For Cranston Print Works Company

Cranston Print Works Company
1381 Cranston Street
Cranston, RI 02920

Contact: George W. Shuster, Chief Executive Officer

5. For Eastern Color and Chemical Company

Eastern Color and Chemical Company
35 Livingston Street
Providence, RI 02904

Contact: Barry S. Shepard, President

6. For Eastern Smelting

Eastern Smelting/Refinity
c/o Metallix, Inc.
Foot of Jersey Avenue
Jersey City, NJ 07302

7. For Organic Dyestuffs Corporation

Organic Dyestuffs Corporation
65 Valley Street
East Providence, RI 02914

Contact: Gregory M. Gormley, President

Contact: Andrew W. Davis
Henry M. Swan
Davis, Kilmarx, Swan & Bowling, LLP
101 Dyer Street
Providence, RI 02903

8. For The Original Bradford Soap Works, Inc.

The Original Bradford Soap Works, Inc.
P.O. Box 1007
200 Providence Street
West Warwick, RI 02893

Contact: Stephen B. Forman, Chief Financial Officer

Contact: Richard A. Sherman, Esq.
Edwards & Angell LLP
2800 Financial Plaza
Providence, RI 02903

9. For Warwick Chemical Company

Warwick Chemical Company
c/o Sequa Corporation
3 University Plaza, Suite 300

Hackensack, NJ 07601

Contact: Leonard P. Pasculli, Esq.
Senior Associate **General Counsel**.

10. For T.H. Baylis, Co.

T.H. Baylis Co.
n/k/a THBC, Inc.
c/o Stanwich Partners, Inc.
One Stamford Landing
62 Southfield Avenue
Stamford, CT 06902

Contact: Charles E. Bradley, **President**

Contact: Scott Junkin, Esq.
Scott A. Junkin PC
One Stamford Lane
62 Southfield Avenue
Stamford, CT 06902

11. For Teknor Apex Company

Teknor Apex Company
505 Central Ave.
Pawtucket, RI 02861

Contact: Jonathan D. Fain, **President**
David Yopak, **EHS Director**

ENCLOSURE B

CONTACTS FOR EXISTING PRPs

For Brook Village Associates Limited Partnership:

Colburn T. Cherney
Ropes & Gray
One Franklin Square
1301 K Street, NW, Suite 800 East
Washington, D.C. 20005-3333
PH 202-626-3900
FAX 202-626-3961

Howard Castleman
Murtha Cullina Roche Carens & DeGiacomo
99 High Street
Boston, MA 02110
PH 617-457-4000
FAX 617-482-3868

For Centerdale Manor Associates Limited Partnership (C/S Housing Associates):

Leonard H. Freiman
Goulston & Storrs, A Professional Corporation
400 Atlantic Avenue
Boston, MA 02110-3333
PH 617-482-1776
FAX 617-574-4112

For Centerdale Manor Associates Limited Partnership (Centerdale Associates):

Richard J. Welch
Moses & Alfonso, Ltd.
170 Westminster Street, Suite 201
Providence, RI 02903
PH 401-453-3600
FAX 401-453-3604

Laurie Burt
Foley, Hoag & Eliot LLP
One Post Office Square
Boston, Massachusetts 02109
PH 617-832-1000
FAX 617-832-7000

For Emhart Industries, Inc.

Jerome C. Muys, Jr.
Swidler Berlin Shereff Friedman LLP
3000 K Street, NW, Suite 300

Washington DC 20007-5116
PH 202-424-7547
FAX 202-424-7643

Warren Anthony Fitch
Swidler Berlin Shereff Friedman LLP
3000 K Street, NW, Suite 300
Washington DC 20007-5116
PH 202-424-7695
FAX 202-424-7643

For New England Container Company, Inc.:

Stuart R. Deans, Esq.
Robinson & Cole LLP
Financial Centre
695 East Main Street
P.O. 10305
Stamford, CT 06904-2304
PH 203-462-7500
FAX 203-462-7599

For Crown Metro, Inc.

Knox L. Haynsworth, III
Brown, Massey, Evans, McLeod & Haynsworth, P.A.
P.O. Box 2464
Greenville, SC 29602
PH 864-271-7424
FAX 864-242-6469

For Bernard V. Buonanno, Sr.

Deming Sherman, Esq.
Edwards & Angell, LLP
2800 BankBoston Plaza
Providence, Rhode Island 02903-2499
PH 401-276-6443
FAX 401-276-6611

ENCLOSURE C

U.S. Postal Service
CERTIFIED MAIL RECEIPT
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Barry S. Shepard, President
Eastern Color and Chemical Company
35 Livingston Street
Providence, RI 02904

for Instructions