

John R. Kasich, Governor Mary Taylor, Lt. Governor Scott J. Nally, Director

October 19, 2012

Ms. Barbara Nielsen
Manager, Remediation Division
Freeport-McMoRan Copper & Gold, Inc.
On behalf of Cyprus Amax Minerals Company
333 N. Central Avenue
Phoenix, AZ 85004

JEFFERSON COUNTY
SATRALLOY
CORRESPONDENCE FILE

Re: Designation of an Area of Contamination (AOC)
Former Satralloy Site
County Road 74, Cross Creek Township, Jefferson County, Ohio

Ms. Nielsen:

This letter follows our August 23, 2012, letter with comments on the April 26, 2012, draft Interim Action (IA) Work Plan, and our September 25, 2012, meeting to discuss application of U.S. EPA's Area of Contamination (AOC) Policy at the Former Satralloy Site (Site). Cyprus Amax Minerals Company (Cyprus) has requested that Ohio EPA designate the entire Site (as the term "Site" is defined in the Consent Order for Preliminary Injunction (COPI)) as an AOC, and provided visual (e.g., "9/16/12" photographs) and technical evidence (e.g., "9/18/2012" Figure 1-1 "Lowlands") of contiguous Site-wide contamination to support this request.

I have consulted with staff in Ohio EPA's Office of Legal Services and Ohio EPA DERR's Central Office, including Assistant Chief Pete Whitehouse, and this letter is consistent with those discussions. Ohio EPA acknowledges that Cyprus has demonstrated that contamination appears to be present across the Site in the continuous and contiguous fashion that designation of the AOC requires, and thus we conclude that the AOC concept is applicable. In the event that Cyprus is able to demonstrate in the future, to the satisfaction of Ohio EPA, that continuous and contiguous contamination is present in additional locations on or off the Satralloy property, the Agency acknowledges that the AOC concept would be applicable to such areas as well.

In our view, when an AOC is designated in the context of a government overseen cleanup action, the delineation of AOC is reviewed, overseen and approved as part of that action. In most cases, the AOC is designated in a remedy decision, allowing certain remedial actions to proceed in a specified area without triggering RCRA hazardous waste requirements, including land disposal restriction requirements (LDRs).

In this case, we have concluded that a properly designated AOC would be identified by Cyprus and submitted as part of a plan (e.g. IA Work Plan, RI/FS Work Plan) pursuant to the COPI, which would specify the work to be performed and how the AOC would be

employed. Upon approval of the Agency, the plan would be implemented, and the designated AOC would apply.

We hope this letter clarifies Ohio EPA's position regarding application of the AOC concept at the Satralloy Site. We think this concept can be most useful across the entire Site, as noted above.

Given that the next deliverable under the COPI, the IA Work Plan, was held up pending the clarifications requested in this letter, you are now requested pursuant to paragraphs 12 and 13 of the COPI to submit the Final IA Work Plan with 30 days of receipt of this letter. If you have any questions, or require clarification, please feel free to contact me at your convenience.

Sincerely,

Michael D. Sherron Site Coordinator

Michael.Sherron@epa.state.oh.us

740-380-5251

ec: John Rochotte, DERR-SEDO
Melody Stewart, DMWM-SEDO
Pete Whitehouse, DERR-CO
Mark Rickrich, DERR-CO
Ed Lim, DERR-CO
Mark Navarre, Legal
Todd Anderson, Legal