

**U.S. ENVIRONMENTAL PROTECTION AGENCY  
INITIAL AND FINAL POLLUTION REPORT**

**DATE:** March 5, 2003

**SUBJECT:** Ecusta Paper Mill Response  
P.O. Box 200  
Pisgah Forest, Transylvania County, North Carolina

**FROM:** Barbara Caprita, OSC  
USEPA Region 4

**TO:** S. Hitchcock, EPA  
D. Rigger, EPA  
M. Taylor, EPA  
F. Stroud, EPA  
C. Fitzsimmons, EPA  
G. Powell, EPA-ERT  
K. Buerki, EPA  
D. Andrews, EPA  
Region 4, RRC  
North Carolina Distribution List  
M. Monsees, EPA

**I. BACKGROUND**

LEAD AGENCY: NCDENR  
NPL: No  
FUNDING: Superfund  
SITE ID#: A4AK

Potential Responsible Party (PRP): RFS Ecusta, Inc. is the operator and RFS USA, Inc. is the company that owns the site. Mr. Nathu Puri is sole stock holder for the corporation and company structure that hold RFS Ecusta and RFS USA. Transamerica is the financial institute.

**II. SITUATION**

NRC Incident #:  
Date of Notification: 28 February 2003  
Date Action Started: 28 February 2003  
Pollutant: Potential environmental and health threats if current owner  
"abandons" the facility.  
Source Identification: Water treatment plant, landfills and system tanks.  
Fatalities: None Evacuation: None

### **III. DESCRIPTION**

On February 28, 2003 EPA Region 4 Emergency Response Section was notified by NCDENR to conduct an assessment of the Ecusta Paper Mill due to possible “abandonment” of the mill by the owner/operator.

The mill has approximately 400 to 500 acres within a 2.5 mile fenced perimeter. The area constitutes the mill site which includes all manufacturing structures, parking, storage areas, environmental systems, associated buildings and production related facilities. The Ecusta paper production operation began on this site in 1938. The ownership of the plant includes a Mr. Strauss who constructed the plant in 1938 for the manufacture of paper products from flax fiber; the plant was sold to Olin Chemical Corporation during the 1960's; in the late 1970's a group of Olin Employees formed the the Ecusta Corporation and sold the mill to P.H. Glatfelter; and in August 2001, Glatfelter sold the mill to Mr. Nathu Puri, RFS USA, Inc. - RFS Ecusta, Inc.

On August 16, 2002, RFS Ecusta ceased production at the facility with no specific dates or plans for that production to resume. The NCDENR is concerned about the environmental management and liability at this site. The mill managers are operating the environmental side of the plant to keep the mill in compliance. The paper production of the mill was shut-down, laid off more than 600 employees and then declared bankruptcy. Presently, there is 24 hour security in and around the mill.

### **IV. ACTIONS TAKEN**

On Friday, February 28, 2003, OSC Caprita contacted EPA's START contractor and requested two members meet her in Brevard, North Carolina on Saturday, March 1, 2003. On Saturday, March 1, 2003 OSC Caprita and START met with Kerry Becker, NCDENR; David Poor, Mill Manager; Mike Cody, Director of Environmental Affairs; Bill Ashbrook, Environmental Affairs Specialist to discuss historical business and environmental background regarding the mill, the present situation and future plans. According to the mill manager, on Friday, February 28, the sale of the mill was to take place but the transaction did not happen. As a result, Transamerica has agreed to continue financing the mill environmental operating costs for a period of two months or through April 2003. If a buyer cannot be found by the end of the two month period, the mill may shut-down all remaining operations and sell the assets. After the meeting, activities were conducted to collect information concerning environmental problems that might result in uncontrolled releases of hazardous substances if a power loss occurred. The limited staff provided a CD of drawings, sketches of the plant layout, an aerial photo showing the mill property, records pertaining to the storage tanks and chemicals stored at the mill and costs to “run” the environmental systems.

The following is the possible consequences of the loss of power and personnel:

- The pumps that transfer mill wastewater from the main plant sump into the clarifiers will stop working. As a result, untreated plant wastewater will overflow the sump and discharge directly to the Davidson River. Wastewater at the mill may contain

contaminants including the following: petroleum contaminants from oils, acids, and bases. Even with mill manufacturing operations shut down, the mill processes a large quantity of wastewater each day. Some portion of the wastewater comes from groundwater leaking into the sewer system at the mill.

- Groundwater will enter and accumulate in basements at the mill. The groundwater might not represent a source of contamination, but if it comes into contact with chemical storage tanks in mill basement areas, the groundwater collecting in these subterranean structures could be exposed to contaminants. This potentially contaminated groundwater would also discharge to the Davidson River without treatment.
- Pumps transferring wastewater from a sump in the printing area to the mill's main sump will stop working. This could eventually cause the sump to overflow, flooding the floor of the printing building; the wastewater would likely flow out doorways in the building and into non-contact cooling water ditches that discharge directly to the Davidson River. This wastewater might contain the following contaminants: petroleum contaminants from oils and greases, toluene, and isopropyl acetate.
- Aerators and other systems in the ASB will shut down. The ASB will no longer function properly as an aerobic biological treatment system, leading to the discharge of insufficiently treated wastewater from the ASB into the French Broad River. Because the sludge landfill discharges leachate with a high BOD content into the ASB, the leachate increases the BOD content of the ASB. A power outage at the mill could, therefore, lead to the discharge of wastewater with, among other concerns, a high BOD content into the French Broad River.
- Power will be shut off to the pumps that transfer into the ASB groundwater and surface water collected from the ash landfill. This will lead to the accumulation of groundwater beneath the landfill, a condition that would fluidize the landfill's base and potentially cause the landfill to slide into the areas below it. Such a landslide could endanger lives and damage the ASB. This could further exacerbate the proper functioning of the ASB. In addition, a landslide could lead to untreated groundwater and surface water contaminated with sulfides and sulfates flowing into Thrash Branch, which flows a short distance to the Davidson River.

The threat of a landslide at the ash landfill has precedent in that a landslide occurred in the past due to improper ash-filling operations. Because of this risk, the ash landfill groundwater and surface water collection sump pumps have a propane-powered backup generator.

- Environmental controls (example, temperature and humidity) inside mill buildings will be shut off. Condensation buildup in the buildings could lead to deterioration of asbestos-containing insulating materials. This could cause asbestos to fall to the floor, other structures, potentially leading to the uncontrolled release of asbestos to the outside environment.
- If the mill were to shut down completely such that personnel were not available to

maintain structures and operating systems, the mill buildings, systems, and infrastructure could suffer gradual deterioration from neglect. This deterioration could result in serious consequences. For example, deterioration of chemical storage containers and the structures that protect them could lead to uncontrolled releases of potentially hazardous substances to the environment. While this may not be an immediate consequence of the shutting off of power and laying off all mill employees, the likelihood of such uncontrolled releases would increase over time.

## V. FUTURE ACTIONS

It is recommended the EPA Region 4 Attorneys keep in close contact with the State attorneys to ensure there is environmental compliance within the next two months. It is unknown and doubtful whether Transamerica will continue with the environmental compliance over the next two months and thereafter.

The following are possible actions in response to a loss of power and personnel support:

- An authority would be required to step in and assume responsibility for financing power costs at the mill. Ideally, this contingency would be established in advance so that the transition would be smooth and power to the mill would not be interrupted. Some consideration might also be given to acquiring and setting up backup power generating systems (3-phase, 575-volt [note that this is not the standard 3-phase, 480-volt-type system]) for mill systems critical to maintaining environmental control at the mill; these critical systems would include the following:
  1. Pumps and associated systems that transfer wastewater from the mill's main sump to the primary clarifiers
  2. Pumps and associated systems that transfer wastewater from the sump in the printing area to the mill's main sump
  3. Aerators, pumps, and other systems that maintain proper functioning of the ASB
  4. Pumps and associated systems that pump groundwater and surface water collected from the ash landfill into the ASB
  5. Heating and other basic environmental control systems that maintain proper temperature and humidity conditions in the mill structures
- An authority would also be required to step in and assume responsibility for financing salaries and associated costs for personnel critical to maintaining environmental controls at the mill. Responsibilities for these persons would include operating and maintaining the systems enumerated in the preceding bullet, as well as managing all chemicals and chemical storage structures at the mill; conducting ongoing wastewater treatment, filter plant, hazardous waste, and landfill operations; and conducting periodic compliance and other testing.

- To the extent required for protecting human health and the environment, actions would have to be taken to initiate new and continue existing remediation and closure activities for on-site waste management units. Such activities could include closure of the process landfill and the cleanup of on-site hazardous waste and process tanks.

## **VI. ESTIMATED COSTS**

EPA and START estimated Cost at this time: \$2,000.