U.S. Environmental Protection Agency Mississippi Phosphates Corporation Site Pascagoula, Mississippi

\$EPA

Fact Sheet #1

March 2017



Above: Aerial photograph of MPC Site (source: Google Earth)

EPA Activities

On February 11, 2017, the U.S. Environmental Protection Agency (EPA) Region 4 Emergency Response and Removal Program took over temporary control and funding of wastewater treatment operations at the former Mississippi Phosphates Corporation (MPC) Site at 601 Industrial Road in Pascagoula, Mississippi. EPA made the decision to assume temporary control of water treatment operations at the facility due to insufficient funding on the part of the MPC Environmental Trust, which owns the property. These actions were taken in coordination with the Mississippi Department of Environmental Quality (MDEQ).

The MPC facility ceased operations in December 2014 under Chapter 11 bankruptcy protection, leaving more than 700,000,000 gallons of low-pH, contaminated wastewater stored at the facility. More than 9,000,000 additional gallons of contaminated water is generated with every one inch of rainfall. Wastewater treatment is occurring at a rate of approximately 2,000,000 gallons per day at a cost of approximately \$1,000,000 per month.

Background

MPC is a former diammonium phosphate (DAP) fertilizer plant that began operation in the 1950s. In October 2014, MPC filed for Chapter 11 bankruptcy protection and operations ceased at the facility in December 2014. Two trusts were created in 2015 as part of the bankruptcy proceedings: an Environmental Trust and a Liquidation Trust.

Since October 2015, the Environmental Trust, under the direction of MDEQ, has owned and operated the extensive phosphogypsum stack system (gypstacks) and waste water treatment plant at the former MPC facility. The Environmental Trust operated the facility on a day-to-day basis, continuing to treat and discharge, as well as manage water stored on-site through its environmental contractor, Allen Engineering. Similarly, in October 2015, the Liquidation Trust assumed control and ownership of the other portions of the former MPC facility, including the fertilizer production plants, commercial buildings, docks and other marketable real estate. The purpose of the Liquidation Trust is to market and sell these marketable portions of the former MPC facility.

Background (continued)

The Environmental Trust's primary activities had been focused on the management, treatment and discharge of impacted water at the Site which is generated solely through rainfall since fertilizer production has ceased. Approximately \$1,000,000 per month is required to maintain the facility due to the high volume of wastewater generated there that requires treatment (primarily precipitation and leachate). In January 2017, the State of Mississippi added \$500,000 from the State's Pollution Emergency Fund to the Environmental Trust. These additional funds have since been exhausted, and the Environmental Trust became insolvent on February 10, 2017.

Next Steps

The EPA assumed control of waste water treatment operations at the former MPC facility on February 11, 2017, after the MPC Environmental Trust became insolvent. Presently, the EPA is maintaining environmental stability at the facility and is evaluating potential long-term treatment and closure options for the Site in the event that the facility is not returned to beneficial use.

EPA is beginning to engage the surrounding community to build

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relationships with the stakeholders and assess their concerns. This information will be key in supporting the development of a Community Involvement Plan for the Site. EPA will establish a timeline for future public meetings and other opportunities for stakeholders to learn about and provide input on the Site investigation and cleanup process.

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