



CALIFORNIA ENVIRONMENTAL PROTECTION AGENCY
Department of Toxic Substances Control

November 21, 2014

Judge Approves DTSC Enforcement Order Against Exide Technologies

SACRAMENTO - A federal bankruptcy judge has approved a request by Exide Technologies to comply with an enforcement order from the Department of Toxic Substance Control that will require Exide to immediately set aside \$6.4 million to address environmental impacts of its battery-recycling facility in Vernon.

Exide must immediately:

- Deposit \$2.25 million into a closure/post closure financial assurance trust fund. This is in addition to \$500,000 that Exide deposited on October 31, 2014 into the fund. Exide also continues to maintain an \$11 million surety bond for closure/post closure. Closure costs are set aside to address on-site impacts from Exide's operation whenever the facility permanently closes.
- Deposit \$3 million for the cleanup of potentially 215 properties in two residential neighborhoods near the facility if contamination is found.
- Exide also will pay to DTSC \$526,000 in penalties and \$760,000 in oversight costs.
- The Department has an allowed claim for pre-petition costs of \$79,500 and an allowed claim for pre-petition penalties of \$633,000. Both claims are unsecured.

With the new funds, DTSC, to date, will have secured more than \$18 million from Exide to safely close the Vernon facility whenever that occurs, and to remove lead-contaminated soil from residential areas near the facility.

More funds are scheduled to be deposited later. Under the enforcement order, Exide will be required to set aside a total of \$38.6 million – including the current \$11 million surety bond – for safely closing the plant, and a total of \$9 million for cleanup of the two neighborhoods. More cleanup funds may be required if Exide finds additional contamination during further DTSC-mandated investigation.

The Department has approved a work plan for removing contaminated soil in the neighborhoods in Boyle Heights and Maywood. Two yards with high levels of lead were cleaned up in August.

DTSC staff has met with residents whose properties are the most impacted by the Exide facility, and the first soil-removal activities will begin the first week of December. Twelve yards with the highest lead levels and yards with elevated levels where there are young children or pregnant women living will receive the highest priority for cleanup.

“This enforcement order compels Exide to provide funds to clean up and protect the neighborhoods impacted by Exide’s operations. We expect full compliance with the order and will not allow Exide to restart its lead recycling operations until it corrects its hazardous waste violations,” said Acting Director Miriam Ingenito.

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FOR GENERAL INQUIRIES: Contact the Department of Toxic Substances Control by phone at (800) 728-6942 or visit www.dtsc.ca.gov. To report illegal handling, discharge, or disposal of hazardous waste, call the Waste Alert Hotline at (800) 698-6942.

The Mission of DTSC is to protect California’s people and environment from harmful effects of toxic substances by restoring contaminated properties, identifying and promoting safer ingredients in consumer products, and ensuring stewardship through enforcement, regulation and pollution prevention.