

STATE OF MISSISSIPPI

PHIL BRYANT GOVERNOR

MISSISSIPPI DEPARTMENT OF ENVIRONMENTAL QUALITY

TRUDY D. FISHER, EXECUTIVE DIRECTOR

July 2, 2012

CERTIFIED MAIL/RETURN RECEIPT REQUESTED

Mr. Brian McVey Huntington Ingalls Inc, Ingalls Shipbuilding Division, Pascagoula Operations PO Box 149 M S 2050 02 Pascagoula, MS 395680149

> Re: Huntington Ingalls Inc, Ingalls Shipbuilding Division, Pascagoula Operations Agreed Order No. 6146 12

Dear Mr. McVey:

Enclosed you will find a copy of Agreed Order No. 6146 12, which has been executed by the Executive Director of the Mississippi Department of Environmental Quality, Trudy Fisher, on behalf of the Mississippi Commission on Environmental Quality.

The enclosed Order assesses a civil penalty. The penalty payment, when due, should be made by check payable to the Mississippi Department of Environmental Quality and returned in the enclosed, self-addressed envelope to the MDEQ Fees Division at P.O. Box 2339, Jackson, MS 39225.

If you have any questions regarding your obligations under the enclosed order, please contact Chris Wells at (601) 961-5545.

Sincerely,

Chris Sanders, P.E.

Chief, Environmental Compliance and Enforcement Division

Enclosure cc: Chris Wells

BEFORE THE MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

COMPLAINANT

6146 12 8 order no.

VS.

HUNTINGTON INGALLS INCORPORATED INGALLS SHIPBUILDING DIVISION 1000 JERRY SAINT PE' HIGHWAY PASCAGOULA, MISSISSIPPI 39568

RESPONDENT

AGREED ORDER

COME NOW the Mississippi Commission on Environmental Quality (Commission), acting through the staff and Executive Director of the Mississippi Department of Environmental Quality (MDEQ), Complainant, and Huntington Ingalls Incorporated, Ingalls Shipbuilding Division, Respondent, in the above captioned cause and agree as follows:

1.

By letter dated December 21, 2011, Respondent was contacted by Complainant and notified of the following alleged violation at its facility located at 1000 Jerry St Pe' Highway, Pascagoula, Mississippi in Jackson County:

A. Condition T-22 of NPDES Permit No. MS0003069:

Facility Expansion and/or Modification:

Any facility expansion, production increases, process modifications, changes in discharge volume or location or other changes in operations or conditions of the permittee which may result in a new or increased discharge of waste, shall be reported to the Permit Board by submission of a new application for a permit pursuant to Section II.A. of the Mississippi Wastewater Regulations, or if the discharge does not violate effluent limitations specified in the permit, by submitting to the Permit Board a notice of a new or increased discharge. [WPC-1 Chapter One Section IV.A(14)]

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ECED

On October 14, 2011, Respondent reported a Bypass/Overflow to Complainant's South Regional Office (SRO). The Bypass reported that plumbing for a portable toilet station was improperly installed after Hurricane Katrina in 2005. The wastewater from this portable toilet station had discharged approximately 1.8 million gallons of wastewater to the East Pascagoula River from September 2005 to October 2011.

- B. By letter dated March 23, 2012, Respondent was contacted by Complainant and notified of the following alleged hazardous waste violations as a result of Complainant's inspection conducted January 26, 2012:
 - 1. 40 CFR 262.34(a)(2):

The date upon which each period of accumulation begins is clearly marked and visible for inspection on each container

2. 40CFR 262.34(a)(3):

While being accumulated on-site, each container and tank is labeled or marked clearly with the words, "Hazardous Waste"

During inspection by Complainant, the 90-day storage area located at Berth 4/Paint Shop contained three 55-gallon drums of waste paint related materials that were labeled but not dated and two 55-gallon drums of waste solvent that were not labeled or dated.

2.

In lieu of a formal enforcement hearing concerning the alleged violations listed above, Complainant and Respondent agree to settle this matter as follows:

A. Respondent agrees to pay and Complainant agrees to accept a civil penalty in the amount of \$33,775. Respondent shall pay this penalty to MDEQ within forty-five (45) days after this Agreed Order has been executed by the MDEQ Executive Director. The settlement payment shall be submitted to:

Mississippi Department of Environmental Quality

Attn: Mona Varner

P.O. Box 2339

Jackson, MS 39225

B. Respondent shall conduct an environmental study to assess environmental damages, if any, that may have been caused by the discharge mentioned in Section

1.A of this order. The results of the study and any proposed remedial actions shall be submitted to MDEQ for review within sixty (60) days after this Agreed Order has been executed by the MDEQ Executive Director.

3.

Nothing in this Agreed Order shall limit the rights of MDEQ or the Commission in the event Respondent fails to comply with this Agreed Order. The Agreed Order shall be strictly construed to apply to those matters expressly resolved herein.

4

Nothing contained in this Agreed Order shall limit the rights of MDEQ or the Commission to take enforcement or other actions against Respondent for violations not addressed herein and for future violations of environmental laws, rules, and regulations.

5.

Respondent understands and acknowledges that it is entitled to an evidentiary hearing before the Commission pursuant to Miss. Code Ann. Section 49-17-31 (Rev. 2003), and that it has made an informed waiver of that right. By agreeing to compromise and settle this matter and by entering into this Agreed Order, Respondent does not admit that it violated the requirements of its NPDES permit or any applicable law or regulation. However, the Commission cointinues to assert that the incidents described in Paragraph 1 above constitute violations as alleged.

ORDERED, this the 29 day of ________, 2012.

MISSISSIPPI COMMISSION ON ENVIRONMENTAL QUALITY

TRUDY D. FISHER

EXECUTIVE DIRECTOR
MISSISSIPPI DEPARTMENT

OF ENVIRONMENTAL QUALITY

AGREED, this the day of	, 2012.
HUNTINGTON INGALLS INCORPORATED INGALLS SHIPBUILDING DIVISION,	
BY: KBChn	
TITLE: YP Operations	
STATE OF MS	
COUNTY OF	
	ndersigned authority in and for the jurisdiction
aforesaid, the within named KB Amics	who first being duly sworn, did state upon
his/her oath and acknowledge to me that he/she is	the VP Operations of
Huntington Ingalls Incorporated, Ingalls Shipbuild	ing Division, and is authorized to sign and
enter this Agreement.	
SWORN AND SUBSCRIBED BEFORE ME, this the and day of line, , 2012.	
	Jerry Broker Adams
My Commission expires: 10/23/2015	JERRIE BOOKER ADAMS
	Commission Expires Oct. 23, 2015