



**United States Attorney's Office District of
Connecticut
Press Release**

**April 27, 2009 ATLANTIC WIRE SENTENCED FOR VIOLATING THE FEDERAL
CLEAN WATER ACT**

Nora R. Dannehy, Acting United States Attorney for the District of Connecticut, announced that ATLANTIC WIRE CO., LLC, of Branford, Connecticut, was sentenced today by United States District Judge Christopher F. Droney in Hartford. On December 30, 2008, ATLANTIC WIRE CO., LLC pleaded guilty to two counts of violating the federal Clean Water Act and one count of submitting false statements to the Connecticut Department of Environmental Protection.

According to documents filed with the Court and statements made in court, ATLANTIC WIRE CO., LLC manufactured steel wire and processed rod at a facility located at 1 Church Street in Branford, Connecticut. The Company's production processes included both wire-drawing and surface coating. In the course of the manufacturing process, ATLANTIC WIRE used sulfuric and hydrochloric acid as part of the stripping process and highly alkaline materials as part of its coating process. These manufacturing activities generated highly acidic and/or caustic wastewaters that contained various pollutants, including iron, zinc, copper, and suspended solids. Of these pollutants, copper and zinc are listed by the Environmental Protection Agency (EPA) as toxic pollutants. ATLANTIC WIRE's wastewater was collected and treated on-site in the facility's wastewater treatment system before being discharged to the Branford River.

Under the Clean Water Act, ATLANTIC WIRE was prohibited from discharging pollutants to the Branford River except in compliance with the conditions and limitations of a National Pollutant Discharge Elimination System (NPDES) permit issued by the Connecticut Department of Environmental Protection (CT DEP) under delegation from the EPA. ATLANTIC WIRE's NPDES permit established both general and specific conditions and limitations. The general conditions of the permit required ATLANTIC WIRE to operate and maintain properly all facilities and systems for wastewater collection, storage, treatment and control that were installed or used to achieve compliance with the permit.

The specific conditions and limitations of ATLANTIC WIRE's NPDES permit imposed, among other things, numerical limits on discharge to the Branford River for a variety of pollutant parameters, including pH, total suspended solids, iron, zinc, and copper. To ensure compliance with those limits, the permit required that ATLANTIC WIRE conduct representative monitoring of its wastewater. The permit's monitoring requirements specified the pollutant parameters to be monitored, the type of monitoring required, and the frequency of the monitoring events. The results of that monitoring were required to be

submitted to the CT DEP in monthly Discharge Monitoring Reports (DMRs). The DMRs required ATLANTIC WIRE to certify under penalty of law that the submitted documents were prepared under a system designed to assure that qualified personnel properly gather and evaluate the information submitted and that the signing authorized official had made inquiry to ensure the truth, accuracy and completeness of the submitted material.

At the end of May 2007, ATLANTIC WIRE's environmental manager retired, leaving no one to operate the wastewater treatment system. ATLANTIC WIRE made no preparations to hire another employee with environmental operations experience or training and made little effort to train a replacement for the departing environmental manager while he was still at the plant. Instead, in the wake of the departure, ATLANTIC WIRE assigned the responsibilities of the environmental manager to a current employee, a recent college graduate, who was already fully employed as the product metallurgist at the plant and, who, by his own admission, had no idea how to deal with environmental operations or the relevant reporting requirements. The Company provided this individual with little training in wastewater treatment and reporting.

The wastewater treatment system depended on several critical components to work properly, a functioning lamella clarifier and available holding space in the 80,000-gallon sludge holding tank. The purpose of the lamella clarifier was to remove metals and other pollutants from the wastewater by allowing the water during the treatment process to run through a series of baffles, which would slow the water and give solids time to settle out, sinking to a sedimentary layer at the bottom of the clarifier, where they could be removed as sludge. The "clarified" wastewater would then flow over the top of the clarifier and discharge to the Branford River without further treatment.

The sludge layer that collected in the bottom of the clarifier was periodically dumped into an 80,000 gallon sludge holding tank located immediately beneath the clarifier. As designed, the collected sludge was to be de-watered using a filter press, and then trucked off-site for disposal.

During the Summer 2007, ATLANTIC WIRE allowed the holding tank to fill until it overflowed, sending sludge back to the headworks. This recirculation of sludge made the wastewater even more concentrated and more difficult to treat.

Dirty water issues were a frequent problem during the 2007 Summer and ATLANTIC WIRE shut down the cleaning houses often. Typically, the solid concentration would peak above the discharge limit on Mondays in the first hour of operations. It would improve in quality by Tuesday, which was the Company's sampling day, but sludge began to build up again resulting in poor water quality on Thursdays and Fridays. In a memorandum dated July 26, 2007, an employee with background in the treatment system confirmed that necessary actions and procedures required by the system for wastewater treatment were not being carried out. The cleaning houses were being shut down twice a day, every other day, or a total of three to four times a week.

For a significant portion of the Summer of 2007, the Company was aware of the issues of dirty water and the causes, and that the operations could be improved by

substantial increased use of the filter press and removal of sludge from the holding tank. Throughout the Summer of 2007, a consultant repeatedly identified the failure to remove sludge as a major source of ATLANTIC WIRE's problems, calling such failures the "kind of ridiculous foolishness" that had been going on for years. Despite these repeated warnings and knowing the potential consequences, employees acting within their authority and scope of employment failed to operate and maintain the system properly by limiting or delaying these rudimentary fixes to the system. As a foreseeable result, dirty water was discharged to the Branford River on a repeated basis.

Specifically, on September 4, 2007, as a result of a ruptured acid pipe, the wastewater at the facility dropped to a pH as low as 1.4 standard units, far below the permit minimum of six units. The wastewater remained below the permit limit for at least two hours and 55 minutes. Despite certain employees' awareness of the extremely acidic pH of the water, certain of those employees, acting with their authority and scope of employment, allowed the continuing discharge of wastewater in violation of the permit, explaining that discharging the water to the Branford River while adding alkaline soda was the most effective way to return the volume of water to an acceptable pH range. However, as a result, the discharge to the Branford River continued for a considerable time while the pH was returning to the 6.0 level. ATLANTIC WIRE estimated that it discharged approximately 6,400 gallons of low pH wastewater on this date alone.

ATLANTIC WIRE knowingly submitted to the CT DEP Discharge Monitoring Reports that contained false Statements of Acknowledgment for the months of May, June and July 2007. In those instances, an authorized official of ATLANTIC WIRE signed the Statement representing that there was a system in place where qualified personnel properly gathered and evaluated information submitted, when the official well knew that during the Summer of 2007 there was no such designed system to assure proper data collection and, in fact, the individual(s) tasked with data collection lacked the qualifications in wastewater collection and/or permit requirements to properly undertake those responsibilities.

On February 18, 2009, the United States Bankruptcy Court approved ATLANTIC WIRE's plan of liquidation. As part ATLANTIC WIRE's bankruptcy plan and order, the corporate owner of ATLANTIC WIRE agreed to address any above-ground environmental remediation required by the shutting down of operations. Over the last eight months, and under the supervision of the CT DEP, the waste treatment system, piping and tanks were dismantled and removed; the contents of the cleaning houses were dismantled and properly disposed, and all tanks and equipment associated with those processes were completely removed; all chemicals, tanks, drums, containers, and wastes were removed from the site and appropriately disposed; and the areas surrounding the cleaning houses, wastewater treatment system, and storage tanks were cleaned of contaminants to the "hard surfaces." All surface structures, tanks, wastes, materials and chemicals that, if left unattended, could have caused a release or discharge to the river, have been removed. Discharge points or other conduits to the river were eliminated, and stormwater was redirected in a manner so that no release to the Branford River could occur. The total cost of this environmental remediation project was approximately \$740,000.

The Government believes that a statutory maximum fine in the amount of \$1.5 million would have been appropriate in this case. However, in light of the environmental remediation work performed by ATLANTIC WIRE's corporate parent, and because ATLANTIC WIRE is now defunct with no remaining employees or assets, the Court today ordered, with the agreement of the Government, that no fine be imposed.

Acting U.S. Attorney Dannehy noted that the investigation is ongoing.

This matter was investigated by the Criminal Investigation Division of the Environmental Protection Agency, with the cooperation of the Connecticut Department of Environmental Protection and the Connecticut Attorney General's Office. The case is being prosecuted by Assistant United States Attorney Christopher W. Schmeisser and Special Assistant United States Attorneeter Kenyon.

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