

ARKANSAS DEPARTMENT OF ENVIRONMENTAL QUALITY

IN THE MATTER OF:

**EMERSON ELECTRIC CO.
2895 HARRISON STREET
BATESVILLE, ARKANSAS 72501-7430
EPA ID No. ARD006354294
AFIN 32-00007**

LIS 10-090

CONSENT ADMINISTRATIVE ORDER

This Consent Administrative Order (hereinafter "Order") is issued pursuant to the authority of the Arkansas Hazardous Waste Management Act (Act 406 of 1979, as amended; A.C.A. § 8-7-201 et seq.), the Arkansas Remedial Action Trust Fund Act (Act 479 of 1985, as amended; A.C.A. § 8-7-501 et seq.), and the Arkansas Pollution Control and Ecology Commission (hereinafter "APC&EC") Regulation No. 23, APC&EC Regulation No. 8, and APC&EC Regulation No. 7. The issues herein, as they pertain to Emerson Electric Co., Batesville, Independence County, Arkansas (hereinafter "Respondent" or "Emerson") having been settled by the agreement of Respondent and the Arkansas Department of Environmental Quality - Hazardous Waste Division (hereinafter "ADEQ"), it is hereby agreed and stipulated by all parties that the Findings of Fact and Order and Agreement be entered herein.

FINDINGS OF FACT

1. Emerson operated a manufacturing business known as "White-Rodgers". The White-Rodgers facility is located at 2895 Harrison Street in Batesville, Arkansas (hereinafter "the Site") on approximately forty (40) acres. White-Rodgers was decommissioned by Emerson in spring 2009 and the manufacturing facility is currently vacant.

2. The facility was built for White-Rodgers in 1961, and White-Rodgers operated the plant continuously from 1961 until 2009. White-Rodgers manufactured natural gas valves for equipment, such as hot water heaters and home heating furnaces. The major operations conducted at the facility included melting of aluminum ingots and aluminum scrap metal in re-melt furnaces, die casting, drilling, tapping, assembling, soldering, cleaning, grinding, packaging, and shipping.
3. The operational processes at White-Rodgers involved the usage of cutting oils, lubricating oils, solvents, and degreasers. Three degreasers containing solvents were used in the machining operations at the Site for many years. The solvents consisted of trichloroethene (hereinafter "TCE"), chlorofluorocarbons, and 1,1,1-trichloroethane (hereinafter "TCA"). The use of the solvents in the degreasers was phased out by 1999.
4. White-Rodgers was a large quantity generator of hazardous waste.
5. In November 1991, a spill of approximately two hundred (200) gallons of cutting oil occurred at the facility. The spill was reported to ADEQ and remediated.
6. In conjunction with a scheduled close of operations at the White-Rodgers facility, Emerson elected to conduct a complete environmental study of the Site.
7. In April 2008, Emerson hired an environmental contractor to begin investigative sampling in four (4) areas at the Site identified as areas of concern for possible TCE and TCA contamination. Emerson collected soil samples from twenty-five (25) soil borings located in the degreaser, bulk storage, western storage, and die casting areas. The samples were analyzed for volatile organic compounds (hereinafter "VOCs"), total petroleum hydrocarbons (hereinafter "TPH"), polycyclic aromatic hydrocarbons, and/or polychlorinated biphenyls (hereinafter "PCBs"). Samples of perched water were also collected from two (2) locations in

the former degreaser area. These samples were analyzed for VOCs, including TCE and TCA. Four (4) monitoring wells were installed in July, 2008 and two (2) monitoring wells were installed in December 2008 at increasingly downgradient distances from the facility. Groundwater samples from the four (4) initial wells were collected in July and September 2008, and July 2009, and from the two (2) additional wells in January and July 2009. Two additional monitoring wells were installed in June 2009 further downgradient, and sampled in July 2009.

8. In July 2008, Emerson collected soil samples from seven (7) additional borings in the degreaser and western storage areas and analyzed the samples for VOCs.
9. In September 2008, Emerson collected soil samples from nine (9) additional borings in the western storage area and analyzed the samples for VOCs.
10. In December 2008, Emerson collected soil samples from fourteen (14) borings in the degreaser area, the die lube room (adjacent to the die casting area), and the compressor room. These samples were analyzed for VOCs and/or TPH.
11. In spring 2009, Emerson shut down operations at the White-Rodgers facility.
12. In June 2009, Emerson collected soil samples from seven (7) borings in the die casting area, which was previously partially inaccessible due to equipment. The samples were analyzed for VOCs, TPH, and PCBs.
13. On July 1, 2009, Emerson submitted a letter to ADEQ providing background information on the manufacturing processes and materials that were in use at the Site when White-Rodgers was operational. The letter also contained a copy of their Summary of Soil and Groundwater Investigations Report dated June 26, 2009, which included the analytical results of the 2008 and early 2009 soil and groundwater sampling at the Site.

14. On August 20, 2009, ADEQ and Emerson met to discuss the current activities taking place at the Site. ADEQ and Emerson agree that additional actions are needed at the Site.

ORDER AND AGREEMENT

1. Respondent shall, within forty-five (45) calendar days of the effective date of this Order, submit to ADEQ a Sampling and Analysis Plan (hereinafter "SAP") designed to determine the horizontal and vertical extent, rate of migration and concentration of TCE, TCA, and their breakdown constituents in the environment at the Site. The SAP shall include, but not be limited to, a Scope of Work, a Method of Implementation Plan, a Quality Control and Assurance Plan, and a Site Health and Safety Plan. Additionally, the SAP shall include a schedule of implementation not to exceed one hundred twenty (120) calendar days from the ADEQ SAP approval date. Respondent shall implement the SAP upon receipt of written approval from ADEQ and shall submit a Report of Findings to ADEQ within one hundred twenty (120) calendar days from the SAP approval date. If ADEQ determines the SAP fails to accomplish a complete determination of the extent, rate, or concentration of TCE, TCA, and their breakdown constituents in the areas investigated, then Respondent agrees, within thirty (30) calendar days of receiving written notification from ADEQ, to amend the SAP to provide for additional sampling and analysis to accomplish the requirements of this paragraph. Respondent shall implement the said SAP amendment upon ADEQ approval and report the findings thereof in accordance with an amended implementation schedule.
2. Respondent shall, within sixty (60) calendar days of notification by ADEQ that contamination of the environment has occurred, as determined through ADEQ's assessment and review of the findings resulting from the implementation of the SAP, submit a

Preliminary Evaluation of Remedial Technologies that may be appropriate to address contamination of the environment as determined from the findings of the SAP (hereinafter "Preliminary Evaluation Report"). The Preliminary Evaluation Report shall recommend one or more remedial technologies applicable to control or remediate such contamination to the extent necessary to protect human health and the environment.

3. Respondent shall, within sixty (60) calendar days of written notification from ADEQ of ADEQ's review and approval of the Preliminary Evaluation Report, submit a Remedial Plan (hereinafter "RP") to control or remediate such contamination to the extent necessary to protect human health and the environment. Implementation of the RP by Respondent shall commence within forty-five (45) calendar days of receipt of written approval from ADEQ. A report documenting the results of the implementation of the RP shall be submitted to ADEQ within sixty (60) calendar days following the completion of RP implementation.
4. Respondent shall operate and maintain any remedial system in accordance with the elements specified in the approved RP. This shall include any monitoring necessary to demonstrate the effectiveness of the RP. If ADEQ determines RP implementation fails to accomplish remediation sufficient to protect human health or the environment, Respondent shall, upon receiving written notification from ADEQ, conduct any additional remedial activities ADEQ determines necessary to protect human health and the environment from releases of hazardous substances or pollutants at the Site.
5. Respondent shall, within sixty (60) calendar days of the effective date of this Order, submit to ADEQ the results of a water well survey. This water well survey shall include an evaluation of water wells within a one (1) mile radius of the facility through field and database research.

6. If during the course of any activity initiated under this Order, the Director determines that a release or potential release of hazardous substances from the Site poses an imminent threat to human health and the environment, the Director may specify that interim corrective action measures will be taken by Respondent. The Director may determine the specific measures and the schedule for implementation of the required interim measures. The Director will notify Respondent in writing of the requirement to perform such interim measures. ADEQ and Respondent may modify the Order to incorporate such interim measures into the Order, but actual implementation shall begin immediately for the goal of protecting human health and the environment.
7. Respondent hereby designates a Project Manager who shall be responsible for overseeing the implementation of all site investigation, remediation and closure activities subject to the requirements of this Order. The Project Manager shall communicate with ADEQ on all technical issues that arise under this Order and shall be empowered to agree to minor modifications in the implementation of any of the investigation or remediation required by this Order when such modifications are deemed by ADEQ to further the purpose of this Order. Respondent may change their Project Manager by providing written notice of such change to the ADEQ. The initial Project Manager shall be:

Derek E. Chase
Director, Environmental Affairs
Emerson Electric Co.
8000 West Florissant Avenue
PO Box 4100
St. Louis, Missouri 63136-8506
Ph No. (314) 553-2767
Fax No. (314) 553-1365
Email: derek.chase@emerson.com

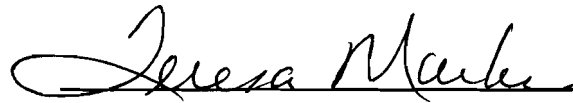
8. All submittals required by this Order shall be subject to applicable Document Review Fees pursuant to the requirements of APC&EC Regulation No. 23, Section 6(t).
9. All submittals required by the Order and Agreement shall be electronically emailed to cris@adeq.state.ar.us and one hard copy shall be submitted by Certified Mail or hand delivered to Tom Crist, Enforcement and Inspection Branch, Hazardous Waste Division, ADEQ, 5301 Northshore Drive, North Little Rock, Arkansas 72118-5317.
10. All requirements by the Order and Agreement are subject to approval by ADEQ. Unless otherwise specified herein, in the event of any deficiencies, Respondent shall, within the timeframe specified by ADEQ, submit any additional information or changes requested, or take additional actions specified by ADEQ to correct any such deficiencies. Failure to adequately respond to such Notice of Deficiency (NOD) within the timeframe specified in writing by ADEQ constitutes a failure to meet the requirements established by this Order.
11. If any event occurs, including but not limited to Natural Disasters, which causes or may cause delay in the achievement of compliance by Respondent with the requirements of this Order, Respondent shall notify ADEQ, in writing, as soon as reasonably possible after it is apparent that a delay will result, but in no case after the deadline has passed. The written notice shall describe in detail the anticipated length of delay, the precise cause of delay, the measures taken and to be taken to minimize the delay, and the timetable by which those measures are implemented.
12. ADEQ may grant a written extension of any provision of this Order, provided that Respondent requested such an extension in writing and provided that the delay or anticipated delay has been caused by circumstances beyond the control of and without the fault of Respondent. The time for performance may be extended for a reasonable period but, in no

event longer than the period of delay resulting from such circumstances. The burden of proving that any delay is caused by circumstances beyond the control of and without fault of Respondent and the length of delay attributable to such circumstances shall rest with Respondent.

13. Nothing contained in this Order shall be construed as a waiver of ADEQ's enforcement authority over violations not specifically addressed herein; nor does this Order exonerate past, present, or future conduct which is not expressly addressed herein. Nothing contained herein shall relieve Respondent of any other obligations imposed by any local, state, or federal laws, nor shall this Order be deemed in any way to relieve Respondent of its responsibilities for obtaining or complying with any necessary permits or licenses.
14. This Order is effective upon execution, pursuant to Regulation 8.407(B). However, this Order is subject to a public notice and comment period of thirty (30) calendar days and may be reopened upon Arkansas Pollution Control & Ecology Commission initiative or in the event a petition to set aside this Order is granted by the Commission.
15. This Order shall apply to and be binding upon ADEQ and upon Respondent, their successors, and assigns. Any changes in ownership or corporate status of Respondent, including, but not limited to, any transfer of shares, assets or other real or personal property, shall in no way alter Respondent's obligations under this Order.
16. The Respondent may seek termination of this Order by submitting to ADEQ a written document that indicates the Respondent's compliance with all requirements of this Order, and ADEQ shall issue a written notice of termination upon review and concurrence that the Respondent has satisfied the requirements of the Order.

17. This Order may be amended or modified in any respect by mutual agreement of ADEQ and the Respondent. Such amendment or modification shall be in writing and shall be made in accordance with APC&EC Regulation No. 8.
18. Each of the undersigned representatives of the parties certifies that he or she is authorized to execute this Order and to legally bind that party to its terms and conditions.

IT IS SO ORDERED THIS 24th DAY OF May, 2010.



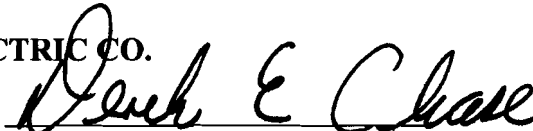
TERESA MARKS

DIRECTOR

APPROVED AS TO FORM AND CONTENT

EMERSON ELECTRIC CO.

BY: Signature



Print or Type Name

DEREK E CHASE

Title

DIRECTOR ENVIRONMENTAL AFFAIRS

Date

MAY 18, 2010