

DNREC, Croda, Inc. reach settlement agreement on company's air and water violations from Nov. 25, 2018 E0 incident

DOVER – The Delaware Department of Natural Resources and Environmental Control (DNREC) and Croda, Inc. have entered into a settlement agreement that resolves environmental violations arising from the Nov. 25, 2018 ethylene oxide release (E0) at Croda's Atlas Point facility.

Croda, Inc.'s facility located at 315 Cherry Lane, New Castle, Del., manufactures surfactants that promote mixing of oil- and water-based ingredients in consumer products such as pharmaceuticals and shaving cream. At 4:23 p.m. on Sunday, Nov. 25, the E0 release by Croda was responsible for a seven-hour shutdown of the Delaware Memorial Bridge while emergency responders – including DNREC's Emergency Prevention and Response Section and Environmental Crimes Unit – worked throughout the area to ensure that there was no threat to public health and safety.

Croda's subsequent investigation found that the release was due to the failure of a gasket made of unsuitable material for processing E0 at the plant. The accidental release resulted in 2,688 pounds of the highly flammable E0 gas escaping into the environment. A water deluge system, deployed by Croda to minimize the risk of ignition or explosion of the E0 that was released, caused almost 700,000 gallons of deluge water to overflow a spill sump and to discharge into the ground and a wooded area behind the sump.

The settlement agreement includes a DNREC Secretary's Order issued on March 4, 2019, citing Croda for Division of Air Quality violations for the E0 release and for the improper maintenance and operation of the Atlas Point facility. The Division of Water cited Croda for the unpermitted release of deluge water in violation of its NPDES (National Pollutant Discharge Elimination System) permit. The settlement agreement also directs Croda to pursue a plan of sampling and remediation, pursuant to HSCA (the Delaware Hazardous Substance Cleanup Act), administered by the Division of Waste and Hazardous Substances' Site Investigation and Restoration Section (SIRS).

Through the settlement agreement, DNREC Secretary Shawn M. Garvin issued a Notice of Penalty Assessment and Order to Croda, Inc., for the violations of Delaware air quality regulations and the company's NPDES permit. The Secretary's Order assesses a penalty of \$246,739 to Croda, which includes \$16,489 for DNREC cost recovery from responding to and investigating the incident.

In the settlement with the State of Delaware and DNREC, Croda, Inc. also has agreed to resolve all violations arising from the operation of Croda's new E0 plant as permitted by DNREC, both prior to and including the Nov. 25 incident. The settlement agreement also calls for DNREC and Croda to define further Croda's environmental obligations for the Atlas Point facility. With Croda having accepted those obligations set forth by DNREC and agreed to necessary remedial actions required by the Department for public health and safety, the settlement with DNREC provides a path forward to resume production of ethylene oxide at the Atlas Point facility upon final approval from DNREC.

The settlement agreement and Secretary's Order can be found on the DNREC website at <https://dnrec.alpha.delaware.gov/secretarys-orders/>.

A DNREC Q&A about the Nov. 25 incident and the Department's

investigation into it can be found at
<https://dnrec.alpha.delaware.gov/croda-questions-answers/>.

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