UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
Region 1
5 Post Office Square, Suite 100
Boston, MA 02109-3912

URGENT LEGAL MATTER -- PROMPT REPLY NECESSARY
CERTIFIED MAIL: RETURN RECEIPT REQUESTED

July 28, 2016

ITT Corporation
c/o Fern Fleischer Daves
Assistant General Counsel
Legal Department
1133 Westchester Avenue
White Plains, NY 10604

Re: General Notice Letter of Potential Liability for Keddy Mill Superfund Site, Windham, Maine

Dear Ms. Daves:

The U.S. Environmental Protection Agency ("EPA") has received and reviewed the October 7, 2015 response on behalf of ITT Corporation to EPA's July 30, 2015 CERCLA information request. This letter serves to formally notify ITT Corporation ("ITT") of the potential liability which it has or may have incurred with respect to the Keddy Mill Superfund Site, located at 7 Depot St., Windham, Maine ("Site"). In addition, this letter requests that ITT pay certain costs related to the Site and that ITT prepare to participate in the conduct or financing of certain clean-up activities associated with the Site.

NOTICE OF POTENTIAL LIABILITY

EPA has documented the release or threatened release of hazardous substances, pollutants or contaminants at the Site. EPA has spent and is considering spending public funds on actions to investigate and control such releases or threatened releases. Unless EPA reaches an agreement under which a responsible party or parties such as yourself will properly perform or finance such actions, EPA may itself perform these actions or order responsible parties to perform these actions pursuant to the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. §§ 9601 et seq. ("CERCLA").

Under Sections 106(a) and 107(a) of CERCLA, 42 U.S.C. §§ 9606(a) and 9607(a), and other laws, responsible parties may be obligated to undertake actions deemed necessary by EPA to

SEMS Doc ID 635281

protect the public health, welfare or environment. Responsible parties may also be liable for all costs incurred by the government in responding to any release or threatened release at the Site. Such costs may include, but are not limited to, expenditures for investigation, planning, clean-up response and enforcement activities. In addition, responsible parties may be required to pay damages for injury to, destruction of, or loss of natural resources, including the costs to assess such damages.

Responsible parties under CERCLA include persons who are current or former owners and/or operators of a site, persons who arranged for disposal of hazardous substances at a site, or persons who accepted hazardous substances for transport to a site selected by such persons.

EPA has evaluated evidence in connection with its investigation of the Site, including EPA, state and corporate records. Based on this evidence, EPA has information indicating that ITT is a potentially responsible party ("PRP") under Section 107(a) of CERCLA with respect to this Site. Specifically, EPA has reason to believe that ITT is a successor to a former owner/operator of the Site at the time of disposal of hazardous substances at the Site.

By this letter, EPA notifies ITT of its potential liability with regard to this matter. EPA also encourages ITT, as a PRP, to reimburse EPA for the costs incurred to date as set out below, to coordinate with other PRPs as appropriate, and to prepare to voluntarily perform or finance future response activities which EPA determines are necessary to address the contamination at the Site.

DEMAND FOR PAYMENT OF COSTS

In accordance with CERCLA and other authorities, EPA has undertaken certain actions and incurred costs in response to conditions at the Site. These response actions are described below. The costs through July 8, 2016 associated with these actions are approximately $1,496,419.27, excluding interest. EPA anticipates that it will expend additional funds for response activities at the Site under the authority of CERCLA and other laws, including those response activities described below.

In accordance with Section 107(a) of CERCLA, 42 U.S.C. § 9607(a), demand is hereby made for payment of the above amount, and all interest authorized to be recovered under that Section or under any other provisions of law. Demand is also hereby made under these authorities for payment of all future costs, and interest thereon, that EPA may accrue in regard to the Site.

In the event the addressee of this notice intends or has already filed for dissolution or reorganization under bankruptcy laws, you are hereby requested to include EPA Region I, and the United States Department of Justice on any mailing or notice lists used in that proceeding. The United States reserves the right to file a proof of claim or application for reimbursement of administrative expenses in such a proceeding.

Contained in Enclosure B of this letter is a current summary of the costs expended for the Site.

Costs include initial site assessment work associated with listing of the Site on the National Priorities List ("NPL") of Superfund sites, enforcement related costs, and initial removal and remedial investigation work performed at the Site.

RESPONSE ACTIVITIES AT THE SITE

EPA has already conducted the following activities at the Site:

1. EPA conducted a Preliminary Assessment Site Inspection on December 21, 2011, completed a Trip Report in October 2012, and completed a Final Site Investigation Report on January 15, 2013;

2. EPA completed the Hazard Ranking Listing Package for proposal of the Site to the NPL in December 2013;

3. Following the May 12, 2014 listing of the Site to the NPL in the Federal Register, 79 FR 26853, EPA initiated a Remedial Investigation ("RI") in 2015 to identify the characteristics of the Site, to define the nature and extent of soil, air, surface water/sediment, fish and ground water contamination at the Site, and to characterize the risk posed by the Site; and

4. EPA conducted an evaluation of the Site mill building in 2016 and determined that an Engineering Evaluation/Cost Analysis ("EE/CA") should be conducted with respect to demolition of the building as a Non-Time Critical Removal Action ("NTCRA").

In the future, EPA is planning to conduct the following activities at the Site:

1. Complete the RI and conduct a Feasibility Study ("FS") to evaluate a number of different means for addressing the contamination at the Site and the risk posed by that contamination;

2. Issue a Proposed Plan which will summarize a preferred a cleanup plan to address the contamination at the Site, and issue a Record of Decision ("ROD") to document the cleanup action selected for the Site;

3. Conduct a Remedial Design and Remedial Action ("RD/RA") to design and implement the EPA approved cleanup action for the Site; and

4. Conduct activities to monitor, operate and maintain the cleanup action after the cleanup is completed.

In addition to those activities enumerated above, EPA may, pursuant to its authorities under CERCLA and other laws, determine that other studies or clean-up activities are necessary to protect public health, welfare or the environment.

FUTURE SPECIAL NOTICE AND NEGOTIATION MORATORIUM

In the future, EPA may send to you, or a person you designate to represent ITT, a notice informing you that one or more of the above activities is pending and that ITT's cooperation is being requested to negotiate an agreement to perform or finance those activities.

This forthcoming notice will tell you whether EPA has decided to use the "Special Notice" procedures pursuant to CERCLA Section 122(e), 42 U.S.C. § 9622(e), to formally negotiate the terms of a consent decree to conduct or finance site response activities at the Site. If EPA does not use Section 122(e) Special Notice procedures, the notice will explain to you why EPA has determined that those procedures are not appropriate for this Site.

If EPA chooses to employ the Special Notice procedures under Section 122(e) of CERCLA, that notice will commence formal negotiations between EPA and the PRPs. This notice will also trigger a moratorium on certain EPA activities at the Site. The purpose of the moratorium is to provide a period of time when PRPs and EPA may negotiate a settlement.

INFORMATION TO ASSIST POTENTIALLY RESPONSIBLE PARTIES

In order to encourage you to contact other PRPs, as appropriate, and to begin organizing for future negotiations with EPA, the following information has been attached to this letter:

1. A description of the Site (Enclosure A);

2. A current Site cost summary (Enclosure B); and

3. A compact disc containing corporate and historical records (Enclosure C).

In addition, please note that a General Notice of Potential Liability letter is also being sent to the following additional party at this time: Tyco International, c/o Joseph Janeczek, Director, Global Environmental Compliance Program and Corporate Social Responsibility, 9 Roszel Road, Princeton, NJ 08540. On April 20, 2016, a General Notice of Potential Liability letter was sent to Keddy Mill Enterprises, LLC, c/o Mr. Scott LaLumiere, Milk Street Capital, LLC, 84 Middle Street, Portland, ME 04101.

In most cases, EPA seeks an active dialogue with PRPs regarding the search for additional PRPs. If you have evidence regarding the liability of any party for response actions at the Site which has not already been provided to EPA, you should provide that information no later than **thirty (30) days** from the date of this letter. You should note that any evidence which you gather and offer to EPA regarding other PRPs will be subject to independent evaluation by EPA. Therefore, this evidence must be reliable and sufficiently detailed to be verified by EPA.

EPA will establish an Administrative Record that will contain documents that serve as the basis for EPA's selection of a cleanup action for the Site. The Administrative Record will be located and available to you and the public at the Superfund Records Center, EPA Region I, at the address below:

EPA Records Center
5 Post Office Square, Suite 100
Boston, MA 02109-3912
Telephone No. 617-918-1440

TIMING AND FORM OF RESPONSE TO THIS LETTER

You should notify EPA in writing within **thirty (30) days** from the date of this letter of your receipt of this letter, of ITT's willingness to address the contamination at the Site and willingness to pay EPA's outstanding response costs set out in this letter. Your response should indicate the appropriate name, address, and telephone number for further contact with ITT. If ITT is already involved in discussions with state or local authorities, engaged in voluntary clean-up action, or involved in a lawsuit regarding this Site, ITT should continue such activities as you see fit. This letter is not intended to advise ITT or direct ITT with respect to any such activities. EPA requests that you report the status of such Site-related activities in your response to this letter.

Your response to this letter should be sent to:

Leslie McVickar
Remedial Project Manager
U.S. Environmental Protection Agency
Office of Site Remediation and Restoration
5 Post Office Square, Suite 100 (OSRR07-4)
Boston, MA 02109-3912

If EPA does not receive a timely response to this letter, EPA will assume that ITT does not wish to negotiate a resolution of its liabilities in connection with the Site and that ITT has declined any involvement in performing the response activities and paying outstanding costs.

If you have technical questions regarding the Site or this notice letter, please contact Remedial Project Manager Leslie McVickar at (617) 918-1374. If you have legal questions, please contact Senior Enforcement Counsel, Susan Scott of the EPA Office of Environmental Stewardship at (617) 918-1778.

The factual and legal discussions in this letter are intended solely to provide notice and information, and such discussions are not to be construed as a final agency position on any matter set forth herein. Due to the seriousness of the environmental and legal problems posed by

conditions at the Site, EPA urges that immediate attention and a prompt response be given to this letter.

Sincerely,

Nancy Barmakian for

Bryan Olson, Director
Office of Site Remediation and Restoration

Enclosures

cc: Susan Scott, EPA, Senior Enforcement Counsel
Leslie McVickar, EPA, Remedial Project Officer
Robert Cianciarulo, Chief, OSRR R&R I Branch
Donna Murray, EPA, Enforcement Coordinator
Patti Ludwig, EPA, CERCLIS Data Administrator
EPA, OSRR Records Center
Rebecca Hewett, Maine DEP, Project Manager
Andy Raddant, Department of the Interior, Federal Natural Resource Trustee
Ken Finkelstein, NOAA, Federal Natural Resource Trustee

ENCLOSURE A

SITE DESCRIPTION

The Keddy Mill Superfund Site ("Site") is located at 7 Depot Street in the Town of Windham, Cumberland County, Maine. The approximate 7-acre Site is located in the Little Falls portion of Windham, Maine. The property is bounded to the north by Depot Street; to the northeast by a partially-developed commercial parcel; to the east by a former Maine Central Railroad right-of-way; to the south and southwest by undeveloped property and the Presumpscot River; to the west by the Presumpscot River, a parking lot property, and a hydroelectric dam and power generating station; and to the northwest by an occupied apartment complex. The Site is further identified on the Town of Windham, Maine tax assessors map as Map 38, lot 7 and the deed recorded at the Cumberland County Registry of Deeds in Book 29050, Pages 322-326.

Many industrial activities were conducted on the Site between 1756 and 1997, including a sawmill, grist and wool carding mill, wood pulp and boxboard manufacturing, steel manufacturing and fabrication of heavy equipment buckets, manufacturing of fire suppression piping and materials, a small machine shop and equipment storage. The site has been vacant since 1997.

Contaminants of concern at the Site include polychlorinated biphenyls ("PCBs") and metals. Contamination from PCBs is widespread throughout the site and inside the abandoned mill building. The Site includes at least two sources of contamination. These include a pile of deposited slag material on the north side of the mill building, and an area of contaminated soil extending from north of the vacant building to the southwest side of the building adjacent to the Presumpscot River.

Samples taken from the Site indicate the presence of VOCs including 2-butanone, acetone, and methyl acetate; SVOCs including numerous polycyclic aromatic hydrocarbons ("PAH's"); PCBs including Aroclor-1242, Aroclor-1248; and numerous metals (arsenic, cadmium, chromium, cobalt, copper, iron, manganese, nickel and zinc) in surface soil. VOCs, PAHs, PCBS and metal were in slag samples.

Various studies and cleanup activities have occurred at the Site. The Maine Department of Environmental Protection ("DEP") coordinated two removal actions at the site by previous owners. The first involved the excavation of 10.88 tons of petroleum impacted soil in 1997. The second, during May and July 2010, was performed in accordance with the Toxic Substances Control Act ("TSCA") Self Implementing Clean-up Plan ("SICP") submitted in 2006. Only a portion of the SICP was performed, including removal of PCB-contaminated fuel oils in remaining piping and PCB-contaminated sludge, dirt, debris and oily materials from within the building. In addition, the current owner constructed a fence around the site at the request of the Maine DEP to deter trespassers.

The Keddy Mill Site was proposed to the National Priorities List of Sites ("NPL") in May, 2013 and placed on the NPL on May 12, 2014.

ENCLOSURE B

ITEMIZED COST SUMMARY

KEDDY MILL SITE

Reconciliation Pending

Itemized Cost Summary

KEDDY MILL, WINDHAM, ME SITE ID = 01 KJ

Draft Summary (Total Costs through July 8, 2016)

REGIONAL PAYROLL COSTS	$178,327.57
HEADQUARTERS PAYROLL COSTS	$312.18
REGIONAL TRAVEL COSTS	$2,005.99
ENVIRONMENTAL SERVICES ASSISTANCE TEAMS (ESAT) CONTRACT COSTS	
TECHLAW, INC. (EPW06017)	$1,506.29
TECHLAW, INC. (EPW13021)	$24,296.11
HAZARD RANKING SYSTEM CONTRACT COSTS	
COMPUTER SCIENCES CORP. (EPW10016)	$27,753.71
OTHER CONTRACT COSTS	
H&S/NOBIS ENVIRONMENTAL (EPS11103)	$198,011.83
RESPONSE ACTION (RAC) CONTRACT COSTS	
NOBIS, INC. (EPS10603)	$289,808.60
STATE COOPERATIVE AGREEMENT (SCA)/GRANT COSTS	
DEP, MAINE (V96199801)	$17,090.00
MAINE DEP (V97141301)	$7,989.62
SUPERFUND TECHNICAL ASSISTANCE AND RESPONSE TEAM (START) CONTRACT COSTS	
WESTON SOLUTIONS, INC. (EPS31501)	$163,452.73
WESTON SOLUTIONS, INC. (EPW05042)	$9,162.51
TECHNICAL SERVICES AND SUPPORT (TSS) CONTRACT COSTS	
PRIMUS SOLUTIONS (EPW11024)	$10,899.95
CONTRACT LAB PROGRAM (CLP) COSTS	
FINANCIAL COST SUMMARY	$49,100.44
MISCELLANEOUS COSTS (MIS)	$152.24

Reconciliation Pending

Itemized Cost Summary

KEDDY MILL, WINDHAM, ME SITE ID = 01 KJ

Draft Summary (Total Costs through July 8, 2016)

EPA INDIRECT COSTS	$516,549.50
Total Site Costs:	$1,496,419.27