Settlement with PCS Nitrogen Fertilizer to Require Treatment of More Than a Billion Pounds of Hazardous Waste and Closure of Huge Phosphogypsum Waste Stacks and Impoundments

Fertilizer Manufacturer to Spend Over $84 Million to Reduce Environmental Impact

DALLAS, TEXAS (July 14, 2022) – The Environmental Protection Agency (EPA), the Justice Department, and the Louisiana Department of Environmental Quality (LDEQ) today announced a settlement with PCS Nitrogen Fertilizer, L.P. (PCS Nitrogen), to remedy hazardous waste issues at its former fertilizer manufacturing facility in Geismar, Louisiana.

This settlement resolves alleged violations of the Resource Conservation and Recovery Act (RCRA) at the facility, including that PCS Nitrogen failed to properly identify and manage certain waste streams as hazardous wastes. These corrosive (acidic) hazardous wastes were illegally mixed with process wastewater and phosphogypsum from phosphoric acid production. The resulting mixture of wastes was disposed of in surface impoundments. The settlement requires PCS Nitrogen to treat over 1 billion pounds of acidic hazardous process wastewater over the next several years. The acidic hazardous process wastewaters will be contained in the phosphogypsum stack system and then treated in the newly constructed water treatment plant. The settlement also regulates the long-term closure of PCS Nitrogen’s phosphogypsum stacks and surface impoundments for over 50 years and requires PCS Nitrogen to ensure that financial resources will be available for environmentally sound closure of the facility. PCS Nitrogen will provide over $84 million of financial assurance to secure the full cost of closure and pay a civil penalty of $1,510,023.

“This settlement requires PCS Nitrogen to treat over 1 billion pounds of hazardous waste and take steps to ensure that the long-term closure of its facility is protective of the environment,” said Acting Assistant Administrator Larry Starfield for EPA’s Office of Enforcement and Compliance Assurance. “This is a very important outcome as the facility is located in an area prone to hurricanes and the financial assurance secured will protect taxpayers from paying future closure and cleanup costs.”

“This settlement requires treatment of all contaminated wastewater accumulated at the PCS Nitrogen facility, thus protecting sensitive wetlands and the Mississippi River,” said Assistant Attorney General Todd Kim of the Justice Department’s Environment and Natural Resources Division. “PCS Nitrogen also will secure the full cost of closure with $84 million in financial assurance to protect taxpayers, demonstrating our continued commitment to hold this industry accountable both for past violations and future contingencies.”

“This settlement represents a lot of hard work by LDEQ enforcement and legal staffs who joined their EPA counterparts in drafting this settlement,” said LDEQ Secretary Dr. Chuck Carr Brown. “It will provide a protective solution for decades to come.’”

PCS Nitrogen manufactured phosphate products in Louisiana for agriculture and industry from the 1960s to 2018, including phosphoric acid and phosphate fertilizer, through processes that generated large quantities of
acidic wastewater and a solid material called phosphogypsum. The phosphogypsum was deposited and remains in large piles (some over 100 acres large and 200 feet high) referred to as phosphogypsum stacks. Acidic wastewaters are stored in the phosphogypsum stacks and surface impoundments. The facility is now undergoing closure.

The settlement requires PCS Nitrogen to comply with RCRA requirements to make RCRA hazardous waste determinations and properly manage all hazardous wastes in its phosphogypsum stacks and surface impoundments. This injunctive relief will be governed by the terms of the consent decree and by administrative agreements, permits, and/or orders issued by LDEQ under its authorized state program, and subject to EPA’s authorities under RCRA or any other applicable law. Additionally, PCS Nitrogen has completed certain site assessment and remedial activities pursuant to EPA and Louisiana regulations.

The EPA has completed judicial and administrative settlements with thirteen phosphate fertilizer facilities across the United States, all requiring extensive injunctive relief and financial assurance to bring their operations into compliance with RCRA.

A consent decree formalizing this settlement with PCS Nitrogen was lodged today in the U.S. District Court for the Middle District of Louisiana and is subject to a 45-day public comment period and approval by the federal court. The consent decree can be viewed at the Department of Justice website: www.justice.gov/enrd/Consent_Decrees.html

For more information about today’s settlement, please visit the PCS Geismar settlement sheet.

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