



United States
Department of
Agriculture

Office of the
General
Counsel

Washington,
D.C.
20250-1400

June 26, 2012

Via UPS and E-mail

Theodore L. Garrett (Attorney for Intalco Aluminum Corporation)
Covington & Burling
1201 Pennsylvania Avenue N.W.
Washington, DC 20004-2401

**Re: Holden Mine Site – Transmittal of Unilateral Administrative Order;
Waiver of Special Notice and Negotiation Moratorium**

Dear Mr. Garrett,

Enclosed is a Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA) Unilateral Administrative Order (UAO) issued by the U.S. Department of Agriculture, Forest Service (Forest Service), and the U.S. Environmental Protection Agency (EPA). The UAO requires Intalco Aluminum Corporation (Intalco) to conduct the remedial design and remedial action (RD/RA) for the Holden Mine Site (Site) selected in the January 27, 2012, Record of Decision (ROD). Please note Intalco's opportunity to confer provided in Section XXXI of the UAO and Intalco's obligation to provide a notice of intent to comply with the UAO in Section VII.

This letter also provides written notice to Intalco that the United States (U.S.) is exercising its discretion not to use the special notice procedures, as provided in 42 U.S.C. § 9622(e). When it would facilitate an agreement with a potentially responsible party (PRP) for taking remedial actions and would expedite remedial action, the U.S. may initiate special notice procedures for RD/RA at a site. 42 U.S.C. § 9622(e). When the U.S. decides not to use special notice procedures, the U.S. must notify the PRP in writing of its decision and of the reasons why the use of special notice procedures is inappropriate. 42 U.S.C. § 9622(a). The use of special notice procedures would not facilitate an agreement and would not expedite the necessary response action at the Holden Mine Site (Site) for the following reasons:

1. There is insufficient time to negotiate an RD/RA Consent Decree to timely commence early actions needed at the Site in 2012, as indicated in your December 16, 2011, letter to James Alexander; and
2. In general, Intalco is unwilling to negotiate an RD/RA Consent Decree for longer-term RD/RA activities, as you communicated in a March 7, 2012, call with the legal counsel for the State, the Confederated Tribes and Bands of the Yakama Nation (Yakama Nation), Intalco (in-house counsel), and James Alexander.

Theodore L. Garrett
Re: Holden Mine Site UAO and
Waiver of Special Notice and Negotiation Moratorium
June 26, 2012
Page 2

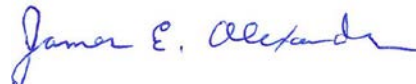
Thus, the U.S. will not invoke special notice procedures under 42 U.S.C. § 9622(e).

The U.S. remains willing to negotiate an RD/RA Consent Decree while RD and RA are ongoing, if Intalco should later wish to do so. In the meantime, the U.S. proposes to negotiate a Consent Decree with Intalco to address unpaid past response costs and natural resource damages. We anticipate these negotiations would include the State of Washington and the Yakama Nation.

Finally, in accordance with 42 U.S.C. § 9613(k), the Forest Service and EPA have established an Administrative Record containing the documents that are the basis for the agencies' selection of the appropriate response action for the Site. This Administrative Record is located at Wenatchee National Forest, 215 Melody Lane, Wenatchee, WA 98801-5933 and is available to the public for inspection and comment.

If you have any questions regarding this letter, please contact James Alexander at 503-808-5976. Thank you for your prompt attention to this matter.

Sincerely,



for

Ralph Linden
Associate General Counsel

Enclosure

cc: (e-mail only)
James Alexander, USDA OGC
Jennifer MacDonald, EPA
Norm Day, Forest Service
Julie Creed, Forest Service
Fred Phillips, DOJ
Tom Zeilman, Yakama Nation
Andy Fitz, Washington AG
Jeff Goodman, USDA EMD
Holly Fliniaux, USDA EMD
Kathleen Adam, Forest Service
Marcus Wah, USDA OGC
Jeff Moulton, USDA OGC

JEA/mg