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October 2, 2026

Via Regular Mail

Myra C. Reece, Director

South Carolina Department of Environmental Services

2600 Bull Street

Columbia, SC 29201

**Re: Silfab Solar, Inc. Compliance Agreement; Objection to Restart of
Commissioning Activities Before Implementation of TRC
Recommendations**

Dear Director Reece:

On behalf of the Fort Mill School District ("FMSD"), I am writing to object to any authorization, approval, or acquiescence by the South Carolina Department of Environmental Services ("Department") that would permit Silfab Solar, Inc. ("Silfab") to restart Commissioning Activities as defined in the March 16, 2026 Compliance Agreement In Re: Silfab Solar, Inc., Permit No. CP-50000090 ("Compliance Agreement") before it has actually implemented and demonstrated completion of the applicable recommendations made by TRC Engineers, Inc. ("TRC") pursuant to the Compliance Agreement.

This matter arises from an incident at the Silfab facility located at 7149 Logistics Lane in Fort Mill earlier this year. On March 3, 2026, approximately 300 gallons of scrubber water containing potassium hydroxide escaped from Silfab's scrubber system, traveled across the property, entered a stormwater drain, and reached the facility's stormwater retention pond. Silfab attributed the release to a failed automatic fill valve, manual overfilling, inadequate piping protection, and a breached drain line. There was also a separate hydrofluoric acid drip and a June 3, 2026, propane incident that required an evacuation. During the propane evacuation, Silfab's planned intercom system was not fully operational, and Silfab relied on Microsoft Teams messages sent to a public text group after the fact.

The Compliance Agreement was entered into as a result of the Department's issuance of a Directive to Cease Operations directing Silfab to immediately cease all operations pending completion of an investigation by the Department and the United States Environmental

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Protection Agency. An essential requirement of the Compliance Agreement was the retention by Silfab of a qualified third-party engineer with expertise in evaluating chemical processes to perform an evaluation of the Facility's leak prevention and response methods and procedures for chemicals used in the Manufacturing Process to include Regulated Substances, Potassium Hydroxide, and HF. Compliance Agreement at p. 6. Silfab retained TRC Engineers, Inc. to perform this evaluation.

On September 30, 2026, TRC issued a Chemical Systems Leak Prevention and Response Methods and Procedures Evaluation Report ("TRC Report") outlining specific recommendations required to be implemented by the Compliance Agreement. Among other requirements imposed by the Compliance Agreement, Silfab is prohibited from initiating Commissioning Activities involving the handling or use of Regulated Substances until it completed the requirements and conditions of the Compliance Agreement.

Condition 4 of the Compliance Agreement required Silfab to obtain the third-party evaluation, but also to submit its written plan for implementing the evaluator's recommendations to the Department for review and comment. Compliance Agreement at 6. Silfab's response to the TRC Report ("Silfab Response") is dated September 30, 2026, the same day as the TRC Report, and we have seen no indication that the Department has reviewed or commented on that Response as of the date of this letter. Certainly, no Department comment included any input from stakeholders such as FMSD. No Commissioning Activities should be allowed until the written plan required by Condition 4 is thoroughly reviewed and approved by the Department with appropriate input and comment from FMSD.

Condition 5 requires Silfab to conduct a review of its facility emergency response procedures and submit the results of that review to the Department. Compliance Agreement at p. 6. In response to the TRC Report, Silfab proposes only to notify FMSD in the event of a "level 3" spill/release, defined as "any incident that may require a widespread evacuation of a facility and/or the community." Silfab Response at p. 16. As acknowledged by Silfab, the proposed plan only requires notification of FMSD in the event of what Silfab determines to be "the worst" level of spill/release. Silfab Response at p. 16. Given Silfab's history of release of hazardous substances, this proposal is unacceptable and not only allowed Silfab to subjectively determine the conditions under which notification is required to be provided, but appears to purposefully ignore FMSD's request for meaningful and timely notification of incidents that have already created significant confusion and fear for parents, teachers and the school community at large. Communication by Silfab to FMSD throughout this process has been sporadic and ineffective at best, and the proposal falls far short of the letter and intent of the Compliance Agreement.

Condition 6 then permits restart notice only “[a]fter completing” all of the conditions of the Compliance Agreement. The Agreement reserves the Department’s authority to take action necessary to address emergencies and to pursue enforcement or equitable relief for documented violations. Conditions 4 and 5 have not been completed, and any attempt to restart Commissioning Activities is wholly premature.

Silfab’s submission confirms that it is proposing to restart Commissioning Activities as soon as October 19, 2026, while characterizing numerous TRC recommendations as “in process,” scheduled for completion after that date, or dependent upon commissioning itself. A plan to implement recommendations is not the same as implementation of those recommendations—particularly where the outstanding items concern system functionality, alarm and interlock verification, operating procedures, operator training, emergency communication, and process safety controls.

TRC expressly reported that, at the time of its evaluation, Silfab had paused commissioning and had not fully implemented monitoring systems, alarms, and programs associated with leak detection and prevention at the manufacturing process. TRC Report at xii. TRC therefore could not observe equipment operation, assess the functionality of systems and alarms, or evaluate the effectiveness of maintenance programs under operating conditions. TRC further stated that its evaluation did not field-verify equipment construction, equipment integrity, interlock functionality, or process-control programming, and did not provide any certification or guarantee concerning leak prevention, response, or regulatory compliance.

Several recommendations that Silfab identifies as incomplete are directly tied to safe commissioning and should not be deferred until or through the restart process. For example:

1. TRC recommended that Silfab finalize installation and verify the functionality of planned leak detection, alarms, and interlocks before start-up and commissioning of integral hardware and systems. Silfab’s response lists this corrective action with an October 31, 2026 completion date—after its proposed October 19 restart date.
2. TRC identified the need to review and validate abatement-system interlocks and backup-power functionality before startup, and to revise operating procedures with original-equipment-manufacturer input during final commissioning. Silfab’s response indicates that these matters remained in process and that certain procedures and training would be refined during commissioning.

3. TRC recommended that the functionality and proper flow direction of the PECVD-tool three-way valves be validated before introducing silane to the process. Silfab proposes to complete that validation during commissioning, with a stated completion date of October 28, 2026.
4. TRC found that operator training materials for wet and hot tools were still under development and recommended that training be completed and documented before tool startup.

The Department has jurisdiction over the quality of South Carolina's air and waters and is charged with developing and enforcing standards governing emissions and discharges. S.C. Code Ann. § 48-1-100 (2026). State law also prohibits discharges of industrial wastes into the environment except in compliance with a Department-issued permit, while preserving the Department's authority to abate pollution, public-health hazards, and environmental hazards. S.C. Code Ann. § 48-1-90 In light of the Compliance Agreement's purpose, the March 2026 chemical-release history underlying that Agreement, and TRC's documented limitations and outstanding safety-related recommendations, the Department should require demonstrated implementation—not merely a proposed implementation schedule—before allowing activities that reintroduce the risks the Agreement was designed to address.

Accordingly, we respectfully request that the Department:

1. Confirm that Silfab may not restart Commissioning Activities involving the handling or use of Regulated Substances or HF unless and until it has completed the applicable TRC recommendations necessary to establish that the relevant systems, safeguards, procedures, training, and emergency-response measures are operational and effective, including, but not limited to an effective communication plan developed in coordination with the FMSSD.
2. Require Silfab to submit objective documentation of completion for each applicable recommendation, including testing, calibration, validation, training, and pre-startup safety-review records where relevant, sufficiently in advance of any restart.
3. Require an opportunity for Department review of that completion documentation before Silfab provides or relies upon the 72-hour notice contemplated by Condition 6 of the Compliance Agreement.
4. Maintain the existing cessation, lockout/tagout, and access-restriction requirements for equipment associated with Regulated Substances until the foregoing safeguards have been implemented and verified.

Thank you for your attention and consideration in this important matter.

Very truly yours,



Daniel J. Ballou
Counsel for Fort Mill School District

DJB/st

cc: Grey Young, Superintendent, Fort Mill School District
The Honorable David Martin, Esquire
The Honorable Michael Johnson, Esquire
The Honorable Jackie Terrible