



**FOR IMMEDIATE RELEASE**  
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## **CALIFORNIA PROSECUTORS REACH SETTLEMENT WITH THE HOME DEPOT FOLLOWING 2004 EXPLOSION, FIRE IN PLAYA DEL REY**

*Company to Pay More than \$9.9 Million for Improper  
Handling of Hazardous Materials and Hazardous Waste*

**LOS ANGELES** – Los Angeles City Attorney Rocky Delgadillo today announced that a settlement had been reached between his office, the California Attorney General's Office and a number of District Attorney's Offices across the state with The Home Depot USA Inc. resolving allegations that the company improperly handled hazardous waste and hazardous materials at many of its stores throughout the state of California. The allegations are the result of an investigation following a May 2004 incident in which the improper handling of hazardous waste and materials at a Playa Del Rey Home Depot store led to an explosion, fire, and evacuation of store employees and customers.

The settlement reached with The Home Depot USA Inc. calls for a payment of \$9.9 million, including \$7.25 million in civil penalties; \$1.3 million for investigative costs; and \$1.35 million for specified supplemental environmental programs. In addition, The Home Depot will be required to expend resources and contribute money towards additional environmental training for employees regarding hazardous waste management procedures, and must implement a new fire code program at its stores throughout California. The settlement has been filed with the Superior Court for the County of Los Angeles and is subject to final approval by the Court.

The company cooperated with the investigation and has also agreed to significant additional environmental commitments across California, including the building of five Leadership in Energy and Environmental Design (LEED) stores that serve as a benchmark for green buildings; the implementation of an "Eco-Friendly Virtual Tour" on the Home Depot Website that will highlight eco-options and products available for home use; as well as substantial advertising of environmental products and home improvement suggestions which may benefit California consumers.

The terms of the proposed Permanent Injunction will require The Home Depot to only contract with waste haulers licensed by the California Department of Toxic Substances and only use Department of Transportation-approved containers for off-site disposal.

The Home Depot is also required to submit annual certification of their Hazardous Waste management program to the State for all facilities that contain or generate hazardous waste in California and to maintain accurate records of all disposal of hazardous wastes.

The statewide enforcement action against The Home Depot was brought by the California Attorney General, Los Angeles County District Attorney, Monterey County District Attorney, Riverside County District Attorney, San Joaquin County District Attorney, Santa Clara County District Attorney and the Los Angeles City Attorney's Office alleging multiple violations of environmental laws including but not limited to Health and Safety Code, Fire Code, Department of Transportation Regulations, and CAL-OSHA statutes and regulations.

"This settlement demonstrates the importance of prosecutors working together across the state on complex environmental matters to ensure public health and safety," said Los Angeles City Attorney Delgadillo.

The investigation against The Home Depot followed an incident involving the improper handling of ignitable wastes and combustible materials at a Playa Del Rey Home Depot Store in May 2004. The contents of a 55-gallon drum exploded, causing a fire during regular business hours and leading to the evacuation of store employees and customers and an emergency response from the Los Angeles City and County Fire Departments.

Prompted by the incident in Playa Del Rey, a waste hauler contracted by The Home Depot was stopped by the California Highway Patrol in Ripon, California. The waste hauler was found to be transporting hazardous wastes and hazardous materials, and lacking proper certification by the State. These incidents prompted the statewide investigation of The Home Depot's hazardous waste and hazardous materials handling procedures.

Los Angeles County Fire, the Federal Bureau of Investigation, California Highway Patrol, the Department of Toxic Substance Control and City of San Jose Fire Department were each instrumental in the investigation.

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