

IN THE DISTRICT COURT OF WASHINGTON COUNTY, NEBRASKA

STATE OF NEBRASKA, ex rel.)
MICHAEL J. LINDER, Director,)
NEBRASKA DEPARTMENT OF)
ENVIRONMENTAL QUALITY,)

Plaintiff,)

v.)

NATUREWORKS LLC, a limited liability)
company authorized to do business in)
Nebraska,)

Defendant.)

CI 09 304

CONSENT DECREE

2009 DEC -7 PM 3:55
WASHINGTON COUNTY, NE
SUSAN PAULSEN
CLERK OF DISTRICT COURT

FILED

Plaintiff, the Nebraska Department of Environmental Quality ("NDEQ" or "Department"), proceeding on its Complaint filed herein and appearing through its counsel, Jon Bruning, Attorney General, and the Defendant, NatureWorks LLC ("NatureWorks") through its counsel, Kelly R. Dahl, and each party having consented to the making and entering of this Consent Decree without trial, the Court finds that the Consent Decree should be and hereby is entered:

IT IS THEREFORE ORDERED AND DECREED as follows:

1. This Court has jurisdiction of the parties and the subject matter of this action. The complaint filed herein constitutes a justiciable cause of action against NatureWorks under the Environmental Protection Act, Neb. Rev. Stat. § 81-1501 *et seq.* (Reissue 1999, Cum. Supp. 2004 and Supp. 2005).

2. Plaintiff alleges that on or around December 13, 2003, and continuing thereafter until December 13, 2007, NatureWorks emitted volatile organic compounds



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(VOCs) and Carbon Monoxide ("CO") from its PLA facility in excess of the emission limits established in its permit in violation of Neb. Rev. Stat. § 81-1506(4)(b).

3. In November, 2007, NatureWorks discovered and reported to the Department that NatureWorks had exceeded its permitted limits for emissions of VOC and CO at CDP-15. NatureWorks then took steps to complete testing of the point source and developed plans, which were approved by NDEQ, for a temporary and permanent solution to bring the facility into compliance. Specifically, NatureWorks tested and installed a temporary thermal oxidizer within weeks of discovering non-compliance. NatureWorks began operating the temporary thermal oxidizer on December 13, less than 60 days from discovering non-compliance. NatureWorks then conducted testing demonstrating that the facility was compliant and operating within permit limits.

4. At the time NatureWorks discovered non-compliance at CDP-15, the Department had processed a new permit which was ready for public comment which would have allowed NatureWorks to expand, significantly increasing the emission of certain pollutants as a result. NatureWorks requested that the draft permit be rescinded and, in the course of designing a permanent solution to assure future compliance, made additional investments to reduce future emissions from the expanded plant to a level far lower than would have been allowed under the draft permit.

5. The parties agree that settlement of these matters is in the public interest and that entry of this Consent Decree is the most appropriate means of resolving their dispute. The parties desire to conclude this case without trial or adjudication of any issues of fact or law, without this Consent Decree constituting an admission by

NatureWorks of any allegation in the complaint, or of any violation of law. Therefore, and for only the purposes of this Consent Decree, the parties agree to the entry of this Order by the Court.

6. This Consent Decree shall be in full satisfaction of all claims between the parties alleged in the Complaint and the parties further release any and all claims or actions arising out of the same transaction or occurrences referenced above and in the complaint herein, and such claims that were known or should have been known to the State of Nebraska, or were reasonably ascertainable from information in the State's possession, as of the date of the filing of the Consent Decree.

7. This Consent Decree will have no effect on any enforcement action brought by Plaintiff against NatureWorks for future violations of any statutes or regulations.

8. IT IS THEREFORE ORDERED that NatureWorks shall pay to the Clerk of District Court of Washington County a civil penalty in the sum of One Hundred Twenty Thousand Dollars (\$120,000.00) pursuant to Neb. Rev. Stat. § 81-1508.02, together with court costs in the amount of Eighty-Two Dollars (\$82.00). Said penalty is to be handled pursuant to Article VII, Section V, of the Nebraska Constitution as follows:

A. \$40,000.00 (forty thousand dollars) of said penalty will be imposed immediately upon the entry of this Consent Decree by the Court, and is due no later than 10 days after the entry of this Consent Decree by the Court.

B. In consideration of the facility's prompt reporting of noncompliance, good faith efforts to achieve and maintain compliance with the Department's rules and regulations as quickly as possible and without necessary supervision

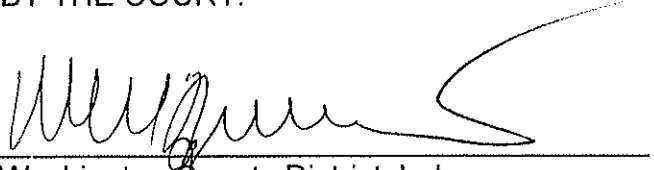
by the Department, and investments made to benefit the environment, \$80,000.00 (eighty thousand dollars) of said penalty shall be and is hereby waived.

9. IT IS FURTHER ORDERED that NatureWorks shall pay, as a Supplemental Environmental Project ("SEP"), the sum of Forty Thousand Dollars (\$40,000.00) to the Attorney General's Environmental Protection Fund to be used for environmental safety, training, public awareness, or other related uses as permitted by state law, at the sole discretion of the Nebraska Attorney General. This sum shall be paid to the Attorney General's Environmental Protection Fund as a lump-sum payment due no later than 10 (ten) days after the entry of this Consent Decree by the Court.

10. The undersigned consent without further notice to the form and entry of the foregoing Consent Decree.

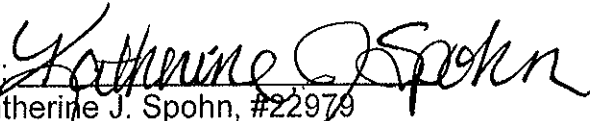
Dated this 9 day of July, 2009, in Washington County, Nebraska.

BY THE COURT:


Washington County District Judge

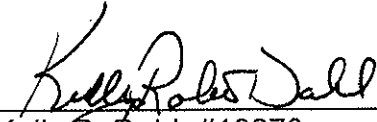
STATE OF NEBRASKA, ex rel,
MICHAEL J. LINDER, Director
NEBRASKA DEPARTMENT OF
ENVIRONMENTAL QUALITY, Plaintiff

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Received From Baird Holm
Party PLF001 State of Nebraska, ex rel,
Michael J. Linder, Director
Department of Environmental Quality
Lincoln NE 68509 8920

Judge Darvid D Quist

Payment Type Check

Amount Received 82.00

<u>Description</u>	<u>Amount Applied</u>
Petition	35.00
Filing Fee - State	5.00
Automation Fee	8.00
NSC Education Fee	1.00
Dispute Resolution Fee	.75
Indigent Defense Fee	3.00
Uniform Data Analysis Fee	1.00
J.R.F.	6.00
Filing Fee-JRF	2.00
Legal Aid/Services Fund	5.25
Complete Record	15.00