

Sent: Monday, February 25, 2002 2:31 PM
Subject: CLEAN WATER ACT VIOLATION IN PA.

Dear Aquathin Dealer OnLine;

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*Warmest regards,
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*"Alfie"
Alfred J. Lipshultz, President*

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Legal Briefs - 2/25/2002 11:28:33 AM

Company fined \$8.2 million for Clean Water Act violation

PITTSBURGH — The federal court in Pittsburgh has imposed an \$8.2 million penalty on Allegheny Ludlum Corp. for chronic violations of the US Clean Water Act at the company's steel mills and finishing plants.

US District Judge Robert J. Cindrich imposed the penalty for 1,122 days of unlawful pollution discharges from Allegheny Ludlum's mills in Brackenridge, West Leechburg and Vandergrift, US Newswire reported.

The penalty was one of the largest ever imposed in the nation for a water pollution case, exceeded in the mid-Atlantic region only by a \$12.6 million penalty in 1997 against Smithfield Foods in Virginia, the news report said.

The penalty followed a six-week jury trial in January and February 2001, and a court ruling finding the company liable for Clean Water

Act permit violations from July 1990 through February 1997.

The government's lawsuit, filed in June 1995 by the US Justice Department on behalf of US Environmental protection Agency (EPA), alleged severe violations of Clean Water Act limits on discharges of toxic pollutants, including chromium, copper, zinc, nickel, as well as oil. The plants all discharge into area rivers.

The court found that a significant penalty was warranted by the substantial number, magnitude, and environmental and public health threat of these violations, which included 893 violations of toxic pollutant limits, according to EPA. There were 180 days when the company exceeded permit limits by at least 1,000 percent, and a "notorious" oil spill from West Leechburg in July 1994, which spread a sheen 30 miles downstream.

The court recognized that Allegheny Ludlum has improved its environmental compliance record in recent years, but observed that "this form of good faith sprung not from internal willingness to comply with its statutory obligations," but from "more intense government enforcement," the report said.