

EXHIBIT C



NEWS

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New York State Department of Environmental Conservation

George E. Pataki, Governor

John P. Cahill, Commissioner

For Release: IMMEDIATE
Wednesday, Sept. 6, 2000

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DEC SIGNS REGION'S LARGEST CONSENT ORDER FOR CLEAN AIR VIOLATION *Comprehensive Investigation Leads To Hefty Fines, Improved Company Practices*

New York State Department of Environmental Conservation (DEC) Commissioner John P. Cahill today announced that Taconic Plastics Ltd. has agreed to an Order on Consent with DEC that addresses repeated violations of the federal Clean Air Act at the company's Petersburg, Rensselaer County, facility.

"This order sends a message that violations of the Clean Air Act are vigorously pursued in New York State," DEC Commissioner John P. Cahill said. "All New Yorkers deserve to breathe clean air and we continue to hold those who would harm public health and the environment accountable for their actions."

Under the terms of the Consent Order, Taconic was assessed a civil penalty of \$400,000, \$120,000 of which is suspended conditioned upon the company's compliance with the terms of the Order. The penalty is the largest in Capital District history levied against a company for violations of the federal Clean Air Act. Taconic has paid \$140,000 of the penalty and must pay the remainder by January 31, 2001.

Taconic also must obtain a Title V operating permit, install an incinerator to control volatile organic compounds (VOCs) releases, test its smoke stacks, hire an independent third-party consultant to conduct an environmental compliance audit of the facility, and implement best management practices and environmental compliance evaluation system plans. The facility manufactures Teflon-coated fabric and pressure-sensitive tape.

DEC staff inspected the facility on November 24, 1999 and March 15, 2000 and discovered a new Teflon coating line not included in the facility's permit. The new coating line, which has the potential to emit more than 183 tons of VOCs per year, had no air pollution control equipment.

In a comprehensive investigation of Taconic's operations, the company was found to have violated State Environmental Conservation Law (ECL) by constructing the new coating line in November 1998 without a preconstruction permit and failing to file an operating permit application with the State prior to January 1, 2000. DEC staff also determined the company violated the ECL by operating an emission source without obtaining emission offset credits.

Taconic must obtain the Title V permit and install the VOC incinerator before resuming operation of the new coating line. The Order also requires Taconic to complete an environmental compliance audit by mid-November.

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