

EXHIBIT K.

TACONIC

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TO: All Employees
FR: H. Teal
RE: Smog-Hog system
DA: 4 March 91

By now most of you have seen the Smog-Hog system in the Coating department and are wondering....what does it do??.....and does it work??

The Smog-Hog basically does two things:

- (1). It removes waste heat from the Coating department oven exhaust. This waste heat is circulated throughout the entire Plant #4 floor. The waste heat may eventually be used to heat other manufacturing processes, thereby lowering our total fuel consumption and reducing atmospheric emissions.
- (2). It removes contaminants from the exhaust stream. The smoke particles are removed electronically, effectively cleaning the air stream which leaves the stack. Only a trace of water vapor is allowed to pass through. The contaminants are collected in a tank and then placed in drums for disposal.

This material will be blended with fuels and burned in a cement manufacturing kiln. In this way our "smoke" will be essentially recycled.

The system works very well; when the switch is turned on, the smoke disappears immediately! The unit consumes only as much power as a pair of light bulbs.

The system has been installed, initial adjustments have been made, and a trial run has been started. Several important items have yet to be completed before the unit can be placed on line full-time:

- (a). The unit must be cleaned often. Equipment for this has not yet been installed.
- (b). Equipment for pumping the contaminants into disposal drums has not yet been installed.
- (c). The smoke ductwork and Smog-Hog unit will be protected by an automatic fire extinguisher system. This has not yet been installed.
- (d). Trouble alarm circuits have not yet been installed.
- (e). Personnel who will use and repair this system must receive final training before startup.

We are still on schedule for an end of March startup.

TEAL

