



# Department of Justice

United States Attorney James R. Dedrick  
Eastern District of Tennessee

FOR IMMEDIATE RELEASE

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## **HERAEUS METAL PROCESSING INC. PLEADS GUILTY TO FALSIFYING RECORDS REQUIRED BY CLEAN AIR ACT AND PAYS \$350,000 FINE**

[KNOXVILLE, TN] -Heraeus Metal Processing, Inc.(Heraeus), pled guilty today in the United States District Court for the Eastern District of Tennessee in Knoxville, to a one-count Information, charging it with making false material statements in and omitting material information from a document required to be maintained pursuant to the Clean Air Act, in violation of Title 42, United States Code, Section 7413(c)(2)(A). Specifically, Heraeus falsified baghouse pressure logs and scrubber logs required to be maintained at its Wartburg, Tennessee, facility pursuant to permits issued by the Tennessee Department of Environment and Conservation (TDEC) under delegation from the United States Environmental Protection Agency (EPA).

Pursuant to a plea agreement between the United States and Heraeus, United States District Judge Thomas Phillips sentenced the company to pay a fine of \$350,000 and serve 18 months of probation. While on probation, Heraeus was ordered not to commit any local, state or federal crime; and is required to report all notices of violation, proposed administrative penalty orders or other proposed administrative enforcement actions pertaining to its Tennessee operations to U.S. Probation and the U.S. Attorney's Office.

The scrubber and baghouse systems at the Wartburg, Tennessee, facility of Heraeus were air pollution control devices for which logs recording various operating parameters of the systems were required to be kept under the United States Clean Air Act. The Tennessee Department of Environment and Conservation (TDEC) issued a construction permit to Heraeus in May 2004, which, among other things, governed operations and emissions from potential sources of air pollution, specifically a baghouse and scrubber system. Heraeus was required to submit an annual report to TDEC in March 2005, which included the baghouse and scrubber logs. The investigation leading to this Information found that between October 2004 and a least February 2005, no contemporaneous logs were maintained by the Wartburg

Facility for either the baghouse or the scrubber system as required by the respective permits. In late February 2005, Heraeus's Operations Manager, acting on behalf of Heraeus, created a false baghouse pressure drop log for the Wartburg facility. The false report contained pressure drop readings that were not contemporaneously recorded and falsified the initials of other employees as the operators of record. Additionally, in February 2005, the Operations Manager directed a subordinate employee to retroactively create a log for the scrubber system. The false reports were submitted to TDEC with Heraeus's annual report in April 2005.

After the falsification came to light, Heraeus fully cooperated with the federal investigation conducted by the East Tennessee Environmental Crimes Task Force, which included law enforcement personnel from the EPA Criminal Investigation Division (EPA-CID) , EPA Office of Inspector General (TVA-OIG), TDEC, and Tennessee Valley Authority Office of Inspector General (TVA-OIG). The case was prosecuted jointly by the United States Attorney's Office for the Eastern District of Tennessee and the Environmental Crimes Section of the U.S. Department of Justice.

"Accurate information about pollutant emissions is essential for the EPA and the State of Tennessee to ensure clean air for everyone," said Acting Special Agent-in-Charge Ivan Vikin. "When companies submit false information to the regulatory agencies, the system in place for protecting the environment is jeopardized. Data falsification to EPA and TDEC will not be tolerated." ASAC Vikin further added, " I want to acknowledge the work of the Environmental Crimes Task Force for the Eastern District of Tennessee for the investigation and prosecution of this case. It is an excellent example of federal and state agencies working together to protect public health and the environment."

United States Attorney Russ Dedrick said, "Corporations and individuals who lie, cheat and falsify reports, such as Heraeus, will be charged and prosecuted for the potential harm or any actual harm they inflict by their attempts to subvert the laws and regulations concerning environmental enforcement."

For additional information regarding this case, please contact United States Attorney Russ Dedrick, Assistant U.S. Attorney Matthew Morris, or Public Information Officer Sharry Dedman-Beard at 865-545-4167.