IN THE CIRCUIT COURT FOR BALTIMORE CITY

MARYLAND DEPARTMENT OF THE ENVIRONMENT
1800 Washington Boulevard
Baltimore, Maryland 21230

Plaintiff,

v.

CURTIS BAY ENERGY, LP
3200 Hawkins Point Road
Baltimore, Maryland 21550

Defendant.

Civil Case No. 24-C-24-001385

* * * * * * * * * * * * *

CONSENT DECREE

Plaintiff the Maryland Department of the Environment (hereinafter the "Department"), and Curtis Bay Energy, LP ("CBE") represent and acknowledge that they agree to enter into this Consent Decree regarding certain alleged violations of Maryland State environmental laws relating to CBE's operation of a medical waste incinerator in Baltimore City, Maryland, and hereby request that this Court enter this Consent Decree as follows:

I. FACTUAL BACKGROUND

1. CBE owns and operates the medical waste incinerator and solid waste transfer station located at 3200 Hawkins Point Road, Baltimore, Maryland 21226 (hereinafter, "Facility").

2. The Facility is subject to a comprehensive set of environmental laws and regulations requiring the Facility to obtain and comply with several different State-issued permits.

3. The Facility receives hospital, medical, and infectious waste from in-State and out-of-State sources, which it handles, stores, transfers, processes, and incinerates in accordance with the terms, conditions, and limits of Refuse Disposal Permit No. 2022-WMI-0036 ("Refuse Disposal Permit") issued by the Department in accordance with Title 9, Subtitle 2 of the Environment Article and its implementing regulations. In addition to performing incineration, the Facility operates a sharps container recycling program in accordance with the terms, conditions, and limits of the Refuse Disposal Permit.

4. The Facility's incineration of that waste results in the emission of pollutants, which the Facility is authorized to emit into the atmosphere in accordance with the terms, conditions, requirements, and limits of Part 70 Operating Permit No. 24-510-2975 ("Air Quality Permit") issued by the Department in accordance with Title 2 of the Environment Article and its implementing regulations.

5. The Facility is further authorized to discharge pollutants from the Facility's operations which may come into contact with rain water and wash into waters of the State, provided that the Facility complies with the terms, conditions, and requirements of the General Discharge Permit for Stormwater Associated with Industrial Activities, State

Discharge Permit No. 20-SW and NPDES Permit No. MDR0000 ("Stormwater Permit"), and its incorporated, site-specific stormwater pollution prevention plan.

6. Pursuant to the Refuse Disposal and Air Quality Permits, the Facility may accept up to 62,050 tons of waste per year, and burn a maximum of 150 tons of waste per day.

7. On March 14, 2024, the Department filed the above-captioned lawsuit in the Circuit Court for Baltimore City seeking relief under Title 2 of the Environment Article, alleging that CBE's operation of the Facility violated specific conditions of the Air Quality Permit ("Complaint"). The Complaint sought a civil penalty and injunctive relief for the following six counts: (i) exceeding the particulate matter limit in violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit; (ii) exceeding the hydrogen chloride limit in violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit; (iii) exceeding the carbon monoxide limit in violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit; (iv) exceeding the visible emissions limit in violation of COMAR 26.11.08.04(B) and Section IV, Table IV-1, Condition 1.1(A)(3) of the Air Quality Permit; (v) emission of unpermitted pollutants in violation of COMAR 26.11.06.08 and Section IV, Condition 1 and 2 of the Air Quality Permit; and (vi) failing to obtain monitoring data during certain periods in violation of Section VI, Table IV-1, Condition 1.3(A)(4) of the Air Quality Permit.

8. Since the filing of the Complaint, the Department alleges that operations at the Facility have resulted in the following additional violations: (i) exceeding the particulate matter limit in violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit on days Incineration Unit 1 operated between April 9, 2025 and November 11, 2025; (ii) exceeding the hydrogen chloride limit in violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit on 1 additional day; (iii) exceeding the carbon monoxide limit in violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit on 14 additional days; (iv) exceeding the visible emissions limit in violation of COMAR 26.11.08.04(B) and Section IV, Table IV-1, Condition 1.1(A)(3) of the Air Quality Permit on 54 additional days; (v) unauthorized release of soda ash and miscellaneous solids on the ground in violation of Part III(B)(1)(b) of the Stormwater Permit during the fourth quarter of 2024; (vi) unauthorized condenser and cooler water leaks in violation of Part III(B)(1)(b) of the Stormwater Permit during the third and fourth quarter of 2024; and (vii) failure to perform annual sampling for 2025 of stormwater discharges for total suspended solids, total recoverable chloride, and total zinc at Outfall 001 in violation of Part V(B)(3) of the Stormwater Permit.

9. Section 2-609 of the Environment Article of the Maryland Code provides that the Department may bring an action to enjoin any conduct that violates any provision of Title 2 of the Environmental Article, or any rule, regulation, or order adopted or issued

under Title 2.

10. Section 2-610 of the Environment Article provides that a person who violates any provision of Title 2, or any rule or regulation issued thereunder, is liable for a civil penalty up to $25,000 per violation, with each day a violation continues constituting a separate violation.

11. The Department has expended significant time and resources investigating, initiating, and prosecuting the Complaint.

12. CBE denies the factual and legal assertions in the Complaint as well as the additional alleged violations identified in Paragraph 8 of this Consent Decree.

13. To avoid protracted litigation of the allegations in the Complaint, amendment of the Complaint to include the additional allegations, and protracted dispute regarding further corrective action required to remedy their ongoing nature, the Department and CBE (collectively, "Parties"), have reached an agreement on the terms of this Consent Decree. The Parties recognize that, and the Court by entering this Consent Decree finds that, this Consent Decree has been negotiated by the Parties in good faith to avoid litigation between the Parties and that this Consent Decree is fair, reasonable and in the public interest.

14. It is the mutual objective of the Parties, by entering into this Consent Decree, to provide for and achieve compliance with the environmental laws alleged to have been violated in the Complaint in an expeditious manner to protect public health and the environment while providing for the safe handling and transport of medical waste.

15. The Parties understand and intend this Consent Decree, upon entry by the Court, to be a full and final settlement and resolution of (i) Counts I through VI identified in the Complaint filed in the above captioned matter, and (ii) the additional alleged violations identified in Paragraph 8 of this Consent Decree (collectively, "Alleged Violations").

16. Prior to the effective date of this Agreement, CBE has taken corrective measures to resolve the Alleged Violations and made physical and operational changes to reduce the likelihood of reoccurrence of the Alleged Violations.

17. The Department believes that this Consent Decree is in the best interests of and will benefit the residents of the State of Maryland.

18. It is expressly understood that this Consent Decree pertains to the specific Alleged Violations described herein and that the Parties have made no promises or representations other than those contained in this Consent Decree, and the Department makes no representations with regard to any criminal liability for the above-referenced allegations and has no authority over any criminal actions.

19. Entry by the Court and full compliance with the terms of this Consent Decree represents a full and final settlement of contested claims upon CBE's completion of all injunctive relief provisions and payment of monetary sums described below. Entry of this Consent Decree represents a settlement of contested claims contested by CBE.

NOW THEREFORE, IT IS HEREBY ORDERED, ADJUDGED, AND DECREED AS FOLLOWS:

II. JURISDICTION AND VENUE

20. For purposes of this Consent Decree, the Department and CBE agree that the Court has jurisdiction over the Parties and over the subject matter of this action pursuant to Title 2, Subtitle 6 of the Environment Article, and § 6-102 and § 6-103 of the Courts and Judicial Proceedings Article. Venue is proper under § 6-201 of the Courts and Judicial Proceedings Article of the Maryland Code because CBE carries on a regular business in Baltimore City, Maryland.

21. The Court shall retain jurisdiction of this case after entry of this Consent Decree to enforce compliance with the terms and conditions of this Consent Decree and to take any action necessary or appropriate for its interpretation, construction, execution, modification, or adjudication of disputes. During the term of this Consent Decree, any party to this Consent Decree may apply to the Court for any relief necessary to construe or effectuate this Consent Decree until the Consent Decree is terminated. For purposes of this Consent Decree, or any action to enforce this Consent Decree, the Parties consent to this Court's jurisdiction over this Consent Decree and consent to venue in this Court.

III. MODIFICATION OF REFUSE DISPOSAL PERMIT AND TERMINATION OF INCINERATION

22. Within thirty (30) days of the entry of this Consent Decree, CBE shall submit to the Department a request to modify its Refuse Disposal Permit. The modification request

will request termination of the Facility's authorization to incinerate solid waste at the Facility, and will seek authorization to continue operations as a solid waste transfer station and using steam sterilization, as currently authorized. The modification request required by this Consent Decree shall seek a maximum annual waste acceptance limit of no more than 20,000 tons of waste per year.

23. The Department shall promptly review the submittal and confirm the submittal is administratively complete within thirty (30) days. CBE agrees to respond to any subsequent requests from the Department for additional information related to modification of the Refuse Disposal Permit within fourteen (14) days. The Parties agree to work cooperatively should MDE determine that revisions to the submittal are necessary.

24. No later than ninety (90) days following issuance of a modified Refuse Disposal Permit terminating authorization to incinerate solid waste and authorizing continued operation as a solid waste transfer station, CBE shall cease all incineration operations at the Facility. Within thirty (30) days of ceasing all incineration activities, CBE shall submit a request to the Department seeking termination of the Air Quality Permit.

IV. CIVIL PENALTY

25. CBE shall pay to the Department a civil penalty in the amount of six hundred thousand dollars ($600,000), in accordance with the following payment schedule:

a. Within thirty (30) calendar days of receipt of an invoice to be sent by the Department following entry of this Consent Decree, CBE shall pay to the Department

sixty thousand dollars ($60,000) in accordance with the instructions of Paragraph 26.

b. Within thirty (30) calendar days of receipt of an invoice to be sent by the Department no sooner than August 1, 2026, CBE shall pay to the Department one hundred and forty thousand dollars ($140,000) in accordance with the instructions of Paragraph 27.

c. Within thirty (30) days of receipt of an invoice to be sent by the Department no sooner than August 1, 2027, CBE shall pay to the Department two hundred thousand dollars ($200,000) in accordance with the instruction of Paragraph 27.

d. Within thirty (30) days of receipt of an invoice to be sent by the Department no sooner than August 1, 2028, CBE shall pay to the Department two hundred thousand dollars ($200,000) in accordance with the instruction of Paragraph 27.

The above sums are considered the complete payment and no additional interest will be charged as long as the payments are timely made.

26. In accordance with Paragraph 25.a, CBE shall make a payment in the full amount of sixty thousand dollars ($60,000) to the "Maryland Department of the Environment/Clean Water Fund," paid either by electronic transfer or by certified check. The Department shall issue an invoice for the payment, and the payment shall reference the invoice number provided by the Department and note the following: CD-26-4256; PCA 13710; OBJ 7545; SFX 408; GL 0544. Payments made via electronic transfer shall be made in accordance with the instructions at

https://www.egov.maryland.gov/mde/invoice#!/. Payment made via check shall be mailed to Maryland Department of the Environment, P.O. Box 2057, Baltimore, MD 21203-2037.

27. In accordance with Paragraphs 25.b, c. and d, CBE shall make a payment for the full amount of each installment to the "Maryland Department of the Environment/Clean Air Fund," paid either by electronic transfer or by certified check. The Department shall issue an invoice for the payment, and the payment shall reference the invoice number provided by the Department. Payments made via electronic transfer shall be made in accordance with the instructions at https://www.egov.maryland.gov/mde/invoice#!/. Payment made via check shall be mailed to Maryland Department of the Environment, P.O. Box 2037, Baltimore, MD 21203-2037.

28. Failure to pay any installment by its required due date shall, upon written notification by the Department, result in a forfeiture of the foregoing payment schedule and any remaining balance of the civil penalty shall be immediately due in full. In addition, any failure to pay the civil penalty as required by this Consent Decree may result in any remaining debt owed to the State being referred to the Central Collection Unit. The Central Collection Unit is authorized to collect outstanding debts resulting from unpaid penalties. The Central Collection Unit will assess a collection fee of 17%, plus interest, to the amount owed. In addition, § 3-304(c) of the State Finance and

Procurement Article authorizes the Central Collection Unit to report the debt to consumer reporting agencies.

29. Upon entry of this Consent Decree, the Department shall be a judgment creditor for purposes of collection of the penalties required by this Consent Decree and enforcement of this Consent Decree.

V. STIPULATED PENALTIES.

30. In addition to the civil penalty provided in Section IV of this Consent Decree, beginning on the entry of this Consent Decree and continuing until CBE terminates incineration operations in accordance with Paragraph 24, CBE shall pay stipulated penalties upon written demand by the Department in accordance with the following criteria:

a. If CBE exceeds the carbon monoxide limit found at Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit, CBE shall pay seven thousand dollars ($7,000) for each day of violation;

b. If CBE exceeds the particulate matter limit found at Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit, CBE shall pay seven thousand dollars ($7,000) for each day of violation;

c. If CBE exceeds the hydrogen chloride limit found at Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit, CBE shall pay seven thousand dollars ($7,000) for each day of violation;

d. If CBE exceeds the visible emissions limit found at Section IV, Table

IV-1, Condition 1.1(A2)(3) of the Air Quality Permit, CBE shall pay a penalty in accordance with the following subsections:

(i) Five thousand dollars ($5,000) for each calendar day during which CBE self-reports to the Department visible emissions from the Facility, other than water in an uncombined form, which last for at least 6 consecutive minutes and which do not qualify for the exception of Section IV, Table IV-1, Condition 1.1(A2)(4) of the Air Quality Permit;

(ii) Seven thousand dollars ($7,000) for each calendar day during which an MDE inspector confirms visible emissions from the Facility, other than water in an uncombined form, in violation of Section IV, Table IV-1, Condition 1.1(A2) of the Air Quality Permit using EPA Reference Method 9;

(iii) Seven thousand dollars ($7,000) for each calendar day during which a confirmed visible emissions event is demonstrated. For purposes of this subsection, a "confirmed visible emissions event" must be demonstrated via some form of visual evidence reasonably demonstrating to the Department's satisfaction that visible emissions, other than water in an uncombined form, were released from the Facility for at least 6 consecutive minutes. CBE shall have the opportunity to rebut any visual evidence provided by the Department before a final determination on a violation is rendered;

(iv) CBE shall not be required to pay stipulated penalties for visible emissions exceedances under more than one of the foregoing categories for the same visible

emissions event.

e. If CBE fails to submit to the Department an administratively complete request for modification of the Refuse Disposal Permit in accordance with Paragraph 22 or fails to respond to any subsequent requests from the Department for additional information related to the modification in accordance with Paragraph 23, CBE shall pay five hundred dollars ($500) per day for each day beyond the required completion date until the requirement is met; and

f. If CBE fails to cease incineration operations in accordance with Paragraph 24, CBE shall pay five thousand dollars ($5,000) per day of non-compliance for the first one to 30 days, and ten thousand dollars ($10,000) per day of non-compliance thereafter until the requirement is met.

31. All stipulated penalties shall begin to accrue on the day after the performance is due and shall continue to accrue until performance is satisfactorily completed or the violation ceases. Except as prohibited by Paragraph 28(d)(iv), nothing in the Consent Decree shall prevent the simultaneous accrual of separate stipulated penalties for separate failures of performance or violations of this Consent Decree.

32. CBE agrees not to contest the amount of a stipulated penalty but reserves the right to contest whether a violation has occurred unless CBE has self-reported such violation on any of the monitoring reports required by the Air Quality Permit and the event is not otherwise within the scope of the *force majeure* clause of this Consent Decree. The absence

of stipulated penalties for a violation of this Consent Decree shall not be construed to limit in any way the Department's discretion to seek civil or administrative penalties, any form of injunctive relief, or any other right, remedy, or sanction available to it for violations of the Consent Decree, or for any other violation of State law not expressly addressed in this Consent Decree or the Complaint in this action.

33. The Department may, in its sole discretion, reduce or waive any stipulated penalty for any reason deemed appropriate by the Department.

34. The Department's written demand shall describe the noncompliance and shall indicate the amount of penalties due. All stipulated penalties owed pursuant to this Consent Decree shall be due within thirty (30) days following receipt of written demand by the Department, unless CBE contests with the Court overseeing this Consent Decree that a violation has occurred or asks the Department to reduce or waive a stipulated penalty pursuant to the Departments authority described in Paragraph 31, in which case the stipulated penalty shall be due within thirty (30) days of a final decision on that matter.

35. Payment of stipulated penalties shall be made either by electronic transfer or by certified check to the "Maryland Department of the Environment/Clean Air Fund" in the same manner as described in Paragraph 27.

36. Failure to pay any stipulated penalty as required by this Consent Decree may result in that penalty being referred to the State of Maryland's Central Collection Unit ("Central Collection Unit") as a debt owed to the State. The Central Collection Unit is

authorized to collect outstanding debts resulting from unpaid penalties. The Central Collection Unit will add a collection fee of 17%, plus interest, to the amount owed by CBE. In addition, § 3-304(c) of the State Finance and Procurement Article authorizes the Central Collection Unit to report the debt to consumer reporting agencies.

VI. PERSONS BOUND BY ORDER

37. Upon entry, this Consent Decree shall be binding upon the Parties and their successors, assigns, and designees, and each Party shall be responsible for the failure of its officers, directors, employees, independent contractors, contractors, subcontractors or consultants to comply with the requirements of this Consent Decree.

38. No transfer of ownership or operation of the Facility, in whole or in part, shall relieve CBE of its obligation to ensure that the terms of this Consent Decree are implemented unless: (a) the transferee agrees to undertake any unperformed obligations required under this Consent Decree and to be substituted for CBE as a party under the Consent Decree and thus be bound by the terms thereof; (b) the Department consents to relieve CBE of its obligations, which consent shall not be unreasonably withheld; and (c) the transferee becomes a party to this Consent Decree pursuant to the provisions for Subsequent Modification. At least thirty (30) days prior to any such transfer, CBE shall provide a copy of this Consent Decree to the proposed transferee and simultaneously provide written notice of the prospective transfer, together with a copy of the provisions of the proposed written agreement pertaining to the successor entity's assumption of

responsibilities under this Consent Decree, to the Department. Any attempt by CBE to transfer ownership or operation of the Facility without complying with this Paragraph constitutes a violation of this Consent Decree.

39. CBE shall provide written notice to the Department within 48 hours of any petition or the commencement of any proceeding arising under the Bankruptcy Code, 11 U.S.C. §§ 1101 through 1195.

VII. RELEASE AND RESERVATION OF RIGHTS

40. Upon the full completion of all the obligations set forth in this Consent Decree, including the termination of all incineration and payment of any judgement and stipulated penalties which have accrued, this Consent Decree shall act as a full and final settlement and resolve CBE's civil liability to the Department for the violations alleged in the Complaint filed by the Department and the following additional alleged violations identified in this Consent Decree:

a. Any violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit for exceeding the particulate matter limit on each day Incineration Unit 1 operated at the Facility between April 9, 2025 and November 11, 2025;

b. Any violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit for exceeding the hydrogen chloride limit at the Facility from July 1, 2025 through September 30, 2025;

c. Any violation of COMAR 26.11.08.08-2(B)(1) and Section IV, Table IV-1, Condition 1.1(A)(2) of the Air Quality Permit for exceeding the carbon monoxide limit at the Facility from March 15, 2024 through September 30, 2025;

d. Any violation of COMAR 26.11.08.04(B) and Section IV, Table IV-1, Condition 1.1(A2)(3) of the Air Quality Permit for exceeding the visible emissions limit at the Facility from March 15, 2024 through the date of Execution of this Consent Decree;

e. Any violation of Part III(B)(1)(b) of the Stormwater Permit and Section 3 of the Facility's Stormwater Pollution Prevention Plan from July 1, 2024 through December 31, 2024; and

f. Any violation of Part V(B)(3) of the Stormwater Permit for failure to perform annual impaired water monitoring for total suspended solids, total recoverable chloride, and total zinc at Outfall 001 for calendar year 2025.

41. This Consent Decree should not be construed as a waiver or limitation of the Department's right to take enforcement or other action with respect to activities not addressed by this Consent Decree or unknown to the Department at this time, including newly discovered violations.

42. The Department reserves all legal and equitable remedies available to enforce the provisions of this Consent Decree. This Consent Decree shall not be construed to limit the rights of the State of Maryland to obtain penalties or injunctive

relief under the Environment Article, or under state regulations or permit conditions, except with respect to the Alleged Violations expressly specified herein.

43. Neither demand for, nor payment of, stipulated penalties shall be construed as an election of remedy or other limitation on the Department's discretion to seek any form of injunctive relief available to it under the Environment Article or other applicable law for violations of this Consent Decree. Nothing in this Consent Decree shall be construed to prevent the Department from seeking injunctive relief, ordering additional corrective action, or taking any other action it deems necessary to prevent or abate any threat to public health, welfare, or the environment to the extent otherwise authorized by State law.

44. The availability of stipulated penalties provided for in this Consent Decree shall not be construed as an election of remedy or other limitation on the Department's discretion to seek, in lieu of stipulated penalties, any other remedy or sanction available to it for any other violation of State law or regulation not expressly made the subject of this Consent Decree. The Department's failure to promptly demand any stipulated penalty under this Consent Decree does not constitute a waiver of the Department's right to make such a demand.

45. Except as otherwise expressly set forth in this Consent Decree, payment of any stipulated penalty shall not relieve CBE from the obligations imposed by this Consent Decree, or any permit that may be issued or any other statute or regulation, nor shall such

payment limit the right of the Department to seek enforcement, including all judicially available remedies, of the terms of this Consent Decree or any other statute or regulation.

46. This Consent Decree is not a permit or a modification of any permit, under any federal, state, or local laws or regulations. Notwithstanding any provision of this Consent Decree, CBE is responsible for achieving and maintaining complete compliance with all applicable federal, state, and local laws, regulations and permits; and CBE's compliance with this Consent Decree shall be no defense to any action by the State of Maryland commenced after the entry of this Consent Decree.

VIII. NOTIFICATION

47. Unless otherwise specified, correspondence, notices, or other submissions relating to or required by this Consent Decree shall be in writing and shall be sent to the following:

a. For the Department, all correspondence shall be sent by electronic message to MDEAIR.othercompliance@maryland.gov, with a copy to steven.lang@maryland.gov.

b. For CBE, all correspondence shall be sent by electronic message to contact@curtisbaymws.com, with a copy to dmkrevor@venable.com.

If the point of contact changes for any party, that party shall provide written notification of the new point of contact.

IX. FORCE MAJEURE

48. CBE shall perform the requirements of this Consent Decree within the time limits and manner set forth herein, unless performance is prevented or delayed by events which constitute a *force majeure*, including but not limited to an act of God, strike, riot, catastrophe, or other cause beyond the control of CBE. *Force majeure* events do not include difficulties caused by reasonably foreseeable weather conditions which could have been overcome by best efforts, increased costs of performance or changed economic circumstances. The mere existence of the novel coronavirus, COVID-19, Respiratory Syncytial Virus (RSV), or other communicable diseases does not excuse performance under this Consent Order. CBE must take all reasonable steps to mitigate any delay that may occur as a result of the novel coronavirus, COVID-19, or other communicable diseases. Delays attributable to the communicable diseases may only constitute a *force majeure* event where CBE could not reasonably have taken the known circumstance associated with the applicable disease into account when developing and implementing plans and schedules under this Consent Order. CBE will notify the Department, in writing, of such cause or causes for delay within fourteen (14) days after CBE becomes aware of the delay or anticipates a delay.

49. The burden of establishing a *force majeure* event shall rest with CBE. If CBE established to the Department's satisfaction that it has been delayed in the implementation of any obligation under the Consent Decree by a *force majeure* event,

then the Department shall extend the date or dates specified in this Consent Decree for such a period of time as allows compliance to be achieved as expeditiously as practicable after the delay excused pursuant to this Paragraph. Any extension granted shall in no event exceed the period of delay caused by the *force majeure* event.

X. SUBSEQUENT MODIFICATION

50. The terms of this Consent Decree are contractual and not mere recitals. This Consent Decree contains the entire Consent Decree of the Parties and shall not be modified by any prior oral or written Consent Decree, representation, or understanding. Except for a deadline extension granted in writing by the Department as provided by Section IX, the terms of this Consent Decree may only be modified by a subsequent written agreement signed by all parties and shall not be effective until approval and entry by this Court.

XI. U.S. INTERNAL REVENUE SERVICE REPORTING

51. The Parties to this Consent Decree recognize and acknowledge that the Department is required to report certain fines, penalties, and other amounts to the United States Internal Revenue Service pursuant to 26 U.S.C.A. § 6050X. CBE agrees to cooperate with the Department in meeting this reporting obligations, to promptly provide information requested by the Department associated therewith, and to complete the Information Form attached hereto as Attachment A.

52. Payments under this Consent Decree are penalties within the meaning of Section 162(f)(1) of the Internal Revenue Code, 26 U.S.C. § 162(f)(1), and 26 C.F.R. §

1.162-21(a)(3)(i), and CBE shall not deduct any penalties paid under this Consent Decree in accordance with the Civil Penalties set forth in Section IV or the Stipulated Penalties set forth in Section V in calculating their federal income tax. In addition, CBE shall not deduct any payments made under this Consent Decree pursuant to Section IV or Section V in calculating its State or local income tax.

XII. SEVERABILITY

53. If any provision or authority of this Consent Decree or the application of this Consent Decree to any party or circumstance is held by any judicial or administrative authority to be invalid, the application of such provision or authority to other parties or circumstances and the remainder of this Consent Decree shall not be affected thereby and shall remain in full force to the maximum extent reasonable.

XIII. RIGHT OF ENTRY

54. Any authorized representative of the Department, upon presentation of credentials, shall have a right and are authorized to enter the Facility at any reasonable time to monitor the progress of activities under the Consent Decree, verify information submitted to the Department in accordance with this Consent Decree, inspect non-privileged records related to the work performed hereunder, review the progress of CBE in carrying out the terms of the Consent Decree, conduct such tests, sampling, or monitoring as the Department deems necessary, using a camera, sound recording, or other documentary-type equipment, and verify reports and data submitted to the Department.

55. Nothing herein shall be interpreted as limiting any other inspection authority which the Department has under Maryland law, the Air Quality Permit, Refuse Disposal Permit, Stormwater Permit, or any other applicable permit issued to the Facility by the Department.

XVI. GENERAL PROVISIONS

56. Upon entry, the provisions of this Consent Decree shall apply to and be binding upon the Department and CBE and their successors and assigns, and upon CBE's officers, employees and agents solely in their capacities as such.

57. Nothing in this Consent Decree shall be construed to alter CBE's obligation to comply with all applicable federal, State or local statues, regulations or permits.

58. This Consent Decree does not and is not intended to create any rights, claims, or benefits for any third party. No third party shall have any legally enforceable rights, claims, or benefits under this Consent Decree, nor shall any third party have any rights to enforce the terms of this Consent Decree. No act of performance by CBE or the Department, nor forbearance to enforce any term of this Consent Decree by the Department, shall be construed as creating any rights, claims, or benefits for any third party.

59. This Consent Decree constitutes the entire Consent Decree between the Department and CBE. No other prior or contemporaneous written or oral Consent Decree, action, or statement regarding the matters described herein shall be valid or have any bearing on the interpretation, application, or enforcement of this Consent Decree.

60. Each party to this action shall bear its own costs and attorneys' fees.

61. The Consent Decree and any subsequent action involving this Consent Decree shall be governed and interpreted in accordance with Maryland law, without regard to conflict of law principles.

62. CBE agrees to undertake and complete all actions required by the terms and conditions of this Consent Decree. In any action by the Department to enforce the terms of this Consent Decree, CBE consents to and agrees not to contest the authority or jurisdiction of the Department to enforce this Consent Decree and agrees not to contest the validity of this Consent Decree or its terms or conditions. CBE agrees this Consent Decree is a contract and final order enforceable in a judicial forum.

63. This Consent Decree has been negotiated freely by the Department and CBE and shall in all cases be construed as a whole, according to its fair meaning.

64. The Parties represent that prior to signing this Consent Decree, each has read it, understood its terms and conditions, and consulted with counsel, and that each party has voluntarily signed it.

65. Each person signing this Consent Decree certifies that he or she is duly authorized by the party on behalf of which each signs to execute this Consent Decree and to bind that party to the terms of this Consent Decree, and agrees that signatures transmitted by electronic means shall be as effective as an original.

66. This Consent Decree may be executed in any number of counterpart

originals, each of which shall be deemed to constitute an original agreement, and all of which shall constitute one agreement. The execution of one counterpart by any party shall have the same force and effect as if that party had signed all other counterparts.

67. This Consent Decree shall become effective upon execution by all Parties and entry by the Circuit Court for Baltimore City.

XVII. TERMINATION

68. Except for the Release contained in Paragraph 40, this Consent Decree shall terminate and be of no further force and effect upon the occurrence of all of the following events: (a) CBE's payment of the full civil penalty as set forth in Section IV of this Consent Decree; (b) CBE's payment of all stipulated penalties that may be demanded by the Department under Section V of this Consent Decree; (c) CBE's termination of all incineration activities and the Department's termination of the Air Quality Permit. Notwithstanding the foregoing in this Paragraph, the Parties may terminate this Consent Decree at any time by mutual written agreement and the approval of the Court.

IT IS SO DECREED AND ORDERED this _____ day of _____, 2026:

_____

Judge, Circuit Court for Baltimore City

Signature Page for Consent Decree in *State of Maryland, Department of the Environment v. Curtis Bay Energy, LP*

FOR THE MARYLAND DEPARTMENT OF THE ENVIRONMENT:

9/30/26
DATE

Chris Hoagland
Director
Air and Radiation Administration

9/30/26
DATE

(DEPUTY DIRECTOR)
Lee Curry
Director
Water and Science Administration

Approved as to form and legal sufficiency this 30th day of September, 2026:

Michael F. Strande
Assistant Attorney General

FOR CURTIS BAY ENERGY, LP:

09/29/2026
DATE

Daniel Durski

Attachment A

Information Form

Settling Party's Information:

Full Legal Name: Curtis Bay Energy, LP

Tax ID Number: 52-1592696

Address: 3200 Hawkins Point Rd

City: Baltimore State: MD

ZipCode: 21226 Phone: (855) 228-1715

Court & Case Information:

Court/Jurisdiction: Circuit Court for Baltimore City

Case Name/Caption: Maryland Department of the Environment v. Curtis Bay Energy, LP

Case Number: 24-C-24-001385

Settlement Terms:[1]

Amount to be paid as a penalty: $600,000 (pursuant to a payment schedule)

Cost of remediation or restitution: NA

Cost for compliance: NA

Total: $600,000

Date 9/30/2026 Signature:

Title: CFO

[1] If these amounts are not specified in the settlement agreement, provide your best estimate based upon the information available to you at this time. You will report your actual expenditure on your tax returns.