

ANTHONY G. BROWN, MARYLAND ATTORNEY GENERAL

PRESS RELEASE

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ATTORNEY GENERAL ANTHONY BROWN ANNOUNCES GUILTY PLEA AND SENTENCING OF CURTIS BAY ENERGY, LP – OWNER OF LARGEST MEDICAL WASTE INCINERATOR IN THE UNITED STATES Sentence is one of the largest penalties in an environmental criminal case in the history of the Maryland Office of Attorney General

BALTIMORE, MD (October 17, 2023) – Maryland Attorney General Anthony G. Brown today announced the guilty plea and sentencing of Curtis Bay Energy, LP (Curtis Bay Energy), the owner and operator of a special medical waste incinerator facility located in south Baltimore City, to a forty-count criminal information that resulted from a long-term investigation conducted by the Office's Environmental and Natural Resources Crimes Unit (ENRCU). The charges to which Curtis Bay Energy pled guilty relate to the insufficient treatment and improper handling of special medical waste and the operation and concealment of an unpermitted discharge outlet.

On August 18, 2023, in sentencing Curtis Bay Energy, the Honorable Judge Martin H. Schreiber II of the Circuit Court of Maryland, placed the company on 2-years of probation and ordered the company to pay a fine of \$1,000,000 to the Maryland Clean Water Fund. As a special condition of that probation, Curtis Bay Energy will fund a Supplemental Environmental Project (SEP) that will direct \$750,000 into communities surrounding the facility for environmental projects to protect and improve the environment and reduce risks to public health. The SEP will be administered by the Chesapeake Bay Trust, a nonprofit grant-making organization. This sentence is one of the largest penalties in the Office's history for an environmental criminal case.

Court document: https://www.marylandattorneygeneral.gov/news%20documents/101723_CBE.pdf

Special medical waste is waste likely to have been contaminated by an organism capable of causing disease in healthy humans. It consists primarily of "red bag" waste from hospital and laboratory settings, which are those wastes that are removed from the general waste stream and placed into marked biohazard containers because they carry the risk of transmitting disease. In order to protect the community and environment, when special medical waste is treated by incineration, the combustible materials – prior to disposal - must first be reduced to carbonized ash, at a permitted solid waste landfill.

In late 2019, the ENRCU initiated an investigation that established evidence of systemic, improper, and unsafe handling, transport, and disposal of insufficiently incinerated special medical waste at Curtis Bay Energy, in violation of the company's refuse disposal permit issued by the Maryland Department of the Environment (MDE). As detailed in the statement of facts for the guilty plea, Curtis Bay Energy employees routinely overloaded the facility's incinerators with special medical waste to process material faster. This frequently resulted in insufficiently incinerated waste, often referred to as "raw" or "uncooked" waste, being sent for disposal. This occurred with the knowledge of - and, at times, at the direction of - facility management. The issues with improperly incinerated waste were well-documented in facility records and reports, and, though aware of the issue, facility management took no corrective action.



Insufficiently incinerated special medical waste on ash pad floor, September 27, 2019



Improperly incinerated special medical waste sent to landfill on February 24, 2020.

The serious penalties in this case incorporated conduct surrounding an illegal pump and hose at the facility. In November of 2019, ENRCU received a complaint that Curtis Bay Energy employees at the facility disconnected and hid an illegal pump and hose underneath a leaking, closed-loop steam condenser to avoid detection by an MDE inspector during an unannounced compliance inspection on November 8, 2019. The same conduct was observed, again, during an inspection on January 8, 2020. The illegal pump and hose dumped the discharge onto nearby land. The discharge was sampled on one occasion in December 2019 by MDE and was free of pollutants on that date.

When it learned of the investigation in early 2020, Curtis Bay Energy cooperated with the ENRCU investigation and began remedying violations. The facility was purchased by new owners in early 2021 and has completed substantial improvements to infrastructure and in environmental compliance oversight. The new owners of Curtis Bay Energy have fully cooperated with the State of Maryland's investigation into historical violations committed by former employees under prior ownership and management of the company.

The \$750,000 Supplemental Environmental Project (SEP) will be administered by the Chesapeake Bay Trust as individual grants of varying amounts for projects and efforts designed to improve, protect and/or reduce risk to public health or the environment, with an emphasis on improving solid waste management and water pollution in the community. The Chesapeake Bay Trust will begin scheduling listening sessions within the community in the coming weeks.

"This was a case of burn more waste and make more money no matter the consequences, with absolutely no regard for the community. Our investigation documented a pattern and practice of willful disregard for Curtis Bay Energy's own procedures. The sustained and persistent improper treatment of special medical waste by the facility's previous owners created a clear and obvious threat to public health," **said Attorney General Brown.** "The \$750,000 in grant monies will provide direct environmental improvements to the overburdened and underserved community in which the facility is situated. I am glad to hear that the company's new owners are abiding by the

law, but I, along with my state and federal partners, will work to ensure continued compliance so that this threat to Marylanders and our state's environment isn't allowed to happen again."

"The need for this case arose because of decades of disinvestment and one company's complete disinterest in protecting the health and well-being of Baltimore City residents in Curtis Bay – all things we are working diligently in my Administration to overcome," **said Mayor Brandon M. Scott.** "I thank Attorney General Anthony Brown and his entire team on diligently pursuing justice in this case, and for being a partner in utilizing every tool we have to bolster environmental justice in our city and the entire region. The conclusion of this case will be a marker in the fight to build a better, safer, and more sustainable Baltimore for every resident, no matter what neighborhood they live in."

"The Department of the Environment will not take a passive approach to enforcement and compliance." **said Maryland Department of the Environment Secretary Serena McIlwain**. "This company willfully violated the terms of their permit and violated the law when they damaged the environment. The actions taken by our Department and the Attorney General's office send a clear message: These unlawful practices will not be tolerated in Maryland."

"Today's sentencing sends a strong message to anyone entrusted with protecting public safety that it is their solemn obligation to make safety their highest priority, above profit or commercial expediency," **said Elise Chawaga, Principal Assistant Inspector General for Investigation**. "Together with our state, Federal, and local law enforcement and prosecutorial partners in Maryland and across the nation, we will tirelessly pursue and prosecute to the fullest extent of the law those, like the previous owners of Curtis Bay Energy, who would knowingly risk the health, safety, and well-being of the public and our shared environment."

In addition to the case against Curtis Bay Energy, ENRCU also charged two former employees of the company, Kenneth Jackson and Thomas Keefer. Jackson was the Director of Plant Operations at Curtis Bay Energy, and Keefer was the Plant Manager at the time of the alleged offenses. On October 2, 2023, Kenneth Jackson pleaded guilty to 5 criminal counts for his involvement in the improper handling of waste and the illegal operation of an unpermitted outlet. The Honorable Lynn Stewart Mays, sentenced Jackson to two years of incarceration, all suspended, placed him on three years of probation and ordered that he pay a fine of \$50,000, suspending all but \$30,000 to the Maryland Clean Water Fund.

Court document:

https://www.marylandattorneygeneral.gov/news%20documents/101723_State_v_Jackson.pdf

The case against Mr. Keefer remains open. Criminal charges are not findings of guilt, and all defendants are presumed innocent unless and until the State proves their guilt beyond a reasonable doubt in a court of law.

PHOTOS: https://www.flickr.com/photos/199082833@N07/albums/72177720311869410

In making today's announcement, the Attorney General recognizes the work of his Criminal Division, specifically the ENRCU, including ENRCU's Chief, D'Arcy B. Talley, and Assistant Attorney General Kory H. Lemmert, who are prosecuting this case, as well as ENRCU's Chief Investigator Thomas Waugh. Attorney General Brown also thanks the MDE, the U.S. EPA-CID, and the U.S. DOT-OIG, for their assistance and support. Finally, Attorney General Brown thanks former Attorney General Brian Frosh for his previous involvement and leadership on this case.

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https://www.marylandattorneygeneral.gov/press/2023/101723.pdf