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February 10, 1982

PRIVILEGED AND CONFIDENTIAL

Re: Settlement of CMA v. EPA, No. 79-1112
And Consolidated Cases

Ladies & Gentlemen:

As you know, EPA and industry petitioners in CMA v. EPA have been negotiating for some months concerning settlement of this case. It now appears that a final settlement has been reached, and that a settlement agreement will be presented to the Court of Appeals for the District of Columbia Circuit for approval.

While the settlement does not give industry petitioners all they asked for in the litigation, we believe that it is generally favorable, and that we would be unlikely to gain a more advantageous result through litigation. It reflects many hours of discussion, and compromises on both sides. We recommend that CMA and the individual companies that are parties to this action agree to the settlement.

A memorandum outlining the settlement, and a copy of the settlement agreement are attached. I would appreciate hearing from you no later than Friday, February 19, whether you are willing to settle the case on this basis, or whether you wish to continue the litigation. You should be advised that all other industry groups that are parties to the litigation have given at least preliminary approval to the settlement.

Sincerely yours,

Pat Barald

Patricia A. Barald

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