



STATE OF MINNESOTA

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December 22, 2017

BY EMAIL AND U.S. MAIL

William A. Brewer, III
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RE: Response Actions Related to PFC Releases from 3M PFC Disposal Sites

Dear Mr. Brewer:

I write in response to your letter dated November 29, 2017, sent on behalf of 3M Company ("3M"), which responds to the Minnesota Pollution Control Agency's ("MPCA") letter to 3M dated November 21, 2017. In its November 21, 2017 letter, the MPCA requested that 3M evaluate the impacts of perfluorochemical ("PFC") contamination in the drinking water supplies of the cities of Oakdale and Woodbury. The MPCA's letter also requested that 3M undertake appropriate MPCA-approved response actions as required by the 2007 Settlement Agreement and Consent Order ("Consent Order"). These response actions are both required by the Consent Order and necessary to respond to the drinking water advisories issued by the Minnesota Department of Health ("MDH") to the cities because PFCs exceeded either the health based values ("HBVs") or the Health Risk Index.

3M states it will not take action until it receives information from the MPCA that there are no other responsible parties for the environmental presence of the PFCs that have impacted public water supplies in Oakdale and Woodbury. 3M also asks for copies of correspondence and communications between the MPCA (and other state agencies) and the cities of Oakdale and Woodbury since August 2016 related to water sampling and corrective measures.

3M continues to mischaracterize its obligations under the Consent Order. 3M's PFC releases have impacted private and municipal water supplies as the PFCs—which 3M disposed of into unlined disposal areas between the 1950s and 1970s—continue to spread in groundwater. 3M's response actions in 2010 and 2011 to remove PFC-contaminated waste at the 3M disposal sites ("Sites") have not fully addressed the continued presence and spread of PFC contamination in the groundwater.

3M continues to suggest that there may be other sources of contamination contributing to the PFC groundwater contamination. 3M is the primary source of the PFC

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Exhibit

2738

State of Minnesota v. 3M Co.,
Court File No. 27-CV-10-28862

2738.0001

contamination in the groundwater. The MPCA has previously determined that there is no evidence that other sources of PFCs have significantly contributed to the groundwater plume from the 3M's Sites. *See, e.g.*, July 26, 2017 letter from Ann Cohen to William A. Brewer ("July 26 Letter").

In any event, nothing in the Consent Order releases 3M from responsibility to the extent that other sources of PFCs may also exist. This is consistent with the Minnesota Environmental Resource and Liability Act ("MERLA"), which imposes strict joint and several liability on persons responsible for a release or threatened release. Minn. Stat. § 115B.04. The Consent Order incorporated MERLA's strict liability approach through Part I.B., under which 3M consented to the application of MERLA to the interpretation, performance, and enforcement of the Consent Order. To the extent 3M believes that other sources contributed to the PFC contamination, 3M can, of course, consider what remedies it may have against them.

In its November 21, 2017 letter, the MPCA requested, under Part VIII.B. of the Consent Order, that 3M coordinate with Oakdale and Woodbury to evaluate the impacts of PFC concentrations in each of the cities' drinking water supplies and undertake appropriate MPCA-approved response actions.

It is time for 3M to assume its responsibility and undertake the requested response actions that 3M committed to under the Consent Order. The MPCA again requests that 3M reconsider its position and begin a coordinated effort with Oakdale and Woodbury to evaluate reasonable and necessary response actions with respect to PFC impacts in each of the cities' municipal water systems. The MPCA also renews its request that 3M work with the city of Cottage Grove to plan, construct, and implement a permanent solution to the PFC contamination in the Cottage Grove municipal wells. If 3M does not agree to undertake these response actions required by the Consent Order on or before January 5, 2018, the MPCA will make other arrangements for this work to be done. The MPCA will also seek reimbursement from 3M pursuant to Part XXIII of the Consent Order and other applicable law.

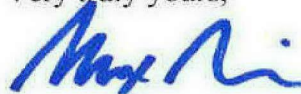
As stated in the MPCA's July 26 Letter, based on 3M's equivocal responses to the MPCA's repeated requests to undertake response actions, the MPCA deemed 3M to have declined to undertake response actions regarding Cottage Grove's municipal wells. If 3M likewise provides equivocal responses to the MPCA's requests for response actions pertaining to the Oakdale and Woodbury municipal water systems—and to the MPCA's renewed request regarding Cottage Grove's municipal wells—the MPCA will also deem 3M to have declined to undertake such response actions.

With respect to 3M's information request, MDH is the only state agency that the MPCA is aware of that had communications with the cities of Oakdale or Woodbury with

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respect to municipal water sampling and corrective measures. The MPCA has asked MDH to provide the requested information, and the MPCA will provide that information to 3M.

Very truly yours,



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