

Passaic Valley Sewerage Commissioners' Motion To Intervene Pursuant To F.R.CIV.P. 24 And F.R.BANKR.P. 7024 (the "Intervention Motion").

By the Intervention Motion, the Passaic Valley Sewerage Commissioners ("PVSC") seek to intervene in the adversary proceeding filed by the Debtors against the United States of America and twenty-one states (the "Adversary Proceeding"), whereby the Debtors seek a declaratory judgment that certain environmental orders and obligations relating to sites the Debtors no longer own or operate, including a site currently owned by the PVSC, are dischargeable as prepetition, general unsecured claims.

In February 1998, the PVSC purchased certain real property in New Jersey (the "PVSC Property") from Witco Corporation ("Witco"), a predecessor of Chemtura Corporation ("Chemtura"). Pursuant to New Jersey state law and the real estate purchase contract for the PVSC Property, Witco was required to (i) enter into a remediation agreement with the New Jersey Department of Environmental Protection ("NJDEP") and (ii) obtain a No Further Action Letter from the NJDEP regarding pre-closing contamination. Shortly thereafter, Witco entered into a remediation agreement with the NJDEP requiring Witco to establish and maintain a remediation funding source (the "Remediation Agreement").

On May 19, 2009, the NJDEP issued a Notice of Violation to Chemtura for violating (i) the Industrial Site Recovery Act ("ISRA"), (ii) regulations promulgated under ISRA and (iii) the Remediation Agreement. The NJDEP alleged that Chemtura failed to establish and maintain a remediation funding source for the PVSC Property.

The PVSC has filed a claim in the Debtors' chapter 11 cases for \$1,953,703.73, which amount represents the PVSC's estimated costs of remaining remedial work that the Debtors are allegedly obligated to complete at the PVSC Property.

The PVSC now seeks to intervene in the Adversary Proceeding. The PVSC alleges that it should be permitted to intervene for three reasons: (i) under Bankruptcy Code section 1109(b), the PVSC is a creditor and party in interest, with an unconditional right to intervene in adversary proceedings; (ii) the PVSC meets the standard for intervention as of right under Federal Rule of Civil Procedure 24(a)(2) because it (a) has an interest relating to property subject to the proceeding, (b) the disposition of the action will impair or impede that interest and (c) existing parties do not adequately protect that interest; and (iii) the PVSC has a claim or defense that shares a common question of law or fact with the main action and, thus, is entitled to permissive intervention under Federal Rule of Civil Procedure 24(b).

Finally, the PVSC alleges that intervention will not delay the Adversary Proceeding because no scheduling orders had been entered as of the date of the Intervention Motion and the parties had not yet begun discovery.

A hearing on the Intervention Motion has been scheduled for January 14, 2010 at 9:45 a.m. (ET), with a corresponding objection deadline of January 7, 2010 at 4:00 p.m. (ET).