

Enclosure
CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA-16-8265

Respondent: Innovative Energy Solutions Corp
1474 W. 9th Street, Suite A3
Upland, CA 91786

1. The parties enter into this Clean Air Act Mobile Source Expedited Settlement Agreement (Agreement) in order to settle the civil violations discovered as a result of the inspection specified in Table 1, attached, incorporated into this Agreement by reference. The civil violations that are the subject of this Agreement are described in Table 2, attached, incorporated into the Agreement by reference, regarding the vehicles/engines specified therein.
2. Respondent admits to being subject to the Clean Air Act (CAA) and its associated regulations and that the United States Environmental Protection Agency (EPA) has jurisdiction over the Respondent and the Respondent's conduct described in Table 2. Respondent does not contest the findings detailed therein, and waives any objections Respondent may have to the EPA's jurisdiction.
3. Respondent consents to the payment of a penalty in the amount of \$4,200, further described in Table 3, attached, incorporated into this Agreement by reference. Respondent agrees to follow the instructions in "CAA Mobile Source Expedited Settlement Agreement Instructions," attached, incorporated into this Agreement by reference. Respondent certifies that the required remediation, detailed in Table 3, has been carried out.
4. By its first signature below, the EPA approves the findings resulting from the inspection and alleged violations set forth in Table 1 and Table 2. Upon signing and returning this Agreement to the EPA, Respondent consents to the terms of this Agreement without further notice. Respondent acknowledges that this Agreement is binding on the parties signing below, and becomes effective on the date of the EPA Air Enforcement Division Director's ratifying signature.

APPROVED BY EPA:



Date: May 4, 2016

Phillip A. Brooks, Director, Air Enforcement Division

APPROVED BY RESPONDENT:

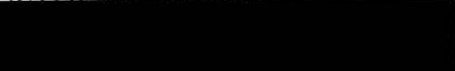
Name (print): LOUIS YEUNG

Title (print): President

Signature: 

Date: 6/9/2016

RATIFIED BY EPA:



Date: June 21, 2016

Phillip A. Brooks, Director, Air Enforcement Division

Table 1 - Inspection Information

Entry/Inspection Date(s): October 20, 2015 / October 27 and November 4, 2015		Docket Number: C A A - 1 6 - 8 2 6 5	
Inspection Location: FCL		Entry/Inspection Number(s) B L W - 0 5 7 0 9 3 6 - 1 2 0 1 5 1 0 2 7 1 3 0 0 0 0 2 0 1 5 1 1 0 4 1 3 0 0 0 0	
Address: 23011 Wilmington Avenue		Inspector(s) Name(s): CBPO Cynthia Ortiz and Janice Chan	
City: Carson	EPA Approving Official: Phillip A. Brooks		
State: CA	Zip Code: 90745	EPA Enforcement Contact: Janice Chan (Region 9), (415) 972-3308	
Respondent: Innovative Energy Solutions Corporation			

Table 2 - Description of Violation and Vehicles/Engines

The 78 gasoline generators described below (the Subject Generators) were found to be uncertified with respect to new small spark-ignition equipment and engine standards under Title II of the Clean Air Act (CAA), implemented by regulations at 40 C.F.R. Parts 1054, 1060, and 1068. Imported nonroad equipment containing engines of the size and model year as the Subject Generators are required to be covered by both exhaust emissions and evaporative emissions certificates of conformity (COCs) issued by EPA, and include exhaust and evaporative emission control information labels at the time of importation. The Subject Generators were imported without being covered by an evaporative emissions COC as required at the time of importation, because they were imported into the United States prior to the effective date of certification. 40 C.F.R. § 1068.103(c). CAA § 203(a)(1), 42 U.S.C. § 7522(a)(1), prohibits the importation or introduction into U.S. commerce of new small spark-ignition equipment unless they are covered by a valid COC or are properly excluded. By importing the Subject Generators and introducing them into U.S. commerce without certification, Innovative Energy Solutions committed 78 violations of CAA §§ 203(a)(1) and 213(d), 42 U.S.C. §§ 7522(a)(1) and 7547(d).

Equipment Description	Engine Manufacturer	Claimed Equipment Manufacturer	Claimed Model	Model Year	Claimed Engine Family / Evaporative Family	Quantity
Gasoline Generator	Kohler Co.	Chongqing Jiamu Machinery Co., Ltd.	MK6250R	2015	FKHXS.2772GA / GCQJPNHEQARB	30
Gasoline Generator	Kohler Co.	Chongqing Jiamu Machinery Co., Ltd.	MK3750R	2015	FKHXS.1961GA / GCQJPNHEQEPA	48

Table 3 - Penalty and Required Remediation

Penalty	\$4,200
Required Remediation	Innovative Energy Solutions must export the seventy-eight (78) uncertified Subject Generators to a country other than Canada or Mexico, and provide the EPA with a report documenting such exportation.