

#### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

## REGION 6 1201 ELM STREET, SUITE 500 DALLAS, TEXAS 75270

April 14, 2020

VIA E-MAIL

Chris Wood Centennial Energy, LLC 3773 Cherry Creek North Dr Ste 1000 Denver, CO 80209 cwood@centennialenergy.us

Re: Docket No. CAA 06-2020-3360

Dear Mr. Wood:

An authorized representative of the United States federal government conducted an inspection to determine your company's compliance with the Clean Air Act (CAA) and regulations promulgated thereunder. The details of this inspection are outlined in the enclosed Clean Air Act Vehicle and Engine Expedited Settlement Agreement (Agreement). As a result of the inspection, it was determined that your company failed to comply with the CAA and the associated regulations. The Agreement describes the violations.

You may resolve violations using an expedited process that involves significantly lower penalties than those sought through the normal settlement process. The United States Environmental Protection Agency (EPA) is authorized to enter into the Agreement under the authority vested in the EPA Administrator by Section 205(c)(1) of the CAA, 42 U.S.C. § 7524(c)(1). After the Agreement becomes effective, the EPA will take no further civil penalty action against your company for the violation(s) described in the Agreement. However, the EPA does not waive any rights to take an enforcement action for any other past, present, or future violations of the CAA or of any other federal statute or regulation.

If you do not sign and return the enclosed Agreement as presented within <u>30 calendar days</u> of its receipt, and meet all of your obligations under the Agreement, the proposed Agreement is withdrawn, with no need of additional notice to you, and without prejudice to the EPA's ability to file any other enforcement action for the violation(s) identified in the Agreement and seek penalties of up to \$48,192 per violation pursuant to 40 C.F.R. § 19.4. Please refer to "CAA Vehicle and Engine Expedited Settlement Agreement Instructions," attached, for instructions on accepting this Agreement.

Please contact Jamie Salabogi at 214-665-7533 or salabogi.jamie@epa.gov with any questions.

Sincerely,

Digitally signed by CHERYL SEA GER
DN: c=US. G=US. Government. ou=Environmental
Protection Agency, on=CHERYL SEA GER
0.92342.1900300.100.11=68001003651799
Date 2000.013 168.856-6500

Cheryl T. Seager, Director Enforcement and Compliance Assurance Division

### Enclosures

- 1. Clean Air Act Vehicle and Engine Expedited Settlement Agreement, Docket No. CAA 06-2020-3360
- 2. CAA Vehicle and Engine Expedited Settlement Agreement Instructions
- 3. Small Business Resources Information Sheet available at: https://www.epa.gov/compliance/small-business-resources-information-sheet

# Enclosure CLEAN AIR ACT VEHICLE AND ENGINE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA 06-2020-3360

Respondent: Chris Woods

Centennial Energy LLC 3773 Cherry Creek North Dr

Ste 1000

Denver, CO 80209

- 1. The parties enter into this Clean Air Act Vehicle and Engine Expedited Settlement Agreement (Agreement) in order to settle the civil violation discovered as a result of the inspection specified in Table 1, attached, incorporated into this Agreement by reference. The civil violation that is the subject of this Agreement is described in Table 2, attached, incorporated into the Agreement by reference, regarding the vehicle/engine 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, pursuant to CAA Section 205(c)(1), 42 U.S.C. § 7524(c)(1), over the Respondent and the Respondent's conduct described in Table 2. Respondent neither admits nor denies the findings detailed therein and waives any objections Respondent may have to the EPA's jurisdiction.
- 3. Respondent certifies that payment of the penalty has been made in the amount of \$2,200. Respondent has followed the instructions in "CAA Vehicle and Engine Expedited Settlement Agreement Instructions," attached, incorporated into this Agreement by reference. Respondent certifies that the required remediation, specified in Table 3 and incorporated into this Agreement by reference, has been carried out.
- 4. By its first signature below, the EPA approves the findings resulting from the inspection and alleged violation 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 Delegated Official's ratifying signature.
- 5. The parties consent to service of this Agreement by electronic delivery at the Respondent's e-mail noted below.

APPROVED BY EPA:	
	Date:
Delegated Official: Cheryl T. Seager, Director, Enforcement and	Compliance Assurance Division
APPROVED BY RESPONDENT: Wood  Name (print):	
Title (print): Manage of Specially Product	Email (print): <u>Lwood@ centennialenergy</u> . 4
Signature:	Date: 5/5/20
RATIFIED BY EPA:	
	Date:
Delegated Official: Cheryl T. Seager, Director, Enforcement and	Compliance Assurance Division

Table 1 - Inspection Information				
Inspection Date(s):	Docket Number:			
On or about August 21, 2019	0 6 2 0 2 0 3 3 6 0			
Inspection Location Name:	Entry Number(s):			
U.S. Customs and Border Protection (CBP) Alliance Operating Services, FTZ 039	E S L - 2 0 0 7 4 8 6 1			
Address:	Date of Entry:			
1840 W Airfield Drive, DFW Airport	May 31, 2019			
City:	Inspector(s) Name(s):			
Dallas	Officer Foster/Officer Ryals (CBP)			
State: Zip Code:	EPA Approving Official:			
TX 75261	Cheryl T. Seager			
Importer Name (Respondent):	EPA Enforcement Contact:			
Centennial Energy LLC	Jamie Salabogi, Enforcement Officer, 214-665-7533			
	Alex Roland, Enforcement Attorney, 214-665-2753			

# Table 2 - Description of Violation and Vehicles/Equipment

Centennial Energy LLC (Respondent) imported five (5) diesel engines (Subject Engines) described at the bottom of Table 2 on or about May 31, 2019. Authorized federal inspectors examined the Subject Engines and were unable to find any Emission Control Information (ECI) labels or anything to indicate EPA certification. No further evidence was provided by Respondent to the EPA indicating the Subject Engines are exempt or otherwise excluded from coverage under Title II the Clean Air Act (CAA) and its implementing regulations. Accordingly, by importing the Subject Engines, Respondent has committed five (5) violations of CAA Section 203(a)(1) and 213(d), 42 U.S.C. §§ 7522(a)(1) and 7547(d), and the regulations codified at 40 C.F.R. § 1068.101(a)(1) and (b)(5).

Vehicle/Equipment Description	Observed Engine Manufacturer	Observed Model Year	Observed Engine Family	Quantity
Diesel Engine	Weifang Huachi Diesel Engine Co., Ltd	2019	unknown	5

Table 3 - Penalty and Required Remediation		
Penalty	\$2,200	
Required Remediation	In addition to paying the monetary penalty, Respondent must provide to the EPA documentation showing that the Subject Engines have been seized, destroyed, exported to a country other than Canada or Mexico, or are under exclusive control by U.S. Customs and Border Protection (CBP) pending disposition.	

## CAA VEHICLE AND ENGINE EXPEDITED SETTLEMENT AGREEMENT INSTRUCTIONS

Within 30 days from your receipt of the Agreement, you must pay the penalty as described below:

**Payment method** – (electronic): Pay online through the Department of the Treasury using WWW.PAY.GOV. In the Search Public Form field, enter SFO 1.1, click EPA Miscellaneous Payments - Cincinnati Finance Center and complete the SFO Form Number 1.1. The payment shall be identified in the online system with the Docket Number listed below.

On the same day after submitting your payment, send an email to <a href="mailto:cinwd\_acctsreceivable@epa.gov">cinwd\_acctsreceivable@epa.gov</a> and to Jamie Salabogi, at Salabogi.jamie@epa.gov. Include in the subject line: "Payment Confirmation for Chris Wood: Centennial Energy LLC, Docket Number **CAA 06-2020-3360**." Attach a copy of the Agreement and your payment receipt to the email.

Within 30 days from your receipt of the Agreement, you must email Jamie Salabogi, at Salabogi.jamie@epa.gov, a scanned copy of the <u>original signed Agreement</u>, the <u>documentation of your Required Remediation corrective action(s) taken</u>, and <u>proof of payment</u> (confirmation of electronic payment).

If you have any questions or would like to request an extension due to extraordinary circumstances, you may contact Jamie Salabogi at (214) 665-7533. The EPA will consider whether to grant an extension on a case-by-case basis where appropriate justification is provided. The EPA will not accept or approve any Agreement returned more than 30 days after the date of your receipt of the Agreement unless an extension has been granted by the EPA. If you believe that the alleged violations are without merit (and you can provide evidence contesting the allegations), you must provide such information to the EPA as soon as possible but no later than 30 days from your receipt of the Agreement.

Unless an extension has been granted in writing by the EPA, if you do not sign and return the Agreement with proof of payment of the penalty amount and a report detailing your corrective action(s) within 30 days of your receipt of the Agreement, the Agreement is automatically withdrawn, without prejudice to the EPA's ability to file an enforcement action for the above or any other violations. Failure to return the Agreement within the approved time does not relieve you of the responsibility to comply fully with the regulations, including correction of the violation(s) specifically identified in the enclosed Tables. If you choose not to enter into this Agreement and fully comply with its terms, the EPA may pursue more formal enforcement measures to correct the violation(s) and seek penalties of up to \$48,192 per violation pursuant to 40 C.F.R. § 19.4.