UNITED STATES ENVIRONMENTAL PROTECTION AGENCY



REGION IX 75 Hawthorne Street San Francisco, CA 94105 Phone: (415) 972-3000 http://www.epa.gov/region9

CERTIFIED MAIL NO. 7016 1970 0000 9792 1636 RETURN RECEIPT REQUESTED

Steve Zwillinger Chief Executive Officer Westco Chemicals, Inc. 12551 – 61 Saticoy Street South North Hollywood, CA 91605

DEC 1 8 2018

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# Re: <u>In the Matter of Westco Chemicals, Inc.</u> U.S. EPA Docket No. TSCA-09-2018-0009

Dear Mr. Zwillinger:

Enclosed is a copy of the fully executed Consent Agreement and Final Order ("CAFO") in the above-referenced matter which contains the terms of the settlement reached with the United States Environmental Protection Agency ("EPA"), Region IX.

The terms of the CAFO require payment of \$134,875 to be received by EPA within 30 calendar days of the effective date (stamped filing date) of this CAFO.

If you have any questions, please contact Aisha Kennedy of my staff at (415) 972-3301.

Sincerely,

Douglas K. McDaniel Chief, Waste and Chemical Section Enforcement Division

Enclosure

\*\* FILED \*\* 18DEC2018 - 04:43PM U.S.EPA - Region 09

#### UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX 75 HAWTHORNE STREET SAN FRANCISCO, CA 94105

In the Matter of:

Westco Chemicals, Inc.,

Docket No. TSCA-09-2018-0009 CONSENT AGREEMENT AND FINAL ORDER

Respondent.

## I. CONSENT AGREEMENT

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The United States Environmental Protection Agency, Region IX ("EPA") and Westco Chemicals, Inc. ("Respondent") agree to settle this matter and consent to the entry of this Consent Agreement and Final Order ("CAFO").

## A. <u>AUTHORITY</u>

1. EPA initiated this civil administrative penalty action against Respondent pursuant to Section 16(a) of the Toxic Substances Control Act ("TSCA"), 15 U.S.C. § 2615(a), by issuing a Complaint and Notice of Opportunity for Hearing ("Complaint") on September 28, 2018 in accordance with the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits at 40 C.F.R. Part 22.

2. The Complaint alleges that Respondent violated Section 15(3)(B) of TSCA, 15 U.S.C. § 2614(3)(B), by failing to comply with Section 8(a) of TSCA, 15 U.S.C. §2607(a), and federal

regulations promulgated to implement Section 8(a) at 40 C.F.R. Part 711.

3. EPA and Respondent desire to resolve this civil administrative proceeding without further litigation and have agreed to resolve it by executing this CAFO pursuant to 40 C.F.R. § 22.18(b).

#### B. RESPONDENT'S ADMISSIONS

4. In accordance with 40 C.F.R. § 22.18(b)(2) and for the purpose of this proceeding, Respondent (i) admits that EPA has jurisdiction over the subject matter of this CAFO and over Respondent; (ii) neither admits nor denies the specific factual allegations contained in the Complaint; (iii) consents to any and all conditions specified in this CAFO and to the assessment of the civil administrative penalty under Section I.C of this CAFO; (iv) waives any right to contest the allegations contained in the Complaint; and (v) waives the right to appeal the proposed final order contained in this CAFO.

### C. CIVIL ADMINISTRATIVE PENALTY

5. Respondent agrees to the assessment of a penalty in the amount of ONE HUNDRED, THIRTY-FOUR THOUSAND, EIGHT HUNDRED AND SEVENTY-FIVE DOLLARS (\$134,875) as final settlement of the civil claims against Respondent arising under TSCA as alleged in the Complaint.

6. Respondent shall pay the assessed penalty no later than thirty (30) days after the effective date of the CAFO.

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The assessed penalty shall be paid by certified or cashier's check, payable to "Treasurer, United States of America," or paid by one of the other methods listed below and sent as follows:

Regular Mail: U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center PO Box 979077 St. Louis, MO 63197-9000

Wire Transfers:

Wire transfers must be sent directly to the Federal Reserve Bank in New York City with the following information:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Field Tag 4200 of the Fedwire message should read "D 68010727
Environmental Protection Agency"

Overnight Mail:

U.S. Bank 1005 Convention Plaza Mail Station SL-MO-C2GL ATTN Box 979077 St. Louis, MO 63101

ACH (also known as REX or remittance express):

US Treasury REX/Cashlink ACH Receiver ABA = 051036706 Account Number:310006, Environmental Protection Agency CTX Format Transaction Code 22 - checking Physical location of US Treasury Facility 5700 Rivertech Court Riverdale, MD 20737 Remittance Express (REX): 1-866-234-5681

On Line Payment:

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This payment option can be accessed from the information below:

www.pay.gov Enter "sfo 1.1" in the search field Open form and complete required fields

If clarification regarding a particular method of payment remittance is needed, contact the EPA Cincinnati Finance Center at 513-487-2081.

Concurrently, a copy of the check or notification that the payment has been made by one of the other methods listed above, including proof of the date payment was made, shall be sent with a transmittal letter indicating Respondent's name, the case title, and the docket number to:

- a) Regional Hearing Clerk (ORC-1)
   Office of Regional Counsel
   U.S. Environmental Protection Agency, Region IX
   75 Hawthorne Street
   San Francisco, California 94105
- b) Aisha Kennedy Waste & Chemical Section (ENF-2-2) Enforcement Division U.S. Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94105

7. Payment of the above civil administrative penalty shall not be used by Respondent or any other person as a tax deduction from Respondent's federal, state, or local taxes.

8. If Respondent fails to pay the assessed civil administrative penalty specified in Paragraph 5 by the deadline specified in Paragraph 6, then Respondent shall pay to EPA a stipulated penalty of \$500 per day in addition to the assessed

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penalty. Stipulated penalties shall accrue until such time as the assessed penalty and all accrued stipulated penalties are paid and shall become due and payable upon written request by EPA. In addition, failure to pay the civil administrative penalty by the deadline specified in Paragraph 6 may lead to any or all of the following actions:

a. The debt being referred to a credit reporting agency, a collection agency, or to the Department of Justice for filing of a collection action in the appropriate United States District Court. 40 C.F.R. §§ 13.13, 13.14, and 13.33. In any such collection action, the validity, amount, and appropriateness of the assessed penalty and of this CAFO shall not be subject to review.

b. The debt being collected by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds. 40 C.F.R. Part 13, Subparts C and H. c. EPA may (i) suspend or revoke Respondent's licenses or other privileges; or (ii) suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds. 40 C.F.R. § 13.17.

d. In accordance with the Debt Collection Act of 1982 and 40 C.F.R. Part 13 interest, penalties charges, and administrative

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costs will be assessed against the outstanding amount that Respondent owes to EPA for Respondent's failure to pay the civil administrative penalty by the deadline specified in Paragraph 6. Interest will be assessed at an annual rate that is equal to the rate of current value of funds to the United States Treasury (i.e., the Treasury tax and loan account rate) as prescribed and published by the Secretary of the Treasury in the Federal Register and the Treasury Fiscal Requirements Manual Bulletins. 40 C.F.R. § 13.11(a)(1). Penalty charges will be assessed monthly at a rate of 6% per annum. 40 C.F.R. § 13.11(c). Administrative costs for handling and collecting Respondent's overdue debt will be based on either actual or average cost incurred, and will include both direct and indirect costs. 40 C.F.R. § 13.11(b). In addition, if this matter is referred to another department or agency (e.g., the Department of Justice, the Internal Revenue Service), that department or agency may assess its own administrative costs, in addition to EPA's administrative costs, for handling and collecting Respondent's overdue debt.

#### D. RESPONDENT'S CERTIFICATION

9. In executing this CAFO, Respondent certifies that it is now fully in compliance with TSCA Section 8(a) and federal regulations promulgated to implement Section 8(a) at 40 C.F.R. Part 711 for the 2015 calendar year.

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#### E. RETENTION OF RIGHTS

10. In accordance with 40 C.F.R. § 22.18(c), this CAFO only resolves Respondent's liability for federal civil penalties for the violations and facts specifically alleged in the Complaint. Nothing in this CAFO is intended to or shall be construed to resolve (i) any civil liability for violations of any provision of any federal, state, or local law, statute, regulation, rule, ordinance, or permit not specifically alleged in the Complaint; or (ii) any criminal liability. EPA specifically reserves any and all authorities, rights, and remedies available to it (including, but not limited to, injunctive or other equitable relief or criminal sanctions) to address any violation of this CAFO or any violation not specifically alleged in the Complaint.

11. This CAFO does not exempt, relieve, modify, or affect in any way Respondent's duty to comply with all applicable federal, state, and local laws, regulations, rules, ordinances, and permits.

## F. ATTORNEYS' FEES AND COSTS

12. Each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.

## G. EFFECTIVE DATE

13. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CAFO shall be effective on the date that the final order contained in this CAFO, having been approved and issued by either the Regional Judicial Officer or Regional

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Administrator, is filed.

## H. BINDING EFFECT

14. The undersigned representative of Complainant and the undersigned representative of Respondent each certifies that he or she is fully authorized to enter into the terms and conditions of this CAFO and to bind the party he or she represents to this CAFO.

15. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns.

FOR RESPONDENT, WESTCO CHEMICAL, INC.:

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Steve Zwillinger Chief Operating Officer Westco Chemical, Inc.

FOR COMPLAINANT, U.S. ENVIRONMENTAL PROTECTION AGENCY, REGION IX:

12/11/18 DATE

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Douglas K. McDaniel Chief, Waste & Chemical Section Enforcement Division U.S. ENVIRONMENTAL PROTECTION AGENCY, REGION IX

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## II. FINAL ORDER

Complainant and Respondent, having entered into the foregoing Consent Agreement,

IT IS HEREBY ORDERED that this CAFO (Docket No. TSCA-09-2018-0009) be entered, and that Respondent shall pay a civil administrative penalty in the amount of ONE HUNDRED, THIRTY-FOUR THOUSAND, EIGHT HUNDRED AND SEVENTY-FIVE DOLLARS (\$134,875) and comply with the terms and conditions set forth in the Consent Agreement. This Consent Agreement and Final Order shall become effective upon filing.

12/18/18

STEVEN L. JAWGIE Regional Judicial Officer U.S. EPA, Region IX

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## CERTIFICATE OF SERVICE

I hereby certify that the original and one copy of the fully executed Consent Agreement and Final Order in the matter of Westco Chemicals, Inc. (Docket No. TSCA-09-2018-00 **29**) was filed with the Regional Hearing Clerk, U.S. EPA, Region IX, 75 Hawthorne Street, San Francisco, CA 94105 and that a true and correct copy was mailed via U.S. CERTIFIED MAIL to:

Steve Zwillinger Chief Executive Officer Westco Chemicals, Inc. 12551 – 61 Saticoy Street South North Hollywood, CA 91605

Certified Mail # 7016 1970 0000 9792 1636

Leonard D. Lerner, Esq. Lerner & Weiss, APC 21600 Oxnard Street #1130 Woodland Hills, CA 91367

Certified Mail # 7016 1970 0000 9792 1629

An additional copy was hand-delivered to the following U.S. EPA, Region IX Attorney:

Carol Bussey, Esq. Office of Regional Counsel U.S. EPA, Region IX 75 Hawthorne Street San Francisco, CA 94105

2018-Dec-18

Date

Steven #

Regional Hearing Clerk U.S. EPA, Region IX 75 Hawthorne Street San Francisco, CA 94105