



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

APR 13 2007

4WD-ROECB

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Jason W. Pippin, Vice President
Carolina Southern Railroad
103 South Wilson Street
Chadbourn, NC 28431-2347

SUBJ: Consent Agreement and Final Order:
Docket No. CWA-04-2007-7002

Dear Mr. Pippin:

Enclosed is a copy of the Consent Agreement and Final Order (CAFO) for the above referenced matter. This CAFO became effective on the date of filing with the Regional Hearing Clerk as required by 40 C.F.R. §§22.6 and 22.31, and as indicated on the Certificate of Service.

The United States Environmental Protection Agency (EPA) hereby notifies you that the Expedited Settlement Agreement has been executed by both parties and is binding on EPA and you. Upon receipt of your assessed penalty of \$550.00, EPA will take no further action against you for the violations cited in the Settlement Agreement. Your copy of the executed agreement is enclosed.

You must submit your payment within seven (7) days of your receipt of this letter by either electronic funds transfer, certified or cashiers check made payable to "Environmental Protection Agency." The check and a letter accompanying the check shall reference the name of the responsible party (Oil Spill Liability Trust Fund -311, Carolina Southern Railroad) and the EPA docket number CWA-04-2007-7002, and shall be sent depending upon your preferred method of payment identified in Enclosure A.

A copy of the check shall simultaneously be sent to at the time Respondent shall send separate copy of each check and a written statement that the payment is being made in accordance with this CAFO, to the persons at the following addresses:

Regional Hearing Clerk
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303-8960

Mel Rechtman at:
U.S. EPA - Region 4
RCRA/OPA Enforcement & Compliance Branch
RCRA Division
61 Forsyth Street, SW
Atlanta, Georgia 30303-8960

If you have any questions, please contact Mel Rechtman at (404)562-8745.

Sincerely,

A handwritten signature in black ink, appearing to read "N. M. Kumar", with a long horizontal flourish extending to the right.

Narindar Kumar, Chief
RCRA/OPA Enforcement & Compliance Branch
RCRA Division

Enclosure:
Expedited Settlement Agreement
Enclosure A - Payment Information
cc: USCG

ENCLOSURE A

PAYMENT INFORMATION

Wire Transfers

SWIFT Address MELNUS3P - (SWIFT address is only needed on international transfers)

Mellon Bank
ABA 043000261
Account 9109125
22 Morrow Drive
Pittsburgh PA 15235

Contact - Patricia McKaveney at 412-234-5805

CHECK PAYMENTS

US checks by regular US postal service mail

U.S. Environmental Protection Agency
P.O. Box 371099M
Pittsburgh, PA 15251

Contact - Patricia McKaveney at 412-234-5805

For FedEx and other non-US Postal Service express mail the correct address is:

Mellon Client Service Center
ATTN: Shift Supervisor
Lockbox 371099M Account 9109125
500 Ross Street
Pittsburgh, PA 15262-0001

2/9/07



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
61 FORSYTH ST S.W. ATLANTA, GEORGIA 30303-8960
EXPEDITED SPCC SETTLEMENT AGREEMENT

DOCKET NO. CWA-04-2007-7002

On: September 26, 2006 Time: 14:30
At: Carolina Rail, 103 South Wilson Street, Chadbourn, Columbus County, North Carolina, owned and/or operated by Carolina Rail (Respondent), an authorized representative of the United States Environmental Protection Agency (EPA) conducted an inspection to determine compliance with the Spill Prevention, Control and Countermeasures (SPCC) regulations promulgated at 40 CFR Part 112 under Section 311(j) of the Clean Water Act, 33 U.S.C. § 1321(j), (the Act), and found that Respondent had failed to comply with the SPCC regulations as noted on the attached SPCC INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY FORM (Form), which is hereby incorporated by reference.

EPA finds the Respondent is subject to the SPCC regulations and has violated the SPCC regulations as further described in the Form. The Respondent admits being subject to 40 CFR § 112 and that EPA has jurisdiction over the Respondent and the Respondent's conduct as described in the Form. Respondent does not contest the Inspection Findings, and waives any objections Respondent may have to EPA's jurisdiction.

EPA is authorized to enter into this Expedited Settlement under the authority vested in the Administrator of EPA by Section 311(b)(6)(B)(i) of the Act, 33 U.S.C. § 1321(b)(6)(B)(i), as amended by the Oil Pollution Act of 1990, and by 40 CFR § 22.13(b). The parties enter into this Expedited Settlement in order to settle the civil violations described in the Form for a penalty of \$550.00. The Respondent consents to the assessment of this penalty.

This Expedited Settlement is also subject to the following terms and conditions: Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the violations have been corrected and Respondent agrees to payment of the penalty upon written notice that Expedited Settlement has been executed and is effective. **Do not enclose payment.** EPA will provide instructions in writing on the procedures for making penalty payments to the "U.S. Environmental Agency.

After this Expedited Settlement becomes effective, EPA will take no further action against the Respondent for the violations of the SPCC regulations described in the Form. However, EPA does not waive any rights to take any enforcement action for any other past, present, or future violations by the Respondent of the SPCC regulations or of any other federal statute or regulations.

Upon signing and returning this Expedited Settlement to EPA, Respondent waives the opportunity for a hearing or appeal pursuant to Section 311 of the Act, and consents to EPA's approval of the Expedited Settlement without further notice.

This Expedited Settlement is binding on the parties signing below, and is effective upon the Regional Hearing Clerks signature. If Respondent does not sign and return this Expedited Settlement as presented within 30 days of the date of its receipt, the proposed Expedited Settlement is withdrawn without prejudice to EPA's ability to file any other enforcement action for the noncompliance identified in the Form.

APPROVED BY RESPONDENT:

Name (print): Jason V. Pippin
Title (print): Vice President - General Manager

Signature: [Signature] Date: 1-31-06

APPROVED BY EPA:

[Signature] Date: 4/5/07
Narindar Kumar, Chief
RCRA/OPA Enforcement & Compliance Branch

IT IS SO ORDERED:

[Signature] Date: 9/12/07
Susan B. Schub, Regional Judicial Officer

RECEIVED REGIONAL
EPA REGION 4
2007 APR 13 AM 11:40:35
HEARING CLERK

Docket No. CWA-04-2006-7002

CERTIFICATE OF SERVICE

The undersigned certifies that a true and correct copy of the attached Consent Agreement and Final Order, in the Matter of Carolina Southern Railroad, Docket No. CWA-04-2007-7002 (filed with the Regional Hearing Clerk on APR 13 2007, 2006) was served on APR 13 2007 2006 in the manner specified to each of the persons set forth below:

Jason W. Pippin, Vice President
Carolina Southern Railroad
1-3 South Wilson Street
Chadbourn, NC 28431-2347

Via Certified Mail,
Return Requested

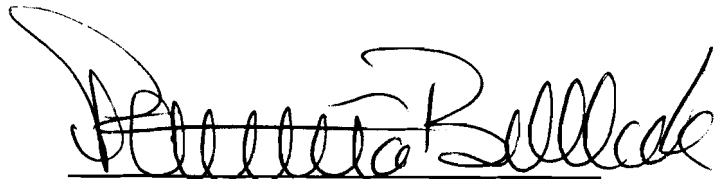
Victor Weeks, Risk Management Plan Coordinator
EPCRA Enforcement Section
U.S. EPA, Region 4
61 Forsyth St.
Atlanta, GA 30303

Via EPA's Internal Mail

Mel Rechtman
RCRA OPA Enforcement & Compliance Branch
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, GA 30303

Via EPA's Internal Mail

Date: 4-13-07



Patricia A. Bullock, Regional Hearing Clerk
United States Environmental
Protection Agency, Region 4
Atlanta Federal Center
61 Forsyth Street, S.W.
Atlanta, GA 30303
(404) 562-9511

EPA ACCOUNTS RECEIVABLE CONTROL NUMBER FORM

PAYMENT DUE DATE: _____

TO BE COMPLETED BY THE ORIGINATING OFFICE:

(Attach a copy of the final order and transmittal letter to Defendant/Respondent)

This form was originated by: Mel Rechtman on 2/9/2007
(Name) (Date)

in the ROECB at 404/562-8745
(Office) (Phone Number)

- | | |
|--------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------|
| <input type="checkbox"/> Non-SF Judicial Order/Consent Decree
USAO COLLECTS | <input checked="" type="checkbox"/> Administrative Order/Consent Agreement
FMO COLLECTS PAYMENT |
| <input type="checkbox"/> SF Judicial Order/Consent Decree
DOJ COLLECTS | <input type="checkbox"/> Oversight Billing - Cost Package required:
Sent with bill |
| <input type="checkbox"/> Other Receivable | <input type="checkbox"/> Not sent with bill |
| <input type="checkbox"/> This is an original debt | <input type="checkbox"/> Oversight Billing - Cost Package not required |
| | <input type="checkbox"/> This is a modification |

PAYEE: Carolina South Railroad

The Total Dollar Amount of the Receivable: \$550.00 (If installments, attach schedule of amounts and respective due dates. See other side of this form.)

The Case Docket Number: CWA-04-2007-7002

The Site Specific Superfund Account Number: _____

The Designated Regional/Headquarters Program Office: Waste

To Be Completed By Cincinnati Finance Center

The IFMS Accounts Receivable Control Number is: _____ Date: 00/00/2006

DISTRIBUTION:

A. **JUDICIAL ORDERS:** Copies of this form with an attached copy of the front page of the **FINAL JUDICIAL ORDER** should be mailed to:

- | | |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|
| 1. Debt Tracking Officer
Environmental Enforcement Section
Department of Justice RM 1647
P.O. Box 7611, Benjamin Franklin Station
Washington, D.C. 20044 | 2. Originating Office (EAD)
3. Designated Program Office |
|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------------------------------------------|

B. **ADMINISTRATIVE ORDERS:** Copies of this form with an attached copy of the front page of the Administrative Order Should be to:

- | | |
|----------------------------------------------------|-----------------------------------------------------------|
| 1. Originating Office
2. Regional Hearing Clerk | 3. Designated Program Office
4. Regional Counsel (EAD) |
|----------------------------------------------------|-----------------------------------------------------------|