UNITED STATES ENVIRONMENTAL PROTECTION AGENCY PM 2: 11

901 N. 5TH STREET KANSAS CITY, KANSAS 66101



IN THE MATTER OF:)
Kawasaki Motors Manufacturing Corp., U.S.A.)
6600 NW 27 th Street Lincoln, Nebraska 68524) CONSENT AGREEMENT AND FINAL ORDER
RCRA I.D. No. NED068652981)) Docket No. RCRA-07-2006-0262
Respondent.)
Proceeding under Section 3008(a) and (g) of The Resource Conservation and Recovery Act, as amended, 42 U.S.C. § 6928(a) and (g)))))

I. PRELIMINARY STATEMENT

This proceeding was initiated on or about September 28, 2006, when the United States Environmental Protection Agency, Region VII (Complainant or EPA) issued a Complaint, Compliance Order and Notice of Opportunity for Hearing (Complaint) to Kawasaki Motors Manufacturing Corp., U.S.A. (Respondent). Pursuant to Sections 3008(a) and (g) of the Solid Waste Disposal Act, as amended by the Resource Conservation and Recovery Act of 1976 and the Hazardous and Solid Waste Amendments of 1984 (hereinafter known as RCRA), 42 U.S.C. § 6901, et seq., the Complainant sought civil penalties for alleged violations of 42 U.S.C. § 6925 and 40 C.F.R. § 262.11.

Complainant and Respondent subsequently entered into negotiations in an attempt to settle the allegations contained in the Complaint. This Consent Agreement and Final Order (CAFO) is the result of such negotiations and resolves all issues relating to the administrative claims arising from the allegations in the Complaint.

CONSENT AGREEMENT

1. Respondent and EPA agree to the terms of this Consent Agreement and Final Order and Respondent agrees to comply with the terms of the Final Order portion of this Consent

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Agreement and Final Order. The terms of the Consent Agreement and Final Order shall not be modified except by a subsequent written agreement between the parties.

- 2. Respondent admits the jurisdictional allegations of this Complaint and agrees not to contest EPA's jurisdiction in this proceeding or any subsequent proceeding to enforce the terms of the Final Order portion of this Consent Agreement and Final Order set forth below.
- 3. Respondent neither admits nor denies the factual allegations and legal conclusions set forth in the Complaint.
- 4. Respondent waives its right to a judicial or administrative hearing on any issue of fact or law set forth in the Complaint, and waives its right to appeal the Final Order set forth below.
- 5. Respondent and Complainant agree to conciliate the matters set forth in the Complaint without the necessity of a formal hearing and to bear their respective costs and attorney's fees.
- 6. Nothing contained in the Final Order portion of this Consent Agreement and Final Order shall alter or otherwise affect Respondent's obligation to comply with all applicable federal, state and local environmental statutes and regulations and applicable permits.
- 7. The undersigned representative of Respondent certifies that he or she is fully authorized to enter the terms and conditions of this Consent Agreement and Final Order and to execute and legally bind Respondent to it.
- 8. Respondent agrees that, in settlement of the claims alleged in the Complaint and without admitting any violations of law, Respondent shall pay a mitigated civil penalty of \$ 68,055.00, as set forth in paragraph 1 of the Final Order. Full payment of the penalty in accordance with the Final Order shall only resolve Respondent's liability for federal civil penalties for the violations and facts alleged in the Complaint.
- 9. Respondent understands that failure to pay any portion of the civil penalty on the date the same is due may result in the commencement of a civil action in Federal District Court to collect said penalty, along with interest thereon at the applicable statutory rate.
- 10. This Consent Agreement and Final Order shall be effective upon entry of the Final Order by the Regional Judicial Officer for EPA Region 7. Unless otherwise stated, all time periods stated herein shall be calculated in calendar days from such date.
- 11. This Consent Agreement and the Final Order shall remain in full force and effect until Complainant provides Respondent with written notice, in accordance with paragraph 12 of the Final Order, that all requirements hereunder have been satisfied.

FINAL ORDER

Pursuant to the authority of Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), and according to the terms of this Consent Agreement and Final Order, IT IS HEREBY ORDERED THAT:

A. Payment of Civil Penalty

- 1. Within thirty (30) days of the effective date of this Consent Agreement and Final Order, Respondent shall pay a civil penalty of Sixty Eight Thousand and Fifty-five Dollars (\$68,055.00).
- 2. Payment of the penalty shall be by cashier or certified check made payable to "Treasurer of the United States" and remitted to:

U.S. Environmental Protection Agency, Region VII P.O. Box 371099M Pittsburgh, Pennsylvania 15251

The payment shall identify the Respondent by name and reference the Docket Number (RCRA-07-2006-0262) on the check. Copies of the check shall also be mailed to:

Belinda Holmes Office of Regional Counsel U.S. EPA Region VII 901 North 5th Street Kansas City, Kansas 66101

And

Regional Hearing Clerk U.S. EPA Region VII 901 North 5th Street Kansas City, Kansas 66101.

- 3. No portion of the civil penalty or interest paid by Respondent pursuant to the requirements of this Consent Agreement and Final Order shall be claimed by Respondent as a deduction for federal, state, or local income tax purposes.
 - 4. All notices and submissions required under this Final Order shall be submitted to:

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Marc Matthews ARTD/RESP U.S. EPA Region VII 901 North 5th Street Kansas City, Kansas 66101

5. All references to "days" shall mean calendar days for the purposes of this Order.

B. Parties Bound

6. This Final Order portion of this Consent Agreement and Final Order shall apply to and be binding upon Respondent and Respondent's agents, successors and/or assigns. Respondent shall ensure that all contractors, employees, consultants, firms or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this Consent Agreement and Final Order.

C. Reservation of Rights

- 7. Notwithstanding any other provision of this Consent Agreement and Final Order, EPA reserves the right to enforce the terms of the Final Order portion of this Consent Agreement and Final Order by initiating a judicial or administrative action under Section 3008 of RCRA, 42 U.S.C. § 6928, and to seek penalties against Respondent in an amount not to exceed thirty-two thousand five hundred dollars (\$32,500) per day per violation pursuant to Section 3008(c) of RCRA, for each day of non-compliance with the terms of the Final Order, or to seek any other remedy allowed by law.
- 8. Complainant reserves the right to take enforcement action against Respondent for any future violations of RCRA and its implementing regulations and to enforce the terms and conditions of this Consent Agreement and Final Order.
- 9. Except as expressly provided herein, nothing in this Consent Agreement and Final Order shall constitute or be construed as a release from any claim (civil or criminal), cause of action, or demand in law or equity by or against any person, firm, partnership, entity or corporation for any liability it may have arising out of or relating in any way to the generation, storage, treatment, handling, transportation, release or disposal of any hazardous constituents, hazardous substances, hazardous wastes, pollutants or contaminants found at, taken to, or taken from Respondent's facility.
- 10. Notwithstanding any other provisions of the Consent Agreement and Final Order, an enforcement action may be brought pursuant to Section 7003 of RCRA, 42 U.S.C. § 6973, or other statutory authority, should EPA find that the future handling, storage, treatment, transportation, or disposal of solid waste or hazardous waste at Respondent's facility may present an imminent and substantial endangerment to human health and the environment.

- 11. The headings in this Consent Agreement and Final Order are for convenience of reference only and shall not affect interpretation of this Consent Agreement and Final Order.
- 12. The provisions of this Consent Agreement and Final Order shall be deemed satisfied upon a written determination by Complainant that Respondent has fully implemented the actions required in the Final Order.

COMPLAINANT:

U.S. ENVIRONMENTAL PROTECTION AGENCY

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Date

Donald Toensing, Chief

RCRA Enforcement and State Programs Branch

Air, RCRA, and Toxics Division

3201 Date

Belinda L. Holmes

Senior Assistant Regional Counsel

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RESPONDENT:

KAWASAKI MOTORS MANUFACTURING CORP., U.S.A.

07-31-07

Date

Signature

Karen S. Neal

Printed Name

Director, OEM Business, Production Planning & Human Resources

Title

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IT IS SO ORDERED. This Final Order shall become effective immediately.

Robert Patrick

Regional Judicial Officer

Date August 10, 2007

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CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Consent Agreement and Final Order was sent this day in the following manner to the addressees:

Copy hand delivered to Attorney for Complainant:

Belinda L. Holmes Senior Assistant Regional Counsel Region VII United States Environmental Protection Agency 901 N. 5th Street Kansas City, Kansas 66101

Copy by Certified Mail Return Receipt to:

Stephen M. Bruckner, Esq. Fraser Stryker, PC LLO 500 Energy Plaza 409 S. 17th Street Omaha, Nebraska 68102-2663

Copy by Facsimile and First Class Pouch Mail to:

The Honorable Susan L. Biro Chief Administrative Law Judge U. S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Mail Code 1900L Washington, D. C. 20460

and

The Honorable William B. Moran Administrative Law Judge U. S. Environmental Protection Agency 1200 Pennsylvania Avenue, NW Mail Code 1900L Washington, D. C. 20460

Dated: 81007

Kathy Robinson

Hearing Clerk, Region 7