

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 1

FILED

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U.S. EPA REGION 1
HEARING CLERK

In the Matter of:

Monarch Metal Finishing Co., Inc.

Respondent.

Proceeding under Section 113(d) of the
Clean Air Act

Docket No. CAA-01-2025-0020

**CONSENT AGREEMENT AND
FINAL ORDER**

CONSENT AGREEMENT

A. PRELIMINARY STATEMENT

1. The issuance of this Consent Agreement and Final Order ("CAFO"), in accordance with 40 C.F.R. § 22.13(b), simultaneously commences and concludes an administrative penalty assessment proceeding brought under Section 113(d) of the Clean Air Act ("CAA"), 42 U.S.C. § 7413(d), and Sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits ("Consolidated Rules"), as codified at 40 C.F.R. Part 22.

2. Complainant is the United States Environmental Protection Agency, Region 1 ("EPA").

3. Respondent is Monarch Metal Finishing Co., Inc. ("Monarch"), a Rhode Island corporation doing business in Rhode Island.

4. Complainant and Respondent (together, the "Parties"), having agreed that settlement of this action is in the public interest, consent to the entry of this CAFO without adjudication of any issues of law or fact herein.

5. Respondent agrees to comply with the CAFO's terms and conditions set out below.

B. JURISDICTION

6. This CAFO is issued under Section 113(d) of the CAA, 42 U.S.C. § 7413(d), and the Consolidated Rules at 40 C.F.R. Part 22.

7. EPA and the United States Department of Justice have jointly determined that this matter, although it involves alleged violations that occurred more than one year before the initiation of this proceeding, is appropriate for administrative penalty action in accordance with Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

C. STATUTORY AND REGULATORY AUTHORITY

Rhode Island State Implementation Plan

8. Section 108(a) of the Act, 42 U.S.C. § 7408(a), requires EPA to identify and prepare air quality criteria for each air pollutant, emissions of which may endanger public health or welfare and the presence of which results from numerous or diverse mobile or stationary sources. For each such pollutant, Section 109 of the Act, 42 U.S.C. § 7409, requires EPA to promulgate national ambient air quality standards ("NAAQS") requisite to protect the public health and welfare.

9. Pursuant to Sections 108 and 109 of the Act, 42 U.S.C. §§ 7408 and 7409, and 40 C.F.R. Part 50, EPA has identified and promulgated NAAQS for certain pollutants considered harmful to public health and the environment (particulate matter, ozone, nitrogen oxides, carbon monoxide, sulfur dioxide and lead).

10. Section 110(a) of the CAA, 42 U.S.C. § 7410(a), requires each state to incorporate regulations that attain and maintain healthy air quality in the state's State Implementation Plan ("SIP"). A state must submit its SIP and any SIP revisions to EPA for approval. Once EPA has approved a SIP, the federal government may enforce the SIP's requirements and prohibitions under Sections 113(a) through (d) of the CAA, 42 U.S.C. § 7413(a)-(d).

11. EPA has approved the State of Rhode Island's SIP under Section 110 of the CAA, 42 U.S.C. § 7410. The Rhode Island SIP includes various federally-approved portions of the Rhode Island Code of Regulations promulgated by the Rhode Island Department of Environmental Management ("RI DEM"), including Regulation 9 and Regulation 19, codified at 40 C.F.R. Part 52 Subpart OO, 40 C.F.R. § 52.2070-52.2089.

National Emission Standards for Hazardous Air Pollutants

12. Section 112 of the CAA, 42 U.S.C. § 7412, lists hazardous air pollutants ("HAPs") and requires EPA to establish national emissions standards for these HAPs. "Major sources" are defined in Section 112(a)(1) of the CAA as a stationary source or group of stationary sources that emit or have the potential to emit 10 tons per year or more of a HAP or 25 tons per year or more of a combination of HAPs. An "area source" is defined in Section 112(a)(2) as any stationary source that is not a major source.

13. EPA promulgated standards in 40 C.F.R. Part 63 to regulate specific categories of stationary sources that emit (or have the potential to emit) one or more HAPs.

14. These National Emissions Standards for Hazardous Air Pollutants (“NESHAPs”) include, among others, the National Emissions Standards for Chromium Emissions from Hard and Decorative Chromium Electroplating and Chromium Anodizing Tanks, found at 40 C.F.R. Part 63, Subpart N (“Subpart N”), and the National Emission Standards for Hazardous Air Pollutants Area Source Standards for Plating and Polishing Operations, found at 40 C.F.R. Part 63, Subpart W (“Subpart W”). Both standards apply to area sources. See 40 C.F.R. §§ 63.340 and 63.11504(a).

Title V Operating Permits

15. Subchapter V of the CAA (hereinafter “Title V”), 42 U.S.C. § 7661, establishes an operating permit program for various air pollution sources to consolidate the source’s CAA requirements into one permit. Title V permits are required for major sources and certain non-major sources. See 40 C.F.R. § 63.1(c)(2).

16. Title V permits are not required for area sources subject to 40 C.F.R. Part 63, Subparts N and 6W. 40 C.F.R. §§ 63.340(e) and 63.11505(e).

17. RI DEM has not taken delegation of Subparts N and 6W for non-Title V facilities, thus EPA is the Administrator or delegated authority of Subparts N and 6W, as they apply to non-Title V facilities, for the purposes of their implementation in Rhode Island. See U.S. EPA, *Rhode Island Delegation of New Source Performance Standards (NSPS) and National Emissions Standards for Hazardous Air Pollutants (NESHAPs)* (October 19, 2023).

CAA Civil Penalties

18. Sections 113(a) and (d) of the CAA, 42 U.S.C. §§ 7413(a) and (d), allow EPA to assess civil penalties for violations of Part 68. Forty C.F.R. Part 19 sets out the statutory penalties as adjusted for inflation.

D. FACTUAL BACKGROUND

19. Monarch is the operator of two Rhode Island metal plating and polishing facilities located at 189 Georgia Avenue, Providence (“Providence Facility”) and at 100 Railroad Avenue, Johnston (“Johnston Facility”) (collectively, the “Facilities”).

20. Operations at the Facilities include electroplating, polishing and lacquering to protect a variety of metals.

21. EPA conducted announced inspections of Monarch's Facilities in November and December 2023 and June 2024.

22. Following up on its inspections, EPA issued a Reporting Requirement pursuant to Section 114(a)(1) of the CAA, 42 U.S.C. § 7414(a)(1) ("Information Request"), on January 23, 2024 regarding Monarch's two Facilities to which Monarch responded to on March 25, 2024 ("March 2024 Response").

23. On July 29, 2024, EPA issued a notice of violation ("NOV") to Monarch, copying RI DEM, and held an NOV conference with Monarch representatives on August 13, 2024.

Providence Facility

24. Respondent operates the Providence Facility where it currently employs approximately 12 workers for limited electroplating, polishing, lacquering and coating operations.

25. The Providence Facility does not have a Title V permit issued by RI DEM and is an Area Source of Hazardous Air Pollutants ("HAPs"), as defined at 40 C.F.R. § 63.2 and in Subpart 6W at 40 C.F.R. § 63.11504(a)(2).

26. On July 16, 2019, Monarch submitted a Notification of Compliance Status under Subpart 6W stating that the Providence Facility performs electroplating, other than chromium electroplating, using the plating and polishing metal HAP, nickel. See 40 C.F.R. § 63.11511 (defining terms including "plating and polishing metal HAP").

27. On November 6, 2023, EPA performed an inspection at the Providence Facility. EPA followed up with inspections on June 3, 2024 of Respondent's Providence Facility and its satellite painting facility at 240 Georgia Avenue in Providence.

28. Respondent's March 2024 Response provided information that describes that the Providence Facility is a plating and polishing facility that is engaged in electroplating other than chromium electroplating, see 40 C.F.R. § 63.11504(a), and operates electroplating tanks that use nickel in amounts greater than or equal to 0.1 percent by weight as the metal. See 40 C.F.R. § 63.11511.

29. During the November 6, 2023, inspection, Monarch relayed to EPA that no Subpart 6W annual certification of compliance reports were available for the Providence Facility. Monarch's March 2024 Response also did not provide any Subpart 6W annual certification of compliance reports for the Providence Facility.

Johnston Facility

30. Respondent operates the Johnston Facility where it currently employs approximately 46 workers and where it conducts electroplating and polishing operations.

31. The Johnston Facility does not have a Title V permit issued by RI DEM and is an Area Source of HAPs, as defined at 40 C.F.R. § 63.2.

32. On December 1, 2023, EPA performed an inspection of the Johnston Facility.

33. On December 13, 2023, Monarch submitted an Initial Notification and a Notification of Compliance Status for Subpart N for the Johnston Facility.

34. On January 23, 2024, EPA sent Monarch an Information Request regarding the Johnston Facility.

35. According to Monarch's March 2024 Response, the Johnston Facility operates a trivalent chromium electroplating tank that performs a process that meets the definition of decorative chromium electroplating, see 40 C.F.R. § 63.341, and was installed at the Facility on October 23, 2022.

36. According to Monarch's March 2024 Response, the Johnston Facility is a plating and polishing facility that is also engaged in electroplating other than chromium electroplating, see 40 C.F.R. § 63.11504(a), and that since the Facility was acquired in August 2021, has operated electroplating tanks that use nickel and tin/lead in amounts greater than or equal to 0.1 percent by weight (as the metal).

E. ALLEGED VIOLATIONS

Providence Facility

Count 1: Alleged failure to prepare annual certification of NESHAP compliance reports.

37. The allegations in Paragraphs 1 through 36 are hereby realleged and incorporated herein by reference.

38. Monarch is subject to the NESHAP regulations at its Providence Facility because it is the owner or operator of a stationary source that emits, or has the potential to emit nickel, a listed HAP. See 40 C.F.R. § 63.1(b) and (c). In particular, pursuant to 40 C.F.R. § 63.11504, Monarch is subject to Subpart 6W for its plating activities at the Providence Facility because the facility (a) is a plating and polishing facility engaged in non-chromium electroplating, which is one of the six processes subject to Subpart 6W; (b) is an "area source" of HAP emissions, as it is a stationary source that does not have a potential to emit of ten tons per year or more of any

single HAP or 25 tons per year of any combination of HAPs; and (c) uses or has emissions of compounds of one or more plating and polishing metal HAPs (i.e., nickel).

39. Standard 6W applies to the operations specified in § 63.11505, which include, among other things, tanks containing one or more of the plating and polishing metal HAPs, that are used for non-chromium electroplating; electroforming; electropolishing; electroless plating or other non-electrolytic metal coating operations; and that do not meet any of the listed exemptions.

40. Monarch operates electroplating tanks that use nickel in amounts greater than or equal to 0.1 percent by weight, and thus has operations subject to § 63.11505.

41. Pursuant to 40 C.F.R. §§ 63.11507-63.11509, affected sources subject to Standard 6W must meet standards, management practices, compliance requirements, and recordkeeping requirements, which differ based on the type of process.

42. Because the nickel electroplating tanks operated at the Providence Facility are affected sources subject to Subpart 6W, the Providence Facility is required to prepare an annual certification of compliance report as required by 40 C.F.R. § 63.11509(c).

43. During the November 6, 2023, inspection, the Monarch representative stated that no Subpart 6W annual certification of compliance reports were available for the Providence Facility.

44. Monarch's March 2024 Response also did not provide any Subpart 6W annual certification of compliance reports for the Providence Facility.

45. Monarch failed to timely prepare annual certification of compliance reports for calendar years 2020, 2021, 2022 and 2023 for the Providence Facility under Subpart 6W. Therefore, Monarch has violated 40 C.F.R. § 63.11509(c).

Count 2: Alleged failure to meet surface coating emission limitations and prescribed application methods or apply for an exemption.

46. The allegations in Paragraphs 1 through 45 are hereby realleged and incorporated herein by reference.

47. Section 19.6.7.A of Regulation 19 provides that the regulation applies to Miscellaneous Metal and/or Plastic Parts Surface Coating operations emitting greater than or equal to 2.7 tons of VOCs per rolling 12-month period, prior to controls.

48. Monarch's March 2024 response provides that the Providence Facility emitted at greater than or equal to 2.7 tons per rolling 12-month period for the twelve-month periods ending on December 31, 2020; December 31, 2021; and December 31, 2022.

49. None of the exemptions listed in § 19.6.7.B of Regulation 19 apply to the Providence Facility.

50. During the November 6, 2023, inspection, EPA observed that the Providence Facility did not have VOC emission control equipment.

51. Section 19.7.7.A of Regulation 19, for facilities that meet the applicability threshold described in § 19.6.7 of the regulation, provides five options to achieve compliance with the regulation including the use of low-VOC coatings; a combination of low-VOC coating and add on control equipment; a daily-weighted averaging for each coating unit to achieve applicable VOC content limitations; installing an approved control system; or the use of an alternative method of control approved by the Director and EPA.

52. The Providence Facility did not use low-VOC coatings as described in § 19.7.7.A.1 of Regulation 19.

53. The Providence Facility did not have an add-on VOC emission control equipment as described in § 19.7.7.A.2 of Regulation 19.

54. The Providence Facility used coatings exceeding the applicable VOC content limitations as described in § 19.7.7.A.3 of Regulation 19.

55. The Providence Facility did not have an approved VOC emission control system as described in § 19.7.7.A.4 of Regulation 19.

56. The Director and EPA have not approved an alternative method of control for the Providence Facility.

57. Section 19.7.7.B of Regulation 19 requires applicable facilities that do not use add-on air pollution control equipment to use one of eight prescribed application methods. Section 19.5.A.48 of Regulation 19 states that "HVLP spray application" means to apply a coating using a high-volume, low-pressure spray application system that is designed to operate at air pressures between 0.1 and 10 pounds per square inch gauge, measured dynamically at the center of the air cap and the air horns.

58. Monarch's 2024 Response describes that air operated spray guns used at the Providence Facility operate at 45 pounds per square inch and therefore do not meet the

specifications for “HVLP spray application,” or any other prescribed application method in § 19.7.7.B of Regulation 19.

59. Section 19.6.9.C of Regulation 19 provides that facilities may apply to the Director for exemption from the emission limitation in § 19.7.

60. RI DEM has no record of Monarch applying for an exemption from § 19.7 for the Providence Facility.

61. Monarch failed to either meet miscellaneous metal and/or plastic parts surface coating emission limitations and prescribed application methods described in Regulation 19 or apply for an exemption for the Providence Facility. Therefore, Monarch has violated §§ 19.7.7.A and 19.7.7.B, or § 19.6.9.C of Regulation 19.

Count 3: Alleged failure to report the use of non-complying coatings.

62. The allegations in Paragraphs 1 through 61 are hereby realleged and incorporated herein by reference.

63. Section 19.10.B.1.a of Regulation 19 requires facilities to notify the Director of any record showing use of any non-complying coatings by sending a copy of such record to the Director within 30 calendar days following that use.

64. RI DEM has no record of Monarch reporting the use of non-complying coatings at the Providence Facility.

65. Monarch failed to report the use of non-complying coatings to RI DEM at the Providence Facility. Therefore, Monarch has violated § 19.10.B.1.a of Regulation 19.

Johnston Facility

Count 4: Alleged failure to timely submit a Subpart N Initial Notification and Notification of Compliance Status.

66. The allegations in Paragraphs 1 through 65 are hereby realleged and incorporated herein by reference.

67. NESHAP regulations apply to the owner or operator of a stationary source that emits, or has the potential to emit, a listed HAP. See 40 C.F.R. § 63.1(b)-(c). Pursuant to 40 C.F.R. § 63.340(a), Subpart N applies to affected sources that are chromium electroplating or chromium anodizing tanks and that are located at a facility performing hard chromium electroplating, decorative chromium electroplating, or chromium anodizing.

68. According to Monarch's March 2024 Response, the Johnston Facility operates a trivalent chromium electroplating tank that performs a process that meets the definition of decorative chromium electroplating (See 40 C.F.R. § 63.341) and was installed at the Facility on October 23, 2022. Accordingly, the tank is subject to Subpart N.

69. Monarch was required to submit an Initial Notification for Subpart N, pursuant to 40 C.F.R. § 63.347(c)(1), by February 20, 2023, as well as a Notification of Compliance Status for Subpart N, pursuant to 40 C.F.R. § 63.347(e)(1).

70. On December 13, 2023, Monarch submitted an Initial Notification and a Notification of Compliance Status for Subpart N for the Johnston Facility.

71. Monarch failed to timely submit an Initial Notification and Notification of Compliance Status to EPA, pursuant to Subpart N, for the Johnston Facility. Therefore, Monarch violated 40 C.F.R. §§ 63.347(c)(1) and 63.347(e)(1).

Count 5: Alleged failure to provide tin/lead electroplating tank emission controls.

72. The allegations in Paragraphs 1 through 71 are hereby realleged and incorporated herein by reference.

73. According to Monarch's March 2024 Response, the Johnston Facility is a plating and polishing facility that is also engaged in electroplating other than chromium electroplating (See 40 C.F.R. § 63.11504(a)) and that since the Facility was acquired in August 2021, has operated electroplating tanks that use nickel and tin/lead in amounts greater than or equal to 0.1 percent by weight (as the metal).

74. Monarch's March 2024 Response stated that the nickel and tin/lead electroplating tanks do not use cyanide and operate at a pH of less than 12.

75. Monarch's March 2024 Response stated that Tank 41 at the Johnston Facility uses a "60/40 Tin/lead" solution; the response did not state that the lead in use is "elemental lead," as exempted in 40 C.F.R. § 63.11504(a)(3).

76. Therefore, the nickel and tin/lead electroplating tanks operated at the Johnston Facility are affected sources subject to Subpart 6W.

77. Monarch's March 2024 Response stated that none of the nickel and tin/lead electroplating tanks are solely used to repair surfaces of parts or equipment.

78. Monarch was required to provide emissions controls for all subject electroplating tanks under Subpart 6W, pursuant to 40 C.F.R. § 63.11507(a), including the tin/lead electroplating tank.

79. Monarch's March 2024 Response did not identify any emission controls for the tin/lead electroplating tank at the Johnston Facility.

80. Monarch failed to provide emission controls on its tin/lead electroplating tank, pursuant to Subpart 6W at the Johnston Facility. Therefore, Monarch has violated 40 C.F.R. § 63.11507(a).

Count 6: Alleged failure to timely submit a Subpart 6W Initial Notification and Notification of Compliance Status.

81. The allegations in Paragraphs 1 through 80 are hereby realleged and incorporated herein by reference.

82. Monarch's March 2024 Response stated that subject electroplating tanks under Subpart 6W have been operated at the Johnston Facility by Monarch since August 1, 2021.

83. Monarch was required to submit an Initial Notification for Subpart 6W, pursuant to 40 C.F.R. § 63.11509(a), as well as a Notification of Compliance Status for Subpart 6W, pursuant to 40 C.F.R. § 63.11509(b) for the Johnston Facility by no later than August 31, 2021.

84. EPA's records did not reflect that an Initial Notification or a Notification of Compliance Status for Subpart 6W had been submitted for the Johnston Facility.

85. Monarch failed to submit a timely Initial Notification and Notification of Compliance Status, pursuant to Subpart 6W at the Johnston Facility. Therefore, Monarch has violated 40 C.F.R. §§ 63.11509(a) and (b).

Count 7: Alleged failure to prepare annual certification of NESHAP compliance reports.

86. The allegations in Paragraphs 1 through 85 are hereby realleged and incorporated herein by reference.

87. Monarch was required to prepare annual certification of compliance reports for Subpart 6W, pursuant to 40 C.F.R. § 63.11509(c), for the Johnston Facility.

88. During the December 1, 2023, inspection, the Monarch representative stated that no Subpart 6W annual certification of compliance reports were available for the Johnston Facility.

89. Monarch's March 2024 Response did not provide any Subpart 6W annual certification of compliance reports for the Johnston Facility.

90. Monarch failed to prepare annual certification of compliance reports for calendar years 2021, 2022, and 2023, pursuant to Subpart 6W at the Johnston Facility. Therefore, Monarch has violated 40 C.F.R. § 63.11509(c).

F. CONSENT AGREEMENT TERMS

91. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

- a. admits that EPA has jurisdiction over the subject matter alleged in this CAFO;
- b. neither admits nor denies the specific factual allegations contained in this CAFO;
- c. consents to the assessment of a civil penalty as stated below;
- d. consents to the conditions specified in this CAFO;
- e. waives any right to contest the alleged violations of law set forth in Sections E and F of this CAFO; and
- f. waives its rights to appeal the Final Order accompanying this Consent Agreement.

92. For the purpose of this proceeding, Respondent further:

- a. agrees that this CAFO states a claim upon which relief may be granted against Respondent;
- b. acknowledges that this CAFO constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;
- c. waives any and all remedies, claims for relief, and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this CAFO, including any right of judicial review under Section 307(b)(1) of the CAA, 42 U.S.C. § 7607(b)(1);
- d. consents to personal jurisdiction in any action to enforce this CAFO in the United States District Court for the District of Rhode Island;
- e. waives any rights it may possess at law or in equity to challenge the authority of EPA to bring a civil action in a United States District Court to compel compliance with the CAFO, and to seek an additional penalty for

such noncompliance, and agrees that federal law shall govern in any such civil action; and

- f. waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the final order accompanying the consent agreement. *Securities & Exchange Commission v. Jarkesy*, No. 22–859, (June 27, 2024).

93. Respondent certifies that it has corrected the violations alleged in this CAFO, including by complying with the NOV and is currently in compliance with the CAA.

94. Penalty Payment:

- a. Respondent agrees to pay a civil penalty of \$157,041 (“Assessed Penalty”) in six (6) installment payments within six (6) months of the effective date of this CAFO. The first payment shall be made within 30 days of the effective date of this CAFO. Each subsequent payment shall be due in successive 30-day intervals, such that the sixth and final payment is submitted within six months of the effective date of this CAFO. The Final Order shall become effective on the date it is filed with the Regional Hearing Clerk. With interest on the first payment waived upon timely remittance and interest on the remaining balance owed (\$3,053.58) spread equally across all payments, each payment shall be in the amount of \$26,682.43. The installment payment plan was based upon Respondent’s inability to pay the entire Assessed Penalty amount within 30 days without experiencing undue financial hardship, and was determined by EPA to be in the best interest of the United States.
- b. If Respondent fails to make any payment by its due date, the full remaining amount including interest from the effective date, shall be due immediately. Respondent shall pay interest on the late amount pursuant to 31 U.S.C. § 3717, plus any late charges to cover the cost of processing and handling the delinquent claim.
- c. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of methods, provided on the EPA website <https://www.epa.gov/financial/makepayment>. For additional instructions see: <http://www.epa.gov/financial/additional-instructions-making-payments-epa>.
- d. When making a payment, Respondent shall:
 - 1. Identify every payment with “*In the Matter of Monarch Metal Finishing Co., Inc.; Docket No. CAA-01-2025-0020*”; and
 - 2. Within 24 hours of payment of any payment, serve proof of such payment to the following via email:

Jaegun Lee
Enforcement Counsel
U.S. Environmental Protection Agency, Region 1
lee.jaegun@epa.gov

Wanda I. Santiago
Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 1
Santiago.Wanda@epa.gov
and
R1_Hearing_Clerk_Filings@epa.gov

and

U.S. Environmental Protection Agency
Cincinnati Finance Center
CINWD_AcctsReceivable@epa.gov

“Proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to the EPA requirements, in the amount due, and identified with “*In the Matter of Monarch, Co., Inc.; Docket No. CAA-01-2025-0020.*”

95. Interest, Charges, and Penalties on Late Payments. Pursuant to 42 U.S.C. § 7413(d)(5), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely make any payment in accordance with the terms of this Agreement, EPA is authorized to recover, in addition to the amount of the unpaid Assessed Penalty, the following amounts.
- a. Interest. Interest begins to accrue from the Effective Date. If the Assessed Penalty is paid in full within 30 days, accrued interest is waived. If the Assessed Penalty is not paid in full within 30 days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. To protect the interests of the United States the rate of interest is set at the IRS standard underpayment rate of seven (7) percent, any lower rate would fail to provide the Respondent adequate incentive for timely payment.
 - b. Handling Charges. The United States’ enforcement expenses including, but not limited to, attorneys’ fees and costs of handling collection.
 - c. Late Payment Penalty. A 10 percent quarterly non-payment penalty, with the charge accruing from the date of delinquency in accordance with 31 C.F.R. §

901.9(d). In any such collection action, the validity, amount, and appropriateness of the penalty shall not be subject to review.

96. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fail to timely pay any portion of the Assessed Penalty per this CAFO, EPA may take additional actions. Such actions EPA may take include, but are not limited to, the following.

- a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.
- b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.
- c. Suspend or revoke Respondent's licenses or other privileges or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.
- d. Request that the Attorney General bring a civil action in the appropriate district court to enforce the Final Order and recover the full remaining balance of the Assessed Penalty, in addition to interest and the amounts described above, pursuant to 42 U.S.C. § 7413(d)(5). In any such action, the validity, amount, and appropriateness of the Assessed Penalty and Final Order shall not be subject to review.

97. Allocation of Payments. Pursuant to 31 C.F.R. § 901.9(f) and 40 C.F.R. § 13.11(d), a partial payment of debt will be applied first to outstanding handling charges, second to late penalty charges, third to accrued interest, and last to the principal that is the outstanding Assessed Penalty amount.

98. Tax Treatment of Penalties. Penalties, interest, and other charges paid pursuant to this Agreement shall not be deductible for purposes of federal taxes.

99. W-9 Form

- a. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service ("IRS") annually, a completed IRS Form 1098-F ("Fines, Penalties, and Other Amounts") with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor's violation of any law or the investigation or inquiry into the payor's potential violation of any law, including amounts paid for "restitution or remediation of property" or to come "into compliance with a law." EPA is further required to furnish a written statement, which provides the

same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number ("TIN"), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. In order to provide EPA with sufficient information to enable it to fulfill these obligations, EPA herein requires, and each Respondent herein agrees, that:

- b. Respondent shall complete an IRS Form W-9 ("Request for Taxpayer Identification Number and Certification"), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>;
- c. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent's correct TIN or that Respondent has applied and is waiting for issuance of a TIN;
- d. Respondent shall email its completed Form W-9 to EPA's Cincinnati Finance Center at chalifoux.jessica@epa.gov, within 30 days after the Final Order ratifying this Agreement is filed, and EPA recommends encrypting IRS Form W-9 email correspondence; and
- e. In the event that Respondent has certified in its completed IRS Form W-9 that it does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA's Cincinnati Finance Center with Respondent's TIN, via email, within five days of Respondent's receipt of a TIN issued by the IRS.

G. ADDITIONAL PROVISIONS

100. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except upon the written agreement of the Parties and the approval of the Regional Judicial Officer.

101. By signing this CAFO, Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information or personally identifiable information.

102. By signing this CAFO, each undersigned representative of the Parties certifies that he or she is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party that he or she represents. The Parties consent to the use of digital signatures on this CAFO, and Respondent further consents to receipt of service of the CAFO, once filed, by electronic mail at jcervenka@cgdesq.com. Respondent understands that this e-mail address may be made public when the CAFO and Certificate of Service are filed and uploaded to a searchable database.

103. By signing this CAFO, the Parties agree that each party's obligations under this CAFO and EPA's compromise of statutory maximum penalties constitute sufficient consideration for the other party's obligations.

104. By signing this CAFO, Respondent certifies that the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

H. EFFECT OF CONSENT AGREEMENT AND ATTACHED FINAL ORDER

105. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations alleged in Section E above.

106. Penalties paid pursuant to this CAFO shall not be deductible for purposes of federal taxes. For purposes of the identification requirement of Section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), performance of the conditions in Appendix 1 is restitution or required to come into compliance with the law.

107. This CAFO constitutes the entire agreement and understanding of the Parties and supersedes any prior agreements or understandings, whether written or oral, among the Parties with respect to the subject matter hereof.

108. Any violation of this CAFO may result in a civil judicial action for an injunction or civil penalties as provided in Section 113(b)(2) of the CAA, 42 U.S.C. § 7413(b)(2), as well as criminal sanctions as provided in Section 113(c) of the CAA, 42 U.S.C. § 7413(c). EPA may use any information submitted by Respondent pursuant to this CAFO in an administrative, civil judicial, or criminal action.

109. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the CAA and other federal, state, or local laws or statutes, and nothing in this CAFO shall restrict EPA's authority to seek compliance with any applicable laws or regulations, or be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

110. This CAFO in no way relieves Respondent or its employees of any criminal liability, and EPA reserves all its other criminal and civil enforcement authorities, including the authority to seek injunctive relief and the authority to undertake any action against Respondent in response to conditions which may present an imminent and substantial endangerment to the public health, welfare, or the environment.

111. Except as qualified by Paragraphs 94 and 95, each party shall bear its own costs and fees in this proceeding including attorney's fees. Respondent specifically waives any right

to recover such costs from EPA pursuant to the Equal Access to Justice Act, 5 U.S.C. § 504, or other applicable laws.

I. EFFECTIVE DATE

112. Respondent and Complainant agree to issuance of the attached Final Order. This CAFO shall become effective after execution of the Final Order by the Regional Judicial Officer on the date of filing with the Regional Hearing Clerk.

In the Matter of Monarch Metal Finishing Co., Inc., Docket No. CAA-01-2025-0020
Consent Agreement and Final Order

FOR RESPONDENT:

Step DiPrete
Signature

5/14/2025
Date

STEPHEN DiPRETE CONTROLLER
Name, Title (printed)
Monarch Metal Finishing Co., Inc.

In the Matter of Monarch Metal Finishing Co., Inc., Docket No. CAA-01-2025-0020
Consent Agreement and Final Order

FOR COMPLAINANT:

James Chow, Director
Enforcement and Compliance Assurance Division
EPA Region 1

Date

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 1**

In the Matter of:

Monarch Metal Finishing Co., Inc.

Respondent.

Proceeding under Section 113(d) of the
Clean Air Act

Docket No. CAA-01-2025-0020

**CONSENT AGREEMENT AND
FINAL ORDER**

FINAL ORDER

Pursuant to 40 C.F.R. §§ 22.18(b) and (c) of EPA's Consolidated Rules and Sections 113(d)(1) and (d)(2)(B) of the CAA, 42 U.S.C. §§ 7413(d)(1) and (d)(2)(B), the attached Consent Agreement resolving this matter is incorporated by reference into this Final Order and is hereby ratified.

Respondent Monarch Metal Finishing Co., Inc. is ORDERED to comply with all terms of the Consent Agreement, which shall become effective on the date it is filed with the Regional Hearing Clerk.

SO ORDERED:

LeAnn Jensen
Regional Judicial Officer
EPA Region 1

Date