September 18, 2026 12:38 pm
USEPA – Region II
Regional Hearing Clerk

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2

In the Matter of: **Schnitzer Puerto Rico, Inc.** Respondent. In a proceeding under Section 113(d) of the Clean Air Act	**Consent Agreement and Final Order** CAA-02-2026-1219

A. PRELIMINARY STATEMENT

1. This is an administrative penalty assessment proceeding pursuant to Section 113(d) of the Clean Air Act (the "CAA" or "Act"), 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"), codified at 40 C.F.R. Part 22.

2. On behalf of the United States Environmental Protection Agency ("EPA" or "Complainant"), the Director of the Enforcement and Compliance Assurance Division ("ECAD") for EPA Region 2 is delegated the authority to settle civil administrative penalty proceedings under Section 113(d) of the Act. Specifically, pursuant to EPA Delegation of Authority 7-6-A and EPA Region 2 Delegation of Authority 7-6-A, the Administrator has delegated to the Director of ECAD, through the Regional Administrator of EPA Region 2, the authority to (a) make findings of violations, (b) issue CAA Section 113(d) administrative penalty complaints, and (c) agree to

settlements and sign consent agreements memorializing those settlements, for CAA violations that occur in the jurisdiction of EPA Region 2.

3. Section 113(d) of the CAA authorizes the EPA Administrator to issue an order assessing civil administrative penalties against any person that has violated or is violating any requirement or prohibition of subchapters I, III, IV-A, V, or VI of the Act, or any requirement or prohibition of any rule, order, waiver, permit, or plan promulgated pursuant to any of those subchapters, including but not limited to any regulation promulgated pursuant to Sections 111, 112, and 114 of the Act, 42 U.S.C. §§ 7411, 7412, and 7414.

4. Pursuant to EPA Delegation of Authority 7-6-C, the Administrator has delegated to the Regional Administrator of EPA Region 2 the authority to execute CAA Section 113(d) Final Orders. In turn, under this delegation of authority, the Regional Administrator has redelegated the authority to issue consent orders under the CAA to the Regional Judicial Officer.

5. Pursuant to Section 113(d) of the Act, the Administrator and the Attorney General, through their respective delegates, have jointly determined that this matter is appropriate for an administrative penalty proceeding.

6. Respondent is Schnitzer Puerto Rico, Inc. ("Respondent"). Respondent owned and operated a facility that collected and processed metals for recycling (the "Facility"), located at Carr. PR-3, Km. 156.4, in Salinas, Puerto Rico.

7. Respondent is a "person" as defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e).

8. In a Finding of Violation, dated July 17, 2025 ("FOV"), EPA alleged that Respondent violated Section 112 of the CAA by failing to comply with the National Emissions Standards for Hazardous Air Pollutants ("NESHAP") for Stationary Reciprocating Internal Combustion Engines

("RICE"), 40 C.F.R. Part 63 Subpart ZZZZ, during the operations of the Facility. This action will resolve Respondent's alleged CAA violations, discussed below, at the Facility.

B. JURISDICTION

9. This Consent Agreement is entered into pursuant to Section 113(d) of the Act, as amended, 42 U.S.C. § 7413(d), and the Consolidated Rules, 40 C.F.R. Part 22.

10. Pursuant to Section 113(d)(1)(C), the Administrator and the Attorney General, through their respective delegates, have jointly determined that this matter is appropriate for an administrative penalty assessment. *See* 42 U.S.C. § 7413(d)(1)(C); *see also* 40 C.F.R. § 19.4.

11. The Regional Judicial Officer is authorized to ratify this Consent Agreement, which memorializes a settlement between Complainant and Respondent. 40 C.F.R. § 22.18(b)(3).

12. The issuance of this Consent Agreement and attached Final Order simultaneously commences and concludes this proceeding. 40 C.F.R. §§ 22.13(b) and 22.18(b).

C. GOVERNING LAW

13. CAA Section 302(e) states that whenever the term "person" is used in the Act, the term includes an individual, corporation, partnership, association, state, municipality, political subdivision of a state, and any agency, department, or instrumentality of the United States and any officer, agent, or employee thereof. 42 U.S.C. § 7602(e).

14. CAA Section 101(b)(1) states that one of the purposes of the Act is to "protect and enhance the quality of the Nation's air resources so as to promote the public health and welfare and the productive capacity of its population." 42 U.S.C. § 7401(b)(1).

Standards of Performance for Stationary Compression Ignition Internal Combustion Engines – 40 C.F.R. Part 60, Subpart IIII

15. Section 111 of the Act, 42 U.S.C. § 7411, provides for "standards of performance" for new and existing stationary sources of air pollution. Under Section 111(b) of the Act, EPA is required to promulgate standards of performance for new stationary sources, commonly known as New Source Performance Standards ("NSPS").

16. EPA established Standards of Performance for Stationary Compression Ignition Internal Combustion Engines, promulgated at 40 C.F.R. Part 60 Subpart IIII ("NSPS Subpart IIII").

17. The NSPS Subpart IIII applies to engines manufactured after April 1, 2006. *See* 40 C.F.R. § 60.4200(a)(2).

18. Pursuant to 40 C.F.R. § 60.4211(f), owners or operators of an emergency stationary internal combustion engine must operate it according to the requirements of 40 C.F.R. § 60.4211(f)(1) through (3). In order for the engine to be considered an emergency engine, any operation other than emergency operation, maintenance and testing, and operation in non-emergency situations for 50 hours per year, as described in 40 C.F.R. § 60.4211(f)(1) through (3), is prohibited.

19. The NSPS Subpart IIII permits emergency stationary internal combustion engines to be operated for maintenance checks and readiness testing, provided the tests are recommended by federal, state, or local government, the manufacturer, the vendor, the regional transmission organization or equivalent balancing authority and transmission operator, or the insurance company associated with the engine, for a maximum of 100 hours per calendar year. Any operation of the engine for non-emergency situations counts as part of the 100-hour limit. *See 4*0 C.F.R. § 60.4211(f)(2)(i).

20. Pursuant to 40 C.F.R. § 60.4214(b), the owner or operator of applicable emergency engines must keep records of the operation of the engine in emergency and non-emergency service that are recorded through the non-resettable hour meter. The owner must record the time of operation of the engine and the reason the engine was in operation during that time.

National Emissions Standards for Hazardous Air Pollutants –
40 C.F.R. Part 63, Subpart ZZZZ

21. Section 112 of the Act requires the EPA Administrator to: (i) publish a list of hazardous air pollutants ("HAP"), (ii) publish a list of categories and subcategories of major and area sources of those HAP, and (iii) promulgate regulations establishing emission standards for each category and subcategory.

22. Emissions standards promulgated pursuant to Section 112 are commonly known as National Emissions Standards for Hazardous Air Pollutants ("NESHAP"). NESHAP under the CAA as it existed prior to the 1990 CAA amendments are set forth in 40 C.F.R. Part 61. NESHAP under the CAA as amended in 1990 are set forth in 40 C.F.R. Part 63. Part 63 NESHAP are sometimes known as maximum achievable control technology ("MACT") standards, because Section 112(d) of the CAA, as amended in 1990, directs EPA to promulgate emissions standards based on the MACT.

23. Section 112(a) of the Act contains definitions relevant to Section 112. More specifically:

a. Section 112(a)(1) of the Act defines "*major source*" as any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit, considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants.

b. Section 112(a)(2) of the Act defines "*area source*" as any stationary source of hazardous air pollutants that is not a major source.

c. Section 112(a)(3) of the Act defines "*stationary source*" as any building, structure, facility or installation which emits or may emit any air pollutant.

d. Section 112(a)(9) defines "*owner or operator*" as any person who owns, leases, operates, controls, or supervises a stationary source.

24. Section 112(i)(3)(A) prohibits the operation of a source in violation of any emissions standard, limitation or regulation issued pursuant to Section 112, and directs the Administrator to set a compliance deadline for existing sources that is no more than three years after the effective date of the standard.

25. EPA established NESHAP and operating limitations for stationary reciprocating internal combustion engines ("RICE") located at major and area sources of HAP emissions, promulgated at 40 C.F.R. Part 63 Subpart ZZZZ ("RICE NESHAP").

26. Pursuant to 40 C.F.R. § 63.6585, owners and operators of a stationary RICE at a major or area source of HAP emissions are subject to the RICE NESHAP.

27. Pursuant to 40 C.F.R. § 63.6590(a)(2)(iii), a stationary RICE located at an area source of HAP emissions is an existing source if it commenced construction or reconstruction before June 12, 2006.

28. Pursuant to 40 C.F.R. § 63.6675, "*emergency stationary RICE*" is defined as any stationary reciprocating internal combustion engine that meets all of the criteria in (1) to (3) contained in the definition. All emergency RICE must comply with the requirements specified in 40 C.F.R. § 63.6640(f) to be considered emergency stationary RICE. If the engine does not comply with

the requirements specified in 40 C.F.R. § 63.6640(f), then it is not considered an emergency stationary RICE under the RICE NESHAP. The definition in the 40 C.F.R. § 66.75 includes the following criteria:

(i) The stationary RICE is operated to provide electrical power or mechanical work during an emergency situation. Examples include stationary RICE used to produce power for critical networks or equipment (including power supplied to portions of a facility) when electric power from the local utility (or the normal power source, if the facility runs on its own power production) is interrupted, or stationary RICE used to pump water in the case of fire or flood, etc.

(ii) The stationary RICE is operated under limited circumstances for situations not included in paragraph (i) above, as specified in 40 C.F.R. § 63.6640(f).

(iii) The stationary RICE operates as part of a financial arrangement with another entity in situations not included in paragraph (i) above, only as allowed in 40 C.F.R. § 63.6640(f)(2)(ii) or (iii) and 40 C.F.R. § 63.6640(f)(4)(i) or (ii).[1]

29. Pursuant to 40 C.F.R. § 63.6640(f), an owner or operator of an emergency stationary RICE must be operated according to the requirements in 40 C.F.R. §§ 63.6640(f)(1) through (4). In order for the engine to be considered an emergency stationary RICE under this subpart, any operation other than emergency operation, maintenance and testing, emergency demand response, and operation in non-emergency situations for 50 hours per year, as described in 40 C.F.R. §§ 63.6640(f)(1) through (4), is prohibited. If the engine is not operated in accordance with

[1] 40 C.F.R. §§ 63.6640(f)(2)(ii) and (iii) have been vacated by court order.

the requirements in 40 C.F.R. §§ 63.6640(f)(1) through (4), the engine will not be considered an emergency engine under this subpart and must meet all requirements for non-emergency engines. 40 C.F.R. §§ 63.6640(f)(1) through (4) provides, in relevant part:

- There is no time limit on the use of emergency stationary RICE in emergency situations.
- Emergency stationary RICE may be operated for any combination of the purposes specified in 40 C.F.R. §§ 63.6640(f)(2)(i) through (iii) for a maximum of 100 hours per calendar year. Any operation for non-emergency situations as allowed by 40 C.F.R. §§ 63.6640(f)(3) and (4) counts as part of the 100 hours per calendar year allowed by 40 C.F.R. § 63.6640(f)(2).
- Emergency stationary RICE may be operated for maintenance checks and readiness testing, provided that the tests are recommended by federal, state or local government, the manufacturer, the vendor, the regional transmission organization or equivalent balancing authority and transmission operator, or the insurance company associated with the engine. The owner or operator may petition the Administrator for approval of additional hours to be used for maintenance checks and readiness testing, but a petition is not required if the owner or operator maintains records indicating that federal, state, or local standards require maintenance and testing of emergency RICE beyond 100 hours per calendar year.

- Emergency stationary RICE may be operated for periods where there is a deviation of voltage or frequency of five percent or greater below standard voltage or frequency.
- Emergency stationary RICE located at area sources of HAP may be operated for up to 50 hours per calendar year in non-emergency situations. The 50 hours of operation in non-emergency situations are counted as part of the 100 hours per calendar year for maintenance and testing and emergency demand response provided in 40 C.F.R. § 63.6640(f)(2). Except as provided in 40 C.F.R. §§ 63.6640(f)(4)(i) and (ii), the 50 hours per year for non-emergency situations cannot be used for peak shaving or non-emergency demand response, or to generate income for a facility to an electric grid or otherwise supply power as part of a financial arrangement with another entity.

30. An owner or operator of a stationary RICE must keep records of the hours of operation of the engine that are recorded through the non-resettable hour meter. The owner or operator also must document how many hours are spent in emergency operation, including what classified the operation as emergency and how many hours are spent for non-emergency operation. 40 C.F.R. § 63.6655(f).

31. Records must be kept in a form suitable and readily available for expeditious review for five years. 40 C.F.R. §§ 63.10(b)(1); 63.6660.

D. FINDINGS OF FACT

32. The factual findings set forth below are based on an investigation conducted by EPA Region 2. That investigation involved, among other actions: (i) an inspection of Respondent's

facility located at Carr. PR-3, Km. 156.4 in Salinas, Puerto Rico (the "Facility") by Region 2 on April 26, 2022, (ii) a review of Respondent's December 16, 2024 response to an EPA CAA Section 114 Information Request Letter ("IRL"), dated October 16, 2024, and (iii) discussions and exchanges of documents with Respondent since the FOV conference on August 7, 2025.

33. Respondent operated a metal shredder at the Facility during the time period relevant to this Consent Agreement.

34. In Attachment 11 to Respondent's CAA Section 114 response to EPA's IRL, Respondent stated that the purpose of "Engine 1" and "Engine 2" was to power the "downstream system and JP Plant."

a. "Engine 1" is listed as a Caterpillar C32 (with serial number G5C01293), with a maximum brake horsepower ("BHP") rating of 1,502 BHP, from model year 2007 (with a build date of August 8, 2007), for non-emergency use, and is Tier 2-certified.

b. "Engine 2" is listed as a Caterpillar 3412 (with serial number G6J00577), with a maximum BHP rating of 2,006 BHP, from model year 2012 (with a build date of October 1, 2012), for emergency use, and is Tier 2-certified.

c. "Engine 7" (also known as "Emergency Generator") is listed as powering the administrative office building. It is a Cummins/Stamford UCI274D model (no serial number available), with a maximum BHP of 138, from model year 1990, and operating as an emergency engine that is not EPA tier-certified.

35. In Attachment 12 to Respondent's CAA Section 114 IRL response, Respondent stated that for "Genset 2" (also known as "Engine 2"), "all hours are emergency hours of operation due to the frequent power outages and/or maintenance of Genset 1."

36. During the FOV conference on August 7, 2025, Respondent explained that it operated the shredding equipment using “Genset 1” (also known as “Engine 1”), and not the Puerto Rico power grid, due to the fact that the shredder was originally built in Europe and ran on the European electrical system of 50 Hz, as opposed to the American electrical system of 60 Hz, which made it impossible to run the shredder using grid power.

37. Respondent explained that “Genset 2” was the back-up generator when “Genset 1” was not operating, either unexpectedly, or for planned maintenance.

38. Respondent claimed that “Genset 2” was an emergency generator, with all hours included as emergency hours, because the Facility used it as a back-up source of power for “Genset 1.”

39. Similarly, Attachment 12 of Respondent’s IRL response states that for the “Emergency Generator” (also known as “Engine 7”), “all hours are emergency hours of operation due to frequent power outages.”

40. During the FOV conference, Respondent explained that the “Emergency Generator” ran the administrative office at the Facility when the grid power was out expectedly (for planned grid maintenance), or unexpectedly, in an emergency situation.

41. According to Exhibit 8 of Respondent’s September 12, 2025 letter responding to EPA’s inquiries during the FOV conference, Respondent operated “Genset 2” and “Emergency Generator” more than 100 hours per year in 2021, 2022, and 2024.

42. Specifically, according to Exhibit 8 of Respondent’s September 12, 2025 letter, Respondent operated “Genset 2” for 128.4 hours in 2021, and the “Emergency Generator” for 103 hours in 2021. Respondent operated “Genset 2” for 246 hours in 2022 and 171 hours in 2024.

43. During the FOV conference, EPA asked for a breakdown of when “Genset 2” and the “Emergency Generator” were used during periods of planned maintenance (of “Genset 1” in the case of “Genset 2,” and the Puerto Rico grid, for the “Emergency Generator”), which Respondent agreed to do, but did not provide.

44. Respondent did not keep records to document what classified the operation of “Genset 2” and the “Emergency Generator” as an emergency.

45. On March 16, 2026, Respondent notified the Puerto Rico Department of Natural and Environmental Resources (“DNER”) that it ceased its operation and requested termination of its air emissions permit.

E. CONCLUSIONS OF LAW

Based on the Findings of Fact set forth above, EPA reaches the following Conclusions of Law:

46. Respondent is a “person” within the meaning of Section 302(e) of the Act.

47. Respondent owned and operated the Facility during the time period relevant to this Consent Agreement.

48. Respondent’s Facility is subject to the RICE NESHAP.

49. “Genset 2” is subject to the NSPS IIII.

50. Respondent’s failure to document when “Genset 2” was being operated due to planned maintenance of “Genset 1,” and when the “Emergency Generator” was being operated due to planned grid maintenance, is a failure to keep records to document what classified the operation of “Genset 2” and the “Emergency Generator” as an emergency, in contravention of 40 C.F.R. § 63.6655(f).

51. Respondent's failure to record the time of operation of "Genset 2" in emergency service, and the reason the engine was in operation during that time, constitutes a violation of 40 C.F.R. § 60.4214(b).

F. TERMS OF CONSENT AGREEMENT

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

a. admits that the EPA has jurisdiction over the subject matter alleged in this Consent Agreement;

b. neither admits nor denies the factual allegations and alleged violations stated above;

c. consents to the assessment of a civil penalty as stated below;

d. consents to the issuance of the attached Final Order;

e. 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 Final Order, including any right of judicial review under Section 307(b)(1) of the Clean Air Act, 42 U.S.C. § 7607(b)(1);

f. consents to personal jurisdiction in any action to enforce this Consent Agreement or Final Order, or both, in the United States District Court; and

g. waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the Consent Agreement or Final Order, or both, and to seek an additional penalty for such noncompliance, and agrees that federal law shall govern in any such civil action.

52. Civil Penalty. Respondent agrees to pay a civil penalty in the amount of $30,000 ("Assessed Penalty") within 30 days after the date the Final Order ratifying this Agreement is filed with the

Regional Hearing Clerk and a copy is emailed to and received by Respondent's counsel ("Effective Date").

53. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website: https://www.epa.gov/financial/makepayment. For additional instructions see: https://www.epa.gov/financial/additional-instructions-making-payments-epa.

54. When making a payment, Respondent shall:

a. Identify every payment with Respondent's name and the docket number of this Agreement, **CAA-02-2026-1219**.

b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment to the following person(s) via electronic mail to:

Office of Regional Hearing Clerk
U.S. Environmental Protection Agency—Region 2
290 Broadway, 16th Floor
New York, NY 10007
Maples.Karen@epa.gov

and

Robert Buettner, Manager, Air Compliance Branch
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency – Region 2
290 Broadway – 16th Floor
New York, New York 10007
buettner.robert@epa.gov

and

Liliana Villatora, Manager, Air Branch
Office of Regional Counsel
U.S. Environmental Protection Agency – Region 2
290 Broadway – 16th Floor

New York, New York 10007
villatora.liliana@epa.gov

and

Amanda Prentice
Office of Regional Counsel
U.S. Environmental Protection Agency—Region 2
290 Broadway –16th Floor
New York, New York 10007
prentice.amanda@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, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent's name.

55. Interest, Charges, and Penalties on Late Payments. Pursuant to 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay the full amount of the Assessed Penalty per 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, interest accrued 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 large corporate underpayment rate ("LCU"). Any lower rate would fail to provide Respondent adequate incentive for timely payment.

b. Handling Charges. Respondent will be assessed monthly a charge to cover EPA's costs of processing and handling overdue debts. If Respondent fails to pay the Assessed Penalty in accordance with the Agreement, EPA will assess a charge to cover the costs of handling any unpaid amounts after the 30-day period after the Effective Date. Additional handling charges will be assessed every 30 days, or any portion thereof, until the unpaid portion of the Assessed Penalty as well as any accrued interest, penalties, and other charges are paid in full.

c. Late Payment Penalty. A late payment penalty of six percent per annum, will be assessed monthly on all debts, including any unpaid portion of the Assessed Penalty, interest, penalties, and other charges, that remain delinquent more than 90 days. Any such amounts will accrue from the Effective Date.

56. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty, interest, or other charges and penalties per this Agreement, 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.*, withholding of money payable to 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; and

d. refer this matter to the United States Department of Justice for litigation and collection, per 40 C.F.R. § 13.33.

57. 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.

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

59. Notices. Any submissions or notices that Respondent is required to make under this Agreement shall be made to the EPA via electronic mail to the following individuals: Robert Buettner, Manager, Air Compliance Branch ("ACB"), buettner.robert@epa.gov; Liliana Villatora, Manager, Office of Regional Counsel ("ORC"), Air Branch, villatora.liliana@epa.gov; Joseph Cardile, Supervisor, ACB, cardile.joseph@epa.gov, Richard Kan, ACB, kan.richard@epa.gov; and Amanda Prentice, ORC, prentice.amanda@epa.gov. Notices to Respondent that EPA is required to make under this Agreement shall be made via electronic mail to the following individuals: Carlos

Fernandez Lugo, Esq., cfl@mcvpr.com; Stanley N. Alpert, Esq., salpert@rdus.com; Legal@rdus.com; and Mariano Mandler, mmandler@rdus.com.

G. EFFECT OF CONSENT AGREEMENT AND ATTACHED FINAL ORDER

60. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this Consent Agreement and Final Order resolves only Respondent's liability to the United States for federal civil penalties for the violations specifically alleged above.

61. This Consent Agreement 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.

62. The terms, conditions, and compliance requirements of this Consent Agreement may not be modified or amended except upon the written agreement of both parties, and approval of the Regional Administrator or other delegate.

63. Any violation of this Consent Agreement and Final Order may result in EPA pursuing a civil judicial action for an injunction or civil penalties of up to $124,426 per day per violation, or both, as provided in Section 113(b)(2) of the Act, 42 U.S.C. § 7413(b)(2) (as adjusted for inflation pursuant to 40 C.F.R. § 19.4), as well as criminal sanctions, as provided in Section 113(c) of the Act, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this Consent Agreement and Final Order in an administrative, civil judicial, or criminal action. Respondent reserves and may assert any available argument and defense and may use any information submitted under this Consent Agreement and Final Order, in response to any such action pursued by the EPA.

64. Nothing in this Consent Agreement shall relieve Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes, nor shall it

restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit. Respondent reserves and may assert any available arguments and defenses in response to any such action pursued by the EPA.

65. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment. Respondent reserves and may assert any available arguments and defenses in response to any such action pursued by the EPA.

66. The EPA reserves the right to revoke this Consent Agreement and settlement penalty if and to the extent that the EPA finds, after signing this Consent Agreement, that any information provided by the Respondent in connection with the matters described in this Consent Agreement was materially false or inaccurate at the time such information was provided to the EPA. The EPA reserves the right to assess and collect any and all civil penalties for any violation described herein. Under such circumstance, Respondent reserves the right to assert any available arguments and defenses to any such claim by the EPA. The EPA shall give the Respondent notice of its intent to revoke, which shall not be effective until received by the Respondent in writing.

67. Notwithstanding any other provision of this Order, Respondent expressly reserves and does not waive any and all arguments, rights and defenses as to any claims or actions of any kind whatsoever by any person or entity of any kind that is not a party to this Order, including, without limitation, all arguments, rights, and defenses to contest the Findings of Fact (Section D) and

Conclusions of Law (Section E) in this Consent Agreement in response to such claim or action by any person or entity of any kind that is not a party to this Order.

H. EFFECTIVE DATE

68. Respondent and Complainant agree to issuance of the attached Final Order. Upon filing, the EPA will transmit a copy of the filed Consent Agreement to the Respondent. This Consent Agreement and attached Final Order shall become effective after execution of the Final Order by the Regional Judicial Officer, on the date of filing with the Hearing Clerk.

SIGNATURES

The foregoing Consent Agreement in the Matter of Schnitzer Puerto Rico, Inc., Docket No. CAA-02-2026-1219, is Hereby Stipulated, Agreed, and Approved for Entry.

FOR RESPONDENT:

____________________________________ September 3, 2026

James Matthew Vaughn, Authorized Signatory
Schnitzer Puerto Rico, Inc.
P.O. Box 1153
Salinas, Puerto Rico 00751
legal@rdus.com

FOR COMPLAINANT:

DOUGHLAS MCKENNA Digitally signed by DOUGHLAS MCKENNA Date: 2026.09.17 15:12:44 -04'00' 9/17/26

Doughlas McKenna, Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency - Region 2

In the Matter of Schnitzer Puerto Rico, Inc.
CAA-02-2026-1219

FINAL ORDER

Pursuant to 40 C.F.R. § 22.18(b) of the EPA's Consolidated Rules of Practice, Section 113(d) of the Clean Air Act, 42 U.S.C. § 7413(d), and Delegation of Authority 7-6-C, the Regional Judicial Officer of EPA Region 2 concurs in the foregoing Consent Agreement, *In the Matter of Schnitzer Puerto Rico, Inc.,* CAA-02-2026-1219. The attached Consent Agreement resolving this matter, entered into by the parties, is incorporated by reference into this Final Order and is hereby approved, ratified, and issued.

The Respondent is ORDERED to comply with all terms of the Consent Agreement, effective immediately.

SO ORDERED

DANA FRIEDMAN Digitally signed by DANA FRIEDMAN Date: 2026.09.18 08:51:59 -04'00'
____
Dana Friedman
Regional Judicial Officer
United States Environmental Protection Agency, Region 2
290 Broadway
New York, New York 10007-1866

DATE: 9/18/26

To: Schnitzer Puerto Rico, Inc.
Attn: Mariano Mandler, Vice President, Environmental
P.O. Box 1153
Salinas, Puerto Rico 00751

Cc: Carlos Fernández Lugo, Esq.
cfl@mcvpr.com