AND PROTECTOR

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

MAR 1 1 2008

4APT-AEEB

FEDERAL EXPRESS

Mr. Lewis C. McNeill Project Manager Lejeune Support Services, LLC 1202 East Road, Ste. 1 Camp Lejeune, North Carolina 28547

Dear Mr. McNeill:

Enclosed is a copy of the executed Consent Agreement and Final Order (CAFO), Docket No. CAA-04-2008-1520(b). The original CAFO has been filed with the Regional Hearing Clerk as directed in Section 22.05(a) of the Consolidated Rules of Practice, as amended, and became effective on today's date.

As required by Section IV of the CAFO, a cashier's check or certified check made out to the "Treasurer, United States of America" in the amount of \$21,447.00 is due within thirty (30) days of receipt of this letter. The check should be submitted to one of the following addresses:

For payment sent via U.S. Postal Service U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center P.O. Box 979077 St. Louis, MO 63197-9000; or

For payment sent via overnight mail service (FedEx, UPS)
U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
St. Louis, MO 63101

Contact: Natalie Pearson (314-418-4087)

The Docket No. should be included on the check. Also, a separate copy of the check and a written statement that payment has been made in accordance with this CAFO should be sent to the following individuals:

Saundi Wilson
U.S. EPA Region 4
Office of Environmental Accountability
61 Forsyth Street, SW
Atlanta, GA 30303

Wendell Reed
U.S. EPA Region 4
Air, Pesticides and Toxics Management Division
Air and EPCRA Enforcement Branch
61 Forsyth Street, SW
Atlanta, GA 30303

Also enclosed is a copy of the "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts you on notice of your potential duty to disclose to the Securities and Exchange Commission (SEC) any environmental enforcement actions taken by the Environmental Protection Agency (EPA). If you have any questions with regard to the SEC's environmental disclosure requirements, you may refer to the contact phone number at the bottom of the Notice.

If you have any questions regarding this matter, please contact Wendell Reed, Environmental Engineer, at (404) 562-9215.

Sincerely yours,

Beverly A. Spagg

Chief

Air and EPCRA Enforcement Branch

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Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 4

IN THE MATTER OF:		
Lejeune Support Services, LLC)) >	
1202 East Road) Docket Number: CAA-04-2008-1520(b)	ì
Camp Lejeune, NC 28547		
Respondent.	THE CLE	1
CONSENT AGRE	EMENT AND FINAL ORDER	~*

I. Nature of the Action/Jurisdictional Statements

- 1. This is a civil penalty proceeding pursuant to Section 113(d) of the Clean Air Act (CAA), 42 U.S.C. § 7413(d), and pursuant to 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. Complainant is the Director of the Air, Pesticides and Toxics Management Division, Region 4, United States Environmental Protection Agency (EPA). Respondent is Lejeune Support Services, LLC (hereinafter, "Respondent").
- 2. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18(b) and desire to resolve this matter and settle the allegations described herein without a formal hearing. Therefore, without the filing of a complaint, the taking of any evidence or testimony, the making of any argument, or the adjudication of any issue in this matter, and in accordance with 40 C.F.R. §§ 22.13(b) and 22.18(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.
- 3. The authority to take action under Section 113(d) of the CAA, 42 U.S.C. § 7413(d), is vested in the Administrator of EPA. The Administrator of EPA has delegated this authority under the CAA to the Regional Administrators by EPA Delegation 7-6-A. The Regional Administrator, Region 4, has redelegated this authority to the Director, Air, Pesticides, and Toxics Management Division, by EPA Region 4 Delegation 7-6-A. Pursuant to that delegation, the Director of the Air, Pesticides and Toxics Management Division has the authority to commence an enforcement action as the Complainant in this matter, and the authority to settle this matter.
- 4. Respondent is a Virginia limited liability corporation doing business in the State of North Carolina since 2005.
- 5. Respondent is a "person" as defined in Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

- 6. "Appliance" is defined in 40 C.F.R. § 82.152 to include "any device which contains and uses a refrigerant and which is used for household or commercial purposes, including any air conditioner, refrigerator, chiller, or freezer."
- 7. "Refrigerant" is defined in 40 C.F.R. § 82.152 to include any class I or class Il ozone-depleting substance that is used for heat transfer purposes and that provides a cooling effect.
- 8. "Disposal" is defined in 40 C.F.R. § 82.152 to include the process leading to and including the discharge of any discarded appliance into land or water, the disassembly of any appliance for the deposit of the component parts into land or water, or the disassembly of any appliance for the reuse of its parts.
- 9. "Small appliance" is defined in 40 C.F.R. § 82.152 to include any appliance that is "fully manufactured, charged, and hermetically sealed in a factory with five (5) pounds or less" of a refrigerant.
- 10. Section 608 of the CAA, 42 U.S.C. § 7671g(c), and the regulations promulgated at 40 C.F.R. Part 82, Subpart F, make it unlawful for any person "in the course of maintaining, servicing, repairing, or disposing" of an appliance to "knowingly vent or otherwise knowingly release or dispose of any class I or class II substance used as a refrigerant. . . in a manner which permits such substance to enter the environment."
- 11. Section 82.156(f) of Title 40 of the C.F.R. requires that persons taking the final step in the disposal process of a small appliance must either recover any remaining refrigerant from the appliance, or verify that the refrigerant has been previously evacuated.
- 12. Section 82.156(h) of Title 40 of the C.F.R. requires that persons recovering refrigerant from small appliances for disposal must either recover 90% of the refrigerant when the compressor is operating, or 80% of the refrigerant when the compressor is not operating, or evacuate the appliance to four inches of mercury vacuum.
- 13. Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), and 40 C.F.R. Part 19, EPA may assess a penalty of not more than \$32,500 for each violation of Section 608 of the CAA, 42 U.S.C. § 7671g, that occurred after March 15, 2004.

II. Factual and Legal Allegations

- 14. EPA alleges that on June 19, 2007, Respondent knowingly vented refrigerant (R-12 and R-134a) from 23 small appliances causing the release of refrigerant into the environment in violation of Section 608(c)(1) of the CAA, 42 U.S.C. § 7671g(c)(1), and 40 C.F.R. 82.154(a)(1).
- 15. EPA alleges that on June 19, 2007, Respondent failed to properly recover any remaining refrigerant or verify the previous evacuation of refrigerant from 23 small appliances

prior to the disposal of such appliances, in violation of Section 608 of the CAA and its implementing regulation at 40 C.F.R. § 82.156(f).

16. EPA alleges that on June 19, 2007, Respondent failed to recover 80% of the refrigerant from 23 small appliances, or evacuate the appliances to four inches of mercury vacuum prior to the disposal of such appliances, in violation of Section 608 of the CAA and its implementing regulation at 40 C.F.R. § 82.156(h).

Ill. Consent Agreement

- 17. For the purposes of this CAFO, Respondent admits the jurisdictional allegations set out in Paragraphs 1 through 13 above, but Respondent neither admits nor denies the factual allegations set out in Paragraphs 14 through 16 above.
- 18. As provided in 40 C.F.R. § 22.18(b)(2), Respondent waives any right to contest the allegations listed above and its right to appeal the proposed Final Order accompanying this Consent Agreement.
- 19. Respondent consents to the assessment of and agrees to pay the civil penalty as set forth in this CAFO.
- 20. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of Section 608 of the CAA.
- 21. Compliance with this CAFO shall resolve the alleged violations contained herein, and EPA hereby releases Respondent from all liability for the violations of Section 608 alleged herein. This CAFO shall not otherwise affect any liability of Respondent, if any, to the United States. Other than as expressed herein, neither EPA nor Complainant waives any right to bring an enforcement action against Respondent for violation of any federal or state statute, regulation or permit, to initiate an action for imminent and substantial endangerment, or to pursue criminal enforcement.
- 22. Complainant and Respondent agree to settle this matter by their execution of this CAFO. The parties agree that the settlement of this matter is in the public interest and that this CAFO is consistent with the applicable requirements of the CAA.

IV. Final Order

23. Respondent is assessed a civil penalty of TWENTY-ONE THOUSAND, FOUR HUNDRED AND FORTY-SEVEN DOLLARS (\$21,447.00) which shall be paid within thirty (30) days after the date Respondent receives a copy of the fully executed CAFO.

24. Respondent shall pay the penalty by forwarding a cashier's or certified check, payable to: "Treasurer, United States of America," to the following address:

US Environmental Protection Agency Fines and Penalties Cincinnati Finance Center PO Box 979077 St. Louis, MO 63197-9000

For Fedex and other non-US Postal Service express mail:

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

Contact: Natalie Pearson 314-418-4087

The check shall reference on its face the name and the Docket Number of the CAFO.

25. At the time of payment, Respondent shall send a separate copy of the check, and a written statement that payment has been made in accordance with this CAFO, to the following persons at the following addresses:

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

Mr. Wendell Reed Air, Pesticides and Toxics Management Division Air and EPCRA Enforcement Branch U.S. EPA - Region 4 61 Forsyth Street, S.W. Atlanta, Georgia 30303

Ms. Saundi Wilson (OEA) U.S. EPA - Region 4 61 Forsyth Street, S.W. Atlanta, Georgia 30303

- 26. For the purposes of state and federal income taxation, Respondent shall not be entitled, and agrees not to attempt, to claim a deduction for the civil penalty payment made pursuant to Paragraph 23.
- 27. Pursuant to 31 U.S.C. § 3717, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the civil penalty from the date of entry of this CAFO, if the penalty is not paid by the date required. Interest will be assessed at the rate established by the Secretary of Treasury pursuant to 31 U.S.C. § 3717. A charge will be assessed to cover the costs of debt collection, including processing and handling costs and attorney fees. In addition, a penalty charge may be assessed on any portion of the debt that remains delinquent more than ninety (90) days after payment is due.
- 28. Complainant and Respondent shall bear their own costs and attorneys' fees in this matter.
 - 29. This CAFO shall be binding upon the Respondent, its successors and assigns.
- 30. The following individual represents EPA in this matter and is authorized to receive service for EPA in this proceeding:

Mr. Wendell Reed
Air, Pesticides and Toxics Management Division
Air and EPCRA Enforcement Branch
U.S. EPA - Region 4
61 Forsyth Street
Atlanta, Georgia 30303
(404) 562-9215

31. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and to legally bind that party to it.

V. Effective Date

32. The effective date of this CAFO shall be the date on which the CAFO is filed with the Regional Hearing Clerk.

AGREED AND CONSENTED TO:

By: Terre Che Date: 2/19/08
U.S. Environmental Protection Agency
By: Arol L. Kambil uf Date: 2 12/08 Beverly H. Banister, Director Air, Pesticides and Toxics Management Division, Region 4
APPROVED AND SO ORDERED this // day of Morck, 200 8.
Susan B. Schub Regional Judicial Officer

CERTIFICATE OF SERVICE

I hereby certify that on the date set out below, I filed the original and one copy of the foregoing Consent Agreement and Final Order and served a true and correct copy of the foregoing Consent Agreement and Final Order, in the Matter of: Lejeune Support Services, LLC, Docket No. CAA-04-2008-1520(b), on the parties listed below in the manner indicated:

Mr. Lewis C. McNeill Project Manager Lejeune Support Services 1202 East Road, Ste. 1 Camp Lejeune, NC 28547 (Via Certified Mail Return Receipt Requested)

Colleen Michuda Associate Regional Counsel U.S. EPA Region 4 61 Forsyth Street, S.W. Atlanta, GA 30303 (Via EPA's internal mail)

Wendell Reed
Air, Pesticides and Toxics Management Division
Air and EPCRA Enforcement Branch
U.S. EPA Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

(Via EPA's internal mail)

Date: 3 - 1/ - 08

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

O BE COMPLETED BY THE C (Attach a copy of the final order a	RIGINATING OF THE PROPERTY OF	FICE: to Defendant/R	espondent)	
his form was originated by:	Sau	ndi j	Luison_	<u>3/7/08</u>
ı the	OTH	(Mattre)		at (404) 562-957
	(Office)			(Telephone Number)
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TO BE COMPLETED BY LOCAL I	INANCIAL MANA	GEMENT OFF	ICE:	
The IFMS Accounts Receivable Cont	rol Number is:			Date
If you have any questions, please call:	_	of the Financial	Management Section	nt:

- A. JUDICIAL ORDERS: Copies of this form with an attached copy of the front page of the FINAL JUDICIAL ORDER should be mailed to:
- Debt Tracking Officer Environmental Enforcement Section Department of Justice RM 1647 P.O. Box 7611, Benjamin Franklin Station Washington, D.C. 20044
- Originating Office (EAD)
 Designated Program Office 2. 3.
- B. ADMINISTRATIVE ORDERS: Copies of this form with an attached copy of the front page of the Administrative Order should be too

Designated Program Office Regional Counsel (EAD)

- Originating Office Regional Hearing Clerk
- 3. 4.