



**ENVIRONMENTAL APPEALS BOARD
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C.**

In re Atlantic Supply LLC

)
)
) Docket No. CAA-2025-8709
)
)

FINAL ORDER

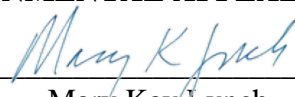
Pursuant to 40 C.F.R. § 22.18(b)–(c) of the EPA’s Consolidated Rules of Practice Governing the Administrative Assessment of Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22, the attached Expedited Settlement Agreement resolving this matter is incorporated by reference into this Final Order and is hereby ratified.

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

So ordered.¹

ENVIRONMENTAL APPEALS BOARD

Dated: July 1, 2025

By: 
Mary Kay Lynch
Environmental Appeals Judge

¹ The three-member panel ratifying this matter is composed of Environmental Appeals Judges Aaron P Avila, Mary Kay Lynch, and Ammie Roseman-Orr.

ENVIRONMENTAL APPEALS BOARD
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D.C.

In re:

Atlantic Supply LLC

)
)
) Docket No. CAA-2025-8709
)
)
)
)

EXPEDITED SETTLEMENT AGREEMENT

A. JURISDICTION

1. This is an expedited administrative penalty assessment proceeding brought for alleged violations of the American Innovation in Manufacturing Act of 2020 (“AIM Act”), 42 U.S.C. § 7675, which governs the import of hydrofluorocarbons (“HFCs”). This proceeding is brought under Section 113(d) of the Clean Air Act (“CAA”), 42 U.S.C. § 7413(d), which authorizes the United States Environmental Protection Agency (“EPA”) to bring administrative civil enforcement actions.
2. This expedited settlement agreement (“Agreement”) is entered into under Section 113(d) of the CAA, as amended, 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Penalties and the Revocation/Termination or Suspension of Permits, 40 C.F.R. Part 22.
3. Complainant is the United States Environmental Protection Agency. On the EPA’s behalf, Director Mary E. Greene, Air Enforcement Division, is delegated the authority to settle civil administrative penalty proceedings under Section 113(d) of the CAA.
4. Respondent is Atlantic Supply LLC (“Atlantic Supply”) and is a “person” as defined below and identified further in Table 1 of Expedited Settlement Agreement (“ESA”) Attachment 1.
5. Complainant and Respondent (together, the “Parties”), having agreed that settlement of this action is in the public interest, consent to the issuance of the attached final order (“Final Order” or “Order”) ratifying this expedited settlement agreement before taking testimony and without adjudication of any issues of law or fact herein, and Respondent agrees to comply with the terms of this Agreement and Final Order.
6. The EPA and the United States Department of Justice 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 an administrative penalty assessment. 42 U.S.C.

§ 7413(d).

7. The Environmental Appeals Board is authorized to ratify this Agreement, which memorializes a settlement between Complainant and Respondent. 40 C.F.R. §§ 22.4(b) and 22.18(b).
8. The ratification of the Final Order, incorporating this agreement, simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

B. GOVERNING LAW

9. This proceeding arises under the AIM Act, 42 U.S.C. § 7675, and Section 113 of the CAA, 42 U.S.C. § 7413, and the regulations promulgated thereunder.
10. The EPA is authorized to enforce the AIM Act and any regulation promulgated thereunder pursuant to the federal enforcement authorities established by Section 113(a) of the CAA. 42 U.S.C. § 7675(k)(1)(C).
11. The EPA regulations at 40 C.F.R. Part 84, Subpart A, implement the AIM Act requirement to phase down HFC production and consumption.
12. The regulations at 40 C.F.R. Part 84, Subpart A, apply to anyone who imports a regulated substance. 40 C.F.R. § 84.1(b) (2022)¹.
13. From January 1, 2022, through September 17, 2023, 40 C.F.R. § 84.5(b)(1) (2022) provided that “[n]o person may import bulk regulated substances, except by expending, at the time of the import, consumption or application-specific allowances in a quantity equal to the exchange-value weighted equivalent of the regulated substances imported.”
14. The regulations at 40 C.F.R. § 84.5(6) (2022) state that “every kilogram of bulk regulated substances imported ... constitutes a separate violation of this subpart.”
15. Pursuant to 40 C.F.R. § 84.31(a), “any person who ... imports ... regulated substances” must comply with specified reporting requirements.
16. The regulations at 40 C.F.R. § 84.31(c)(1) require that “Persons” (“importers”) who import regulated substances must submit to the relevant Agency official a report containing the required information listed in 40 C.F.R. § 84.31(c)(1)(i) - (ix) within 45 days after the end of each quarter.
17. The regulations at 40 C.F.R. § 84.31(c)(7) (2022) further provide that “Persons” (“importers”) who import regulated substances must submit an advance notification report for each shipment of regulated substances imported no later than 14 days prior to importation.

¹ The regulations at 40 C.F.R. Part 84, Subpart A were subsequently changed after the alleged violations in this Consent Agreement took place. If a version of the regulations was different in 2022 from the current version of the regulations, it is cited as “2022” in this Expedited Settlement Agreement.

18. The definitions, listed at 40 C.F.R. Part 84, Subpart A, include the following:

- a) An “allowance” is defined as a “limited authorization for the production or consumption of a regulated substance established under subsection (e) of Section 103 in Division S, Innovation for the Environment, of the Consolidated Appropriations Act, 2021 (Pub. L. 116-260) (the AIM Act). An allowance allocated under subsection (e) of Section 103 in Division S of the AIM Act does not constitute a property right.” 40 C.F.R. § 84.3.
- b) An “application-specific allowance” is defined as “a limited authorization granted in accordance with subsection (e)(4)(B)(iv) of the AIM Act for the production or import of a regulated substance for use in the specifically identified applications that are listed in that subsection and in accordance with the restrictions contained at § 84.5(c).” 40 C.F.R. § 84.3.
- c) “Bulk” is defined as “a regulated substance of any amount that is in a container for the transportation or storage of that substance such as cylinders, drums, ISO tanks, and small cans. A regulated substance that must first be transferred from a container to another container, vessel, or piece of equipment in order to realize its intended use is a bulk substance. A regulated substance contained in a manufactured product such as an appliance, an aerosol can, or a foam is not a bulk substance.” 40 C.F.R. § 84.3.
- d) “Consumption allowances” are “a limited authorization to produce and import regulated substances; however, consumption allowances may be used to produce regulated substances only in conjunction with production allowances.” 40 C.F.R. § 84.3.
- e) “Exchange value” is defined as the “value assigned to a regulated substance in accordance with AIM Act subsections (c) and (e), as applicable, and as provided in Appendix A to 40 C.F.R. Part 84.” 40 C.F.R. § 84.3.
- f) “Exchange value equivalent” is defined as “the exchange value-weighted amount of a regulated substance obtained by multiplying the mass of a regulated substance by the exchange value of that substance.” 40 C.F.R. § 84.3.
- g) “Import” is defined as “to land on, bring into, or introduce into, or attempt to land on, bring into, or introduce into, any place subject to the jurisdiction of the United States, regardless of whether that landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States. Offloading used regulated substances recovered from equipment aboard a marine vessel, aircraft, or other aerospace vehicle during servicing is not considered an import.” 40 C.F.R. § 84.3.
- h) “Importer” is defined as “any person who imports a regulated substance into the United States. ‘Importer’ includes the person primarily liable for the payment of any duties on the merchandise or an authorized agent acting on his or her behalf. The term also includes: (1) [t]he consignee; (2) [t]he importer of record; (3) [t]he actual owner; or (4) [t]he transferee, if the right to draw merchandise in a bonded warehouse has been

transferred.” 40 C.F.R. § 84.3.

- i) “Person” is defined as “any individual or legal entity, including an individual, corporation, partnership, association; state, municipality, political subdivision of a state, Indian tribe; any agency, department, or instrumentality of the United States; and any officer, agent, or employee thereof.” 40 C.F.R. § 84.3.
- j) “Regulated substance” is defined as “a hydrofluorocarbon listed in the table contained in subsection (c)(1) of the AIM Act and a substance included as a regulated substance by the Administrator under the authority granted in subsection (c)(3).” 40 C.F.R. § 84.3.

19. A current list of regulated substances, their chemical formulas, and their exchange values can be found in Appendix A to 40 C.F.R. Part 84. *See* 40 C.F.R. § 84.3.

20. The exchange value of a blend is calculated by summing the exchange value of each constituent of the blend multiplied by the nominal mass fraction of the constituent within that blend. 40 C.F.R. § 84.64.

21. The HFCs and HFC blends at issue in this matter are assigned the following exchange values:

HFC	Chemical Formula or Blends	Exchange Value
HFC-32	CH ₂ F ₂	675.0
HFC-125	CHF ₂ CF ₃	3,500.0
HFC-134a	CH ₂ FCF ₃	1,430.0
HFC-143a	CH ₃ CF ₃	4,470.0
R-404A	52% HFC-143a, 44% HFC-125, 4% HFC-134a	3,921.6
R-407C	52% HFC-134a, 25% HFC-125, 23% HFC-32	1,773.9
R-410A	50% HFC-125, 50% HFC-32	2,087.5
R-448A	26% HFC-32, 26% HFC-125, 21% HFC-134a, 20% R1234yf, 7% R1234ze ²	1,385.8
R-449A	25.7% HFC-134a, 25.3% R1234yf, 24.7% HFC-125, 24.3% HFC-32	1,396.0

22. From January 1, 2022 through September 17, 2023, 40 C.F.R. § 84.5(b)(2) (2022) provided that “[e]ach person meeting the definition of importer for a particular regulated substance import transaction is jointly and severally liable for a violation of paragraph (b)(1) of this

² R1234yf and R1234ze are hydrofluoroolefins and not subject to the AIM Act.

section, unless they can demonstrate that another party who meets the definition of an importer met one of the exceptions set forth in paragraph (b)(1).”

C. ALLEGED VIOLATION(S) OF LAW

23. The EPA alleges that, on or about November 8, 2022, Respondent violated the prohibition on importing bulk regulated substances into the United States without expending allowances as required by 40 C.F.R. § 84.5(b) (2022) for each of the 7,684 kg of R-410A; 544 kg of HFC-134a; 4,033 kg of R-404A; 452 kg of R-407C; 113 kg of R-448A; and 113 kg of R-449A (“Subject HFCs”) identified in Table 1 of ESA Attachment 1.
24. The EPA alleges Respondent violated 40 C.F.R. § 84.31(c)(7) by failing to submit advance notification reports for the Subject HFCs at least 14 days prior to importation.
25. The EPA alleges Respondent violated 40 C.F.R. § 84.31(c)(1) by failing to submit a report to the EPA that describes the Subject HFCs imported during the fourth quarter of 2022 within 45 days after the end of the fourth quarter of 2022.

D. TERMS OF AGREEMENT

26. For the purpose 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 Agreement;
 - b. admits the facts stipulated in Table 1 of ESA Attachment 1;
 - c. consents to the assessment of a civil penalty as stated in Table 3 of ESA Attachment 1 and below;
 - d. waives any right to contest the alleged violations of law set forth in Section C of this Agreement; and
 - e. waives its right to appeal the Final Order accompanying this Agreement.
27. By signing this Agreement, respondent 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 expedited settlement agreement.
28. For the purpose of this proceeding, Respondent:
 - a. agrees that this Agreement states a claim upon which relief may be granted against Respondent;
 - b. acknowledges that this Agreement constitutes an enforcement action for purposes of considering Respondent’s compliance history in any subsequent enforcement actions related to the Respondent;
 - c. certifies that it completed the corrective action as set forth in Table 4 of ESA Attachment 1;

- d. waives its right to request a hearing, any right to contest the allegations in this Expedited Settlement Agreement and Final Order and its right to appeal this Expedited Settlement Agreement and Final Order;
- e. consents to personal jurisdiction in any action to enforce this Agreement or Final Order, or both, in an appropriate United States District Court; and
- f. waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in an appropriate United States District Court to compel compliance with the Agreement or Final Order, or both, and to seek an additional penalty for noncompliance with the Agreement or Final Order and agrees that federal law shall govern in any such civil action.

E. TERMS OF PAYMENT

29. Respondent agrees to pay a civil penalty in the amount of \$23,952 (“Assessed Penalty”), which is stated in Table 3 of ESA Attachment 1, within thirty (30) calendar days after the date the Final Order ratifying this Agreement is filed with the Clerk of the Environmental Appeals Board (“Filing Date”). 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>.

30. When making a payment, Respondent shall:

- a. Identify every payment with Respondent’s name and the docket number of this Agreement, CAA-2025-8709,
- b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment (electronic correspondence is preferred) to the following persons:

Tommie Madison, Clerk of the Environmental Appeals Board
U.S. Environmental Protection Agency, Headquarters
1200 Pennsylvania Avenue, NW
Mail Code 1103M
Washington, DC 20460-0001
Clerk_EAB@epa.gov

Hallie Lipsey, Attorney Advisor
U.S. Environmental Protection Agency, Headquarters
2.2226 J, William Jefferson Clinton Building South
1200 Pennsylvania Avenue, N.W.
Washington, DC 20460
Mail Code 2242A
Lipsey.Hallie@epa.gov

U.S. Environmental Protection Agency
Cincinnati Finance Center
Via electronic mail to:
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.

31. 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 pay any portion of the Assessed Penalty per this Agreement, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately due and owing, and the EPA is authorized to recover the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (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. Per 42 U.S.C. § 7524(c)(6), interest will be assessed pursuant to 26 U.S.C. § 6621(a)(2), that is the IRS standard underpayment rate, equal to the Federal short-term rate plus 3 percentage points.
- 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 ten percent (10%) quarterly non-payment penalty.

32. 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 per this Agreement, the EPA may take additional actions. Such actions the EPA may take include, but are not limited to, the following.

- a. Refer the debt to a credit reporting agency or a collection agency, pursuant to 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, pursuant 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 the EPA or engaging in programs the EPA sponsors or funds, pursuant 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.
33. 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.
34. Tax Treatment of Penalties. Pursuant to 26 U.S.C. § 162(f), penalties, interest, and other charges paid pursuant to this Agreement shall not be deductible for purposes of federal taxes.
35. By signing this Agreement, 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.
36. By signing this Agreement, Respondent acknowledges that this Agreement and Order, including identifying information such as name, federal tax ID number, mailing and e-mail address, will be available to the public when the Agreement and Certificate of Service are filed and uploaded to a searchable database and agrees that this Agreement does not contain any confidential business information or other personally identifiable information.
37. By signing this Agreement, the undersigned representative of Complainant and the undersigned representative of Respondent each certify that they are fully authorized to execute and enter into the terms and conditions of this Agreement and has the legal capacity to bind the party they represent to this Agreement.
38. By signing this Agreement, Respondent agrees to acceptance of the Complainant's: (a) digital or an original signature on this Agreement; and (b) service of the fully executed Agreement on the Respondent by mail or electronically by e-mail. Respondent understands that the mailing or e-mail address may be made public when the Agreement and Certificate of Service are filed and uploaded to a searchable database. Complainant agrees to acceptance of the Respondent's digital or an original signature on this Agreement.
39. Each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.

F. EFFECT OF AGREEMENT AND ATTACHED FINAL ORDER

40. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this Agreement and Final Order resolves only Respondent's liability for federal civil penalties for the violation(s) identified in Section C of this Agreement.
41. This Agreement constitutes the entire agreement and understanding of the Parties and supersedes any prior agreements or understandings among the Parties with respect to the subject matter hereof.
42. The terms, conditions, and compliance requirements of this Agreement may not be modified or amended after it is ratified except upon the written agreement of both parties, and approval of the Environmental Appeals Board.
43. Any violation of this Agreement or Order may result in a civil judicial action for an injunction, or civil penalties of up to \$124,426 per day per violation (with each kilogram a separate violation), or both, as provided in Section 113(b)(2) of the Act, 42 U.S.C. § 7413(b)(2), 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 Agreement in an administrative, civil judicial, or criminal action.
44. Nothing in this 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.
45. 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.
46. The EPA reserves the right to revoke this Agreement and settlement penalty if and to the extent that the EPA finds, after signing this Agreement, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to the EPA, and the EPA reserves the right to assess and collect any and all civil penalties for any violation described herein. The EPA shall give Respondent notice of its intent to revoke, which shall not be effective until received by Respondent.
47. Respondent and Complainant agree to the Environmental Appeals Board's issuance of the attached Final Order ratifying the Agreement.

The foregoing Agreement *In the Matter of Atlantic Supply LLC*, Docket No. CAA-2025-8709 is Hereby Stipulated, Agreed, and Approved.

COMPLAINANT:

MARY
GREENE

Digitally signed by MARY
GREENE
Date: 2025.06.26
12:47:10 -04'00'

Signature

Mary E. Greene, Director
Air Enforcement Division
Office of Civil Enforcement
Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency

The foregoing Agreement *In the Matter of Atlantic Supply LLC*, Docket No. CAA-2025-8709, is
Hereby Stipulated, Agreed, and Approved.

FOR RESPONDENT:



Signature

6/26/2025

Date

Printed Name: Julie Magee

Title: Company Representative

Address: 7350 Estate Bovoni B108, St Thomas, VI 00802

Federal Tax Identification Number: 66-0863657

EXPEDITED SETTLEMENT AGREEMENT ATTACHMENT

AMERICAN INNOVATION AND MANUFACTURING ACT OFFSITE COMPLIANCE MONITORING ACTIVITY OR INSPECTION FACTS, ALLEGED VIOLATIONS, PENALTY, AND CORRECTIVE ACTION FORM

Table 1 – Offsite Compliance Monitoring Activity or Inspection Stipulated Facts	
Offsite Compliance Monitoring Activity or Inspection Date(s): November 8, 2022	Docket Number: CAA-2025-8709
Offsite Compliance Monitoring Activity or Inspection Location: Inspection at Port of Charlotte Amalie	Port of Entry/Shipment Number(s): Charlotte Amalie, St. Thomas Entry # C51-16883923
Person/Importer Name (“Respondent”) and Importer Number: Atlantic Supply LLC 66-0863657-00	Inspector(s) Name(s) and Email Address: Amelie Isin isin.amelie@epa.gov
Respondent Address: 7350 Estate Bovoni B108 St. Thomas, USVI 00802	Date of Detention or Hold: November 8, 2022
Monetary Value of Goods: \$61,507	Arrival Date: November 8, 2022
Subject Regulated Product(s) and Mass (in kg): (“Subject HFCs”) [as applicable] HFC-134a: 544 kg R-404A: 4,033 kg R-407C: 452 kg R-410A: 7,684 kg R-448A: 113 kg R-449A: 113 kg	MTEVe: HFC-134a: 1,430 R-404A: 3,922 R-407C: 1,774 R-410A: 2,088 R-448A: 1,386 R-449A: 1,396
Subject Regulated Product(s) and Mass (in kg): (“Subject ODS”) [as applicable] None	Total: 2,608
[For HFC Allocation Violations] Did the importer have and expend allowances equal to the imported HFCs? No	Container and Quantity HFC-134a: 40 cylinders, approx. 13.6 kg each R-404A: 370 cylinders, approx. 10.9 kg each R-407C: 40 cylinders, approx. 11.3 kg each R-410A: 680 cylinders, approx. 11.3 kg each R-448A: 10 cylinders, approx. 11.3 kg each R-449A: 10 cylinders, approx. 11.3 kg each
[For HFCs] Did the importer receive any non-objection notices from the EPA? No	

Table 2 – Description of Alleged Violation(s)

The EPA alleges that:

- 1) Based on the facts in Table 1, the Subject HFCs are bulk regulated substances that were imported without the importer expending consumption or application specific allowances in a quantity equal to the exchange-value weighted equivalent of the regulated substances imported, in violation of the HFC Allocation regulations at 40 C.F.R. § 84.5(b) (2022);
- 2) Atlantic Supply failed to submit an advance notification report for the Subject HFCs no later than 14 days prior to importation, in violation of 40 C.F.R. § 84.31(c)(6) (2022), for the entry listed in Table 1;
- 3) Atlantic Supply failed to submit a quarterly report describing the HFCs imported during the fourth quarter of 2022, per 40 C.F.R. § 84.31(c)(1).

Table 3 – Civil Penalty

Complainant and Respondent agree upon the following civil penalty for settlement purposes: \$23,952, consisting of HFC Allocation Regulation Violations and Reporting Violations.

HFC Allocation Regulation Import Violations Calculation: \$18,452

Monetary Value of Goods * Exchange Value (EV) Percentage Multiplier = Penalty

- The appropriate EV Percentage Multiplier is 30% because all the HFC at issue in this matter have an EV that is $\geq 1,300 \leq 5,000$.
- The monetary value of the HFCs at issue in this matter is \$61,507.

HFC Allocation Regulation Reporting Violations Calculation: \$5,500

Number of Violations * Violation Type Penalty Amount = Penalty

1 * \$2,000 (failure to provide HFC advance reporting): \$ 2,000

1 * \$3,500 (failure to submit HFC quarterly report): \$ 3,500

Total: \$ 5,500

Violation Type	Total Penalty Amount
Late advance reporting (40 C.F.R. § 84.31(c)(7))	\$1,000
Failure to provide any advance reporting (40 C.F.R. § 84.31(c)(7))	\$2,000
Late quarterly reports (40 C.F.R. § 84.31(c)(1))	\$2,500
Incomplete or inaccurate quarterly reporting (40 C.F.R. § 84.31(c)(1))	\$3,000
Failure to submit quarterly reports (40 C.F.R. § 84.31(c)(1))	\$3,500
Late annual reports (40 C.F.R. § 84.33(a); 40 C.F.R. § 84.60(a))	\$10,000
Incomplete or inaccurate annual reporting (40 C.F.R. § 84.33(a); 40	\$10,000

C.F.R. § 84.60(a))		
Failure to submit annual reports (40 C.F.R. § 84.33(a); 40 C.F.R. § 84.60(a))		\$15,000
Failure to maintain records (40 C.F.R. § 98.3(g))		\$5,000
Late annual GHG reports (40 C.F.R. § 98.3(b))		\$10,000
Incomplete or inaccurate annual GHG reporting (40 C.F.R. § 98.3(b); 40 C.F.R. § 98.3(h))		\$10,000
Failure to submit annual GHG reports (40 C.F.R. § 98.3(b))		\$15,000
HFC EV⁴	Percentage Multiplier	HFC
< 1,300	20%	HFC-152
≥ 1,300 ≤ 5,000	30%	HFC-41
> 5,000 ≤ 10,000	40%	HFC-152a
>10,000 ≤ 15,000	50%	HFC-143
		HFC-32
		HFC-245ca
		HFC-365mfc
TT Product GWP⁵	Percentage Multiplier	HFC-245fa
< 1,300	20%	HFC-134
≥ 1,300 ≤ 5,000	30%	HFC-236cb
> 5,000 ≤ 10,000	40%	HFC-236ea
>10,000 ≤ 15,000	50%	HFC-134a
		HFC-43-10mee
		HFC-227ea
ODS	Percentage Multiplier	HFC-125
Any ODS listed as a class I or class II controlled substance in 40 C.F.R. Part 82, whether on its own or in a blend	40%	HFC-143a
		HFC-236fa
		HFC-23

⁴ EVs are found in Appendix A of 40 C.F.R. Part 84.

⁵ *Id.*

Table 4 – Corrective Action

Respondent certifies that it:

- ☐ has completed permanent destruction of the [*Subject HFCs and/or Subject ODS*] that Respondent imported on or about [____], [*for HFCs*] using one of the technologies listed at 40 C.F.R. § 84.29, [*for ODS*] see: <https://www.epa.gov/ods-phaseout/ozone-depleting-substances-ods-destruction-technologies>)
- ☐ will submit to the EPA at [*insert EPA contact's email address*] a copy of the destruction verification required at 40 CFR § 84.31(e)(4), within ninety (90) days of the Filing Date of the ESA. For ODS imports, destruction verification is required per 40 CFR §§ 82.13 & 82.24.
- ☐ has exported the *Subject HFCs* to 3252 Khoy Mailing Services, Cane Garden Bay, Tortolla, VG 1110, and has paid \$10,166.27 to perform the action to export the *Subject HFCs*.
- ☒ will submit to the EPA, within thirty (30) days of the Filing Date of the ESA a record documenting such payment for export of the *Subject HFCs*.
- ☒ has completed and resubmitted to EPA any incomplete reports, as applicable.
- ☒ has completed and submitted any reports to EPA it failed to submit, as applicable.

Respondent must check the boxes, fill in all relevant blanks, and return any enclosures, as applicable, and this Attachment with the signed Agreement.

CERTIFICATE OF SERVICE

I certify that copies of the foregoing “Expedited Settlement Agreement” and “Final Order,” in the matter of *Atlantic Supply LLC*, Docket No. CAA-2025-8709 were sent to the following persons in the manner indicated:

By Electronic Mail:

Hallie Lipsey, Attorney Advisor
Air Enforcement Division
U.S. Environmental Protection Agency
William Jefferson Clinton Building South
1200 Pennsylvania Avenue, N.W.
Mail Code 2242A
Washington, DC 20460
Lipsey.Hallie@epa.gov

Julie Magee
Member and Manager
Atlantic Supply LLC
7350 Estate Bovoni B108
St. Thomas, USVI 00802
accounts@atlanticsupplyvi.com

Dated: Jul 01, 2025

Tommie Madison

Tommie Madison
Clerk of the Board