UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION III 1650 ARCH STREET PHILADELPHIA, PA 19103-2029 EXPEDITED PENALTY ACTION AND CONSENT AGREEMENT DOCKET NO. CWA-03-2012-0149

RESPONDENT Watts Petroleum 1505 Rutherford Street Lynchburg, VA 24501 RECEIVED

2012 MAY 31 PM 4: 19

FACILITY Watts Petroleum 1505 Rutherford Street Lynchburg, VA 24501

Total Gallons spilled: 300 gallons

REGIONAL HEARING CLERK

As more fully described in the attached Findings and Alleged Civil Violations Form, which is incorporated herein by reference, Respondent had a spill from its Facility which reached a navigable water or its adjoining shoreline. This spill of oil was in a harmful quantity as defined by 40 C.F.R. §110.3, and is a violation of the Clean Water Act, as amended, ("CWA"), 33 U.S.C. §1321 (b)(3), and may be subject to a penalty pursuant to 33 U.S.C. §1321 (b)(6)(B)(i).

The parties are authorized to enter into this Expedited Settlement under the authority vested in the Administrator of EPA by Section 311(b) (6) (B) (i) of the Act, 33 U.S.C. § 1321(b) (6) (B) (i), as amended by the Oil Pollution Act of 1990, and by 40 CFR § 22.13(b). The parties enter into this Expedited Settlement in order to settle the civil violations described in the Form for a penalty of \$2,300.

The settlement is subject to the following terms and conditions.

The Respondent consents to the assessment of the penalty stated above. The settlement amount was based upon Complainant's consideration of a number of factors, including, but not limited to, the seriousness of the violations and the other factors provided in CWA Section 1321(b)(8) and EPA's Civil Penalty Policy for CWA Sections 311(b)(3) and 311(j) dated August 1998. Respondent certifies, subject to civil and criminal penalties for making a false statement to the United States Government that the violations set forth in the Findings Alleged Violations and Proposed Penalty Form have been corrected. The Respondent agrees that it shall, within 15 calendar days of receipt of an executed copy of this Expedited Penalty Action, make payment of \$2,300 in one of two forms: 1) electronic funds transfer (EFT) or 2) a cashier's check or certified check payable to the "Environmental Protection Agency", with the Docket Number, located at the top right-hand corner of the Expedited Penalty Action, and "Oil Spill Liability Trust Fund - 311" referenced on the check.

Federal Reserve Bank of New York

ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Avenue
New York, NY 10045
Field Tag 4200 of the Fedwire message should read "D 68010727 Environmental Protection Agency"

Payment of the penalty amount by regular US Postal Service shall be sent via <u>certified mail</u> to:

US Environmental Protection Agency Fines and Penalties Cincinnati Finance Center P.O. Box 979077 St. Louis MO 63197-9000 Payment of the penalty amount by FedEx or other non-US Postal Service express mail shall be sent to:

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

Contact: Natalie Pearson (314) 418-4087

The Respondent shall also send a copy of the EFT confirmation or check via certified mail to:

Paula Curtin, Spill Enforcement Coordinator U.S. Environmental Protection Agency, Region III Oil & Prevention Branch (3HS61) 1060 Chapline Street Wheeling, WV 26003-2996 Lydia Guy, Regional Hearing Clerk U.S. Environmental Protection Agency, Region III 1650 Arch Street (3RC00) Philadelphia, PA 19103-2029

The payment made pursuant to this Expedited Penalty Action is a penalty within the meaning of Section 162(f) of the Internal Revenue Code, 26 U.S.C. §162(f), and, therefore, Respondent shall not claim it as a tax deductible expenditure for purposes of federal, state or local law.

EPA specifically reserves the right, without limitation to any of the rights reserved herein, to bring any administrative, civil, or criminal action seeking imposition of further civil penalties, criminal sanctions, and/or injunctive relief.

Respondent neither admits nor denies the allegations set forth in the Form, but agrees that jurisdiction has been established for this Expedited Penalty Action. Also, upon EPA's final approval of the Expedited Penalty Action, Respondent expressly waives its right to contest the allegations, to a hearing under Section 311(b)(6)(B)(i) of the Act, 33 U.S.C. §1321(b)(6)(B)(i), and to appeal this Order under Section 311(b)(6)(G)(i) of the Act, 33 U.S.C. §1321(b)(6)(G)(i). Moreover, in entering into this Consent Agreement, the Respondent agrees to bear its own costs and attorney's fees related to this Expedited Penalty Action.

If Respondent does not sign and return this Expedited Settlement as presented within 30 days of the date of its receipt, the proposed Expedited Settlement is withdrawn without prejudice to EPA's ability to file any other enforcement action for the violations identified in the Form.

ACCEPT THE PROPOSED PENALTY

1/we consent to the proposed penalty.

DECLINE THE PROPOSED PENALTY

□ I/we decline the proposed penalty. If you choose to decline this proposed penalty, check the box. You may be subject to formal enforcement action and, in that event, will have an opportunity to a hearing related to any subsequent penalty assessment.

XThe estimated cost of the clean-up and corrective actions was $\frac{48,142.3}{7}$.

EFFECTIVE DATE

This Expedited Penalty Action will be effective upon filing.

The undersigned representative of Respondent certifies that he or she is fully authorized by Respondent to execute this Expedited Penalty Action and to legally bind the party whom he or she represents to this Expedited Penalty Action.

RESPONDENZ

Signature

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the allatty Date: 4/20/12

John Watts President

Date 5/8/12

SIGNATURE BY COMPLAINANT:

Ronald Bersellino, Director

Hazardos Site Cleanup Division

FINAL ORDER

Pursuant to Section 311(b)(6) of the CWA, 33 U.S.C. §1321(b)(6), and in accordance with the Consolidated Rules of Practice, 40 CFR Part 22, and having relied upon the representations of the parties set forth in the Consent Agreement, 1 have determined that the penalty assessed herein is based on a consideration of the factors set forth in CWA Section 1321(b)(8) and EPA's Civil Penalty Policy for CWA Sections 311(b)(3) and 311(j) dated August 1998.

THEREFORE, the foregoing Consent Agreement is hereby approved and incorporated by reference into the Final Order. The Respondent is ORDERED, as set forth above, to pay the civil penalty.

Renée Sarajian,

Regional Judicial Officer

Date: 5/30/12