



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

Office of Regional Counsel
Waste and Chemical Law Branch
Mailcode: 3RC30

Direct dial: (215) 814-2474
Facsimile: (215) 814-2603
Email: thomas.donzetta@epa.gov

Via UPS Overnight

Kent D. Murphy, Esq
Group Counsel, Energy & Regulation
UGI Corporation
460 N. Gulph Rd
King of Prussia, PA 19406

Re: In the UGI HVAC Enterprises, Inc., d/b/a Servicemark
TSCA-03-2014-0064
Consent Agreement and Final Order

Dear Mr. Murphy:

Enclosed please find a copy of the fully executed Consent Agreement and Final Order ("CAFO") for this matter which was filed today. Please see Paragraph 31 in the CAFO for payment terms and provisions.

If you have any questions you may contact me at (215) 814-2474.

Sincerely,

Donzetta W. Thomas
Senior Assistant Regional Counsel

Enclosure: CAFO

cc: Regional Hearing Clerk
Craig Yussen (3LC61)



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**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
 REGION III
 1650 Arch Street
 Philadelphia, Pennsylvania 19103-2029**

In the Matter of:)
)
 UGI HVAC Enterprises, Inc.)
 d/b/a Servicemark)
 150 Love Road)
 Reading, PA 19607)
)
 RESPONDENT)
)
)
)
)
)
)

Docket No.: TSCA-03- 2014- 0054

Proceeding Under Section 16(a) of the
 Toxic Substances Control Act, 15 U.S.C.
 Section 2615(a)

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CONSENT AGREEMENT

This Consent Agreement is entered into by the Director for the Land and Chemicals Division, U.S. Environmental Protection Agency, Region III (“Complainant”) and UGI HVAC Enterprises, Inc., d/b/a Servicemark (or “Respondent”) pursuant to Sections 409 and 16(a) of the Toxic Substances Control Act (“TSCA”), 15 U.S.C. §§ 2689 and 2615(a), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation, Termination or Suspension of Permits (“Consolidated Rules of Practice”), 40 C.F.R. Part 22 (with specific reference to 40 C.F.R. §§ 22.13(b) and 22.18(b)(2) and (3)).

I. PRELIMINARY STATEMENT AND STIPULATIONS

1. The violations cited herein pertain to the Respondent’s alleged failure, during the performance of a renovation for compensation on certain pre-1978 housing, to comply with the Lead; Renovation, Repair, and Painting Program (commonly known as the “RRP Rule”), set forth at 40 C.F.R. Part 745, (73 Fed. Reg. 21692; April 22, 2008) (amending the PRE Rule, LBP Activities Rule, and State/Tribal Programs Rule, respectively, at §§ 745.80-745.91, § 745.220, § 745.225, § 745.320, § 745.324, § 745.326, § 745.327, and § 745.339).

2. In accordance with 40 C.F.R. § 22.13(b) and .18(b)(2) and (3) of the Consolidated Rules of Practice, Complainant hereby simultaneously commences and resolves, as part of the settlement set forth herein, EPA's civil claims alleged in Section IV ("Findings of Fact and Conclusions of Law") of this Consent Agreement.

II. JURISDICTION

3. The U.S. Environmental Protection Agency ("EPA") and the Office of Administrative Law Judges of the EPA have jurisdiction over the above-captioned matter pursuant to Sections 16 and 409 of TSCA, 15 U.S.C. §§ 2615 and 2689, and 40 C.F.R. §§ 22.1(a)(5) and 22.4 of the *Consolidated Rules of Practice*.

III. GENERAL PROVISIONS

4. For purposes of this proceeding, Respondent admits the jurisdictional allegations set forth in this Consent Agreement and the attached Final Order, hereinafter collectively referred to as the "CAFO."
5. Except as provided in Paragraph 4, above, the Respondent neither admits nor denies the specific factual allegations and legal conclusions set forth in this Consent Agreement.
6. Respondent agrees not to contest the jurisdiction of EPA with respect to the execution of this Consent Agreement, the issuance of the attached Final Order, or the enforcement of this CAFO.
7. For purposes of this proceeding only, Respondent hereby expressly waives any right to contest any issue of law or fact set forth in this Consent Agreement and any right to appeal the accompanying Final Order.
8. Respondent consents to the issuance of this CAFO and agrees to comply with its terms and conditions.
9. Each party to this Consent Agreement shall bear its own costs and attorney's fees.

IV. FINDINGS OF FACT AND CONCLUSIONS OF LAW

10. In accordance with 40 C.F.R. § 22.13(b) and .18(b)(2) and (3) of the Consolidated Rules of Practice, Complainant alleges and adopts the Findings of Fact and Conclusions of Law set forth immediately below.
11. Pursuant to 40 C.F.R. § 745.83, the term "firm" means "a company, partnership, corporation, sole proprietorship or individual doing business, association or other

business entity; a Federal, State, Tribal or local government agency; or a nonprofit organization.”

12. Pursuant to 40 C.F.R. § 745.83, the term “renovation” means “the modification of any existing structure, or portion thereof that results in the disturbance of painted surfaces, unless that activity is performed as part of an abatement as defined by 40 C.F.R. § 745.223.”
13. Pursuant to Section 401(17) of TSCA, 15 U.S.C. § 2681(17), and 40 C.F.R. § 745.103, the term “target housing” means “any housing constructed prior to 1978, except housing for the elderly or persons with disabilities (unless any child who is less than 6 years of age resides or is expected to reside in such housing) or any 0-bedroom dwelling.”
14. Respondent, at all times relevant to the violations alleged in this Consent Agreement, was a “firm,” who performed a “renovation,” as those terms are defined at 40 C.F.R. § 745.83 at the following six properties: 5807 Delancey Street, Philadelphia, PA; 1378 Kimberly Drive, Philadelphia, PA; 9413 Academy Road, Philadelphia, PA; 1667 Margaret Street, Philadelphia, PA; 2124 Opal Street, Philadelphia, PA; and 1830 Church Lane, Philadelphia, PA, hereinafter collectively referred to as “Weatherization Properties”.
15. Each of the properties referred to above, Weatherization Properties, was constructed prior to 1978 and is “target housing” as that term is defined at 40 C.F.R. § 745.103.
16. Respondent entered into six separate contracts with individual owners of the Weatherization Properties, for the purpose of performing a “renovation for compensation” pursuant to 40 C.F.R. § 745.82(a) and as outlined below:

COUNTS	RENOVATION & PROPERTY ADDRESS	DATE OF RENOVATION
1 and 7	5807 Delancey Street, Philadelphia, PA	11/13/2010
2 and 8	1378 Kimberly Drive, Philadelphia, PA	11/20/2010
3 and 9	9413 Academy Road, Philadelphia, PA	11/16/2010
4 and 10	1667 Margaret Street, Philadelphia, PA	12/14/2010
5 and 11	2124 Opal Street, Philadelphia, PA	12/13/2010
6 and 12	1830 Church Lane, Philadelphia, PA	7/06/2010

17. None of the above Weatherization Properties' "renovations performed for compensation" involved a renovation in target housing or child-occupied facility in which:
- (1) "a written determination ha[d] been made by an inspector or risk assessor ... that the components affected by the renovation are free of paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams/per square centimeter . . .," as provided at 40 C.F.R. § 745.82(a)(1);
 - (2) "a certified renovator, using an EPA recognized test kit . . ., has tested each component affected by the renovation and determined that the components are free of paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams/per square centimeter . . .," as provided at as provided at 40 C.F.R. § 745.82(a)(2); or
 - (3) "a certified renovator has collected a paint chip sample from each painted component affected by the renovation and a laboratory recognized by EPA . . . has determined that the samples are free of paint or other surface coatings that contain lead equal to or in excess of 1.0 milligrams/per square centimeter . . .," as provided at 40 C.F.R. § 745.82(a)(3).
18. On September 1, 2011, Complainant conducted a records inspection at Respondent's office located at 138 Wyandotte Avenue, Lester, PA, to determine Respondent's level of compliance with the RRP rule in regards to certain renovation activities performed by Respondent in 2010 in the City of Philadelphia.

V. VIOLATIONS ALLEGED

Counts 1-6

19. The allegations contained in Paragraphs 1 through 18 of this Consent Agreement are incorporated by reference herein as though fully set forth at length.
20. On the dates listed in Paragraph 16 above, Respondent performed a "renovation for compensation" at each of the Weatherization Properties.
21. 40 C.F.R. § 745.86(a) provides that firms performing renovations must retain and, if requested, make available to EPA all records necessary to demonstrate compliance with this subpart [40 C.F.R. § 745, Subpart E] for a period of 3 years following completion of the renovation.
22. Pursuant to 40 C.F.R. §745.86(b)(6), firms performing renovations must retain all records documenting compliance with the work practice standards of 40 C.F.R. § 745.85, including documentation that a certified renovator performed or directed workers to perform tasks described by 40 C.F.R. § 745.85(a).

23. At the time of the September 1, 2011 inspection, Respondent had not retained records for renovations performed at the Weatherization Properties documenting that a certified renovator performed or directed the workers to perform the tasks required by 40 C.F.R. § 745.85(a).
24. Counts 1-6: Under 40 C.F.R. § 745.86, Respondent's failure to retain all records documenting compliance with the work practice standards of 40 C.F.R. § 745.85, including documentation that a certified renovator performed or directed workers to perform tasks described by 40 C.F.R. § 745.85(a), during each renovation at the Weatherization Properties constitutes six separate violations of 40 C.F.R. § 745.87(b) and Sections 15 and 409 of TSCA, 15 U.S.C. §§ 2614 and 2689.

Counts 7-12

25. The allegations contained in Paragraphs 1 through 24 of this Consent Agreement are incorporated by reference herein as though fully set forth at length.
26. Pursuant to 40 C.F.R. §745.86(b)(6), firms performing renovations must retain all records documenting compliance with the work practice standards of 40 C.F.R. § 745.85, including documentation that a certified renovator performed the post renovation cleaning verification described in 40 C.F.R. § 745.85(b).
27. At the time of the September 1, 2011 inspection, Respondent had not retained records for renovations performed at the Weatherization Properties documenting that a certified renovator performed the post renovation cleaning verification described in 40 C.F.R. § 745.85(b).
28. Counts 7-12: Under 40 C.F.R. § 745.86, Respondent's failure to retain all records documenting compliance with the work practice standards of 40 C.F.R. § 745.85, including documentation that a certified renovator performed the post renovation cleaning verification described in 40 C.F.R. § 745.85(b), during each renovation at the Weatherization Properties constitutes six separate violations of 40 C.F.R. § 745.87(b) and Sections 15 and 409 of TSCA, 15 U.S.C. §§ 2614 and 2689.

VI. CIVIL PENALTY

29. In settlement of EPA's claims for civil penalties assessable for the violations alleged in this Consent Agreement, Respondent consents to the assessment of a civil penalty in the amount of **Fifteen Thousand One Hundred Twenty Dollars (\$15,120.00)** which Respondent shall be liable to pay in accordance with the terms set forth below. Such civil penalty amount shall become due and payable immediately upon Respondent's receipt of

a true and correct copy of this CAFO. In order to avoid the assessment of interest, administrative costs and late payment penalties in connection with such civil penalty, as described in Paragraphs 33 - 36, below, Respondent must pay such civil penalty no later than thirty (30) calendar days after the date on which a true and correct copy of the signed and executed CAFO is mailed or hand-delivered to Respondent.

30. The Parties represent that the settlement terms are reasonable and are based upon EPA's consideration of a number of factors, including the penalty criteria set forth in Section 16(a)(2)(B) of TSCA, 15 U.S.C. § 2615(a)(2)(B), *i.e.*, the nature, circumstances, extent and gravity of the violations, and with respect to the Respondent's, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, and such other matters as justice may require. These factors were applied to the particular facts and circumstances of this case with specific reference to EPA's *Consolidated Enforcement Response and Penalty Policy for the Pre-Renovation Education Rule; Renovation, Repair and Painting Rule; and Lead-Based Paint Activities Rule ("LBP Consolidated ERPP")*, dated August 2010.

31. Payment of the civil penalty amount shall be made by either cashier's check, certified check or electronic wire transfer, in the following manner:

- a. All payments by Respondent shall reference Respondent's name and address, and the Docket Number of this action, *i.e.*, **TSCA-03-2014-0064**;
- b. All checks shall be made payable to **"United States Treasury"**;
- c. All payments made by check and sent by regular mail shall be addressed and mailed to:

U.S. EPA - Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

Contact: Craig Steffen 513-487-2091

- d. All payments made by check and sent by overnight delivery service shall be addressed and mailed to:

U.S. EPA - Fines and Penalties
U.S. Bank
Government Lockbox 979077
1005 Convention Plaza

Mail Station SL-MO-C2-GL
St. Louis, MO 63101

Contact: (314) 418-1028

- e. All payments made by check in any currency drawn on banks with no USA branches shall be addressed for delivery to:

Cincinnati Finance
US EPA, MS-NWD
26 W. M.L. King Drive
Cincinnati, OH 45268-0001

- 32. Respondent may also pay the amount described in Paragraph 29 above, electronically or on-line as follows:

- a. All payments made by electronic wire transfer shall be directed to:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT Address = FRNYUS33
33 Liberty Street
New York, NY 10045
(Field Tag 4200 of the wire transfer message should read:
"D 68010727 Environmental Protection Agency")

- b. All electronic payments made through the automated clearinghouse (ACH), also known as Remittance Express (REX), shall be directed to:

US Treasury REX / Cashlink ACH Receiver
ABA = 051036706
Environmental Protection Agency, Account No. 310006
CTX Format Transaction Code 22 - checking

Physical location of U.S. Treasury facility:
5700 Rivertech Court
Riverdale, MD 20737

Contact: Jessie White 301-887-6548 or
REX 1-866-234-5681

c. On-Line Payment Option:

WWW.PAY.GOV/PAYGOV

Enter sfo 1.1 in the search field. Open and complete the form.

d. Additional payment guidance is available at:

http://www.epa.gov/ocfo/finservices/make_a_payment.htm

A copy of Respondent's check or a copy of Respondent's electronic transfer shall be sent simultaneously to:

Regional Hearing Clerk (3RC00)
EPA Region III
1650 Arch Street
Philadelphia, Pennsylvania 19103 - 2029, and

Donzetta Thomas (3RC30)
Senior Assistant Regional Counsel
U.S. Environmental Protection Agency - Region III
1650 Arch Street
Philadelphia, PA 19103-2029.

33. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, EPA is entitled to assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim, as more fully described below. Accordingly, Respondent's failure to make timely payment or to comply with the conditions in this Consent Agreement and the attached Final Order shall result in the assessment of late payment charges including interest, penalties, and/or administrative costs of handling delinquent debts.
34. Interest on the civil penalty assessed in this CAFO will begin to accrue on the date that a copy of this CAFO is mailed or hand-delivered to Respondent. However, EPA will not seek to recover interest on any amount of the civil penalty that is paid within thirty (30) calendar days after the date on which such interest begins to accrue. Interest will be assessed at the rate of the United States Treasury tax and loan account rate in accordance with 40 C.F.R. § 13.11(a).
35. The costs of the EPA's administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. 40 C.F.R. § 13.11(b). Pursuant to Appendix 2 of EPA's *Resources Management Directives - Cash Management*, Chapter 9, EPA will assess a \$15.00 administrative handling charge for

administrative costs on unpaid penalties for the first thirty (30) day period after the payment is due and an additional \$15.00 for each subsequent thirty (30) days the penalty remains unpaid.

36. A late penalty payment of six percent (6%) per year will be assessed monthly on any portion of the civil penalty which remains delinquent more than ninety (90) calendar days. 40 C.F.R. § 13.11(c). Should assessment of the penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d).
37. The Respondent agrees not to deduct for federal tax purposes the civil monetary penalty specified in this Consent Agreement and the accompanying Final Order.

VII. EFFECT OF SETTLEMENT

38. The settlement set forth in this CAFO shall constitute full and final satisfaction of all civil claims for penalties which Complainant may have under TSCA for the specific violations alleged in Section IV ("Findings of Fact and Conclusions of Law"), above. Compliance with this CAFO shall not be a defense to any action commenced at any time for any other violation of the federal laws and regulations administered by EPA.

VIII. OTHER APPLICABLE LAWS

39. Nothing in this CAFO shall relieve Respondent of the obligation to comply with all applicable federal, state, and local laws and regulations.

IX. CERTIFICATION OF COMPLIANCE

40. Respondent certifies to EPA, upon personal investigation and to the best of its knowledge and belief, that it currently is complying with applicable provisions of TSCA and 40 C.F.R. Part 745.

X. RESERVATION OF RIGHTS

41. Consent Agreement and the accompanying Final Order resolve only EPA's claims for civil monetary penalties for the specific violations alleged against the Respondent in the Complaint. EPA reserves the right to commence action against any person, including Respondent, in response to any condition which EPA determines may present an imminent and substantial endangerment to the public health, public welfare, or the environment. In addition, this settlement is subject to all limitations on the scope of resolution and to the reservation of rights set forth in Section 22.18(c) of the Consolidated Rules of Practice, 40 C.F.R. § 22.18(c). Further, EPA reserves any rights and remedies available to it under TSCA and any other federal laws or regulations for which EPA has jurisdiction, to enforce the provisions of this CAFO following its filing with the EPA

Regional Hearing Clerk.

XI. PARTIES BOUND

42. This Consent Agreement and the accompanying Final Order shall apply to and be binding upon the EPA, the Respondent and the Respondent's successors, agents and assigns.

XII. EFFECTIVE DATE

43. The effective date of this Consent Agreement and the accompanying Final Order (which is signed by the Regional Administrator of EPA Region III, or his designee, the Regional Judicial Officer), shall be the date the CAFO is filed with the EPA Regional Hearing Clerk pursuant to the Consolidated Rules of Practice.

XIII. ENTIRE AGREEMENT

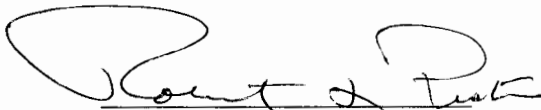
44. This Consent Agreement and the accompanying Final Order constitute the entire agreement and understanding of the parties regarding settlement of all claims pertaining to the specific violations alleged herein and there are no representations, warranties, covenants, terms, or conditions agreed upon between the parties other than those expressed in this CAFO.

XIV. EXECUTION

45. The person signing this Consent Agreement on behalf of the Respondent acknowledges and certifies by his signature that he is fully authorized to enter into this Consent Agreement and to legally bind Respondent to the terms and conditions of this Consent Agreement and the accompanying Final Order.

For Respondent:

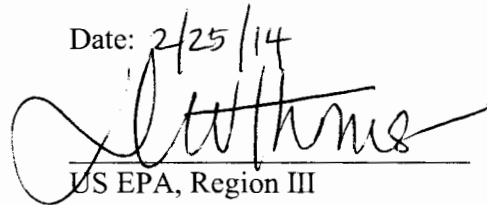
Date:



UGI HVAC Enterprises Inc.
Robert L. Pistor
Vice-President
(610) 796-3503

For Complainant:

Date: 2/25/14



US EPA, Region III
Donzetta Thomas, 3RC50
Sr. Assistant Regional Counsel
(215) 814-2474

After reviewing the foregoing Consent Agreement and other pertinent information, the Land and Chemicals Division, EPA Region III, recommends that the Regional Administrator or the Regional Judicial Officer issue the Final Order attached hereto.

Date: 3.4.14

By: 

John A. Amstead, Director
Land and Chemicals Division,
U.S. EPA, Region III

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION III
1650 Arch Street
Philadelphia, Pennsylvania 19103-2029

In the Matter of:

Docket No.: TSCA-03- 2014- 0064

UGI HVAC Enterprises, Inc.
d/b/a Servicemark
150 Love Road
Reading, PA 19607

Proceeding Under Section 16(a) of the
Toxic Substances Control Act, 15 U.S.C.
Section 2615(a)

RESPONDENT

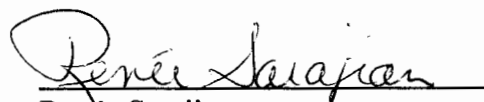
FINAL ORDER

The Complainant, the Director for the Land and Chemicals Division, U.S. Environmental Protection Agency, Region III and Respondent, UGI HVAC Enterprises d/b/a Servicemark, have executed a document entitled, "Consent Agreement" which I hereby ratify as a Consent Agreement in accordance with the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation, Termination or Suspension of Permits ("Consolidated Rules of Practice"), 40 C.F.R. Part 22. The terms of the foregoing Consent Agreement are accepted by the undersigned and incorporated into this Final Order as if set forth fully herein.

WHEREFORE, pursuant to the authority of Section 16 of the Toxic Substances Control Act ("TSCA"), 15 U.S.C. § 2615, for violations of the Lead; Renovation, Repair, and Painting Program, 40 C.F.R. Part 745, and having determined, based on the representations of the parties to the attached Consent Agreement, that the civil penalty agreed therein was based upon consideration of the factors set forth in Section 16(a)(2)(B) of TSCA, 15 U.S.C. § 2615(a)(2)(B), **IT IS HEREBY ORDERED** that Respondent pay a civil penalty of **Fifteen Thousand One Hundred Twenty Dollars (\$15,120.00)** in accordance with the payment provisions set forth in the attached Consent Agreement.

The effective date of this Final Order and the accompanying Consent Agreement is the date on which the CAFO is filed with the EPA Regional Hearing Clerk.

Date: 3/19/14

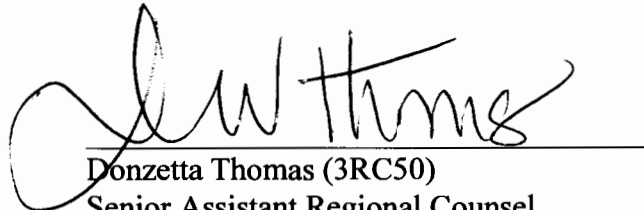

Renee Sarajian
Regional Judicial Officer
U.S. EPA - Region III

CERTIFICATE OF SERVICE

I hereby certify that the original and one copy of the foregoing Consent Agreement and Final Order ("CAFO"), EPA Docket No. TSCA-03-2014-0064, was filed today with the Regional Hearing Clerk, EPA, Region III, and that a copy was sent via United Parcel Service to the following:

Kent D. Murphy, Esq
Group Counsel, Energy & Regulation
UGI Corporation
460 N. Gulph Rd
King of Prussia, PA 19406

3/19/14
Date



Donzetta Thomas (3RC50)
Senior Assistant Regional Counsel
U.S. Environmental Protection Agency, Region III
(215) 814-2474