

Statutory and Regulatory Framework

5. The objective of the CWA, 33 U.S.C. § 1251 *et seq.*, is to “restore and maintain the chemical, physical, and biological integrity of the Nation’s waters.”

6. Sections 311(b)(3) and (4) of the CWA, 33 U.S.C. § 1321(b)(3) and (4), prohibit the discharge of oil or hazardous substances into or upon the navigable waters of the United States or adjoining shorelines in such quantities as have been determined may be harmful to the public health or welfare of the United States.

7. Section 311(a)(1) of the CWA, 33 U.S.C. § 1321(a)(1), and 40 C.F.R. § 112.2 define “oil” as “oil of any kind or in any form, including, but not limited to, petroleum [or] fuel oil”

8. Section 311(a)(2) of the CWA, 33 U.S.C. § 1321(a)(2), and 40 C.F.R. § 112.2 define “discharge” to include, but is not limited to, any spilling, leaking, pumping, pouring, emitting, or dumping” except under very limited exclusions.

9. Section 311(b)(4) of the CWA, 33 U.S.C. § 1321(b)(4), authorizes the EPA to promulgate a regulation to define what discharges of oil may be harmful to the public health or welfare or environment of the United States.

10. Section 311(j)(1)(C) of the CWA, 33 U.S.C. § 1321(j)(1)(C), provides in part that the President shall issue regulations establishing procedures, methods, and equipment and other requirements for equipment to prevent discharges of oil and hazardous substances from vessels and from onshore facilities, and to contain such discharges.

11. To implement Section 311(j)(1)(C), the EPA promulgated regulations to prevent oil pollution at 40 C.F.R. Part 112 that set forth the requirements for the preparation and implementation of Spill Prevention, Control, and Countermeasure (SPCC) Plans.

12. As provided in 40 C.F.R. § 112.1(b), the requirements of 40 C.F.R. Part 112 apply to owners and operators of non-transportation-related onshore facilities with an aboveground storage capacity of 1,320 gallons or greater who are engaged in gathering, storing, transferring, distributing, using, or consuming oil or oil products which, due to their locations, could reasonably be expected to discharge oil in quantities that may be harmful into or upon the navigable waters of the United States or adjoining shorelines.

13. Section 311(j)(5) of the CWA, 33 U.S.C. § 1321(j)(5), provides that the President shall issue regulations requiring the owner or operator of a facility described in subparagraph (C) as “an onshore facility that, because of its location, could reasonably be expected to cause substantial harm to the environment by discharging into or on the navigable waters [or] adjoining shorelines,” to “submit to the President a plan for responding, to the maximum extent practicable, to a worst case discharge, and to a substantial threat of such a discharge, of oil.”

14. Under the authority of Section 311(j)(5) of the CWA, Subparts A and D of 40 C.F.R. Part 112 (“the Facility Response Plan” or “FRP regulations”) require FRP-regulated facilities to prepare a Facility Response Plan as specified in 40 C.F.R. § 112.20(h), and to develop and

implement a facility response training program and a drill/exercise program that satisfies the requirements of the regulations (40 C.F.R. § 112.21(a)).

15. Section 311(b)(6) of the CWA, 33 U.S.C. § 1321(b)(6) authorizes administrative penalties for violations of the regulations issued pursuant to Section 311(j), 33 U.S.C. § 1321(j).

Allegations of Fact and Conclusions of Law

16. Respondent, a corporation, is a “person” within the meaning of Sections 311(a)(7) and 502(5) of the CWA, 33 U.S.C. §§ 1321(a)(7), 1362(5), and 40 C.F.R. § 112.2.

17. At all times relevant to this action, Respondent, was the owner and/or operator, within the meaning of Section 311(a)(6) of the CWA. 33 U.S.C. § 1321(a)(6) and 40 C.F.R. § 112.2, of the truck stop located at 515 Sterling Drive, Walcott, Iowa 52773 (the “Facility”).

18. The Facility had a total capacity of above ground storage greater than 1.26 million gallons of oil, including diesel fuel #2, B100, B20, unleaded gasoline (E10), lubricants and oils, and used oils. As of April 15, 2024, the Facility’s total capacity of above ground storage is less than 1 million gallons of oil.

19. Diesel fuel #2, B100, B20, unleaded gasoline (E10), lubricants and oils, and used oils are forms of oil as defined by Section 311(a)(1) of the CWA, 33 U.S.C. § 1321(a)(1), and 40 C.F.R. § 112.2.

20. Drainage from the Facility flows south to a culvert underneath Interstate Highway 80.

21. A discharge from the Facility would flow through the culvert underneath Interstate Highway 80 and into a tributary of Mud Creek.

22. The tributary of Mud Creek is a perennial stream that flows from the Facility approximately 10.2 miles to Mud Creek, also a perennial stream. Mud Creek connects to perennial Sugar Creek that connects to the Cedar River, which connects to the Iowa River and the Mississippi River, which are traditionally navigable waters.

23. The tributary of Mud Creek is a relatively permanent water that connects to traditionally navigable waters. Mud Creek and the tributary of Mud Creek are navigable waters of the United States within the meaning of Section 502(7) of the Act, 33 U.S.C. § 1362(7).

24. Sugar Creek is 26 miles downstream of the Facility and the Cedar River is 30 miles downstream of the Facility. Both Sugar Creek and the Cedar River are utilized for recreational purposes Respondent is engaged in storing, processing, using or consuming oil or oil products located at the Facility.

25. The Facility is a “non-transportation-related” facility within the meaning of 40 C.F.R. § 112 Appendix A, as incorporated by reference within 40 C.F.R. § 112.2.

26. The Facility is an “onshore facility” within the meaning of Section 311(a)(10) of the Act, 33 U.S.C. § 1321(a)(10), and 40 C.F.R. § 112.2.

27. The Facility is a non-transportation-related onshore facility which is an SPCC-regulated facility pursuant to Section 311(j)(1)(C) of the Act, Executive Order 12777 and 40 C.F.R. § 112.1.

28. The Facility is a non-transportation-related onshore facility that was required to prepare and submit a facility response plan (FRP) pursuant to the requirements of 40 C.F.R. § 112.20.

29. On March 10, 2023, representatives of the EPA inspected the Facility to determine its compliance with the SPCC and FRP regulations of 40 C.F.R. Part 112 and obtained information about the Facility.

30. The EPA’s findings were documented in an inspection report. The EPA transmitted a copy of this inspection report to Respondent on April 13, 2023.

31. At the time of the inspection, Respondent provided an unsigned draft SPCC plan to the EPA.

32. A representative of the EPA has reviewed the draft SPCC plan.

33. At all times relevant to this action and at the time of the inspection, the Facility did not have an FRP.

EPA Findings of Alleged Violations

Count 1: Failure to Prepare and Implement an FRP

34. The facts stated above are hereby incorporated by reference.

35. Pursuant to 40 C.F.R. § 112.20(f)(1)(ii)(B), the owner or operator of a facility shall prepare and implement an FRP if the facility’s total oil storage capacity is greater than or equal to 1 million gallons, and if, as relevant here, the facility could, because of its location, reasonably be expected to cause substantial harm to the environment by discharging oil into or on the navigable waters or adjoining shorelines including where the facility is located at a distance such that a discharge of oil from the facility could cause injury to fish and wildlife and sensitive environments.

36. At the time of inspection, the Facility’s oil storage capacity exceeded 1 million gallons and it is located at a distance such that a discharge from the facility could cause injury to fish and wildlife and sensitive environments.

37. Respondent’s failure to prepare and implement an FRP was a violation of 40 C.F.R. § 112.20 and Section 311(j)(5) of the CWA, 33 U.S.C. § 1321(j)(5).

Count 2: Failure to Fully Prepare and Implement an SPCC Plan

38. The facts stated above are hereby incorporated by reference.

39. 40 C.F.R. § 112.3 requires Respondent to fully prepare and implement an SPCC plan.

40. The EPA's inspection documented Respondent's failure to fully prepare and implement an SPCC Plan at the Facility as required by 40 C.F.R. 112.3, as follows:

a. Respondent failed to prepare and implement an SPCC plan compliant with 40 C.F.R. Part 112 on or before November 10, 2011, in violation of 40 C.F.R. § 112.7(a)(3);

b. Respondent failed to amend its SPCC Plan and implement that amendment within six months of a change at the facility that materially affected the potential for a discharge, in violation of 40 C.F.R. § 112.5(a);

c. Respondent failed to complete a review and evaluation of the Facility's SPCC plan at least once every five years, in violation of 40 C.F.R. § 112.5(b);

d. Respondent's draft SPCC plan was not signed or stamped as certified by a registered Professional Engineer, in violation of 40 C.F.R. § 112.3(d);

e. Respondent's draft SPCC plan did not properly document the full approval of management at a level of authority to commit the necessary resources to fully implement the plan, in violation of 40 C.F.R. § 112.7;

f. Respondent's draft SPCC plan does not follow the sequence specified in 40 C.F.R. Part 112, and is not an equivalent plan acceptable to the Regional Administrator that meets all applicable requirements listed in 40 C.F.R. Part 112, supplemented with a section cross-referencing the location of requirements listed in that Part to the equivalent requirements in the equivalent plan, in violation of 40 C.F.R. § 112.7;

g. Respondent failed to include an accurate description of the physical layout of the Facility and an accurate facility diagram in the Facility's draft SPCC plan, in violation of 40 C.F.R. § 112.7(a)(3);

h. Respondent's draft SPCC plan does not accurately list the type of oil in each fixed container and its storage capacity; discharge prevention measures including procedures for routine handling of products; discharge or drainage controls such as secondary containment around containers; and other structures, equipment, and procedures for the control of a discharge and countermeasures for discharge discovery, response, and cleanup, in violation of 40 C.F.R. § 112.7(a)(3)(i)–(iv);

i. Respondent's draft SPCC plan does not describe all the most likely scenarios of a reasonable potential for equipment failure, in violation of 40 C.F.R. § 112.7(b);

- j. Respondent's draft SPCC plan does not identify appropriate containment and/or diversionary structures or equipment to prevent a discharge from various tanks, drums, totes, and loading/unloading and transfer areas, in violation of 40 C.F.R. § 112.7(c);
- k. Respondent's draft SPCC plan does not describe the circumstances under which Respondent will evaluate a field-constructed aboveground container for risk of discharge or failure due to brittle fracture or other catastrophe, and as necessary, take appropriate action, in violation of 40 C.F.R. § 112.7(i);
- l. Respondent's draft SPCC plan does not include a complete discussion of conformance with the applicable requirements and other effective discharge prevention and containment procedures listed in this part or any applicable more stringent State rules, regulations, and guidelines, in violation of 40 C.F.R. § 112.7(j);
- m. Respondent's draft SPCC plan does not describe how the Facility restrains drainage from diked storage areas, how the Facility uses valves of manual, open-and-closed design for the drainage of diked areas, or how rainwater is discharged from diked areas consistent with the requirements of 40 C.F.R. § 112.8(c)(3), in violation of 40 C.F.R. §§ 112.8(b)(1) and (2);
- n. Respondent's draft SPCC plan does not set forth a procedure for testing or inspecting each aboveground container for integrity on a regular schedule and in accordance with the requirements of 40 C.F.R. § 112.8(c)(6), in violation of 40 C.F.R. § 112.8(c)(6);
- o. Respondent's draft SPCC plan does not describe how each container is equipped with at least one of the types of liquid-level sensing devices set forth in 40 C.F.R. § 112.8(c)(8), in violation of 40 C.F.R. § 112.8(c)(8);
- p. Respondent's draft SPCC plan does not describe regular testing of liquid level sensing devices to ensure proper operation, in violation of 40 C.F.R. § 112.8(c)(8)(v);
- q. Respondent's draft SPCC plan does not adequately describe the facility's buried piping or address whether piping installed or replaced on or after August 16, 2002, is provided with a protective wrapping and coating and protected against corrosion, in violation of 40 C.F.R. § 112.8(d)(1);
- r. Respondent does not cap or blank-flange the terminal connection at the transfer point and mark it as to origin when piping is not in service or is in standby service for an extended time, in violation of 40 C.F.R. § 112.8(d)(2);
- s. Respondent's draft SPCC plan does not describe how pipe supports are properly designed to minimize abrasion and corrosion and allow for expansion and contraction, in violation of 40 C.F.R. § 112.8(d)(3); and
- t. Respondent's draft SPCC plan does not include a description of how Respondent conducts integrity and leak testing of buried piping at the time of installation,

modification, construction, relocation, or replacement, in violation of 40 C.F.R. § 112.8(d)(4).

41. Respondent's failure to fully prepare and implement an SPCC Plan is a violation of 40 C.F.R. Part 112 and Section 311(j) of the CWA, 33 U.S.C. § 1321.

Consent Agreement

General Provisions

42. Respondent and the EPA agree to the terms of this Complaint and Consent Agreement/Final Order (CAFO) and Respondent agrees to comply with the terms of this CAFO.

43. Respondent consents to the issuance of the Final Order hereinafter recited and consents to the payment of the civil penalty as set forth in the Final Order.

44. Respondent admits the jurisdictional allegations of this CAFO and agrees not to contest the EPA's jurisdiction in this proceeding or any subsequent proceeding to enforce the terms of the Final Order portion of this CAFO.

45. Respondent neither admits nor denies the factual allegations asserted above by the EPA.

46. Respondent waives any right to contest the allegations and its right to appeal the proposed final order accompanying the consent agreement.

47. Respondent and Complainant agree to conciliate the matters set forth in this CAFO without the necessity of a formal hearing and agree to each bear their own costs and attorney's fees incurred as a result of this action.

48. Respondent certifies by the signing of this CAFO that Respondent is in compliance with all requirements of the CWA.

49. The effect of settlement is conditional upon the accuracy of Respondent's representations to the EPA in this CAFO.

Reservation of Rights

50. This CAFO addresses all civil and administrative claims for the CWA violations alleged above. With respect to matters not addressed in this CAFO, the EPA reserves the right to take any enforcement action pursuant to the CWA and its implementing regulations, or any other available legal authority, including without limitation, the right to seek injunctive relief, penalties and damages.

51. Nothing contained in this CAFO shall alter or otherwise affect Respondent's obligation to comply with all applicable federal, state, and local environmental statutes and regulations and applicable permits.

52. Notwithstanding any other provision of this CAFO, the EPA reserves the right to enforce the terms of this CAFO by initiating a judicial or administrative action pursuant to Section 311 of the CWA, 33 U.S.C. § 1321, and to seek penalties against Respondent or to seek any other remedy allowed by law.

Penalty

53. Respondent agrees to pay a civil penalty of **Two Hundred and Four Thousand, and One Hundred and Forty-Two Dollars (\$204,142)** pursuant to the authority of Section 311(b)(6)(B)(ii) of the CWA, 33 U.S.C. § 1321(b)(6)(B)(ii), within thirty (30) days of the Effective Date of this CAFO.

54. 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>.

55. When making a payment, Respondent shall:

- a. Identify every payment with Respondent's name and the docket number of this Agreement, number CWA-07-2023-0141;
- b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment to the following person(s):

Regional Hearing Clerk
U.S. Environmental Protection Agency Region 7
r7_hearing_clerk_filings@epa.gov

and

Shane McCoin
Attorney Advisor
U.S. Environmental Protection Agency Region 7
mccoin.shane@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.

56. Interest, Charges, and Penalties on Late Payments. Pursuant to 33 U.S.C. § 1321(b)(6)(H), 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 EPA is authorized to recover the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid 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 the unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. Interest will be assessed at prevailing rates, per 33 U.S.C. § 1321(b)(6)(H). The rate of interest is the IRS standard underpayment rate.
- b. Handling Charges. The United States' enforcement expenses including, but not limited to, attorneys' fees and costs of collection proceedings.
- c. Late Payment Penalty. A twenty percent (20%) quarterly non-payment penalty.

57. 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., 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, 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.
- d. Request that the Attorney General bring a civil action in the appropriate district court to recover the full remaining balance of the Assessed Penalty, in addition to interest and the amounts described above, per to 33 U.S.C. § 1321(b)(6)(H). In any such action, the validity, amount, and appropriateness of the Assessed Penalty shall not be subject to review.

58. 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.

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

60. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service (“IRS”) annually, a completed IRS Form 1098-F (“Fines, Penalties, and Other Amounts”) with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor’s violation of any law or the investigation or inquiry into the payor’s potential violation of any law, including amounts paid for “restitution or remediation of property” or to come “into compliance with a law.” EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number (“TIN”), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. In order to provide EPA with sufficient information to enable it to fulfill these obligations, EPA herein requires, and Respondent herein agrees, that:

- a. Respondent shall complete an IRS Form W-9 (“Request for Taxpayer Identification Number and Certification”), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>;
- b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent’s correct TIN or that Respondent has applied and is waiting for issuance of a TIN;
- c. Respondent shall email its completed Form W-9 to EPA’s Cincinnati Finance Center at weidner.lori@epa.gov within 30 days of the Effective Date, and EPA recommends encrypting IRS Form W-9 email correspondence; and
- d. In the event that Respondent has certified in its completed IRS Form W-9 that it has applied for a TIN and that TIN has not been issued to Respondent within 30 days after the Effective Date, then Respondent, using the same email address identified in the preceding sub-paragraph, shall further:
 - i. Notify EPA’s Cincinnati Finance Center of this fact, via email, within 30 days after the 30 days after the Effective Date of this Order; and
 - ii. Provide EPA’s Cincinnati Finance Center with Respondent’s TIN, via email, within five (5) days of Respondent’s issuance and receipt of the TIN.

Signatories

61. The undersigned for each party has the authority to bind each respective party to the terms and conditions of this CAFO. The CAFO may be signed in part and counterpart by each party.

Parties Bound

62. This CAFO shall apply to and be binding upon Respondent and Respondent's agents, successors and/or assigns. Respondent shall ensure that all contractors, employees, consultants, firms or other persons or entities acting for Respondent with respect to matters included herein comply with the terms of this CAFO.

Definitions

63. Terms used in this order that are defined in the CWA or EPA regulations promulgated under the CWA have the meanings assigned to them in the CWA or those regulations, unless otherwise provided in this Order.

Executed Agreement Filed

64. The Parties acknowledge that this Consent Agreement/Final Order is subject to the public notice and comment required pursuant to Section 311(b)(6)(C)(i) of the CWA, 33 U.S.C. § 1321(b)(6)(C)(i), and 40 C.F.R. § 22.45.

65. This executed Complaint and Consent Agreement and Final Order shall be filed with the Regional Hearing Clerk, U.S. Environmental Protection Agency, 11201 Renner Boulevard, Lenexa, Kansas 66219.

66. The Effective Date of this CAFO is the date on which the Final Order is filed with the Regional Hearing Clerk. EPA agrees to give Respondent written notice of the Effective Date within five (5) days of filing the Final Order.

Electronic Service

67. Respondent consents to receiving the filed Consent Agreement/Final Order electronically at the following email address: *tim.conlon@iowa80group.com* with copy to *tolt@l-wlaw.com*.

For the Respondent, Iowa 80 Truckstop, Inc.:

Signature: (170) Delia Moon Meier Date: 11/18/2024

Name: Delia Moon Meier Title: Sr. Vice President



For the Complainant, U.S. Environmental Protection Agency, Region 7:

David Cozad
Director
Enforcement and Compliance Assurance Division

Shane McCoin
Attorney-Advisor
Office of Regional Counsel

FINAL ORDER

Pursuant to Section 311(b)(6) of the CWA, 33 U.S.C. § 1321(b)(6), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation, Termination or Suspension of Permits, 40 C.F.R. Part 22, the foregoing Consent Agreement resolving this matter is hereby ratified and incorporated by reference into this Final Order.

The Respondent is ORDERED to comply with all of the terms of the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), the effective date of the foregoing Consent Agreement and this Final Order is the date on which this Final Order is filed with the Regional Hearing Clerk.

IT IS SO ORDERED.

Date

Karina Borromeo
Regional Judicial Officer

Certificate of Service

I certify that on the date noted below I delivered a true and correct copy of this Findings of Violation and Administrative Order for Compliance on Consent by electronic mail, to:

For Complainant:

Shane McCoin
Office of Regional Counsel
U.S. Environmental Protection Agency Region 7
mccoin.shane@epa.gov

Mark Aaron
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency Region 7
aaron.mark@epa.gov

For Respondent:

Tim Conlon
Corporate Counsel
Iowa 80 Group, Inc.
Tim.Conlon@iowa80group.com

Signature