



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2
290 BROADWAY
NEW YORK, NY 10007-1866

U.S. ENVIRONMENTAL
PROTECTION AGENCY-REG. II
2007 OCT -2 PM 3:40
REGIONAL HEARING
CLERK

CERTIFIED MAIL #7001 0320 0004 7788 1408
RETURN RECEIPT REQUESTED

SEP 28 2007

Mr. Greg Call, President
Casie Ecology Oil Salvage, Inc.
PO Box 92
Franklinville, NJ 08322

RE: Notice of Proposed Assessment of a Civil Penalty
Docket No. CWA-02-2007-3813
Casie Ecology Oil Salvage, Inc.
3rd & L Streets
Millville, NJ 08332

Dear Mr. Call:

Enclosed is a document entitled "Administrative Complaint and Opportunity to Request Hearing and Conference", hereinafter referred to as the "Complaint". We have filed this Complaint against Casie Ecology Oil Salvage, Inc. ("Respondent"), under the authority of §311(b)(6) of the Clean Water Act (Act), 33 U.S.C. §1321(b)(6). In the Complaint, the United States Environmental Protection Agency (EPA) alleges that Casie Ecology Oil Salvage, Inc. has violated the Clean Water Act at its facility located at 3rd & L Streets, Millville, New Jersey. The violations EPA is alleging are specifically set out under "Specific Claims" in the Complaint. The amount of the civil penalty proposed to be assessed is \$103,000.

For purposes of determining the amount of any penalty to be assessed, Section 311(b)(8) of the Act requires EPA to take into account the following factors: the seriousness of the violation or violations, the economic benefit to the violator, if any, resulting from the violation, the degree of culpability involved, any other penalty for the same incident, any history of prior violations, the economic impact of the penalty on the violator, and any other matters as justice may require. To develop the penalty proposed in the Complaint, EPA has taken into account the statutory factors with respect to the particular facts and circumstances of this case, to the extent known at this time.

By law, the Respondent has the right to request a hearing regarding the violations alleged in the Complaint and the proposed civil penalty. A request for a hearing must be contained in a written Answer to the Complaint. In accordance with the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits; Final Rule," (hereinafter "Consolidated Rules") Fed. Reg. Volume 64, Number 141 (a copy of which is enclosed), the Respondent must file a written Answer with the Regional Hearing Clerk within thirty (30) days of receipt of this Complaint if the Respondent contests any material fact upon which the Complaint is based, contends that the proposed penalty is inappropriate or contends it is entitled to judgment as a matter of law. If the Respondent does not file a timely Answer in accordance with the requirements specified in the Consolidated Rules, the Respondent may be found in default and the proposed civil penalty may be assessed without further proceedings. The Respondent has the right to be represented by an attorney, or to represent itself at any stage of these proceedings.

EPA encourages all parties against whom it files a Complaint to pursue settlement discussions with the Agency. Whether or not the Respondent requests a formal hearing, the Respondent may request an informal conference with EPA to discuss the alleged violations and the proposed civil penalty. Specifically EPA invites information pertaining to the factors in Section 311(b)(8) of the Act. The penalty may be adjusted if the Respondent establishes bona fide issues of ability to pay or other defenses relevant to the appropriate amount of the proposed penalty. The Respondent may represent itself or be represented by an attorney at any conference, whether in person or by telephone. An attorney from the Agency's Office of Regional Counsel (ORC) will normally be present at any informal conference. Please be advised that any informal conferences conducted in person with Agency officials will be held in New York City or in Edison, New Jersey. Please also be advised that a request for an informal conference does not substitute for a written Answer nor does it extend the period of time (thirty days) within which you must file an Answer and request a hearing.

If a mutually satisfactory settlement can be reached, it will be formalized by the issuance of a Consent Agreement and Order signed by you and by the Regional Administrator, EPA Region 2. The issuance of such a Consent Agreement and Order shall constitute a waiver by the Respondent of its right to a hearing on, and to a judicial appeal of, the agreed upon civil penalty. If you have any questions or wish to discuss the possibility of settlement of this matter, please contact:

Tim Murphy
Office of Regional Counsel
U.S. Environmental Protection Agency
290 Broadway - 16th Floor
New York, New York 10007-1866
Telephone: (212) 637-3236

We urge your prompt attention to this matter.

Sincerely yours,

A handwritten signature in cursive script that reads "William Mc Cabe".

 George Pavlou, Director
Emergency and Remedial Response Division

Enclosures

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 2

U.S. ENVIRONMENTAL
PROTECTION AGENCY-REG. II
2007 OCT -2 PM 3:40
REGIONAL HEARING
CLERK

IN THE MATTER OF

Casie Ecology Oil Salvage, Inc.
3209 North Mill Rd
Vineland, NJ 08360

Respondent

Proceeding Pursuant to §311(b)(6) of the
Clean Water Act, 33 U.S.C. §1321(b)(6),
for FRP Violations

Proceeding to Assess Class II
Civil Penalty Under Section 311(b)(6) of
the Clean Water Act

Docket No.
CWA-02-2007-3813

COMPLAINT
FINDINGS OF VIOLATION, NOTICE OF PROPOSED
ASSESSMENT OF A CIVIL PENALTY, AND
NOTICE OF OPPORTUNITY TO REQUEST A HEARING

I. Statutory Authority

1. This Complaint, Findings of Violation, Notice of Proposed Assessment of a Civil Penalty, and Notice of Opportunity to Request a Hearing ("Complaint") is issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency ("EPA") by Section 311(b) (6) (B) (ii) of the Clean Water Act ("Act"), 33 U.S.C. §1321(b) (6) (B) (ii). The Administrator has delegated this authority to the Regional Administrator of EPA, Region 2, who in turn has delegated it to the Director, Emergency and Remedial Response Division ("ERRD") of EPA, Region 2 ("Complainant").
2. Pursuant to Section 311(b) (6) (B)(ii) of the Act, and in accordance with the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits" ("CROP"), 40 CFR Part 22, a copy of which is attached, Complainant hereby requests that Regional Administrator assess a civil penalty against Casie Ecology Oil Salvage, Inc. ("Respondent") for the failure or refusal to comply with regulations issued under Section 311(j) of the Act, 33 U.S.C. §1321(j), and found at 40 CFR Part 112 to which Respondent is subject at its facility located at 3rd & L Streets, Millville, New Jersey.

II. Findings of Violation

JURISDICTIONAL ALLEGATIONS

1. The Respondent is a corporation organized under the laws of the State of Kentucky, with a place of business located at 3209 North Mill Road, Vineland, New Jersey. The Respondent is a person within the meaning of Section 311(a)(7) of the Act, 33 U.S.C. §1321(a)(7) and 40 CFR §112.2.
2. The Respondent is the owner and operator within the meaning of Section 311(a)(6) of the Act, 33 U.S.C. §1321(a)(6), and 40 CFR §112.2 of an oil storage facility located at 3rd & L Streets, Millville, New Jersey ("the Facility"), that as referenced by 40 CFR §112.2, is a non-transportation-related facility according to the definition set forth in 40 CFR Part 112, Appendix A, §II.
3. The Respondent is engaged in drilling, producing, gathering, storing, processing, refining, transferring, distributing or consuming oil or oil products located at the Facility.
4. The Facility is an onshore facility within the meaning of 40 CFR § 112.2 that, because of its location, could reasonably be expected to cause substantial harm to the environment by discharging oil into or on the navigable waters or adjoining shorelines of the United States, within the meaning of Section 311(j)(5)(B)(iii) of the Act, 33 U.S.C. § 1321(j)(5)(B)(iii), and Appendix C to 40 CFR Part 112, and is subject to the facility response plan ("FRP" or "response plan") submission requirements of 40 CFR §112.20 ("an FRP facility").
5. Section 311(j)(5)(A) of the Act, 33 U.S.C. § 1321(j)(5)(A), provides that the President shall issue regulations requiring each owner or operator of an FRP facility 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 or a hazardous substance."
6. By Section 2(d)(1) of Executive Order 12777 (October 18, 1991), the President delegated to the Administrator of EPA the authorities under Section 311(j) of the Act that are described in this Complaint.
7. The Administrator of EPA promulgated regulations, codified at 40 CFR §112.20 and §112.21, implementing these delegated statutory authorities.
8. Pursuant to Section 311(j)(5), 33 U.S.C. §1321(j)(5), and 40 CFR §§112.1 and 112.20, the Facility is therefore subject to the requirements of 40 CFR §112.20 and §112.21.

SPECIFIC CLAIMS.

1. Pursuant to 40 CFR §112.20(a)(1), an owner or operator of a facility in operation on or before February 18, 1993 who is required to prepare and submit a response plan under the Oil Pollution Act of 1990 is required to submit a response plan that satisfies the requirements of 33 U.S.C. 1321(j)(5) no later than February 18, 1993.
2. The Respondent's facility was in operation prior to February 18, 1993.
3. The Respondent did not submit a response plan to EPA by February 18, 1993.
4. Pursuant to 40 CFR §112.20(a)(1)(ii), an owner or operator of an existing facility in operation on or before February 18, 1993 who failed to submit a response plan by February 18, 1993 shall prepare and submit a response plan that satisfies the requirements of 40 CFR Part 112.20 to the EPA before August 30, 1994.
5. The Respondent did not submit a response plan to EPA by August 30, 1994.

CLAIM FOR RELIEF

1. Complainant realleges and incorporates by reference the allegations in Paragraphs 1 through 5 in Specific Claims above.
2. As alleged in Paragraph 3, Respondent's failure to submit a response plan that satisfies the requirements of 33 U.S.C. 1321(j)(5) no later than February 18, 1993, as required by 40 CFR §112.20(a)(1), violated regulations issued under Section 311(j) of the Act. Pursuant to Section 311(b)(6)(B)(ii) of the Act, and the Civil Monetary Penalty Inflation Adjustment Final Rule dated December 31, 1996, the Respondent is liable for civil penalties of up to \$11,000 per day for each day during which the violation continues, up to a maximum of \$157,500.
3. As alleged in Paragraph 5 above, Respondent's failure to submit a response plan to the Regional Administrator that satisfies the requirements of this 40 CFR Part 112.20 no later than August 30, 1994, as required by 40 CFR §112.20(a)(1)(ii), violated regulations issued under Section 311(j) of the Act. Pursuant to Section 311(b)(6)(B)(ii) of the Act, and the Civil Monetary Penalty Inflation Adjustment Final Rule dated December 31, 1996, the Respondent is liable for civil penalties of up to \$11,000 per day for each day during which the violation continues, up to a maximum of \$157,500.

III. Notice of Proposed Order Assessing a Civil Penalty

Based on the foregoing Findings of Violation, and pursuant to the authority of Section 311(b)(6)(B)(ii) the Act, 33 U.S.C. §1321(b)(6)(B)(ii), and the Debt Collection Improvement Act of 1996, EPA, Region 2 hereby proposes, subject to receipt and evaluation of further relevant information, to issue a Final Order Assessing Administrative Penalties ("Final Order") to Respondent assessing a civil penalty of One Hundred Three Thousand Dollars (\$103,000). EPA determined the proposed penalty after taking into account the applicable factors identified at Section 311(b)(8) of the Act, 33 U.S.C. §1321(b)(8). These are: the seriousness of the violations, the economic benefit to the violator, if any, resulting from the violations, the degree of culpability involved, any other penalty for the same incident, any history of prior violations, the economic impact of the penalty on the violator, and any other factors as justice may require.

To develop the proposed penalty in this Complaint, Complainant has taken into account the particular facts and circumstances of this case, to the extent known to Complainant at the time of this Complaint.

IV. Procedures Governing This Administrative Litigation

The rules of procedure governing this civil administrative litigation have been set forth in the CROP, which have been codified at 40 CFR Part 22. A copy of these rules accompanies this Complaint.

A. Answering The Complaint

Where Respondent intends to contest any material fact upon which the Complaint is based, to contend that the proposed penalty is inappropriate or to contend that Respondent is entitled to judgment as a matter of law, Respondent must file with the Regional Hearing Clerk of EPA, Region 2, both an original and one copy of a written answer to the Complaint, and such Answer must be filed within thirty (30) days after service of the Complaint. 40 CFR § 22.15(a). The address of the Regional Hearing Clerk of EPA, Region 2, is:

Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 2
290 Broadway, 17th floor
New York, New York 10007-1866

Respondent shall also then serve one copy of the Answer to the Complaint upon Complainant and any other party to the action. 40 CFR §22.15(a).

Respondent's Answer to the Complaint must clearly and directly admit, deny, or explain

each of the factual allegations that are contained in the Complaint and with regard to which Respondent has any knowledge. 40 CFR §22.15(b). Where Respondent lacks knowledge of a particular factual allegation and so states in its Answer, the allegation is deemed denied. 40 CFR §22.15(b). The Answer shall also set forth: (1) the circumstances or arguments that are alleged to constitute the grounds of defense, (2) the facts that Respondent disputes (and thus intends to place at issue in the proceeding), (3) the basis for opposing the proposed relief and (4) whether Respondent requests a hearing. 40 CFR §22.15(b).

Respondent's failure affirmatively to raise in the Answer facts that constitute or that might constitute the grounds of its defense may preclude Respondent, at a subsequent stage in this proceeding, from raising such facts and/or from having such facts admitted into evidence at a hearing.

B. Opportunity To Request A Hearing

If requested by Respondent in its Answer, a hearing upon the issues raised by the Complaint and Answer may be held. 40 CFR §22.15(c). If, however, Respondent does not request a hearing, the Presiding Officer (as defined in 40 CFR §22.3) may hold a hearing if the Answer raises issues appropriate for adjudication. 40 CFR §22.15(c).

Any hearing in this proceeding will be held at a location determined in accordance with 40 CFR §22.21(d). A hearing of this matter will be conducted in accordance with the applicable provisions of the Administrative Procedure Act, 5 U.S.C. §§551-59, and the procedures set forth in Subpart D of the CROP, 40 CFR Part 22, Subpart D.

Should Respondent request a hearing on this proposed penalty assessment, members of the public, to whom EPA is obligated to give notice of this proposed action, will have a right under Section 311(b)(6)(C)(ii) of the Act, 33 U.S.C. §1321(b)(6)(C)(ii), to be heard and to present evidence on the appropriateness of the penalty assessment. Should Respondent not request a hearing, EPA will issue a Final Order, and only members of the public who submit timely comment on this proposal will have an additional thirty (30) days to petition EPA to set aside the Final Order and to hold a hearing thereon. EPA will grant the petition and will hold a hearing only if the petitioner's evidence is material and was not considered by EPA in the issuance of the Final Order.

C. Failure To Answer

If Respondent fails in its Answer to admit, deny, or explain any material factual allegation contained in the Complaint, such failure constitutes an admission of the allegation. 40 CFR §22.15(d). If Respondent fails to file a timely [i.e. in accordance with the 30-day period set forth in 40 CFR §22.15(a)] Answer to the Complaint, Respondent may be found in default upon motion. 40 CFR §22.17(a). Default by Respondent constitutes, for purposes of the pending proceeding only, an admission of all facts alleged in the Complaint

and a waiver of Respondent's right to contest such factual allegations. 40 CFR §22.17(a). Following a default by Respondent for a failure to timely file an Answer to the Complaint, any order issued therefor shall be issued pursuant to 40 CFR §22.17(c).

Any penalty assessed in the default order shall become due and payable by Respondent without further proceedings 30 days after the default order becomes final pursuant to 40 CFR §22.27(c). 40 CFR §22.17(d). If necessary, EPA may then seek to enforce such final order of default against Respondent, and to collect the assessed penalty amount, in federal court.

V. Settlement

If you wish to settle this matter without hearing, you may, subject to the provisions of 40 CFR § 22.18(a)(1), either (1) file an Answer to this Complaint and subsequently pay the full penalty requested within 60 days, or (2) within 30 days of your receipt of this Complaint file a written statement with the Regional Hearing Clerk at the address provided above agreeing to pay, and subsequently pay within 60 days of your receipt of this Complaint, the full penalty.

In either case, your payment shall be made by a cashier's or certified check, or by an electronic funds transfer (EFT). If you are paying by check, pay the check to "Environmental Protection Agency," noting on the check "OSTLF-311" and docket number "CWA-02-2007-3813". If you use the U.S. Postal Service, address the payment to "U.S. Environmental Protection Agency, P.O. Box 371099M, Pittsburgh, Pa. 15251"; if you use a private delivery service, address the payment to "Mellon Client Service Center, ATTN: Shift Supervisor, Lockbox 371099M Account 9109125, 500 Ross Street, Pittsburgh, Pa. 15262-0001."

If you are paying by EFT, you must instruct your agent to transfer funds to "Mellon Bank, ABA 043000261, Account 9109125, 22 Morrow Drive, Pittsburgh, Pa. 15235." (In the case of an international transfer of funds, use the SWIFT address MELNUS3P.) Pursuant to 40 CFR § 22.18(a)(1), you must file a copy of your check with the Regional Hearing Clerk at the address provided above. For EFT transfers, you must instead file a copy of your EFT confirmation with the Regional Hearing Clerk. In either case, you shall simultaneously send a copy of the check or EFT confirmation to the following person at the address below:

Regional Hearing Clerk
U.S. Environmental Protection Agency
290 Broadway - 17th Floor
New York, New York 10007

Whether or not Respondent requests a formal hearing, EPA encourages settlement of this

proceeding consistent with the provisions of the Act and its applicable regulations. 40 CFR §22.18(b). At an informal conference with a representative(s) of Complainant, Respondent may comment on the charges made in this complaint, and Respondent may also provide whatever additional information that it believes is relevant to the disposition of this matter, including: (1) actions Respondent has taken to correct any or all of the violations herein alleged, (2) any information relevant to Complainant's calculation of the proposed penalty, (3) the effect the proposed penalty would have on Respondent's ability to continue in business and/or (4) any other special facts or circumstances Respondent wishes to raise.

Complainant has the authority to modify the amount of the proposed penalty, where appropriate, to reflect any settlement agreement reached with Respondent, to reflect any relevant information previously not known to Complainant or to dismiss any or all of the charges, if Respondent can demonstrate that the relevant allegations are without merit and that no cause of action as herein alleged exists. Respondent is referred to 40 CFR §22.18.

Any request for an informal conference or any questions that Respondent may have regarding this Complaint should be directed to:

Tim Murphy, Esq.
Assistant Regional Counsel
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 2
290 Broadway, 16th floor
New York, New York 10007-1866
(212) 637-3236

The parties may engage in settlement discussions irrespective of whether Respondent has requested a hearing. 40 CFR §22.18(b)(1). Respondent's requesting a formal hearing does not prevent it from also requesting an informal settlement conference; the informal conference procedure may be pursued simultaneously with the formal adjudicatory hearing procedure. A request for an informal settlement conference constitutes neither an admission nor a denial of any of the matters alleged in the Complaint. Complainant does not deem a request for an informal settlement conference as a request for a hearing as specified in 40 CFR §22.15(c).

A request for an informal settlement conference does not affect Respondent's obligation to file a timely Answer to the Complaint pursuant to 40 CFR §22.15. No penalty reduction, however, will be made simply because an informal settlement conference is held.

Any settlement that may be reached as a result of an informal settlement conference shall be embodied in a written Consent Agreement. 40 CFR §22.18(b)(2). In accepting the Consent Agreement, Respondent waives its right to contest the allegations in the Complaint and waives its right to appeal the Final Order that is to accompany the Consent

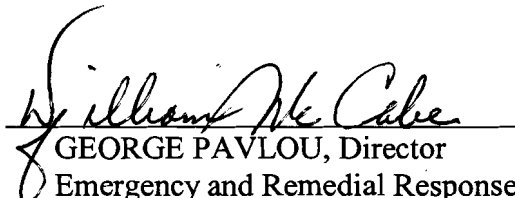
Complaint and waives its right to appeal the Final Order that is to accompany the Consent Agreement. 40 CFR §22.18(b)(2). In order to conclude the proceeding, a Final Order ratifying the parties' agreement to settle will be executed. 40 CFR §22.18(b)(3).

Respondent's entering into a settlement through the signing of such Consent Agreement and its complying with the terms and conditions set forth in the such Consent Agreement terminates this administrative litigation and the civil proceedings arising out of the allegations made in the Complaint. Respondent's entering into a settlement does not extinguish, waive, satisfy or otherwise affect its obligation and responsibility to comply with all applicable statutory and regulatory requirements, and to maintain such compliance.

VI. General Provisions

1. Respondent has a right to be represented by an attorney at any stage of these proceedings.
2. This Complaint does not constitute a waiver, suspension or modification of the requirements of the Act or regulations promulgated thereunder.
3. Neither assessment nor payment of an administrative civil penalty pursuant to Section 311(b)(6) of the Act will affect Respondent's continuing obligation to comply with the Act, and with any regulations promulgated, or orders issued, pursuant thereto.

ISSUED THIS 28TH DAY OF SEPTEMBER, 2007



GEORGE PAVLOU, Director
Emergency and Remedial Response Division
United States Environmental Protection Agency
Region 2
290 Broadway
New York, New York 10007

**UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 2**

IN THE MATTER OF

Casie Ecology Oil Salvage, Inc.
PO Box 92
Franklinville, NJ 08322

Proceeding to Assess Class II
Civil Penalty Under Section 311(b)(6)
of the Clean Water Act

Respondent.

Proceeding Pursuant to §311(b)(6) of the
Clean Water Act, 33 U.S.C. §1321(b)(6)

Docket No.
CWA-02-2007-3813

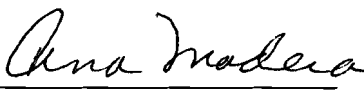
CERTIFICATE OF SERVICE

I certify that, on the date noted below, I caused to be mailed, by certified mail, return receipt requested, a copy of the foregoing "ADMINISTRATIVE COMPLAINT" and a copy of the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties," (64 *Federal Register* 40176 *et seq.*, July 23, 1999) to the following person at the address listed below:

Mr. Greg Call, President
Casie Ecology Oil Salvage, Inc.
PO Box 92
Franklinville, NJ 08322

I [hand carried / mailed] the original and a copy of the foregoing Complaint to the office of the Regional Hearing Clerk, United States Environmental Protection Agency, Region 2.

Date: OCT 2 2007
New York, New York


[Signature of Sender]