

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 2**

In the Matter of:

Costello Exterminating, Inc., Island Wide
Pest Management Group Inc., and
Ramón L. Castillo Ortiz,

Respondents.

Proceeding Under the Federal
Insecticide, Fungicide, and
Rodenticide Act, as amended, and
the Clean Air Act, as amended.

**COMPLAINT and
NOTICE OF OPPORTUNITY
TO REQUEST A HEARING**

FIFRA-02-2018-5302

This Complaint and Notice of Opportunity for Hearing (hereinafter referred to as the "Complaint") is filed pursuant to Section 14(a) of the Federal Insecticide, Fungicide, and Rodenticide Act ("FIFRA"), as amended, 7 U.S.C. § 136I(a); Section 113(d) of the Clean Air Act, as amended, 42 U.S.C. § 7413(d) ("CAA"); and in accordance with 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 ("Consolidated Rules of Practice" or "CROP").

The Complainant in this proceeding, the Director of the Division of Enforcement and Compliance Assistance, United States Environmental Protection Agency, Region 2 ("EPA"), has been duly delegated the authority to institute this action.

This Complaint serves notice of EPA's preliminary determination that Costello Exterminating, Inc., Island Wide Pest Management Group, Inc., and Ramón L. Castillo Ortiz, (hereinafter referred to as "Costello," "Island Wide," and "Castillo," respectively, or collectively as "Respondents"), violated provisions of FIFRA and the CAA.

FIFRA Statutory and Regulatory Background

1. Section 2(s) of FIFRA, 7 U.S.C. § 136(s), defines "person" as any individual, partnership, association, corporation, or any organized group of persons whether incorporated or not.

2. Section 2(e)(1) of FIFRA, 7 U.S.C. § 136(e)(1), and 40 C.F.R. § 171.2(a) define a “certified applicator” as any individual who is certified under Section 11 of FIFRA, 7 U.S.C. § 136i, as authorized to use or supervise the use of any pesticide which is classified for restricted use.
3. Section 2(e)(3) of FIFRA, 7 U.S.C. § 136(e)(3), and 40 C.F.R. § 171.2(a)(9) define a “commercial applicator” as an applicator who uses or supervises the use of any pesticide which is classified for restricted use for any purpose or on any property.
4. Section 2(t) of FIFRA, 7 U.S.C. § 136(t), and 40 C.F.R. § 152.5, define a “pest,” in part, as any insect.
5. Section 2(u) of FIFRA, 7 U.S.C. § 136(u), defines the term “pesticide” as, among other things, “(1) any substance or mixture of substances intended for preventing, destroying, repelling or mitigating any pest.”
6. Section 2(p)(1) of FIFRA, 7 U.S.C. § 136(p)(1), defines the term “label” as written, printed, or graphic matter on or attached to, the pesticide or device or any of its containers or wrappers.
7. Section 2(p)(2) of FIFRA, 7 U.S.C. § 136(p)(2), defines the term “labeling” as all labels and all other written, printed or graphic matter accompanying the pesticide or device at any time, or to which reference is made on the label or in literature accompanying the pesticide.
8. Section 2(ee) of FIFRA, 7 U.S.C. § 136(ee), defines the term “to use any registered pesticide in a manner inconsistent with its labeling” as to use any registered pesticide in a manner not permitted by the labeling.
9. Section 12(a)(2)(G) of FIFRA, 7 U.S.C. § 136j(a)(2)(G), states that it is unlawful for any person “to use any registered pesticide in a manner inconsistent with its labeling.”
10. Section 3(c) of FIFRA, 7 U.S.C. § 136a(c), sets out the procedure for registration of a pesticide, including the submission of “a complete copy of the labeling of the pesticide, a statement of all claims to be made for it, and any directions for use.” 7 U.S.C. § 136a(c)(1)(C).
11. Meth-O-Gas Q, EPA Reg. No. 5785-41 (“MethQ”) is a pesticide registered pursuant to FIFRA § 3, 7 U.S.C. § 136a.
12. On or about December 17, 2007, EPA approved a revised label for MethQ (herein “MethQ label”) and an accompanying booklet of additional directions designated MOGQ-2REV.GLK398F (the “Booklet”) (collectively the “MethQ Labeling”) in connection with the product’s registration that was in effect at all times relevant to this Complaint.

13. The MethQ Labeling set forth precautionary statements and specific directions regarding use, storage, handling sale and disposal of MethQ.

14. The following use statements are clearly displayed on the MethQ Label:

- a. At the top of the Meth Q label and on page 1 of the Booklet, in all bolded capital letters:

**“RESTRICTED USE PESTICIDE
DUE TO ACUTE TOXICITY”**

- b. At the top of the Meth Q label, in large font type and in bolded capital letters:

**“COMMODITY FUMIGANT
FOR QUARANTINE/REGULATORY USE ONLY
SUPERVISION BY REGULATORY AGENT REQUIRED”**

- c. “It is a violation of Federal law to use this product in a manner inconsistent with its labeling.”
- d. “This fumigant is a highly hazardous material ... Before using, read and follow all label precautions and directions.”
- e. “All persons working with this fumigant must be knowledgeable about the hazards, and trained in the use of required respiratory protection equipment and detector devices, emergency procedures, and proper use of the fumigant.”
- f. “MethQ may be used for quarantine/regulatory commodity fumigation only. Supervision by regulatory agent is required.”
- g. “You must carefully read and understand the accompanying use directions, GLK 398F [Booklet], in order to use MethQ.”
- h. “Observe all safety and precautionary statements as set forth in the accompanying use directions, GLK398F [Booklet].”

15. The following storage statement is displayed on the MethQ Label:

“Store cylinders upright, secured to prevent tipping, as allowed by design.”

16. Table 1 of the Booklet, *inter alia*, lists the stored raw agricultural commodities which may be fumigated with MethQ.

17. Table 2 of the Booklet, *inter alia*, lists the processed food commodities which may be fumigated with MethQ.

18. Table 3 of the Booklet, *inter alia*, lists the structures or vehicles associated with the transport or storage of raw or processed commodities in which MethQ fumigations may take place.
19. Table 4 of the Booklet, *inter alia*, lists the non-food commodities which may be fumigated with MethQ.
20. The following use statements are clearly displayed in the Booklet:
- a. At the top of page 1, in bolded capital letters:
**“RESTRICTED USE PESTICIDE
DUE TO ACUTE TOXICITY”**
 - b. On page 1, in large font type and bold capital letters:
**“METHO-O-GAS ®Q
COMMODITY FUMIGANT
FOR QUARANTINE/REGULATORY USE ONLY
SUPERVISION BY REGULATORY AGENT REQUIRED”.**
 - c. “READ THIS BOOKLET AND ENTIRE LABEL CAREFULLY PRIOR TO USE.
USE THIS PRODUCT ACCORDING TO LABEL INSTRUCTIONS.”
 - d. “It is a violation of Federal law to use this product in a manner inconsistent with its labeling.”
 - e. “This fumigant is a highly hazardous material ... Before using, read and follow all label precautions and directions.”
 - f. “All persons working with this fumigant must be knowledgeable about the hazards, and trained in the use of required respiratory protection equipment and detector devices, emergency procedures, and proper use of the fumigant.”
 - g. “This is a limited use label for quarantine/regulatory purposes and is to be used by or under the supervision of a State or Federal agency.”
21. The following storage statement is displayed in the Booklet:
“Store cylinders upright, secured to prevent tipping, as allowed by design.”

22. On or about September 30, 2015, EPA approved a revised label for MethQ (herein “2015 MethQ label”) and an accompanying booklet of additional directions designated 5785-41 Label-Booklet Amendment Sept 2015 (the “Booklet Amendment”) (collectively the “2015 MethQ Labeling”) in connection with the product’s registration that was in effect from that date forward.

23. The following storage statement is displayed on the 2015 MethQ label:
“Store cylinders upright, secured to a rack or wall to prevent tipping.”

24. The following storage statement is displayed on the Booklet Amendment:
“Store cylinders upright, secured to a rack or wall to prevent tipping.”

25. Section 14(b)(4) of FIFRA, 7 U.S.C. Section 136l(b)(4), states that “the act, omission or failure of any officer, agent or other person acting for or employed by any person shall in every case be also deemed to be the act, omission, or failure of such person as well as that of the person employed.”

CAA Statutory and Regulatory Background

26. Section 602(a) of the CAA, 42 U.S.C. § 7671a(a), directs the Administrator of EPA to publish a list of class I substances, and to add to that list any other substance that the Administrator finds causes or contributes significantly to harmful effects on the stratospheric ozone layer.

27. Section 603 of the CAA, 42 U.S.C. § 7671b, sets forth monitoring and reporting requirements for producers, importers or exporters of class I controlled substances, and authorizes the EPA Administrator to amend the monitoring and reporting regulations of class I and class II substances.

28. Pursuant to the authority in Section 603 of the CAA, 42 U.S.C. § 7671b, the Administrator of EPA promulgated regulations governing stratospheric ozone depleting substances, which are set forth at 40 C.F.R. Part 82.

29. Appendix A to 40 C.F.R. Part 82, Subpart A, lists class I controlled substances, and includes methyl bromide (CH₃Br) as a class I, Group VI controlled substance.

30. Appendix F to 40 C.F.R. Part 82, Subpart A, lists ozone-depleting chemicals, and includes methyl bromide (CH₃Br).

31. The use of methyl bromide, a class I ozone-depleting substance, for quarantine and preshipment purposes is regulated under Section 604(d)(5) of the CAA, 42 U.S.C. § 7671c (d)(5), and the implementing regulations at 40 C.F.R. Part 82.

32. Section 604 of the CAA, 42 U.S.C. § 7671c, provides for the phase-out of production and consumption of class I substances, with certain exceptions. One exception, set forth at Section 604(d)(5) of the CAA, 42 U.S.C. § 7671c(d)(5), provides that, to the extent consistent with the Montreal Protocol's quarantine and preshipment provisions, the EPA Administrator shall exempt from the phase-out the production, importation, and consumption of methyl bromide to fumigate commodities entering or leaving the United States or any State for purposes of compliance with Animal and Plant Health Inspection Service (U.S. Department of Agriculture) requirements or other international, Federal, State or local food protection standards.
33. Pursuant to 40 C.F.R. § 82.3, "quarantine applications" are, with respect to class I, Group VI controlled substances, treatments to prevent the introduction, establishment and/or spread of quarantine pests (including diseases), or to ensure their official control, where: (1) official control is that performed by, or authorized by, a national (including state, tribal or local) plant, animal or environmental protection or health authority; (2) quarantine pests are pests of potential importance to the areas endangered thereby and not yet present there, or present but not widely distributed and being officially controlled.
34. Pursuant to 40 C.F.R. § 82.3, "preshipment applications" are, with respect to class I, Group VI controlled substances, those non-quarantine applications applied within 21 days prior to export to meet the official requirements of the importing country or existing official requirements of the exporting country. Official requirements are those which are performed by, or authorized by, a national plant, animal, environmental, health or stored product authority.
35. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), and 40 C.F.R. § 82.3 define "person" 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.
36. Forty C.F.R. § 82.3 defines "applicator" as the person who applies methyl bromide.
37. Pursuant to 40 C.F.R. § 82.3, "distributor of methyl bromide" means the person directly selling a class I, Group VI controlled substance to an applicator.
38. Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), limits the Administrator's authority to matters where the total penalty sought does not exceed \$37,500 (the amount as adjusted by 40 C.F.R. § 19.4), and the first alleged date of violation occurred no more than 12 months prior to the initiation of administrative action, except where the Administrator and the Attorney General of the United States jointly determine that the matter involving a larger penalty amount or longer period of violations is appropriate for the administrative penalty action.
39. The Administrator and the Attorney General of the United States, each through their respective delegates, have determined jointly that an administrative penalty action is appropriate for the period of violation alleged in this Complaint.

Background and History

40. Respondent Costello is a pest control operator whose business headquarters is located at Las Piedras #10, Urb. Bonneville Heights, Caguas, Puerto Rico 00727-4960 (“Costello Facility”).
41. Respondent Costello is a corporation organized under the laws of the Commonwealth of Puerto Rico.
42. Respondent Island Wide is a pest control operator whose business headquarters is located at Calle 38 #1278, Urb. La Riviera SE, San Juan, Puerto Rico 00921 (“Island Wide Facility”).
43. Respondent Island Wide also maintains a separate storage facility for pesticides located at the Caribbean Produce Exchange, PR-869, Cataño, Puerto Rico 00962 (hereinafter “Island Wide Storage Facility”).
44. Respondent Island Wide is a corporation organized under the laws of the Commonwealth of Puerto Rico.
45. Respondent Island Wide is a subsidiary corporation of Costello.
46. Respondent Castillo is an owner of both Costello and Island Wide.
47. Respondent Castillo, the Technical Director for both Costello and Island Wide, directs all aspects of pest control for both Costello and Island Wide, including the purchase, application, and use (including storage) of pesticides.
48. Each Respondent has been, and continues to be, a “person” as defined by FIFRA § 2(s), 7 U.S.C. § 136(s), and as such is subject to FIFRA and the regulations promulgated thereunder.
49. Respondents engage, and at all times pertinent to this Complaint have engaged, in commercial activities providing pest control services, including the purchase, application, and use (including storage) of pesticides.
50. At all times pertinent to this Complaint, Respondent Costello has held a Puerto Rico Department of Health (DOH) license which allows it to operate as a pest control business in Puerto Rico. Costello’s DOH license number is 369.
51. At all times pertinent to this Complaint, Respondent Island Wide has held a Puerto Rico DOH license which allows it to operate as a pest control business in Puerto Rico. Island Wide’s DOH license number is 948.

52. At all times pertinent to this Complaint, Respondent Castillo has held a Puerto Rico DOH license which allows him to operate a pest control business in Puerto Rico. Castillo's DOH license number is 75758.
53. At all times pertinent to this Complaint, Respondent Castillo has held a certified applicator's license issued by the Puerto Rico Department of Agriculture ("PRDA") which allows him to purchase, apply, and use restricted use pesticides in Puerto Rico. Castillo's PRDA certified applicator license number is 1983-C-2507.
54. Each Respondent is, and has been at all times pertinent to this Complaint, a "commercial applicator" within the meaning of Section 2(e)(3) of FIFRA, 7 U.S.C. § 136(e)(3), and 40 C.F.R. § 171.2(a)(9).
55. Respondent Castillo is, and has been at all times pertinent to this Complaint, a "certified applicator" within the meaning of Section 2(e)(1) of FIFRA, 7 U.S.C. § 136(e)(1), and 40 C.F.R. § 171.2(a)(8).
56. Respondents are, and have been at all times pertinent to this Complaint, subject to FIFRA and the regulations promulgated thereunder.
57. The United States Department of Agriculture, Animal and Plant Health Inspection Service ("APHIS"), Plant Protection and Quarantine ("PPQ") program enters into compliance agreements with certified applicators to apply treatments for QPS purposes, including fumigation with methyl bromide, at approved APHIS treatment locations in the Commonwealth of Puerto Rico.
58. Upon information and belief, and except as otherwise alleged herein, Respondent Island Wide has performed QPS fumigations with methyl bromide pursuant to an APHIS PPQ compliance agreement.
59. Upon information and belief, and except as otherwise alleged herein, Respondent Castillo has performed QPS fumigations with methyl bromide pursuant to an APHIS PPQ compliance agreement.
60. Respondents Island Wide and Castillo are, and have been at all times pertinent to this Complaint, "persons," as that term is defined by Section 302(e) of the CAA, 42 U.S.C. §7602(e).
61. Respondents Island Wide and Castillo are, and have been at all times pertinent to this Complaint, "applicators" of methyl bromide within the meaning of 40 C.F.R. §82.3.
62. Respondents Island Wide and Castillo are, and have been at all times pertinent to this Complaint, subject to the CAA and the regulations at 40 C.F.R. Part 82 promulgated thereunder.

63. M & P Pest Control, Inc. (hereinafter “M & P”), located at 1332 Ave. Jesus T. Piñero, San Juan, Puerto Rico, has been a distributor of pesticides at all times pertinent to this Complaint.
64. M & P Pest Control is a “distributor of methyl bromide” as that term is defined by 40 C.F.R. § 82.3.
65. Acting under the authority and pursuant to the provisions of Section 9(a) of FIFRA, 7 U.S.C. § 136g(a), duly-authorized PRDA and EPA Inspectors conducted inspections of M & P on the following dates during 2015: March 25-26, 2015, March 31, 2015, April 8, 2015, April 16, 2015, April 17, 2015, April 22, 2015, May 13, 2015, May 20, 2015, and October 19, 2015 (collectively, the “M & P Inspections”).
66. At the M & P Inspections, the inspectors collected records and statements, including records and statements regarding Respondent Costello’s purchases of MethQ from M & P during the period March 2013 through April 2015.
67. MethQ’s active ingredient is 100% methyl bromide.
68. Respondent Costello is, and has been at all times pertinent to this Complaint, a “person,” as that term is defined by Section 302(e) of the CAA, 42 U.S.C. §7602(e).
69. Respondent Costello is, and has been at all times pertinent to this Complaint, an “applicator” of methyl bromide within the meaning of 40 C.F.R. §82.3.
70. Respondent Costello is, and has been at all times pertinent to this Complaint, subject to the CAA and the regulations at 40 C.F.R. Part 82 promulgated thereunder.
71. During the March 26, 2015 M & P Inspection, representatives of M & P provided the inspectors with a copy of the MethQ Labeling, identified in Paragraphs 12-21, above, which M & P provided with the sale of every MethQ canister.
72. On May 26, 2015, acting under the authority and pursuant to the provisions of Section 8(b) of FIFRA, 7 U.S.C. § 136f(b), and of Section 114a of the CAA, 42 U.S.C. § 7414, EPA sent M & P an Information Request Letter (“IRL”) requesting information and records regarding the import, distribution, and application of Methyl Bromide.
73. The IRL specifically requested, along with other reporting and recordkeeping documents, that M & P provide copies of certifications that M & P received from applicators stating that the quantity of methyl bromide ordered would be used solely for quarantine or preshipment (hereinafter “QPS”) applications as required by 40 C.F.R. § 82.13(y)(2).
74. On July 17, 2015, M & P provided a response (the “M & P Response”) to EPA’s IRL.

75. In the M & P Response, M & P stated, as a response to the portion of the IRL discussed in Paragraph 73, that “We don’t have any these (sic) documents.”

76. M & P sold or otherwise distributed quantities of MethQ to Respondent Costello between March 2013 and April 2015.

77. The MethQ canisters which M & P sold to Respondent Costello bore the MethQ Labeling identified in Paragraphs 12-21, above.

78. During the October 19, 2015 Inspection, Mr. Michael Pantoja, the president of M & P stated that “no applicator gave any QPS documentation to M & P.”

79. Acting under the authority and pursuant to the provisions of Section 9(a) of FIFRA, 7 U.S.C. § 136g(a), duly-authorized Inspectors from PRDA and/or EPA inspected Respondent Costello’s Facility on the following dates in 2015: April 13- 14; May 14; and October 22 (“April Inspections,” “May Inspection,” and “October inspection,” respectively, and “the Costello Inspections,” collectively).

80. Acting under the authority and pursuant to the provisions of Section 9(a) of FIFRA, 7 U.S.C. § 136g(a), duly-authorized EPA and PRDA Inspectors inspected Respondent Island Wide’s Facility and Storage Facility on May 16, 2017 (“the Island Wide Inspections”).

81. During the Costello Inspections and the Island Wide Inspections, the inspectors provided a Notice of Pesticides Use/Misuse Inspection form to each of the Respondents which identified the reason for each of the Inspections and the violations suspected.

82. During the Costello Inspections and the Island Wide Inspections, the EPA and PRDA inspectors requested that the Respondents provide all records in their possession relating to their purchase and use of methyl bromide.

83. During the Costello Inspections and the Island Wide Inspections, the EPA and PRDA inspectors collected records documenting Respondent Costello and Island Wide’s use of MethQ, for which they issued Receipts for Samples documents.

Counts 1 to 6 (Costello Exterminating)

Use of a Registered Pesticide in a Manner Inconsistent with its Labeling (Applications)

84. Complainant restates each allegation contained in Paragraphs 1 through 83, inclusive, as if fully set forth herein.

85. Respondent Costello applied MethQ from canisters bearing the MethQ Labeling referenced in Paragraphs 12, 13, 71, and 77, above, and containing the statements set out in Paragraphs 14 through 21, above, at the following dates, times, and locations:

	Date	Company	Location	Type of Structure/ Treatment Site	Invoice Number
1	5/3/2013	Costello	Carolina, PR	Two Boats (recreational/pleasure craft)	91848SE
2	10/16/2014	Costello	San Juan, PR	Furniture/Office Building	97525SE
3	2/24/2015	Costello	Bayamon, PR	Joinery/Corrections Facility	98954SE

86. In the course of the three (3) MethQ applications set out in the table in Paragraph 85, above, Respondent Costello committed six (6) separate violations of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), specifically consisting of:

- a. Three (3) applications to a site not specified in the MethQ Labeling; and
- b. Three (3) applications not supervised by a regulatory agent as required by the MethQ Labeling.

87. None of the applications identified in the table in Paragraph 85, above, was to raw or processed commodities listed on the MethQ Labeling (Tables 1, 2, and 4 of the Booklet).

88. None of the structures or vehicles identified in the table in Paragraph 85, above, was associated with the transport or storage of raw or processed commodities as required by the MethQ Labeling (Table 3 of the Booklet).

89. None of the structures or vehicles identified in the table in Paragraph 85, above, is an appropriate application site specified by the MethQ Labeling (Table 3 of the Booklet).

90. None of the MethQ applications set out in the table in Paragraph 85, above, was supervised by a regulatory agent.

91. Each of Respondent Costello's failures to comply with a specific requirement of the MethQ Labeling, as described in Paragraphs 86 to 90, above, constitutes a separate use of a registered pesticide in a manner inconsistent with its labeling, in violation of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G).

92. Each of Respondent Costello's six (6) failures to comply with specific requirements of the MethQ Labeling is a violation of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), for which a penalty may be assessed pursuant to FIFRA.

Counts 7 to 18 (Island Wide)

Use of a Registered Pesticide in a Manner Inconsistent with its Labeling (Applications)

93. Complainant restates each allegation contained in Paragraphs 1 through 92, inclusive, as if fully set forth herein.

94. Respondent Island Wide applied MethQ from canisters bearing the MethQ Labeling referenced in Paragraphs 12, 13, 71, and 77, above, and containing the statements set out in Paragraphs 14 through 21, above, at the following dates, times, and locations:

	Date	Company	Location	Type of Structure/ Treatment Site	Invoice Number
1	5/2/2013	Island Wide	Condado, PR	Joinery/Hospital	29791SE
2	9/5/2013	Island Wide	San Lorenzo, PR	Cabinets/Laboratory	30602SE
3	9/9/2013	Island Wide	Hato Rey, PR	Shelves/Office Building	30604SE
4	2/21/2014	Island Wide	Caguas, PR	Wagons	31440SE
5	3/26/2014	Island Wide	Caguas, PR	Wagons	31673SE
6	4/15/14	Island Wide	Guyanbo, PR	Drawers and Cabinets/Law Firm	31963SE

95. In the course of the six (6) MethQ applications set out in the table in Paragraph 94, above, Respondent Islandwide committed twelve (12) separate violations of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), specifically consisting of:

- a. Six (6) applications to a site not specified in the MethQ Labeling; and
- b. Six (6) applications not supervised by a regulatory agent as required by the MethQ Labeling.

96. None of the applications identified in the table in Paragraph 94, above, was to raw or processed commodities listed on the MethQ Labeling (Tables 1, 2, and 4 of the Booklet).

97. None of the structures or vehicles identified in the table in Paragraph 94, above, was associated with the transport or storage of raw or processed commodities as required by the MethQ Labeling (Table 3 of the Booklet).

98. None of the structures or vehicles identified in the table in Paragraph 94, above, is an appropriate application site specified by the MethQ Labeling (Table 3 of the Booklet).

99. None of the MethQ applications set out in the table in Paragraph 94, above, was supervised by a regulatory agent.

100. Each of Respondent Island Wide's failures to comply with a specific requirement of the MethQ Labeling, as described in Paragraphs 95 to 99, above, constitutes a separate use of a registered pesticide in a manner inconsistent with its labeling, in violation of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G).

101. Each of Respondent Island Wide's twelve (12) failures to comply with specific requirements of the MethQ Labeling is a violation of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), for which a penalty may be assessed pursuant to FIFRA.

**Counts 19 to 36 (Ramon L. Castillo Ortiz)
Use of a Registered Pesticide in a Manner Inconsistent with its Labeling
(Applications)**

102. Complainant restates each allegation contained in Paragraphs 1 through 101, inclusive, as if fully set forth herein.

103. Respondent Castillo, in his capacity as the certified applicator for Respondent Costello, conducted the MethQ applications in Table 85, above.

104. Respondent Castillo, in his capacity as the certified applicator for Respondent Island Wide, conducted the MethQ applications in the table in Paragraph 94, above.

105. In the course of the three (3) MethQ applications set out in the table in Paragraph 85, above, Respondent committed six (6) separate violations of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), specifically consisting of:

- a. Three (3) applications to a site not specified in the MethQ Labeling; and
- b. Three (3) applications not supervised by a regulatory agent as required by the MethQ Labeling.

106. In the course of the six (6) MethQ applications set out in the table in Paragraph 94, above, Respondent Castillo committed twelve (12) separate violations of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), specifically consisting of:

- a. Six (6) applications to a site not specified in the MethQ Labeling; and
- b. Six (6) applications not supervised by a regulatory agent as required by the MethQ Labeling.

107. Each of Respondent Castillo's failures to comply with a specific requirement of the MethQ Labeling constitutes a separate use of a registered pesticide in a manner inconsistent with its labeling, in violation of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G).

108. Each of Respondent Castillo's eighteen (18) failures to comply with specific requirements of the MethQ Labeling, as described in Paragraphs 86-90, 95-99, and 105-106, above, is a violation of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), for which a penalty may be assessed pursuant to FIFRA.

Counts 37-39 (Island Wide and Castillo)

Use of Registered Pesticide in a Manner Inconsistent with its Label (Storage)

109. Complainant realleges each allegation contained in Paragraphs 1 through 108, inclusive, as if fully set forth herein.

110. Respondents Island Wide and Castillo store pesticides at the Island Wide Storage facility located at PR-869, Cataño, Puerto Rico 00962.

111. During the May 2017 Inspection at the Island Wide Storage Facility, PRDA and EPA Inspectors observed three (3) MethQ cylinders in the pesticide storage area which were not secured to a rack or wall.

112. The MethQ labeling and the 2015 MethQ labeling require cylinders of MethQ to be secured in storage to prevent tipping.

113. Respondents Island Wide and Castillo stored three containers of MethQ in an unsecured manner.

114. Respondents Island Wide and Castillo's failures to store each of the three MethQ cylinders in a secure manner constitute separate uses of a registered pesticide in a manner inconsistent with its labeling and an unlawful act under FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), for which a penalty may be assessed.

CAA Liability

Count 40 (Costello)

Failure to Comply with CAA Recordkeeping Requirements

115. Complainant realleges each allegation contained in Paragraphs 1 through 114, inclusive, as if fully set forth herein.

116. Pursuant to 40 C.F.R. § 82.13(z)(1), applicators of methyl bromide produced or imported solely for quarantine and/or preshipment ("QPS") applications must maintain, for three years, for every application, a document from the commodity owner, shipper or their agent, requesting the use of methyl bromide for QPS applications and citing the regulatory requirement that justifies its use.

117. During the October 2015 Inspection at Costello, Castillo informed the inspectors that he had not obtained the document required by 40 C.F.R. § 82.13(z)(1) for any of Costello's methyl bromide applications.

118. Respondent Costello failed to collect and maintain the document required by 40 C.F.R. § 82.13(z)(1) for any of the following MethQ applications occurring between May 3, 2013 and February 24, 2015:

	Date	Description of service	Site Address
1	5/3/2013	2 boats (recreational/pleasure craft)	Bo. Martin Gonzalez Carr. 860, Carolina, PR
2	5/23/2013	4 containers	Not Listed
3	8/4/2013	5 containers	Not Listed
4	9/26/2013	container #8760148	Not Listed
5	9/26/2013	container #493142	Not Listed
6	4/25/2014	4 containers	Not Listed
7	6/20/2014	container #635764	Not Listed
8	6/20/2014	container #876020	Not Listed
9	6/20/2014	container #452202	Not Listed
10	6/20/2014	container #38641	Not Listed
11	6/20/2014	container #48463	Not Listed
12	6/20/2014	container #484526	Not Listed
13	6/20/2014	container #430374	Not Listed
14	6/20/2014	container #260418	Not Listed
15	6/24/2014	container #230854	Not Listed

16	6/24/2014	container #633673	Not Listed
17	6/24/2014	container #720163	Not Listed
18	6/24/2014	container #240859	Not Listed
19	7/5/2014	container #451002	Not Listed
20	7/5/2014	container #941155	Not Listed
21	7/12/2014	container #455407	Not Listed
22	7/12/2014	container #493146	Not Listed
23	7/12/2014	container #430213	Not Listed
24	7/12/2014	container #451002	Not Listed
25	7/12/2014	container #941155	Not Listed
26	7/15/2014	container #675390	Not Listed
27	7/15/2014	container #38641	Not Listed
28	7/15/2014	container #630709	Not Listed
29	7/15/2014	container #49123	Not Listed
30	7/15/2014	container #451587	Not Listed
31	7/15/2014	container #452410	Not Listed
32	7/22/2014	container #230215	Not Listed
33	8/5/2014	container #260430	Not Listed
34	8/5/2014	container #260172	Not Listed
35	8/5/2014	container #310081	Not Listed

36	8/15/2014	container #532537	Not Listed
37	9/18/2014	5 containers	Not Listed
38	9/29/2014	container #453810	Not Listed
39	10/16/2014	desks and furniture in office	San Juan, PR
40	11/24/2014	loose pallets of Don Gato	Not Listed
41	11/24/2014	container #Alpo	Not Listed
42	11/24/2014	container #Beneful	Not Listed
43	2/24/2015	Joinery	Bayamon, PR

119. Respondent Costello's failure to comply with the recordkeeping requirements of 40 C.F.R. § 82.13(z)(1) for its methyl bromide applications during the period May 3, 2013 to February 24, 2015 constitutes an unlawful act under the CAA, for which a civil penalty may be assessed under Section 113(d)(1)(B), 42 U.S.C § 7413(d)(1)(B).

**Count 41 (Island Wide)
Failure to Comply with CAA Recordkeeping Requirements**

120. Complainant realleges each allegation contained in Paragraphs 1 through 119 inclusive, as if fully set forth herein.

121. Pursuant to 40 C.F.R. § 82.13(z)(1), applicators of methyl bromide produced or imported solely for quarantine and/or preshipment ("QPS") applications must maintain, for three years, for every application, a document from the commodity owner, shipper or their agent, requesting the use of methyl bromide for QPS applications and citing the regulatory requirement that justifies its use.

122. At the Island Wide Inspection, Respondent Island Wide could not provide the inspectors with the document required by 40 C.F.R. § 82.13(z)(1) for any of Costello's methyl bromide lications.

123. Respondent Island Wide failed to collect and maintain the document document required by 40 C.F.R. § 82.13(z)(1) for any of the following MethQ applications occurring between May 2, 2013 and March 24, 2015.

	Invoice Number	Date	Description of service	Site Address
1	29791SE	5/2/2013	termites-in table in area of joinery	Ave Ashford, Condado, PR
2	29812SE	5/22/2013	fumigation of wagons for cockroaches, ants, termite	Luchetti Industrial, Bayamon PR
3	30023SE	6/24/2013	Cockroaches, ants – wagons	Luchetti Industrial, Bayamon PR
4	30291SE	7/29/2013	Illegible	Luchetti Industrial, Bayamon, PR
5	30602SE	9/5/2013	moths- all the cabinets in the laboratory: encapsulation	Urb. Aponte5, San Lorenzo
6	30604SE	9/9/2013	termites- two wooden shelves located on the 7th floor	Ave Ponce de Leon, Hato Rey, PR
7	30819SE	10/21/2013	pallets in wagons	Luchetti Industrial, Bayamon, PR
8	31440SE	2/21/2014	termites - 40 foot wagon	Carr #1, Caguas, PR
9	31673SE	3/26/2014	termites - 40 foot wagon	Carr #1 Caguas, PR
10	31676	3/28/2014	termites - 17 wagons	Luchetti Industrial, Bayamon, PR
11	31962SE	4/15/2014	ants, cockroaches, rodents	Luchetti Industrial, Bayamon, PR
12	31963SE	4/15/2014	termites - areas: warehouse, desk, drawers, file cabinets	Carr.165 Guyanabo, PR
13	32464SE	6/1/2014	all pests listed on record and termites	Luchetti Industrial, Bayamon, PR
14	32538SE	6/26/2014	Weevils on 3 isolated pallets of dog food in 1 wagon	PO box 367532 San Juan, PR
15	32544SE	6/30/2014	Weevils in sacks of dog food in 2 wagons	PO box 367532 San Juan, PR
16	32647SE	7/15/2014	cockroaches, termites	Luchetti Industrial, Bayamon, PR
17	33686SE	7/30/2014	cockroaches, ants, termites	Luchetti Industrial, Bayamon, PR
18	32823SE	8/6/2014	in containers	Luchetti Industrial, Bayamon, PR

19	32850SE	8/18/2014	"gandules"	Luchetti Industrial, Bayamon, PR
20	33019SE	9/2/2014	cockroaches, ants, rodents	Luchetti Industrial, Bayamon, PR
21	34092SE	2/21/2015	other – wagons	Luchetti Industrial, Bayamon, PR
22	34287SE	3/24/2015	cockroaches, ants, termites	Luchetti Industrial, Bayamon, PR

124. Respondent Island Wide's failure to comply with the recordkeeping requirements of 40 C.F.R § 82.13 (z)(1) for its methyl bromide applications during the period May 2, 2013 to March 24, 2015 constitutes an unlawful act under the CAA, for which a civil penalty may be assessed under Section 113(d)(1)(B), 42 U.S.C § 7413(d)(1)(B).

Count 42 (Costello)
Failure to Comply with CAA Reporting Requirements

125. Complainant realleges each allegation contained in Paragraphs 1 through 124, inclusive, as if fully set forth herein.

126. Pursuant to 40 C.F.R. § 82.13(z)(2), every applicator that purchases methyl bromide that was produced or imported solely for QPS applications shall provide to the distributors from whom they purchase, prior to shipment, a certification that the methyl bromide will be used only for QPS applications.

127. During the October 2015 Inspection at Costello, Respondent Castillo told inspectors that all the MethQ applied by Costello and Island Wide were purchased by Costello from M & P.

128. Respondent Costello purchased cylinders of MethQ from M & P on the following nine dates:

	Invoice Number	Date	Unit Purchased	Amount Purchased
1	204870	6/14/2013	2	50 lb.
2	208733	8/7/2013	2	50 lb.
3	210171	8/26/2013	2	50 lb.
4	198228	3/26/2014	3	50 lb.
5	203459	6/20/2014	1	50 lb.
6	207322	8/19/2014	1	50 lb.
7	208784	9/9/2014	1	50 lb.
8	214808	12/17/2014	2	50 lb.
9	220407	4/8/2015	3	50 lb.

129. During the M & P Inspections, M & P's owner told inspectors that he did not receive certifications from any purchasers stating that the methyl bromide purchased would be used only for QPS applications.

130. During the October 2015 Inspection, Respondent Castillo told inspectors that he did not provide a certification to M & P stating that the methyl bromide purchased by Costello would be used only for QPS applications.

131. From June 14, 2013 to April 8, 2015, Respondent Costello purchased methyl bromide from M & P without providing, prior to shipment, a certification that the MethQ purchased would be used only for QPS applications.

132. Respondent Costello's failure to comply with the reporting requirements of 40 C.F.R. § 82.13(z)(2) for the MethQ it purchased from M & P from June 14, 2013 through April 8, 2015 constitutes an unlawful act under the CAA, for which a civil penalty may be assessed under Section 113(d)(1)(B) 42 U.S.C. § 7413(d)(1)(B).

PROPOSED CIVIL PENALTY

Complainant proposes at this time that Respondents be assessed the statutory maximum penalties authorized by FIFRA and the CAA. After an exchange of information has occurred, pursuant to 40 C.F.R. § 22.19, Complainant will file a document with a specific proposed penalty and an explanation of how the proposed penalty was calculated in accordance with the criteria in FIFRA and the CAA. Pursuant to 40 C.F.R. § 22.14(a)(4)(ii), the text below provides the number of violations for which a penalty is sought, a brief explanation of the severity of each violation alleged and a recitation of the relevant statutory penalty authority of FIFRA and the CAA. Complainant intends to seek penalties for each violation alleged in each Count.

FIFRA VIOLATIONS

EPA's FIFRA Penalty Authority and Overview of FIFRA Enforcement Response Policy

Pursuant to Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), as amended, Complainant proposes the assessment of a civil penalty of up to \$7,500 per day against both Respondents for each of the applicable violations of FIFRA alleged in this Complaint.

For the FIFRA violations alleged above, the proposed civil penalty will be determined in accordance with Section 14(a) of FIFRA, 7 U.S.C. § 136l(a), as amended, which authorizes the assessment of a civil penalty of up to \$7,500 for each violation of "any provision of" subchapter II of FIFRA, 7 U.S.C. §§ 136-136y. (Pursuant to the Debt Collection Improvement Act of 1996 ("DCIA"), and the Civil Monetary Penalty Inflation Adjustment Rules, 61 Fed. Reg. 69360 (December 31, 1996), 69 Fed. Reg. 7121 (February 13, 2004), and 73 Fed. Reg. 75345

(December 11, 2008) (collectively, “Inflation Rules”), as codified at 40 C.F.R. Part 19, the statutory maximum assessment per violation was raised to \$7,500 for violations occurring after January 12, 2009.)

For purposes of determining the amount of any penalty to be assessed, Section 14 of FIFRA requires that EPA “shall consider the appropriateness of such penalty to the size of the business of the person charged, the effect on the person’s ability to continue in business, and the gravity of the violation” (Section 14(a)(4) of FIFRA, 7 U.S.C. § 136l(a)(4)).

In developing the proposed penalty for the violations alleged in this Complaint, Complainant will take into account the particular facts and circumstances of this case, to the extent known at the time, and use EPA’s “FIFRA Enforcement Response Policy [for] The Federal Insecticide, Fungicide and Rodenticide Act,” dated December 2009 (hereinafter referred to as the “ERP”). This guidance policy provides rational, consistent and equitable calculation methodologies for applying the statutory penalty criteria enumerated above to particular cases to develop a gravity-based penalty for each violation. A copy of the ERP is available upon request or may be obtained from the Internet at this address: <http://www.epa.gov/enforcement/fifra-enforcement-response-policy>.

Complainant may adjust each gravity-based penalty upward or downward based upon the violator-specific and environmental sensitivity adjustment factors described in the ERP. In addition, Complainant may add a component to reflect any economic benefit gained by Respondent for failing to comply with the regulatory requirement. Complainant will also consider, if raised, Respondent’s ability to pay a civil penalty. The burden of raising and demonstrating an inability to pay rests with Respondent.

As a basis for calculating a specific penalty pursuant to 40 C.F.R. § 22.19(a)(4), Complainant will consider, among other factors, facts and circumstances unknown to Complainant at the time of issuance of this Complaint that become known after the Complaint is issued.

Counts 1-39 – Use of a Registered Pesticide in a Manner Inconsistent with its Labeling, in violation of FIFRA § 12(a)(2)(G), 7 U.S.C. § 136j (a)(2)(G), broken down by each Respondent as follows:

Costello: Counts 1-6

Island Wide: Counts 7-18, 37-39

Castillo: Counts 19–36, 37-39

For each type of violation associated with a particular product, the penalty amount is determined under the seven-step process in the ERP that considers the Section 14(a)(4) criteria. These steps using the tables and Appendixes in the ERP are as follows:

- (1) *Number of independently assessable violations*: The Agency considers each failure of an applicator to follow a distinct label requirement to be an independently assessable violation of FIFRA § 12(a)(2)(G). The number of violations and days of violations are set out in Counts 1-42, above. Each of these independent violations of FIFRA is subject to civil penalties up to the statutory maximum.
- (2) *Size of business category for the violator*: In order to provide equitable penalties, civil penalties assessed for violations of FIFRA generally increase as the size of the Respondent increases.
- (3) *Gravity of the violation for each independently assessable violation*: The level assigned to each violation of FIFRA represents an assessment of the relative severity of each violation. The relative severity of each violation considers the actual or potential harm to human health and the environment which could result from the violation and the importance of the requirement to achieving the goals of the statute. MethQ is a highly toxic restricted use pesticide. In conducting each of the fifteen applications described herein, Respondent deviated substantially and in multiple ways from the requirements of the MethQ labeling, endangering himself, his customers, potentially others, and the environment.
- (4) *“Base” penalty amount associated with the size of business and the gravity of violation for each independently assessable violation*: The size of business categories and gravity levels are broken out in the ERP Penalty Matrices. FIFRA imposes different statutory ceilings on the maximum civil penalty that may be assessed against persons listed in FIFRA § 14(a)(1) and persons listed in Section 14(a)(2), and the ERP sets out separate penalty matrices for each. As a certified applicator, Respondent is a FIFRA § 14(a)(1) business.
- (5) *“Adjusted” penalty amount based on case-specific factors using the gravity adjustment criteria*: The Agency has assigned adjustments, for each violation relative to the specific characteristics of the pesticide involved, the harm to human health and/or harm to the environment, compliance history of the violator, and the culpability of the violator. The gravity adjustment values from each gravity category listed in Appendix B of the ERP are to be totaled. Once this base penalty amount is calculated, it is to be rounded to the nearest \$100.
- (6) *Economic benefit of noncompliance*: An economic benefit component should be calculated and added to the gravity-based penalty component when a violation results in “significant” economic benefit to the violator. “Significant” is defined as an economic benefit that totals more than \$10,000 for all FIFRA violations alleged in the complaint.

(7) *Violator's ability to continue in business*: FIFRA § 14(a)(4) requires the Agency to consider the effect of the penalty on a respondent's ability to continue in business when determining the amount of the civil penalty.

In instances where the Agency obtains records which evidence multiple applications, sales or distributions for the same violations, the Region may apply a "graduated" penalty calculation.

CAA VIOLATIONS

EPA's CAA Penalty Authority and Overview of CAA General Policy

Section 113(d) of the CAA, 42 U.S.C. § 7413(d), provides that the Administrator may assess a civil administrative penalty of up to \$25,000 per day for each violation of the CAA. As previously noted, the DCIA requires EPA periodically to adjust its civil monetary penalties for inflation. Pursuant to the DCIA, EPA adopted regulations entitled Civil Monetary Penalties Inflation Adjustment Rule which are codified at 40 C.F.R. Part 19 ("Part 19"). The maximum civil penalty per day for each violation that occurred from January 12, 2009 until now is \$37,500.

In determining the amount of penalty to be assessed, Section 113(e) of the CAA requires that the Administrator consider the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of the violation as established by any credible evidence, the payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, the seriousness of the violation, and other factors as justice may require.

In calculating a specific penalty pursuant to 40 C.F.R. § 22.19(a)(4), Complainant will consider, among other factors, facts and circumstances unknown to Complainant at the time of issuance of the Complaint that become known after the Complaint is issued.

Pursuant to Section 113(d) of CAA, 42 U.S.C. § 7413(d), as amended, Complainant proposes the assessment of a civil penalty of up to \$37,500 per day against Respondent Costello for each of the applicable violations alleged in this Complaint.

The violations alleged in Counts 40 and 41 would result in Respondents Costello and Island Wide being liable for the assessment of administrative penalties pursuant to Section 113(d) of the CAA. The violations alleged in Count 42 would result in Respondent Costello being liable for the assessment of administrative penalties pursuant to Section 113(d) of the CAA. The proposed penalty will be prepared in accordance with the criteria in Section 113(e) of the CAA, and in accordance with the guidelines set forth in EPA's Clean Air Act Stationary Source Civil Penalty Policy, as amended (General Policy). EPA's General Policy reflects EPA's application of the factors set forth in Section 113(e) of the Act and provides guidance on how EPA is to calculate penalties for the CAA. The policy indicates that EPA should propose a penalty consisting of an economic benefit component and a gravity component. The economic benefit component is the economic benefit the violator gained as a result of the violation. The gravity

component, in turn, consists of elements based on the actual or potential harm caused by the violation, the significance of the regulation in question to the regulatory scheme, the sensitivity of the environment and the size of the violator.

Economic benefit: The General Policy provides the Region the discretion not to seek economic benefit where the benefit derived from the CAA violations is less than \$5,000.

Gravity: The General Policy also indicates that the Region should recover penalties that reflect the “seriousness” of the violation in a gravity component. In measuring the seriousness of these violations, the Region may consider the importance to the regulatory scheme, the duration of the violation, and the size of the violator.

Size of the violator: In order to provide equitable penalties, civil penalties assessed for violations of the CAA will generally increase as the size of the business increases.

Counts 40 and 41 - Recordkeeping—Failure to maintain records from commodity owner requesting use of QPS Methyl Bromide and citing legal justification for such use for 3 years, in violation of 40 C.F.R. § 82.13(z)(1).

Gravity: Respondents Island Wide and Costello’s respective failures to create and maintain records as required by 40 C.F.R. Part 82 contravened the essence of the regulatory scheme.

Importance to regulatory scheme: The Respondents Island Wide and Costello, by failing to keep the required record, deviated substantially from the regulation. Recordkeeping allows regulatory agencies to confirm that QPS methyl bromide is being used properly.

Duration of violation: The violation period reflects the total number of days between the first date of a methyl bromide application for which no record was kept through the last date of such an application.

Count 42 - Reporting—Failure to provide certifications to distributor, prior to shipment of QPS methyl bromide, that methyl bromide will only be used for QPS applications, in violation of 40 C.F.R. § 82.13(z)(2).

Gravity: Respondent Costello’s failure to provide the required certifications for MethQ contravened the regulatory scheme.

Importance to regulatory scheme: The Respondent Costello, by failing to submit a required certification, deviated substantially from the regulation. Certification requirements help distributors report to EPA that QPS methyl bromide is being sold for QPS purpose.

Duration of violation: The violation period reflects the total number of days between the first date of a methyl bromide purchase for which no certification was provided to the distributor through the last date of such a purchase.

PROCEDURES GOVERNING THIS ADMINISTRATIVE LITIGATION

The rules of procedure governing this civil administrative litigation were originally set forth in 64 Fed. Reg. 40138 (July 23, 1999), entitled, CONSOLIDATED RULES OF PRACTICE GOVERNING THE ADMINISTRATIVE ASSESSMENTS OF CIVIL PENALTIES, ISSUANCE OF COMPLIANCE OR CORRECTIVE ACTION ORDERS, AND THE REVOCATION, TERMINATION OR SUSPENSION OF PERMITS (“Consolidated Rules of Practice”), and which are codified at 40 C.F.R. Part 22. These rules were recently amended to simplify the administrative processing of cases by expanding the availability of electronic filing and service procedures and eliminating inconsistencies. 82 Fed. Reg. 2230, January 9, 2017. These amendments became effective on May 22, 2017 and apply to all new case filings after that date. A copy of the current Consolidated Rules of Practice, incorporating these amendments, accompanies this Complaint.

A. Answering the Complaint

Where Respondents intend to contest any material fact upon which the Complaint is based, to contend that the proposed penalty and/or the Compliance Order is inappropriate or to contend that Respondent is entitled to judgment as a matter of law, Respondents 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 30 days after service of the Complaint. 40 C.F.R. §§ 22.15(a) and 22.7(c). The address of the Regional Hearing Clerk of EPA, Region 2, is:

**Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 2
290 Broadway, 16th floor
New York, New York 10007-1866**

(NOTE: Any documents that are filed after the Answer has been filed should be filed as specified in “D” below.)

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

Respondents’ 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 C.F.R. § 22.15(b). Where Respondents lack knowledge of a particular factual allegation and so states in its Answer, the allegation is deemed denied. 40 C.F.R. § 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 Respondents dispute (and thus intend to place at issue in the proceeding) and (3) whether Respondents request a hearing. 40 C.F.R. § 22.15(b).

Respondents' failure affirmatively to raise in the Answer facts that constitute or that might constitute the grounds of their defense may preclude Respondents, 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 Respondents in their Answer(s), a hearing upon the issues raised by the Complaint and Answer may be held (40 C.F.R. § 22.15(c)). If, however, Respondents do not request a hearing, the Presiding Officer (as defined in 40 C.F.R. § 22.3) may hold a hearing if the Answer raises issues appropriate for adjudication (40 C.F.R. § 22.15(c)).

Any hearing in this proceeding will be held at a location determined in accordance with 40 C.F.R. § 22.35(b). A hearing of this matter will be conducted in accordance with the applicable provisions of the Administrative Procedure Act ("APA"), 5 U.S.C. §§ 551-59, and the procedures set forth in Subpart D of 40 C.F.R. Part 22.

C. Failure to Answer

If Respondents fail in their Answer(s) to admit, deny, or explain any material factual allegation contained in the Complaint, such failure constitutes an admission of the allegation. 40 C.F.R. § 22.15(d). If Respondent fails to file a timely [i.e. in accordance with the 30-day period set forth in 40 C.F.R. § 22.15(a)] Answer to the Complaint, Respondents may be found in default upon motion. 40 C.F.R. § 22.17(a). Default by Respondents constitutes, for purposes of the pending proceeding only, an admission of all facts alleged in the Complaint and a waiver of Respondents' right to contest such factual allegations. 40 C.F.R. § 22.17(a). Following a default by Respondents for a failure to timely file an Answer to the Complaint, any order issued therefore shall be issued pursuant to 40 C.F.R. § 22.17(c).

Any penalty assessed in the default order shall become due and payable by Respondents without further proceedings 30 days after the default order becomes final pursuant to 40 C.F.R. § 22.27(c). 40 C.F.R. § 22.17(d). If necessary, EPA may then seek to enforce such final order of default against Respondents, and to collect the assessed penalty amount, in federal court or through other appropriate means. Any default order requiring compliance action shall be effective and enforceable against Respondents without further proceedings on the date the default order becomes final under 40 C.F.R. § 22.27(c). 40 C.F.R. § 22.17(d).

D. Filing of Documents Filed After the Answer

Unless otherwise ordered by the Presiding Officer for this proceeding, all documents filed after Respondents have filed an Answer(s) should be filed with the Headquarters Hearing Clerk acting on behalf of the Regional Hearing Clerk, addressed as follows:

If filing by the United States Postal Service:

Mary Angeles
Headquarters Hearing Clerk
Office of the Administrative Law Judges
U.S. Environmental Protection Agency
1200 Pennsylvania Avenue, N.W.
Mail Code 1900R
Washington, D.C. 20460

If filing by UPS, FedEx, DHL or other courier or personal delivery, address to:

Mary Angeles
Headquarters Hearing Clerk
Office of the Administrative Law Judges
Ronald Reagan Building, Room M1200
U.S. Environmental Protection Agency
1300 Pennsylvania Avenue, N.W.
Washington, D.C. 20460

E. Exhaustion of Administrative Remedies

Where Respondents fail to appeal an adverse initial decision to the Agency's Environmental Appeals Board ("EAB") (see 40 C.F.R. § 1.25(e)), pursuant to 40 C.F.R. § 22.30, that initial decision thereby becomes a final order pursuant to the terms of 40 C.F.R. § 22.27(c), Respondents waives their right to judicial review. 40 C.F.R. § 22.27(d).

To appeal an initial decision to the EAB, Respondents must do so "[w]ithin thirty (30) days after the initial decision is served." 40 C.F.R. § 22.30(a). Pursuant to 40 C.F.R. § 22.7(c), where service is effected by mail, "five days shall be added to the time allowed by these rules for the filing of a responsive pleading or document." Note that the 45-day period provided for in 40 C.F.R. § 22.27(c) [discussing when an initial decision becomes a final order] does not pertain to or extend the time period prescribed in 40 C.F.R. § 22.30(a) for a party to file an appeal to the EAB of an adverse initial decision.

INFORMAL SETTLEMENT CONFERENCE

Whether or not Respondents request a formal hearing, EPA encourages settlement of this proceeding consistent with the provisions of the Act and its applicable regulations. 40 C.F.R. § 22.18(b). At an informal conference with a representative(s) of Complainant, Respondents may comment on the charges made in the Complaint, and Respondents may also provide whatever additional information that it believes is relevant to the disposition of this matter, including: (1) actions Respondents have 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 Respondents' ability to continue in business and/or (4) any other special facts or circumstances Respondents wishes to raise.

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

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

Bruce Aber, Esq.
Assistant Regional Counsel
Office of Regional Counsel
United States Environmental Protection Agency, Region 2
290 Broadway, 16th Floor
New York, N.Y. 10007-1866
(212) 637-3224 (phone)
Aber.bruce@epa.gov

The parties may engage in settlement discussions irrespective of whether Respondents have requested a hearing 40 C.F.R. § 22.18(b)(1). Respondents' request of a formal hearing does not prevent them 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 C.F.R. § 22.15(c).

A request for an informal settlement conference does not affect Respondents' obligation to file a timely Answer to the Complaint pursuant to 40 C.F.R. §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 will be embodied in a written consent agreement. 40 C.F.R. § 22.18(b)(2). In accepting the consent agreement, Respondents waives their right to contest the allegations in the Complaint and waive their right to appeal the final order that is to accompany the consent agreement. 40 C.F.R. § 22.18(b)(2). To conclude the proceeding, a final order ratifying the parties' agreement to settle will be executed. 40 C.F.R. § 22.18(b)(3).

Respondents' entry into a settlement through the signing of such Consent Agreement and their compliance with the terms and conditions set forth in such Consent Agreement terminate this administrative litigation and the civil proceedings arising out of the allegations made in the complaint. Respondents' entry 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.

RESOLUTION OF THIS PROCEEDING WITHOUT HEARING OR CONFERENCE

If, instead of filing an Answer, Respondents wish not to contest the Complaint and wants to pay the penalty within thirty (30) days after receipt of the Complaint, Respondent should promptly contact the Assistant Regional Counsel identified on the previous page.

D. LaPosta

Dore LaPosta, Director
Division of Enforcement and
Compliance Assistance
U.S. EPA, Region 2

Dated: April 25, 2012
New York, New York

CERTIFICATE OF SERVICE

This is to certify that I have this day caused to be mailed a copy of the foregoing Complaint, bearing docket number FIFRA 02-2018-5302 and a copy of the Consolidated Rules of Practice, 40 C.F.R. Part 22, by certified mail, return receipt requested, to:

Ramón Castillo, Individually, and as
Director, Island Wide Pest Management Group, Inc.
Calle 38 SE #1278
Urb. La Riviera SE
San Juan, Puerto Rico 00921

Ramón Castillo, Individually, and as
Director, Costello Exterminating, Inc.
Las Piedras #10
Urb. Bonneville Heights
Caguas, Puerto Rico 00727-4960

I 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.

Dated:

April 27, 2018
New York, New York

Upland Reyes