

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
Region 2

U.S. Environmental
Protection Agency-Reg 2
2014 MAY 13 PM 2:03
REGIONAL HEARING
CLERK

IN THE MATTER OF:

Landfill Technologies of Fajardo, Corp.
(Fajardo Municipal Landfill)

and

Consolidated Waste Services, Corp.
(Yabucoa Municipal Landfill)

RESPONDENTS

Proceeding for the assessment of a civil
penalty pursuant to Section 309(g)(2)(B) of
the Clean Water Act, 33 U.S.C. § 1319(g)

**CONSENT AGREEMENT
AND FINAL ORDER**

DOCKET NUMBERS:

CWA-02-2013-3454

CWA-02-2013-3455

CONSENT AGREEMENT AND FINAL ORDER

Complainant, the United States Environmental Protection Agency ("EPA"), having issued Complaints herein on September 30, 2013, against Landfill Technologies of Fajardo, Corp. ("Landfill Technologies"), Docket Number CWA-02-2013-3454, and Consolidated Waste Services, Corp. ("ConWaste"), Docket Number CWA-02-2013-3455 (together Landfill Technologies and ConWaste hereinafter referred as "Respondents"), and

Complainant and Respondents having agreed that settlement of these matters are in the public interest, and that entry of this Consent Agreement and Final Order ("CA/FO") without further litigation is the most appropriate means of resolving these matters;

NOW, THEREFORE, before the taking of any testimony, upon the pleadings, without adjudication of any issue of fact or law, and upon consent and agreement of the Parties, it is hereby agreed, and ordered as follows:

In the Matter of:
Landfill Technologies of Fajardo, Corp., Docket No. CWA-02-20133454
Consolidated Waste Services, Corp., Docket No. CWA-02-2013-3455

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I. PRELIMINARY STATEMENT

1. EPA initiated these proceedings for the assessment of a civil penalties, pursuant to Section 309 of the Clean Water Act ("CWA" or the "Act"), 33 U.S.C. § 1319.
2. The Complaint against Respondent Landfill Technologies alleges violations of Sections 301 and 402 of the Act, 33 U.S.C. §§ 1311 and 1342, for its failure to update the Storm Water Pollution Prevention Plan, to implement adequate erosion control measures, to conduct quarterly visual and benchmark monitoring, and to conduct and document the comprehensive site evaluations at the Fajardo Municipal Landfill as required by the 2008 National Pollutant Discharge Elimination System ("NPDES") Multi-Sector General Permit for Storm water Discharges Associated with Industrial Activity ("2008 NPDES MSGP").
3. The Complaint against Respondent ConWaste alleges violations of Sections 301 and 402 of the Act, 33 U.S.C. §§ 1311 and 1342, for its failure to apply and obtain permit coverage at the Yabucoa Municipal Landfill under the 2008 NPDES MSGP.
4. EPA notified the Commonwealth of Puerto Rico regarding the actions taken against Respondents and offered an opportunity for the Commonwealth of Puerto Rico to confer with EPA on the proposed penalty assessment, pursuant to 40 C.F.R. Part 22.
5. This action was public noticed. No public comment was received.
6. On October 31, 2013, Respondents filed answers to the Complaints, denying certain facts, admitting others, raising affirmative defenses and requesting a hearing in this matter.
7. This CA/FO shall apply to and be binding upon Respondents, their officers, directors, employees, successors and assigns, including, but not limited to, subsequent purchasers.
8. Respondents stipulate that EPA has jurisdiction over the subject matter alleged in the Complaints and that the Complaints state claims upon which relief can be granted against Respondents. Respondents waive any defenses they might have as to jurisdiction and venue, and, without admitting or denying the factual or legal allegations contained in the Complaint, consent to the terms of this CA/FO.
9. Respondents hereby waive their right to a judicial or administrative hearing or appeal on any issue of law or fact set forth in the Complaint.

II. TERMS OF SETTLEMENT

10. Pursuant to Section 309(g) of the Act, 33 U.S.C. § 1319(g), the nature, circumstances, extent and gravity of the violations, Respondents agreement to perform a Supplemental Environmental Project ("SEP") with a total expenditure of not less than ONE HUNDRED EIGHT THOUSAND (\$108,000.00) DOLLARS, and other relevant factors, EPA has determined that an appropriate civil penalty to settle these actions is in the amount of **FORTY THOUSAND (\$40,000.00) DOLLARS**. Respondents shall pay this civil penalty in accordance with paragraph 13 of this Consent Agreement.
11. For purposes of settlement, Respondents consent to the issuance of this Consent Agreement, consent to the payment of the civil penalty and to the performance of the SEP in the amounts cited in paragraph 10.

II.A. Penalty

12. No later than thirty (30) days after the Effective Date of this Order, as defined in the Final Order (at the end of this document), Respondents shall pay the amount of **FORTY THOUSAND (\$40,000.00) DOLLARS**.
13. Respondents shall pay the penalty of **FORTY THOUSAND (\$40,000.00) DOLLARS** by check, payable to the "Treasurer of the United States of America", electronically (i.e. wire or automated clearinghouse) or on line payment.
14. Respondents shall clearly identify, regardless of the form of payment, the names and docket number of the cases, set forth in the caption on the first page of this document. Payment methods are described below:
 - a. If Respondents choose to pay by cashiers' or certified check, the check shall be mailed mail to:

BY U.S. POSTAL SERVICE

US Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077
St. Louis, MO 63197-9000

BY OVERNIGHT MAIL

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
ATTN Box 979077
St. Louis, MO 63101
Contact: Natalie Pearson
314-418-4087

- b. If Respondents choose to pay electronically, the transfer shall be made to:

BY WIRE TRANSFER
Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045.

Field Tag 4200 of the Fedwire message should read "D 68010727
Environmental Protection Agency."

**BY AUTOMATED CLEARINGHOUSE (ACH) (also known as REX or remittance
express)**

ACH for receiving US currency
PNC Bank
808 17th Street, NW
Washington, DC 20074
ABA = 051036706
Transaction Code 22 - checking
Environmental Protection Agency
Account 310006—CTX Format
Contact: Jesse White 301-887-6548.

- c. On Line Payment Option is available through the Department of Treasury. This payment option can be accessed through WWW.PAY.GOV. Enter sfo 1.1 in the search field. Open form and complete required fields.

Respondents shall send prove of payment as specified in paragraph 13 above to each of the following:

Jaime López
Environmental Scientist
Multimedia, Permits and Compliance Branch
Caribbean Environmental Protection Agency
U.S. Environmental Protection Agency Region 2
City View Plaza II, Suite 7000
#48 RD. 165 km 1.2
Guaynabo, PR 00968-8069
Fax number: (787) 289-7104;

Evelyn Rivera-Ocasio, Esq.
Assistant Regional Counsel
Office of Regional Counsel, Caribbean Team
US Environmental Protection Agency, Region 2
City View Plaza II, Suite 7000
#48 RD. 165 km 1.2
Guaynabo, PR 00968-8069
Fax number: (787) 289-7104;

and

Karen Maples
Regional Hearing Clerk
U.S. Environmental Protection Agency
Office of the Regional Counsel
290 Broadway, 16th Floor
New York, NY 10007
Fax number: (212) 637-3115.

15. Failure to pay the penalty in full according to the above provisions will result in a referral of this matter to the United States Department of Justice or the United States Department of the Treasury for collection.
16. Further, if the payment is not received on or before the due date, interest will be assessed at the annual rate established by the Secretary of Treasury pursuant to the Debt Collection Act, 31 U.S.C. § 3717, on the overdue amount from the due date through the date of payment. In addition, a late payment handling charge of \$15.00 will be assessed for each 30 day period (or any portion thereof) following the due date in which the balance remains unpaid. A 6% per annum penalty also will be applied on any principal amount not paid within 90 days of the due date.
17. In addition, pursuant to Section 309(g)(9) of the Clean Water Act, 33 U.S.C. § 1319(g)(9), if payment is not received by the due date, a quarterly nonpayment penalty will be imposed for each calendar quarter during which such nonpayment persists. The quarterly nonpayment penalty is 20% of the aggregate amount of penalties and quarterly nonpayment penalties which are unpaid as of the beginning of such quarter.
18. Respondents also may be required to pay attorneys fees and costs for collection proceedings in connection with nonpayment.
19. The penalty to be paid is a civil penalty assessed by the EPA and shall not be deductible from the Respondents' federal or Commonwealth of Puerto Rico taxes.

II.B. Supplemental Environmental Project

20. Respondents shall complete the following SEP, which the Parties agree is intended to secure significant environmental and public health protection and improvement:

- a. The project consists of planting vetiver grass (*Vetiveria zizanioides*) to stimulate evapotranspiration of leachate liquors generated during the decomposition process that occurs in the closed cells of the Fajardo Municipal Landfill ("FML"). Vetiver grass will be planted in a 4-acre parcel and will be irrigated with leachate to be applied by an irrigation system and serve as supply of nutrients and water for plants.

The goal of the project is to demonstrate the effectiveness of vetiver grass to decrease the amount of leachate liquors generated in the FML, as an erosion control and slope stabilization tool, and to generate guidelines for designing and building similar systems in other landfills in Puerto Rico and elsewhere in tropical and subtropical settings. The data collected as part of this project could result in the usage of the vetiver grass as part of the mitigation tools to reduce the impact of discharges of pollutants (stormwater and leachate from municipal landfills) into waters of the United States. Furthermore, after the study is completed, Respondents shall share the results of the study with Federal and Commonwealth of Puerto Rico regulatory agencies and with the regulated community through a seminar to the regulated community and a presentation to the regulatory agencies after the completion date of the project no later than August 31, 2015. (See more details in the *SEP Proposal* attached hereto as *Exhibit A* and incorporated herein by reference).

This project is mainly a pollution reduction project to test methods for obtaining phytoremediation of leachate pollutants and in demonstrating effectiveness of innovative technology.

- b. **Within thirty (30) days from the effective date of this CA/FO,** Respondents shall execute the contract with the Agricultural and Biosystem Engineering School of the University of Puerto Rico, Mayaguez Campus, to perform the activities leading to the implementation of the SEP described in Paragraph 21.a. above. (See the full details in the "*Phytoremediation of leachate, erosion control and slope stabilization with Vetiver*" Proposal attached hereto as *Exhibit B* and incorporated herein by reference)

c. **Within forty five (45) days from the effective date of this CA/FO,** Respondents shall submit an updated Work Plan to accomplish the SEP described in Paragraph 20.a. above, to include, at a minimum:

- i. a detailed schedule for all activities required to fulfill the Work Plan such that all activities are completed, including submission dates of Quarterly Progress Reports until the completion of the SEP, by no later than May 31, 2015.
- ii. the proposed dates of the seminar to the regulated community and the presentation to the regulatory agencies.

Respondents may consult with EPA while developing the Work Plan, to ensure timely submission of an approvable Work Plan, including submittal of drafts of the Work Plan to EPA for EPA's review and comments. EPA shall cooperate with Respondents in this consultation process providing input and recommendations to assist Respondents in achieving a Work Plan that is reasonably acceptable to EPA.

- d. If EPA approves the Work Plan required by Paragraph 20.c. above, EPA shall provide written notice of the Work Plan approval.
- e. If EPA approves the Work Plan required by Paragraph 20.c. above, the EPA approved Work Plan shall be incorporated by this reference into this Compliance Agreement and Final Order and shall be binding and enforceable.
- f. In the event that EPA disapproves the Work Plan, in whole or in part, within twenty (20) calendar days of receipt of EPA's disapproval, Respondents shall revise and re-submit such work plan for EPA review and approval.
- g. Upon re-submission of the Work Plan, EPA will review it and will inform Respondents, in writing, of EPA's approval, modification and approval, or disapproval of the re-submitted Work Plan, in whole or in part, and the specific grounds for any disapproval.
- h. If EPA elects to request modifications of the resubmitted Work Plan, EPA will permit Respondents the opportunity to object in writing to the notification of deficiency given pursuant to this paragraph within twenty (20) calendar days of receipt of such notification. EPA and Respondents shall have an additional twenty (20) calendar days from the receipt by EPA of the notification of objection to reach agreement on changes necessary to the

Work Plan. If agreement cannot be reached on any such issue within this twenty (20) calendar day period, EPA shall provide a written statement of its decision on the adequacy of the Work Plan, which decision shall be final and binding upon Respondents.

- i. Stipulated penalties shall be payable to the United States in the amount of two hundred (\$200.00) dollars per day for failure to submit an adequate Work Plan as stated in paragraph 20.h. above, beginning on the date that Respondents receive EPA's disapproval, in writing, of the resubmitted Work Plan.
 - j. Respondents shall begin implementation of the Work Plan within ten (10) calendar days of receipt of EPA's approval of the Work Plan.
 - k. The SEP as described in Paragraph 20.a. above shall be achieved in accordance with this CA/FO and the final EPA approved Work Plan.
 - l. The SEP shall be completed no later than May 31, 2015.
21. In the event that either of the parties proposes a change to the SEP and/or final EPA approved Work Plan, Respondents shall submit for EPA approval, modification and approval, or disapproval, a modified Work Plan incorporating such proposed changes following the procedures in paragraphs 20. c-h above.
22. **Federal Tax:** For Federal Income Tax purposes Respondents agree that they will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEP.
23. **SEP Cost:** The total expenditure for the SEP, at cost to the Respondents, shall be not less than ONE HUNDRED EIGHT THOUSAND (\$108,000.00) DOLLARS. Respondents shall include documentation of the expenditures made in connection with the SEP as part of the SEP Completion Report.
24. **Certification:** Respondents hereby certify that, as of the date of this CA/FO, Respondents are not required to perform or develop the SEP by any federal, state or local law or regulation; nor Respondents or Third Party (if applicable) are required to perform or develop the SEP by any other agreement, grant or as injunctive relief in this or any other case. Respondents or a Third Party (if applicable) also certify that are not receiving any federal funds to perform any activity related to the SEP. Respondents further certify that it has not received, and is not presently negotiating to receive, credit in any other enforcement action for the SEP.

25. **SEP Completion Report:** Respondents shall submit a SEP Completion Report to EPA within sixty (60) calendar days after the completion of all activities that are part of the Work Plan. The SEP Completion Report shall contain the following information:
- a. a detailed description of the SEP as implemented;
 - b. a map of the SEP as implemented;
 - c. a description of any operating problems encountered and the solutions thereto;
 - d. itemized costs:
 - i. In itemizing its costs in the SEP Completion Report, Respondents shall clearly identify and provide acceptable documentation for all eligible SEP costs. Where the SEP Completion Report includes costs not eligible for SEP credit, those costs must be clearly identified as such. For purposes of this paragraph, "acceptable documentation" includes invoices, purchase orders, or other documentation that specifically identifies and itemizes the individual costs of the goods and/or services for which payment is being made. Canceled drafts do not constitute acceptable documentation unless such drafts specifically identify and itemize the individual costs of the goods and/or services for which payment is being made;
 - e. the SEP shall be completed no later than May 31, 2015;
 - f. certification that the SEP has been fully implemented pursuant to the provisions of this CA/FO and Work Plan; and
 - g. description of the environmental, ecological and public health benefits resulting from implementation of the SEP (with a quantification of the benefits and pollutant reductions, if feasible).
26. In all documents or reports, including, without limitation, any SEP reports, submitted to EPA pursuant to this Consent Agreement, Respondents shall, by its officers, sign and certify under penalty of law that the information contained in such document or report is true, accurate, and complete by signing the following statement:

"I hereby certify under penalty of law that I have examined and am familiar with the information submitted in this document and all attachments and that based on my inquiry of those individuals immediately responsible for obtaining the information, I believe

that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment.”

27. Respondents agree that failure to submit the SEP Completion Report or any Periodic Report required shall be deemed a violation of this CA/FO and Respondents shall become liable for stipulated penalties pursuant to paragraph 32 below.
28. **Periodic Reports/Submissions:** Respondents shall submit any additional reports or information required by the Work Plan to EPA in accordance with the schedule and requirements recited therein.
29. Respondents shall maintain legible copies of documentation of the underlying research and data for any and all documents or reports submitted to EPA pursuant to this Consent Agreement for a term of five (5) years after the implementation of the SEP and shall provide the documentation of any such underlying research and data to EPA not more than ten (10) working days after a request for such information.
30. **Public Statements:** Any public statement, oral or written, in print, film, or other media, made by Respondents making reference to the SEP, as specified in the SEP Proposal documents attached hereto as Exhibits A and B, shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action taken by the U.S. Environmental Protection Agency for violations of the Clean Water Act." "Este proyecto fue realizado como parte de un acuerdo legal con relación a una acción de cumplimiento por violaciones a la Ley Federal de Agua Limpia presentada por la Agencia Federal de Protección Ambiental de los Estados Unidos."
31. **EPA's Acceptance of SEP Completion Report:**
 - a. After receipt of the SEP Completion Report described in Paragraph 25 above, EPA will notify Respondents, in writing, regarding: (i) any deficiencies in the SEP Completion Report itself along with a grant of an additional thirty (30) days for Respondents to correct any deficiencies; or, (ii) indicate that EPA concludes that the project has been completed satisfactorily; or, (iii) determine that the project has not been completed satisfactorily and seek stipulated penalties in accordance with Paragraph 32 below.
 - b. If EPA elects to exercise option (i) above, i.e., if the SEP Completion Report is determined to be deficient but EPA has not yet made a final determination about the adequacy of SEP completion itself, EPA shall permit Respondents the opportunity to object in writing to the notification of

deficiency given pursuant to this Paragraph within twenty (20) days of receipt of such notification. EPA and Respondents shall have an additional thirty (30) days from the receipt by EPA of the notification of objection to reach agreement on changes necessary to the SEP Completion Report. If agreement cannot be reached on any such issue within this thirty (30) day period, EPA shall provide a written statement of its decision on adequacy of the completion of the SEP to Respondents, which decision shall be reasonable and final and binding upon Respondents. Respondents agree to comply with any requirements imposed by EPA as a result of any failure to comply with the terms of this CA/FO. In the event the SEP is not completed as contemplated herein, as determined by EPA, stipulated penalties shall be due and payable by Respondent to EPA in accordance with Paragraph 32 below.

32. **Stipulated Penalties:**

- a. In the event that Respondents fail to comply with any of the terms or provisions of this Agreement relating to the performance of the SEP described in Paragraph 20.a. above and/or to the extent that the actual expenditures for the SEP do not equal or exceed the cost of the SEP described in Paragraph 23 above, Respondents shall be liable for stipulated penalties according to the provisions set forth below:
 - i. if Respondents timely submit a Work Plan but the Work Plan fails to satisfy EPA requirements as detailed in Paragraph 20.c, f, g. and h above, EPA shall provide written final notice of the disapproval and the SEP shall not be performed and Respondents shall pay a stipulated penalty in the amount of \$108,000.00;
 - ii. for failure to submit an EPA-approvable Work Plan by its due date in accordance with Paragraph 20.c above, Respondents shall pay a stipulated penalty in the amount of \$200 for each day after the Work Plan was due until it is submitted;
 - iii. if the SEP is satisfactorily completed in accordance with Paragraph 20 above, but Respondents expend less than the agreed \$108,000.00 for the SEP project, Respondents shall pay a stipulated penalty equal to the difference between the amount of eligible SEP costs incurred by the Respondents and \$108,000.00;
 - iv. if the SEP is not completed in accordance with Paragraph 20 but: (a) Respondents certify, with supporting documentation, the amount of eligible costs expended on the SEP, and (b) EPA determines that the Respondents made good faith and timely efforts to complete the

project, then, Respondents shall pay a stipulated penalty that is the difference between the eligible SEP costs incurred by Respondents and \$108,000.00. If Respondents document that they, together with the third party (if applicable), did all that they could to ensure timely completion of the SEP but the SEP is not timely completed because of action, or inaction, on the part of the state government or a court, then it shall be deemed that the Respondents made good faith and timely efforts to complete the SEP project;

- v. if Respondents halt or abandon work on the SEP as described in Paragraph 20.a. above, and after the Work Plan has been approved by EPA, prior to its completion, Respondents shall pay a stipulated penalty of \$300 and shall also pay the difference of eligible costs incurred and \$108,000.00;
 - vi. for failure to submit the SEP Completion Report required by Paragraph 25 above, Respondents shall pay a stipulated penalty in the amount of \$200 for each day after the report was due until the report is submitted; and
 - vii. for failure to submit any report required by Paragraph 28 above, Respondents shall pay a stipulated penalty in the amount of \$200 for each day after the report was originally due until the report is submitted.
- b. The determinations of whether the SEP has been satisfactorily completed and whether the Respondents have made a good faith, timely effort to implement the SEP shall be in the sole discretion of EPA.
 - c. Respondents shall pay stipulated penalties within thirty (30) days after receipt of written demand by EPA for such penalties. Payment of stipulated penalties shall be made payable to the "Treasurer of the United States of America." Such check shall be mailed to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077
St. Louis, MO 63197-9000.

The checks shall be identified with a notation of the name and docket number of this case, set forth in the caption on the first page of this document.

A copy of any penalty check and any transmittal letter shall be sent to each of the following:

Jaime López, Environmental Scientist
Multimedia, Permits and Compliance Branch
Caribbean Environmental Protection Agency
U.S. Environmental Protection Agency Region 2
City View Plaza II, Suite 7000
#48 RD. 165 km 1.2
Guaynabo, PR 00968-8069
Fax number: (787) 289-7104;

Evelyn Rivera-Ocasio, Esq.
Assistant Regional Counsel
Office of Regional Counsel, Caribbean Team
US Environmental Protection Agency, Region 2
City View Plaza II, Suite 7000
#48 RD. 165 km 1.2
Guaynabo, PR 00968-8069
Fax number: (787) 289-7104;

and

Karen Maples, Regional Hearing Clerk
U.S. Environmental Protection Agency
Office of the Regional Counsel
290 Broadway, 16th Floor
New York, NY 10007
Fax number: (212) 637-3115.

Interest and late charges on stipulated penalties shall be paid as stated in Paragraph 16 above.

II. C. General Provisions

33. The Respondents waive any right it may have pursuant to 40 C.F.R. § 22.8 to be present during discussions with or to be served with and to reply to any memorandum or communication addressed to the Director or the Regional Administrator where the purpose of such discussion, memorandum, or communication is to discuss a proposed settlement of this matter or to recommend that such official accept this Consent Agreement and issue the accompanying Final Order.

34. Nothing in this agreement shall be construed as prohibiting, altering or in any way limiting the ability of EPA to seek any other remedies or sanctions available by virtue of Respondents' violation of this agreement or of the statutes and regulations upon which this agreement is based, or for Respondents' violation of any applicable provision of law.
35. This CA/FO shall not relieve Respondents of their obligation to comply with all applicable provisions of federal, state or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state or local permit, nor shall it be construed to constitute EPA approval of the equipment or technology installed by Respondents, if any, in connection with the SEP undertaken pursuant to this Agreement.
36. **Force Majeure:**
- a. If any event occurs which causes or may cause delays in the completion of the SEP as required under this Agreement, Respondents shall notify Complainant in writing not more than 10 days after the delay or Respondents' knowledge of the anticipated delay, whichever is earlier. The notice shall describe in detail the anticipated length of the delay, the precise cause or causes of the delay, the measures taken and to be taken by Respondents to prevent or minimize the delay, and the timetable by which those measures will be implemented. The Respondents shall adopt all reasonable measures to avoid or minimize any such delay. Failure by Respondents to comply with the notice requirements of this paragraph shall render this paragraph void and of no effect as to the particular incident involved and constitute a waiver of the Respondents' right to request an extension of its obligation under this Agreement based on such incident.
 - b. If the parties agree that the delay or anticipated delay in compliance with this Agreement has been or will be caused by circumstances entirely beyond the control of Respondents, the time for performance hereunder may be extended for a period no longer than the delay resulting from such circumstances. In such event, the parties shall stipulate to such extension of time.
 - c. In the event that the EPA does not agree that a delay in achieving compliance with the requirements of this CA/FO has been or will be caused by circumstances beyond the control of the Respondents, EPA will notify Respondents in writing of its decision and any delays in the completion of the SEP shall not be excused and stipulated penalties, if applicable, will be imposed.

