

**From:** [Cool, Richard](#)  
**To:** [Sonia Slayden](#)  
**Cc:** [Jencius, Michele](#); [Johnson, Patrick](#); [Spaulding, Kate](#); [Wilder, Scott](#)  
**Subject:** RE: EPA Reply in re Chill Transportation Jan 26 2023 email  
**Date:** Monday, January 30, 2023 7:10:49 AM  
**Attachments:** [ATP-LLC 05.23.2022.docx](#)  
[EPA.docx](#)  
[Cool Highlighted Cmts to Chill Trans July 21 2022 ATP Form.docx](#)  
[EPA Signed Letter Chill Transportation LLC 12.14.2022.pdf](#)

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Hello Ms. Slayden:

This email provides EPA's response to your Thursday, January 26, 2023 email (your email is attached below). EPA appreciates your email and continued communications, and your indication that additional Chill Transportation LLC (Chill) financial condition documentation may be in preparation for future submission to EPA.

This email responds to the three primary questions you raised in your January 26 email.

**Ability-To-Pay (ATP) Form.** Per your request, I have attached to this email a copy of the original (clean) EPA ATP Form [ATP-LLC 05.23.2022.docx]. As you recall, Patrick Johnson emailed this form to you on May 23 and June 1, 2022.

I also attach a copy of Chill's original ATP form submission [EPA.docx, Chill signed July 19, 2022] which you emailed to us on July 21, 2022.

Finally, I attach a copy of my Cool-Highlighted Comments ATP form that I sent you in my July 23, 2022 email.

These copies are being provided for your ease of reference.

Your Thursday January 26 email indicates you have someone helping Chill to submit all the necessary documentation. That is a very positive development and we appreciate that effort.

Please consider forwarding this EPA email with all three ATP form attachments to that individual/entity.

**Chill Financial Documentation/Submissions.** Your January 26 email asked whether Chill's submission of the 2021 federal income tax documents sufficed for EPA to get a picture of Chill's financial condition.

No. The provided information is inadequate. Please refer, again, to the EPA's

December 14, 2022 letter signed by Mr. Ken Knight (EPA letter). The EPA letter also provides, in part, an effort to also obtain up-to-date, complete 2022 financial information. EPA requires this information to understand Chill's current financial condition. A copy of the EPA letter is attached to this email.

Your January 26 email also asked whether Chill's December purchase order from JD Factors (along with December expenses) is enough for EPA to proceed with an evaluation of Chill's inability-to-pay claim.

No. It is not. The JD Factors December purchase order and December expenses, in combination with other current available information, does not provide an adequate, complete and documented basis for EPA to determine Chill's current financial condition.

Please refer to the EPA letter (e.g., sub-paragraphs 1-3, etc.) for the requested information that is initially needed for EPA to determine what penalty Chill is able to pay. In accord with that EPA letter, Chill needs to update, finalize, and make complete and adequate financial documentation submissions which should include, but is not limited to, financial condition documentation for the entire calendar year 2022.

The EPA letter also encourages Chill to provide the requested ATP Form information and any additional substantive information which provides insight into Chill's current financial condition.

**Next Steps.** Your January 26 email asked whether it would be possible to get more time.

EPA understands the totality of Chill's situation to respond to our letter, and EPA appreciates Chill's continuing efforts. However, EPA intends to file an administrative complaint in February 2023 unless Chill submits the financial documentation requested to EPA by Tuesday, January 31st, 2023.

EPA's filing of an administrative complaint does not preclude the parties from agreeing to continue settlement negotiations. In fact, the EPA remains interested in obtaining Chill's complete and adequate financial documentation in support of its inability-to-pay claim so that the parties might continue with informed settlement discussions that may lead to a resolution that avoids the time and expense of litigation.

Please contact Patrick Johnson if you have any further questions about the EPA letter.

Thank you for your prompt and continuing attention to this important matter.

Sincerely,

Rick Cool  
Surface Water Enforcement Section  
U.S. EPA Region 10  
1200 Sixth Avenue, Ste. 155, M/S 20-C04  
Seattle, WA 98101

cool.richard@epa.gov  
Phone: (206) 553-6223  
Cell: (206) 321-5396

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**From:** Sonia Slayden <chilltransportation1@gmail.com>  
**Sent:** Thursday, January 26, 2023 11:32 AM  
**To:** Cool, Richard <Cool.Richard@epa.gov>  
**Cc:** Jencius, Michele <jencius.michele@epa.gov>; Johnson, Patrick <johnson.patrick@epa.gov>; Spaulding, Kate <Spaulding.Kate@epa.gov>  
**Subject:** Re: EPA Reply in re ATP Acronym; EPA July 23 2022 Email & Other Related Matters

Good morning Richard. I need an updated copy of the ATP form. I just got back home. I don't know if your aware but California has been under severe flooding especially my area. There has been several cyclone storms here that have caused lots of water damage. And of corse as if I need anything else to happen to me, It hit my apartment pretty bad. The roof caved in and flooded pretty much my whole apartment which is very old and am surprised it's even standing, So I haven't been able to be here because it was unsafe and I was evacuated. Richard you know I've also been [REDACTED] so just imagine how much more difficult this makes it for me. I finally got the reference ATP Im sorry. As you should already know [REDACTED] so all this is super difficult for me. I am having someone helping me to submit all the necessary documentation but as you know I have been very ill and haven't been able to keep very good records for obvious reasons. So I just need to know a couple of things. I need to know if the tax records i sent are suffice for the EPA to get a picture of how badly we're doing and also would the December purchase order from JD factors along with December expenses be enough to proceed with ATP claim. I just want to be able to send you something that I can easily access because as I said my office was under water and everything in it was ruined. and I can only send things that I can access through my factoring company and tax preparer or receipts from the businesses. And would it be possible to get more time. I understand you have been patient but my situación has had special unforeseen circumstances that have been out of my control. Please let me know as soon as possible. Thank you

On Thu, Jan 12, 2023 at 12:34 PM Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)> wrote:

Ms. Slayden:

I am responding to your Wednesday afternoon, January 12 email received 2:16 p.m. where you stated, in part, that I said Chill would not have to submit anything else if Chill could submit its 2021 tax documentation to EPA.

With all due respect to your recollection, I emphatically deny I made any such representation.

First, I do not have the authority to make any such representation. That representation would have been contrary to my case officer responsibilities in this matter which include, in part, obtaining complete and comprehensive Chill financial documentation to accurately assess Chill's ability to pay a negotiated settlement penalty. My case officer responsibilities included getting complete and documented Chill responses to the EPA Limited Liability Company (LLC) Ability to Pay Claim Initial Data Request that was sent to Chill on June 1, 2022.

I do not have authority to act contrary to EPA's data request efforts. I did not make any representation that were contrary to EPA's data request efforts and I did not make a representation, as you alleged, that I limited Chill's further financial data responses to the submission of its 2021 federal income tax documentation.

Second, any such representation would be contrary and inconsistent with every effort I have made most recently in the fall, 2022 to date to obtain complete and comprehensive Chill financial information covering both 2021 and 2022. For example, my October 6, 2022 email to you included the following suggestion regarding Chill 2022 financial data:

I also encouraged you to consider whether your company might engage your tax form preparer to assist the company in responding to the attached ATP form unfinished areas of inquiry, **including the possibility that your preparer could assist in developing CY 2022 (to date) company financial information that could supplement any information in the company's 2021 tax filings.** (highlighting and bolding added for emphasis)

Similarly, my October 24, 2022 email to you asked about when Chill might be able to begin making more ATP claim submissions, which included as an example (but not exclusive) copies of Chill's recent 2021 tax filings. My

email also asked whether Chill had the ability to utilize Chill's tax preparer or accountant to put together a financial statement like submission for your 2022 company situation to date. I am including a copy of my October 24, 2022 email as an attachment to this email for your ease of reference.

I cite to these two email just as examples of my consistent efforts in recent communications, including multiple emails, to Chill to obtain complete and documented Chill financial information that consistently was more comprehensive in scope (i.e., to include 2022 financial information) than just limiting further submissions to just Chill's 2021 tax filings.

In summary, I emphatically deny your allegation that I said Chill would not have to submit anything else if Chill could submit its 2021 tax documentation to EPA.

It has been over 7 months since EPA first provided Chill with the ATP Form in an effort for EPA to better understand Chill's inability-to-pay claim. EPA has repeatedly exercised patience and made efforts to accommodate Chill's situation, but the persistent delays in Chill's failure to make adequate and complete submissions prevent EPA from proceeding with a detailed evaluation of Chill's ability to pay any potential settlement penalty.

In an effort to ease Chill's burden and to expedite Chill's submission of complete and adequate financial data, I have suggested Chill consider whether it might engage its accountant and/or tax form preparer to assist Chill in responding to ATP Form unfinished areas of inquiry, including the possibility that these specialists could assist Chill in developing calendar year 2022 company financial information that could supplement any information in the company's 2021 tax filings. *See, e.g.*, Cool emails, September 21 and October 6, 2022.

I acknowledged that it is Chill's decision on who to use to develop the financial information and submissions so I only made those suggestions because it may be one way to ease Chill's current burden and to expedite the completion of the submission of complete and comprehensive financial data, including 2022 financial data.

I repeat that suggestion here for Chill's consideration.

Chill indicated in two emails yesterday that Chill's 2022 financial documentation will show even bigger losses than those losses shown in the 2021 tax document submissions, while at the same time Chill proclaims it has nothing more to send EPA.

Your statement about the larger 2022 losses apparently demonstrates Chill's ability to document and verify that claim with calendar year 2022-based documentation. Chill might consider using its accountant and/or tax form preparer to assist it in preparing and submitting this 2022 documentation for submission to EPA. Chill's current evaluation and documentation of those projected 2022 losses (e.g., including Chill's 2022 financial statements to include but not limited to Income Statement, Balance Sheet and Cash Flow Statement) should be included in any Chill financial documentation submissions to EPA made in response to the KenKnight December 14, 2022 letter.

And as I noted previously, Chill could consider whether it might engage its accountant and/or tax form preparer to assist Chill in responding to ATP Form unfinished areas of inquiry as described in the highlighted ATP Form attachment to my July 23, 2022 email,

Finally and as I noted in my Wednesday, January 11 communications, please direct your attention to the attached KenKnight letter for the specific details of what more information is needed from Chill in order for EPA to proceed with a detailed evaluation of Chill's ability to pay any potential settlement penalty.

As I noted on Wednesday, Chill should submit the requested financial information that is outlined in the KenKnight letter which excerpt includes in relevant part:

**Accordingly, EPA intends to proceed with the filing of an administrative complaint in February 2023 unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023.** If Chill chooses to continue its representations of any inability-to-pay claim, Chill needs to update, finalize, and make complete and adequate financial documentation submissions which should include, but is not limited to, the following information:

1. **An updated, revised and certified ATP Form, updating and describing any changes for each ATP form item since the original Chill July 15th and 21st submissions. EPA encourages Chill to re-review EPA's July 23rd email comments and inquiries as a guide for identifying potentially missing information that should be included in a revised, updated ATP Form;**
2. **Per ATP Form, Item No. 2, true and complete copies of signed federal tax returns for calendar years 2021 and 2022 that relate to filings for the Chill LLC. Note, if the detailed tax information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements; and**
3. **Per ATP Form, Item No. 3, if the 2022 tax returns are not available, furnish true and complete copies of Chill's 2022 financial statements to include but not limited to Income Statement, Balance Sheet and Cash Flow Statement.**

**The KenKnight letter also encourages Chill to provide the requested ATP Form information and any additional substantive information which provides insight into Chill's current financial condition.**

On Wednesday, I re-emphasized the importance of Chill providing any additional substantive financial information, including updating the ATP form as requested above, so that EPA can more accurately assess Chill's current financial condition, given in part that the 2021 Form 1040 submission is helpful, but that 2021 information is now approximately 13 months in the past and likely affected by the August 2021 crash implications and immediate ramifications to the LLC's financial conditions at that immediate time and shortly after in late 2021.

Please review the KenKnight letter and the bolded, yellow-highlighted KenKnight letter excerpts above again for the details on the request for Chill to make additional financial documentation submissions.

As indicated in the KenKnight letter, EPA intends to proceed with the filing of an administrative complaint in February 2023 unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023.

Please contact Patrick if you have any questions about the KenKnight notice letter.

Thank you for your prompt attention to this important matter.

Sincerely,

Rick Cool  
Surface Water Enforcement Section  
U.S. EPA Region 10  
1200 Sixth Avenue, Ste. 155, M/S 20-C04  
Seattle, WA 98101

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**From:** Sonia Slayden <[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)>

**Sent:** Wednesday, January 11, 2023 2:16 PM

**To:** Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)>

**Cc:** Jencius, Michele <[jencius.michele@epa.gov](mailto:jencius.michele@epa.gov)>; Johnson, Patrick <[johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov)>; Spaulding, Kate <[Spaulding.Kate@epa.gov](mailto:Spaulding.Kate@epa.gov)>

**Subject:** Re: EPA Reply in re ATP Acronym; EPA July 23 2022 Email & Other Related Matters

Richard in one of our phone conversations [REDACTED], you told me that I wouldn't have to submit anything else if I could get my taxes for 2021 to you. Which I did. You even asked me to get my tax person to help me because you knew how sick I've been. during all of my health issues. You don't know what I have been through trying to comply with the EPA. Every chance that I feel even remotely ok i did something for the EPA and tried to contact you. You said you would help me if I send you my taxes. I cannot do any of this anymore. Im trying to comply but this is ridiculous the EPA is supposed to protect the environment for the people in it. and I am a person in this environment. But my health is more important. at least to me. I don't know what else to send you to prove that im unable to pay. I do not have anything else I can send you unless you want to wait for my 2022 taxes which will show an even bigger loss.

On Wed, Jan 11, 2023 at 1:15 PM Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)> wrote:



Ms. Slayden:

I provide this response to your second email received today at about 9:56 a.m. I have attached a copy of that email for ease of reference.

**ATP means Ability-To-Pay.** In your today's mid-morning email you asked about the meaning of the acronym "ATP." ATP is the acronym for the phrase "**Ability To Pay.**"

You might recall that EPA has used the acronym ATP previously in communications with Chill (e.g., references to an ATP Form), specifically since initial discussions about Chill's ability to pay a settlement penalty when EPA forwarded to you and Chill for your use an initial data request form captioned "Limited Liability Company (LLC) **Ability to Pay** Claim Initial Data Request." (yellow-highlighted, bolded italics added for emphasis and clarification) in early June 2022.

Additionally, the KenKnight December 14 letter itself makes clear that the ATP Form refers an **Ability-to-Pay** Claim Initial Data Request form. Here is the relevant excerpt from the KenKnight letter with yellow-highlighting for emphasis:

On June 1st, 2022, to aid Chill in providing support of its claim about its inability to pay any CWA civil penalty, EPA provided Chill with an **Ability-to-Pay** Claim Initial Data Request form (herein, "**ATP Form**"). Chill submitted initial **ATP Form** responses to EPA on July 15<sup>th</sup> and 21st, 2022, but those responses were incomplete and did not include the necessary supporting documentation. For example, Chill's submission indicated, under Item Nos. 3 and 4, that Chill had submitted annual financial statements and year-to-date financial statements. However, Chill neither submitted financial statements with its July 2022 submissions nor after. In response, EPA outlined detailed inquiries regarding Chill's initial **ATP Form** responses to obtain the additional missing information and supporting documentation. As of the date of this letter, EPA has not received an updated Chill **ATP Form** response or any of the necessary supporting documentation.

I have attached an original EPA ATP Form (May 23, 2022; Sent June 1,

2022) that was sent to Chill in Patrick Johnson's June 1, 2022 email. Chill can choose to edit and submit the prior Chill submitted ATP Form with the KenKnight requested information updating, revisions, etc. the original Chill ATP Form submission, or alternatively, Chill can use this attached clean ATP Form version and fill it in completely with the historic Chill responses, updated and revised with the most current information and then complete the Certification on the ATP Form's last page.

**EPA July 23, 2022 Email in re Chill's July 2022 Submissions.** For Chill's ease of reference, I am forwarding here a copy of EPA's July 23, 2022 email, with attachments, that is referred to in the Jeff KenKnight's December 14, 2022 letter.

My July 23 email explains that I saved a copy of Chill's original July 19-signed ATP Form and added some Cool-labeled and highlighted comments, questions, etc. in an effort to identify areas that appeared to me, based on my review of Chill Transportation's submissions to date, that still needed to be supplemented with additional information and supporting documentation.

As indicated in the attached KenKnight December 14 letter, **EPA encourages Chill to re-review EPA's July 23rd email comments and inquiries as a guide for identifying potentially missing information that should be included in a revised, updated ATP Form.**

**Review the KenKnight Letter Detailing Specific Requests.** In your second email I received today at about 9:56 a.m., you indicated a desire for EPA to be specific and clear on what is needed from Chill at this time.

Please direct your attention to the attached KenKnight letter for the specific details of what more information is needed from Chill in order for EPA to proceed with a detailed evaluation of Chill's ability to pay any potential settlement penalty.

As I noted for you earlier today, Chill should submit the requested financial information that is outlined in the KenKnight letter which excerpt includes in relevant part:

**Accordingly, EPA intends to proceed with the filing of an**

**administrative complaint in February 2023 unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023.** If Chill chooses to continue its representations of any inability-to-pay claim, Chill needs to update, finalize, and make complete and adequate financial documentation submissions which should include, but is not limited to, the following information:

- 1. An updated, revised and certified ATP Form, updating and describing any changes for each ATP form item since the original Chill July 15th and 21st submissions. EPA encourages Chill to re-review EPA's July 23rd email comments and inquiries as a guide for identifying potentially missing information that should be included in a revised, updated ATP Form;**
- 2. Per ATP Form, Item No. 2, true and complete copies of signed federal tax returns for calendar years 2021 and 2022 that relate to filings for the Chill LLC. Note, if the detailed tax information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements; and**
- 3. Per ATP Form, Item No. 3, if the 2022 tax returns are not available, furnish true and complete copies of Chill's 2022 financial statements to include but not limited to Income Statement, Balance Sheet and Cash Flow Statement.**

**The KenKnight letter also encourages Chill to provide the requested ATP Form information and any additional substantive information which provides insight into Chill's current financial condition.**

I want to re-emphasize the importance of Chill providing any additional substantive financial information, including updating the ATP form as requested above, so that EPA can more accurately assess Chill's current financial condition, given in part that the 2021 Form 1040 submission is helpful, but that 2021 information is now approximately 13 months in the past and likely affected by the August 2021 crash implications and immediate ramifications to the LLC's financial conditions at that immediate time and shortly after in late 2021.

**You indicated in your first email sent today that your 2022 taxes will show an even bigger loss (bigger than the 2021 loss). Your statement apparently demonstrates your ability to verify that claim with calendar year 2022 documentation. Chill's current evaluation and documentation of those projected 2022 losses (e.g., including Chill's 2022 financial statements to include but not limited to Income Statement, Balance Sheet and Cash Flow Statement) should be included in the requested additional financial documentation submissions to EPA.**

Please review the KenKnight letter and the bolded, yellow-highlighted KenKnight letter excerpts above again for the details on the need for Chill to make additional financial documentation submissions by January 31, 2023.

Please contact Patrick if you have any questions about the KenKnight notice letter.

Sincerely,

Rick Cool  
Surface Water Enforcement Section  
U.S. EPA Region 10  
1200 Sixth Avenue, Ste. 155, M/S 20-C04  
Seattle, WA 98101

[cool.richard@epa.gov](mailto:cool.richard@epa.gov)

Phone: (206) 553-6223

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**From:** Cool, Richard  
**Sent:** Saturday, July 23, 2022 2:34 PM  
**To:** Sonia Slayden <[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)>  
**Cc:** Johnson, Patrick <[johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov)>  
**Subject:** FW: Initial data request form

Hi Sonia:

I am sorry to hear you [REDACTED] and I hope you are doing better.

I understand from your Thursday July 21 email (attached below) that you have someone

coming on this coming Tuesday July 26 to help you with additional information submissions to support your inability-to-pay claim. That response and your email leads me to believe that your original July 19-signed form (attached) here might have had partial answers (?) or answers that you are going to supplement with additional explanations, information and maybe supporting documents.

For that reason, I saved a copy of your July 19-signed form and added some Cool-labeled and highlighted comments, questions, etc. in an effort to identify areas that appeared to me, based on my review of Chill Transportation's submissions to date, that still needed to be supplemented with additional information and supporting documentation. I hope the highlighted information, questions, etc. is adequate to explain what more is needed.

Please contact me if you have any questions about the highlighted comments, questions, etc. We could always arrange a Teams phone call to go through these materials in more detail if you and your help would find that helpful.

I will be available this coming week generally on Monday, Tuesday morning, Thursday and Friday. I am on travel and in the field on Tuesday afternoon and Wednesday.

We appreciate your continuing efforts to provide additional information and documentation to help us understand Chill Transportation's financial condition and the underlying information to support its inability-to-pay claim.

Thank you again for your continuing efforts and cooperation.

Sincerely,

Rick Cool  
Surface Water Enforcement Section  
U.S. EPA Region 10  
1200 Sixth Avenue, Ste. 155, M/S 20-C04  
Seattle, WA 98101

[cool.richard@epa.gov](mailto:cool.richard@epa.gov)  
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**From:** Sonia Slayden <[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)>  
**Sent:** Thursday, July 21, 2022 7:27 PM  
**To:** Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)>  
**Subject:** Initial data request form

Hi Rick

Hope you are well. Im sorry this is taking so long. Please understand [REDACTED]. Besides being very old school where I am used to paperwork and not very good with any of these devices, I attempted this on a new app. I don't know how this came out. I filled it out right on the form and have someone coming on Tuesday to help me with the rest. I cannot have anyone come here now [REDACTED]. So I have to wait until Tuesday for anyone to be able to visit me. I hope you understand. Will be sending you

a little at a time if I can on my own otherwise Tuesday Im confident it will be taken care of.  
Thank you again for understanding

----- Forwarded message -----

From: Sonia Slayden <[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)>

To: "Cool, Richard" <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)>

Cc: "Jencius, Michele" <[jencius.michele@epa.gov](mailto:jencius.michele@epa.gov)>, "Johnson, Patrick" <[johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov)>, "Spaulding, Kate" <[Spaulding.Kate@epa.gov](mailto:Spaulding.Kate@epa.gov)>

Bcc:

Date: Wed, 11 Jan 2023 17:55:36 +0000

Subject: Re: FW: EPA's Intent to File Administrative Complaint Against Chill Transportation

Richard what does ATP stand for? im still unclear. I sent you everything I have with these taxes. The only changes that 2022 has brought is further financial difficulties because of the messed up economy, the increase in our insurance premiums due to this accident and high fuel prices which has crippled us. I provided one full month of that. I have submitted everything that I can. I am not able to get to my office/apartment now, besides my health issues, my roof caved in because of the cyclone in california that has caused significant water damages and flooding. So you're gonna need to treat me like im a 5 year old and be specific and clear with what you guys can possibly want further from me to get this done. I believe you are trying to help me but I keep sending information to you and it seems to never be enough. 2021 taxes should be enough to see how chill transportation is doing. I am so stressed out that I haven't been able to catch a break. I need this situation to end. It's killing me!

On Wed, Jan 11, 2023 at 9:17 AM Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)> wrote:

Ms. Slayden,

In response to your email below please refer to my earlier email sent this morning which included a copy of the Jeff KenKnight December 14, 2022 letter (also included here). I have also attached a copy of my earlier email for your ease of reference.

The KenKnight letter and my emails (which include highlighted excerpts from the KenKnight letter) highlight specifically what more Chill needs to submit in terms of financial documentation submissions in order for EPA to proceed with a detailed evaluation of Chill's claim of an inability to pay any potential settlement penalty.

**In response to your email question "Are you saying I need to send you something else?", the answer is "yes" to your question . . . Chill still needs to send more financial documentation submissions in**

**response to the KenKnight letter.** Please refer to the KenKnight letter for details.

Please also refer to the KenKnight letter excerpt included below, that includes the original yellow highlighting that I placed in my earlier email, and for purposes of this email I have included additional bolding so that you can more easily identify the financial documentation submissions that Chill still needs to make at this time..

I repeat again here what Mr. Johnson alluded to in his December 27 response to your email in terms of making sure Chill follows the KenKnight letter for the requested financial documentation submissions . . . as Mr. Johnson noted, additional Chill submissions are needed and that is more than just the 2021 federal income tax documentation.

Chill should submit the requested financial information that is outlined in the Kenknight letter which includes in relevant part:

**Accordingly, EPA intends to proceed with the filing of an administrative complaint in February 2023 unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023.** If Chill chooses to continue its representations of any inability-to-pay claim, Chill needs to update, finalize, and make complete and adequate financial documentation submissions which should include, but is not limited to, the following information:

1. **An updated, revised and certified ATP Form, updating and describing any changes for each ATP form item since the original Chill July 15th and 21st submissions. EPA encourages Chill to re-review EPA's July 23rd email comments and inquiries as a guide for identifying potentially missing information that should be included in a revised, updated ATP Form;**

2. **Per ATP Form, Item No. 2, true and complete copies of signed federal tax returns for calendar years 2021 and 2022 that relate to filings for the Chill LLC. Note, if the detailed tax**

**information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements; and**

**3. Per ATP Form, Item No. 3, if the 2022 tax returns are not available, furnish true and complete copies of Chill's 2022 financial statements to include but not limited to Income Statement, Balance Sheet and Cash Flow Statement.**

**The KenKnight letter also encourages Chill to provide the requested ATP Form information and any additional substantive information which provides insight into Chill's current financial condition.**

I want to re-emphasize the importance of Chill providing any additional substantive financial information, including updating the ATP form as requested above, so that EPA can more accurately assess Chill's current financial condition, given in part that the 2021 Form 1040 submission is helpful, but that 2021 information is now approximately 13 months in the past and likely affected by the August 2021 crash implications and immediate ramifications to the LLC's financial conditions at that immediate time and shortly after in late 2021.

You indicate in your email below that your 2022 taxes will show an even bigger loss (bigger than the 2021 loss). As highlighted above in the bolded, yellow highlighted KenKnight letter excerpt, Chill's current evaluation and documentation of those projected 2022 losses should be included in the requested additional financial documentation submissions.

Please review the KenKnight letter and the bolded, yellow-highlighted KenKnight letter excerpts above again for the details on the need for Chill to make additional financial documentation submissions by January 31, 2023.

Again, see the **yellow and bolded highlighted KenKnight letter excerpt** above.

Please contact Patrick if you have any questions about the KenKnight notice letter.



Sincerely,

Rick Cool  
Surface Water Enforcement Section  
U.S. EPA Region 10  
1200 Sixth Avenue, Ste. 155, M/S 20-C04  
Seattle, WA 98101

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**From:** Sonia Slayden <[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)>

**Sent:** Wednesday, January 11, 2023 8:44 AM

**To:** Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)>

**Cc:** Johnson, Patrick <[johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov)>

**Subject:** Re: FW: EPA's Intent to File Administrative Complaint Against Chill Transportation

I Don't understand this Richard. You are forgetting [REDACTED] and this is difficult for me to read. Are you saying I need to send you something else? If so be Be specific as to what else I need to send to show my inability to pay. I thought it would be pretty obvious with the significant loss that my 2021 taxes are showing. 2022 taxes will show an even bigger loss. I was under the assumption that all I needed to do was send you my taxes for 2021 which I did and that would be it. Please I need this situation to be behind me already. The EPA is now and has been contributing the the stress that has been causing me to [REDACTED]. Can you please be specific as to what else you want from me so I can put this matter behind me. I can't do this anymore! Im sorry but you guys are forgetting that this was an accident. I need this resolved. Please help me get this done and over with. Please

On Wed, Jan 11, 2023 at 8:15 AM Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)> wrote:

Hello Ms. Slayden:

I acknowledge receipt of your Monday, January 9, email that included a 2021 Form 1040 submission. A copy of your Monday January 9 email, with the 2021 Form 1040 submission is included here.

Additionally, I am including a copy of Patrick Johnson's December 14, 2022 email notifying Chill Transportation LLC (Chill) of EPA's intent to proceed with the filing of an administrative complaint in February 2023 for Chill's alleged Clean Water Act violations unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023. Mr. Johnson's email includes a copy of Jeff KenKnight's December 14, 2022 letter and I have also included a copy of that KenKnight letter with this email.

I strongly recommend you review the Johnson email and KenKnight letter and pay particular attention to the financial documentation submission provisions that currently remain not responded to by Chill. I urge your immediate and prompt attention to these remaining important matters related to the need for additional financial documentation submissions by Tuesday, January 31, 2023.

First, in regard to the 2021 Form 1040 submission: the submission seems to indicate that the Chill Transportation LLC entity is a *pass-through entity* wherein you, as the sole proprietor, are including all LLC income gains (e.g., receipts, profits, etc) and LLC losses in your individual Form 1040 tax filing.

Would you please respond to this email and confirm you are treating the LLC as a pass-through entity as described above.

Additionally, I would appreciate it if you could respond by email initially to the following question for clarification:

- Did Chill Transportation LLC submit and file any separate 2021 federal income tax documentation to the federal Internal Revenue Service (IRS)? If yes, EPA requests copies of those LLC's 2021 federal income tax filings.

Second, the 2021 1040 submission is under EPA review. As EPA awaits further financial documentation submissions in response to the KenKnight letter, Chill should expect in the future some potential EPA follow-up questions, inquiries, requests for clarifications, etc. at a later date after EPA completes reviews the 2021 1040 submission in context with EPA reviews of the other expected KenKnight-related financial documentation submissions that Chill has yet to make to date.

Third, I respond here to your Monday January 9 email where you ask me to let you know if anything else is needed. Simply put, yes, more Chill financial documentation submissions are needed. Again, please see and review the KenKnight letter for details of what Chill still has not yet submitted.

I repeat here what Mr. Johnson alluded to in his December 27 response to your email in terms of making sure Chill follows the KenKnight letter for the requested financial documentation submissions . . . additional submissions that are more than just the 2021 federal income tax documentation. Chill should submit the requested financial information that is outlined in the Kenknight letter which includes in relevant part:

**Accordingly, EPA intends to proceed with the filing of an administrative complaint in February 2023 unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023.** If Chill chooses to continue its representations of any inability-to-pay claim, Chill needs to update, finalize, and make complete and adequate financial documentation submissions which should include, but is not limited to, the following information:

1. **An updated, revised and certified ATP Form, updating and describing any changes for each ATP form item since the original Chill July 15th and 21st**

submissions. EPA encourages Chill to re-review EPA's July 23rd email comments and inquiries as a guide for identifying potentially missing information that should be included in a revised, updated ATP Form;

2. Per ATP Form, Item No. 2, true and complete copies of signed federal tax returns for calendar years 2021 and 2022 that relate to filings for the Chill LLC. Note, if the detailed tax information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements; and

3. Per ATP Form, Item No. 3, if the 2022 tax returns are not available, furnish true and complete copies of Chill's 2022 financial statements to include but not limited to Income Statement, Balance Sheet and Cash Flow Statement.

The KenKnight letter also encourages Chill to provide the requested ATP Form information and any additional substantive information which provides insight into Chill's current financial condition.

I want to emphasize the importance of Chill providing any additional substantive financial information, including updating the ATP form as requested above, so that EPA can more accurately assess Chill's current financial condition, given in part that the 2021 Form 1040 submission is helpful, but that 2021 information is now approximately 13 months in the past and likely affected by the August 2021 crash implications and immediate ramifications to the LLC's financial conditions at that immediate time and shortly after in late 2021.

Please review the KenKnight letter again for the details on the need for Chill to make additional financial documentation submissions by January 31, 2023. Please contact Patrick if you have any questions about the KenKnight notice letter.

Thank you again for your prompt attention to this important matter as described in the KenKnight letter, and for your help and anticipated cooperation. I hope this email finds you doing better in this new year.

Sincerely,

Rick Cool  
Surface Water Enforcement Section  
U.S. EPA Region 10  
1200 Sixth Avenue, Ste. 155, M/S 20-C04  
Seattle, WA 98101

[cool.richard@epa.gov](mailto:cool.richard@epa.gov)

Phone: (206) 553-6223

Cell: (206) 321-5396

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**From:** Cool, Richard

**Sent:** Tuesday, January 03, 2023 7:55 AM

**To:** Sonia Slayden <[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)>

**Cc:** Johnson, Patrick <[johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov)>

**Subject:** FW: EPA's Intent to File Administrative Complaint Against Chill Transportation

**Importance:** High

Hello Ms. Slayden:

I am acknowledging receipt of your December 27 email (attached) that confirmed receipt of Patrick Johnson's email with the Jeff KenKnight letter (KenKnight letter also attached here).

I hope this email finds you doing better now with hopes and wishes for improvements quickly.

I want to reiterate what Patrick alluded to in his December 27 response to your email in terms of making sure Chill Transportation follows the KenKnight letter for the requested submissions, that are more than just the 2021 federal income tax documentation. Chill Transportation should submit the requested financial information that is outlined in the Kenknight letter which includes in relevant part:

**Accordingly, EPA intends to proceed with the filing of an administrative complaint in February 2023 unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023.** If Chill chooses to continue its representations of any inability-to-pay claim, Chill needs to update, finalize, and make complete and adequate financial documentation submissions which should include, but is not limited to, the following information:

1. An updated, revised and certified ATP Form, updating and describing any changes for each ATP form item since the original Chill July 15th and 21st submissions. EPA encourages Chill to re-review EPA's July 23rd email comments and inquiries as a guide for identifying potentially missing information that should be included in a revised, updated ATP Form;
2. Per ATP Form, Item No. 2, true and complete copies of signed federal tax returns for calendar years 2021 and 2022 that relate to filings for the Chill LLC. Note, if the detailed tax information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements; and
3. Per ATP Form, Item No. 3, if the 2022 tax returns are not available, furnish true and complete copies of Chill's 2022 financial statements to include but not limited to Income Statement, Balance Sheet and Cash Flow Statement.

The KenKnight letter also encourages Chill to provide the requested ATP Form information and any additional substantive information which provides insight into Chill's current financial condition.

Please review the KenKnight letter again for the details. Please contact Patrick if you have any questions about the KenKnight notice letter.

Thank you again for your prompt attention to this important matter as described in the KenKnight letter, and for your help and anticipated cooperation.

Sincerely,

Rick Cool  
Surface Water Enforcement Section  
U.S. EPA Region 10  
1200 Sixth Avenue, Ste. 155, M/S 20-C04  
Seattle, WA 98101

[cool.richard@epa.gov](mailto:cool.richard@epa.gov)  
Phone: (206) 553-6223  
Cell: (206) 321-5396

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**From:** Johnson, Patrick <[johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov)>  
**Sent:** Tuesday, December 27, 2022 8:33 PM  
**To:** Sonia Slayden <[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)>  
**Cc:** Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)>  
**Subject:** RE: EPA's Intent to File Administrative Complaint Against Chill Transportation  
**Importance:** High

Sonia:

Thank you for your message. I am sorry to hear that you are still sick. EPA looks forward to receiving the list of items identified in our December 14, 2022 letter by or before January 31, 2023. For your convenience, the letter is attached again to this message. As you will note, the information that EPA needs to fully analyze your inability-to-pay claim **includes, but is not limited to**, Chill Transportation's federal tax returns. Please let me and/or Rick Cool know if you have any questions. My number is: (907) 271-3914 and Rick's number is: (206) 553-6223. You may also send email messages.

Best wishes for a quick recovery.

Sincerely,

Patrick B. Johnson  
Office of Regional Counsel  
U.S. Environmental Protection Agency, Region 10  
Alaska Operations Office  
[222 West 7th Avenue, #19](#)  
[Anchorage, Alaska 99513-7588](#)  
(907) 271-3914

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**From:** Sonia Slayden <[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)>  
**Sent:** Tuesday, December 27, 2022 10:36 AM  
**To:** Johnson, Patrick <[johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov)>  
**Cc:** Cool, Richard <[Cool.Richard@epa.gov](mailto:Cool.Richard@epa.gov)>; Jencius, Michele <[jencius.michele@epa.gov](mailto:jencius.michele@epa.gov)>; Kenknight, Jeff <[Kenknight.Jeff@epa.gov](mailto:Kenknight.Jeff@epa.gov)>; Spaulding, Kate <[Spaulding.Kate@epa.gov](mailto:Spaulding.Kate@epa.gov)>  
**Subject:** Re: EPA's Intent to File Administrative Complaint Against Chill Transportation

Hi Richard. Im so sorry that i haven't been able to contact you. [REDACTED]. I know I still have yet to send you my taxes. I will do so as soon as I can. I just haven't been able to. Not because I haven't wanted to believe me. I just can't seem [REDACTED]. I know this is not your problem but I hope you can understand. Just checking in to let you know I will take care of this if it's the last thing I do. Thank you for your patience and im sorry for the delay in getting back to you

On Wed, Dec 14, 2022 at 12:47 PM Johnson, Patrick <[johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov)> wrote:

CONFIDENTIAL - FOR SETTLEMENT PURPOSES ONLY

Ms. Sonia I. Slayden  
President  
Chill Transportation LLC  
[2112 Berkeley Ave. Apt. 6](#)  
[Los Angeles, California 90026](#)  
[chilltransportation1@gmail.com](mailto:chilltransportation1@gmail.com)

Dear Ms. Slayden:

This email conveys the attached EPA letter notifying and informing Chill Transportation LLC (Chill) that the U.S. Environmental Protection Agency (EPA) intends to proceed with the filing of an administrative complaint in February 2023 for Chill's alleged Clean Water Act violations unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by **Tuesday, January 31st, 2023**.

Please direct your immediate attention to the attached EPA letter for details regarding this notification. The EPA case team remains interested i

# **Limited Liability Company (LLC) Ability to Pay Claim Initial Data Request**

\* \* \* \* \*

Note: (1) *To avoid duplication, if a response has already been provided, please indicate.*

(2) *Unless otherwise mentioned, for purposes of this request the **Review Period** for this request is from the LLC's fiscal year 2018 to present.*

(3) *If a particular Data Request is not applicable, state that it is not applicable with a short explanation.*

(4) *You may assert a confidentiality claim covering part or all of the information submitted to EPA in response to this questionnaire by placing on (or attaching to) the information, at the time it is submitted to EPA, a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as "trade secret," "proprietary," "company confidential." Allegedly confidential portions of otherwise non-confidential documents should be clearly identified by you, and may be submitted separately to facilitate identification and handling by EPA. Information covered by such a claim will be disclosed by EPA only to the extent and by the procedures set forth in statutes and 40 C.F.R. Part 2, Subpart B. Unless you make a claim at the time you submit the information in the manner described in 40 C.F.R. § 2.203(b), it may be made available to the public by EPA without further notice to you. 40 CFR 2.203; see also 41 Fed. Reg. 36902 (Sept. 1, 1976).*

(5) *Submit all financial information under an authorized signature with the certification language at the end of this document.*

## **Please provide the following:**

### 1. **Explanatory Statement**

Provide a substantive statement with supporting information (e.g., documentation if it exists, etc.) which explains the specific reason(s) why the LLC is claiming an inability to pay the proposed penalty.

EPA encourages adding information and details to your substantive statement describing the LLC's financial conditions including but not limited to the following (not an exclusive list):

- LLC's operational history since its inception and operational history since the August 2021 accident to date, including number of truck(s) in operation and during what time periods in 2021 and 2022 to date, driver availability affecting truck operations, etc.;
- LLC's financial health, including anticipated or estimated gross and net income and related operational expenses (e.g., LLC wages and salaries, truck and equipment operations and maintenance costs, insurance, etc.) in calendar year 2022 and future year estimates.

2. **Federal Tax Returns**

True and complete copies of signed federal tax returns for the years 2018, 2019, 2020 (and 2021 if completed) that relate to filings for the LLC. If the detailed tax information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements.

3. **Annual Financial Statements**

If 2021 tax returns are not available, furnish true and complete copies of 2021 financial statements to include but not limited to Income Statement, Balance Sheet, and Cash Flow Statement.

4. **Year To Date Financial Statement**

- (a) If more than three months have elapsed from the end of the LLC's most recently completed fiscal year, provide the most current Year-To-Date financial statements.
- (b) Indicate if there have been any substantive changes with respect to any notes contained in the most recent annual financial statement.

5. **LLC Management**

- (a) The names of senior LLC officers and each officer's total annual remuneration (i.e., salary, bonus, options, perquisites) for each of the years requested for the financial statements.
- (b) For the Review Period indicate if any loans have been made between the LLC and an officer or Member.
- (c) Also, disclose if any loan(s) have been made between the LLC and a relative or personal acquaintance of any LLC officer, Member or employee, and if so, the terms, conditions and current status of each loan.



(d) For the Review Period indicate if any other non-operating disbursements (e.g., grants, gifts, transfers, etc.) of assets have been made between the LLC and any of its officers, Members, employees or any relative or personal acquaintance of any LLC officer, Member or employee, and if so, the date and description of and the underlying reason for each disbursement.

6. **Members**

Provide the names of Stockholders/Partners/Members (hereinafter called Members) who hold the first eighty percent (80%) of the LLC's voting shares. For each Member named, indicate the type and percentage of shares held and the respective dollar value

7. **Litigation**

A statement with relevant details if the LLC currently is, or anticipates being a party to, any litigation which has not been noted in the most recent financial statement and which could impact the LLC's financial situation.

8. **Financial Settlements**

A statement with relevant details if the LLC currently is, or anticipates receiving or paying, a financial settlement which has not been noted in the most recent financial statements.

9. **LLC Control and Affiliations**

(a) For the period under review indicate if the LLC controlled or controls, or was or is controlled by or affiliated with any other company or entity, domestic or foreign.

For each company or entity, provide:

- name, address and phone number
- type of affiliation (e.g., subsidiary, parent, etc.)
- names of senior officers and board of directors
- description of any operational ties (e.g., provides administrative services, provides marketing services, etc.), and percentage of ownership and means of control.

(c) For the Review Period indicate whether the LLC had or currently has any business with any other entity where a LLC officer, director or principal had or currently has a financial interest in or control of that other entity.

12. **Credit**

(a) If the LLC has any lines of credit or other loans which have not been mentioned in the most recent financial statement, indicate the financial institution(s) or lender(s), the specific terms and conditions, and the current financial status of that line of credit or loan.

- (b) If the LLC applied for and was denied credit (including a loan) during the Review Period, provide a statement containing details of that credit request and denial (i.e., date applied for, amount, name of financial institution/lender, date denied, etc.). Include a copy of the letter of denial from that financial institution/lender.

11. **Insurance**

- (a) Provide true and complete copies of each policy that provides any insurance coverage for the LLC regarding this specific environmental issue.
- (b) In terms of ongoing LLC operational expenses, provide information and documentation on any tractor truck, trailer, etc. insurance coverage(s) that may affect the LLC's current financial health.

12. **Market Conditions**

If market conditions are a negative factor affecting the LLC's current financial health, provide a substantive statement with supporting information.

13. **Other Assets**

If the LLC has a financial interest in, control of, or is the beneficiary of any asset (real estate, major equipment, aircraft, watercraft, etc.) in the U.S. or in another country that has not been identified in the LLC's federal tax returns or in other financial information provided to EPA, identify each asset by type of asset, estimated value, and specific location (e.g., address, state or country).

14. **Investigations & Potential Claims**

Identify and describe any investigations currently underway of the LLC and/or LLC officers and/or Members that may have an impact on the LLC's operations or financial health, including but not necessarily limited to the following:

Is the LLC aware of any potential penalty claims associated with the August 2021 accident/oil spill from the Washington State Department of Ecology and if so, what is the level of the penalty claim? Explain and describe.

Is the LLC aware of any potential financial reimbursement claims associated with the August 2021 accident/spill regarding EPA incurred response/removal costs being managed and sought by the U.S. Coast Guard's National Pollution Funds Center? Explain and describe.

15. **Forward Looking Statements**

Provide "Forward looking statements" made or issued publicly by the LLC or someone acting on behalf of the LLC during the past year.

16. **Additional Information**

The EPA encourages the LLC to provide any additional substantive information which provides insight into its financial condition.

**Please note that the EPA may request additional information as part of its review of this case information.**

**CERTIFICATION**

I certify that the attached financial information is true, correct, and complete. I certify that the portions of these documents which I did not personally prepare were prepared by persons acting on behalf of [company name] under my supervision and at my instruction, and that the information provided is true, accurate, and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment.

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Print Name

\_\_\_\_\_  
Title

# **Limited Liability Company (LLC) Ability to Pay Claim Initial Data Request**

\* \* \* \* \*

Note: (1) *To avoid duplication, if a response has already been provided, please indicate.*

(2) *Unless otherwise mentioned, for purposes of this request the **Review Period** for this request is from the LLC's fiscal year 2018 to present.*

(3) *If a particular Data Request is not applicable, state that it is not applicable with a short explanation.*

(4) *You may assert a confidentiality claim covering part or all of the information submitted to EPA in response to this questionnaire by placing on (or attaching to) the information, at the time it is submitted to EPA, a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as "trade secret," "proprietary," "company confidential." Allegedly confidential portions of otherwise non-confidential documents should be clearly identified by you, and may be submitted separately to facilitate identification and handling by EPA. Information covered by such a claim will be disclosed by EPA only to the extent and by the procedures set forth in statutes and 40 C.F.R. Part 2, Subpart B. Unless you make a claim at the time you submit the information in the manner described in 40 C.F.R. § 2.203(b), it may be made available to the public by EPA without further notice to you. 40 CFR 2.203; see also 41 Fed. Reg. 36902 (Sept. 1, 1976).*

(5) *Submit all financial information under an authorized signature with the certification language at the end of this document.*

## **Please provide the following:**

1. **Explanatory Statement** - submitted

Provide a substantive statement with supporting information (e.g., documentation if it exists, etc.) which explains the specific reason(s) why the LLC is claiming an inability to pay the proposed penalty.

EPA encourages adding information and details to your substantive statement describing the LLC's financial conditions including but not limited to the following (not an exclusive list):

- LLC's operational history since its inception and operational history since the August 2021 accident to date, including number of truck(s) in operation and during what time periods in 2021 and 2022 to date, driver availability affecting truck operations, etc.;
- LLC's financial health, including anticipated or estimated gross and net income and related operational expenses (e.g., LLC wages and salaries, truck and equipment operations and maintenance costs, insurance, etc.) in calendar year 2022 and future year estimates.

2. **Federal Tax Returns** – have not filed yet

True and complete copies of signed federal tax returns for the years 2018, 2019, 2020 (and 2021 if completed) that relate to filings for the LLC. If the detailed tax information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements.

3. **Annual Financial Statements** – submitted

If 2021 tax returns are not available, furnish true and complete copies of 2021 financial statements to include but not limited to Income Statement, Balance Sheet, and Cash Flow Statement.

4. **Year To Date Financial Statement** submitted

- (a) If more than three months have elapsed from the end of the LLC's most recently completed fiscal year, provide the most current Year-To-Date financial statements.
- (b) Indicate if there have been any substantive changes with respect to any notes contained in the most recent annual financial statement.

5. **LLC Management** - Sole proprietor- Sonia Slayden 100 percent

- (a) The names of senior LLC officers and each officer's total annual remuneration (i.e., salary, bonus, options, perquisites) for each of the years requested for the financial statements.
- (b) For the Review Period indicate if any loans have been made between the LLC and an officer or Member.
- (c) Also, disclose if any loan(s) have been made between the LLC and a relative or personal acquaintance of any LLC officer, Member or employee, and if so, the terms, conditions and current status of each loan.

I have borrowed \$20,000 dollars from my relatives that must be paid in a reasonable amount of time. \$1000 monthly that has not begun due to our situation am in default

- (d) For the Review Period indicate if any other non-operating disbursements (e.g., grants, gifts, transfers, etc.) of assets have been made between the LLC and any of its officers, Members, employees or any relative or personal acquaintance of any LLC officer, Member or employee, and if so, the date and description of and the underlying reason for each disbursement.

None

6. **Members** – Sonia Slayden President sole proprietor

Provide the names of Stockholders/Partners/Members (hereinafter called Members) who hold the first eighty percent (80%) of the LLC's voting shares. For each Member named, indicate the type and percentage of shares held and the respective dollar value

7. **Litigation** -none

A statement with relevant details if the LLC currently is, or anticipates being a party to, any litigation which has not been noted in the most recent financial statement and which could impact the LLC's financial situation.

8. **Financial Settlements** – submitted

A statement with relevant details if the LLC currently is, or anticipates receiving or paying, a financial settlement which has not been noted in the most recent financial statements.

9. **LLC Control and Affiliations** - none

(a) For the period under review indicate if the LLC controlled or controls, or was or is controlled by or affiliated with any other company or entity, domestic or foreign.

For each company or entity, provide:

- name, address and phone number
- type of affiliation (e.g., subsidiary, parent, etc.)
- names of senior officers and board of directors
- description of any operational ties (e.g., provides administrative services, provides marketing services, etc.), and percentage of ownership and means of control.

(c) For the Review Period indicate whether the LLC had or currently has any business with any other entity where a LLC officer, director or principal had or currently has a financial interest in or control of that other entity.

12. **Credit** - None

- (a) If the LLC has any lines of credit or other loans which have not been mentioned in the most recent financial statement, indicate the financial institution(s) or lender(s), the specific terms and conditions, and the current financial status of that line of credit or loan.

Transport funding I owe \$30,000 paying \$1284.08 monthly. In default

- (b) If the LLC applied for and was denied credit (including a loan) during the Review Period, provide a statement containing details of that credit request and denial (i.e., date applied for, amount, name of financial institution/lender, date denied, etc.). Include a copy of the letter of denial from that financial institution/lender.

11. **Insurance** -provided

- (a) Provide true and complete copies of each policy that provides any insurance coverage for the LLC regarding this specific environmental issue.
- (b) In terms of ongoing LLC operational expenses, provide information and documentation on any tractor truck, trailer, etc. insurance coverage(s) that may affect the LLC's current financial health.

12. **Market Conditions** submitted

If market conditions are a negative factor affecting the LLC's current financial health, provide a substantive statement with supporting information.

13. **Other Assets**- none

If the LLC has a financial interest in, control of, or is the beneficiary of any asset (real estate, major equipment, aircraft, watercraft, etc.) in the U.S. or in another country that has not been identified in the LLC's federal tax returns or in other financial information provided to EPA, identify each asset by type of asset, estimated value, and specific location (e.g., address, state or country).

14. **Investigations & Potential Claims**- none

Identify and describe any investigations currently underway of the LLC and/or LLC officers and/or Members that may have an impact on the LLC's operations or financial health, including but not necessarily limited to the following:

Is the LLC aware of any potential penalty claims associated with the August 2021 accident/oil spill from the Washington State Department of Ecology and if so, what is the level of the penalty claim? Explain and describe.

Is the LLC aware of any potential financial reimbursement claims associated with the August 2021 accident/spill regarding EPA incurred response/removal costs being managed and sought by the U.S. Coast Guard's National Pollution Funds Center? Explain and describe.

15. **Forward Looking Statements**- N/A

Provide "Forward looking statements" made or issued publicly by the LLC or someone acting on behalf of the LLC during the past year.

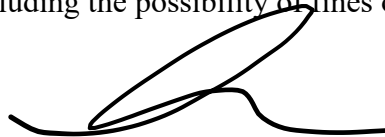
16. **Additional Information**- submitted

The EPA encourages the LLC to provide any additional substantive information which provides insight into its financial condition.

**Please note that the EPA may request additional information as part of its review of this case information.**

**CERTIFICATION**

I certify that the attached financial information is true, correct, and complete. I certify that the portions of these documents which I did not personally prepare were prepared by persons acting on behalf of [company name] under my supervision and at my instruction, and that the information provided is true, accurate, and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment.



7/19/22

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Sonia Slayden

\_\_\_\_\_  
Print Name

President

\_\_\_\_\_  
Title



## Limited Liability Company (LLC) Ability to Pay Claim Initial Data Request

\* \* \* \* \*

Note: (1) *To avoid duplication, if a response has already been provided, please indicate.*

(2) *Unless otherwise mentioned, for purposes of this request the Review Period for this request is from the LLC's fiscal year 2018 to present.*

(3) *If a particular Data Request is not applicable, state that it is not applicable with a short explanation.*

(4) *You may assert a confidentiality claim covering part or all of the information submitted to EPA in response to this questionnaire by placing on (or attaching to) the information, at the time it is submitted to EPA, a cover sheet, stamped or typed legend, or other suitable form of notice employing language such as "trade secret," "proprietary," "company confidential." Allegedly confidential portions of otherwise non-confidential documents should be clearly identified by you, and may be submitted separately to facilitate identification and handling by EPA. Information covered by such a claim will be disclosed by EPA only to the extent and by the procedures set forth in statutes and 40 C.F.R. Part 2, Subpart B. Unless you make a claim at the time you submit the information in the manner described in 40 C.F.R. § 2.203(b), it may be made available to the public by EPA without further notice to you. 40 CFR 2.203; see also 41 Fed. Reg. 36902 (Sept. 1, 1976).*

(5) *Submit all financial information under an authorized signature with the certification language at the end of this document.*

### **Please provide the following:**

1. **Explanatory Statement** – submitted

[COOL COMMENT: SEE HIGHLIGHTED TEXT BELOW FOR NO. 1 – I DO NOT RECALL SEEING INFORMATION RELATED TO HIGHLIGHTED TEXT – PLEASE CONSIDER WHETHER CHILL TRANSPORTATION ("CT") HAS PROVIDED THAT INFORMATION &

**WHERE, AND IF NOT, PLEASE ADD THIS INFORMATION AND SUBMIT SUPPORTING DOCUMENTATION IF AVAILABLE]**

Provide a substantive statement with supporting information (e.g., documentation if it exists, etc.) which explains the specific reason(s) why the LLC is claiming an inability to pay the proposed penalty.

EPA encourages adding information and details to your substantive statement describing the LLC's financial conditions including but not limited to the following (not an exclusive list):

- LLC's operational history since its inception and operational history since the August 2021 accident to date, including number of truck(s) in operation and during what time periods in 2021 and 2022 to date, driver availability affecting truck operations, etc.;
- LLC's financial health, including anticipated or estimated gross and net income and related operational expenses (e.g., LLC wages and salaries, truck and equipment operations and maintenance costs, insurance, etc.) in calendar year 2022 and future year estimates.

2. **Federal Tax Returns** – have not filed yet

True and complete copies of signed federal tax returns for the years 2018, 2019, 2020 (and 2021 if completed) that relate to filings for the LLC. If the detailed tax information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements.

3. **Annual Financial Statements** – submitted

**[COOL COMMENT: SEE HIGHLIGHTED TEXT BELOW FOR NO. 3 – I DO NOT RECALL SEEING INFORMATION RELATED TO HIGHLIGHTED TEXT – PLEASE CONSIDER WHETHER CHILL TRANSPORTATION (“CT”) HAS PROVIDED THAT INFORMATION & WHERE, AND IF NOT, PLEASE PROVIDE THIS INFORMATION OR SIMILAR STATEMENTS/SHEETS.]**

If 2021 tax returns are not available, furnish true and complete copies of 2021 financial statements to include but not limited to Income Statement, Balance Sheet, and Cash Flow Statement.

4. **Year To Date Financial Statement** submitted

**[COOL COMMENT: SEE HIGHLIGHTED TEXT BELOW FOR NO. 4 – I DO NOT RECALL SEEING INFORMATION RELATED TO HIGHLIGHTED TEXT – PLEASE CONSIDER WHETHER CHILL TRANSPORTATION (“CT”) HAS PROVIDED THAT INFORMATION &**

**WHERE, AND IF NOT, PLEASE ADD THIS INFORMATION OR SIMILAR STATEMENTS/SHEETS.]**

- (a) If more than three months have elapsed from the end of the LLC's most recently completed fiscal year, provide the most current Year-To-Date financial statements.
- (b) Indicate if there have been any substantive changes with respect to any notes contained in the most recent annual financial statement.

5. **LLC Management** - Sole proprietor- Sonia Slayden 100 percent

**[COOL COMMENT: SEE HIGHLIGHTED TEXT BELOW FOR NO. 5 – PLEASE ADD THIS INFORMATION AND SUPPORTING DOCUMENTATION IF IT IS NOT PART OF ANY OTHER RESPONSE.]**

- (a) The names of senior LLC officers and each officer's total annual remuneration (i.e., salary, bonus, options, perquisites) for each of the years requested for the financial statements. **[What was the CT President's salary/wages paid in 2021 and in 2022 to date?]**
- (b) For the Review Period indicate if any loans have been made between the LLC and an officer or Member. **[Yes or No? If Yes, provide loan information and if available, supporting documentation.]**
- (c) Also, disclose if any loan(s) have been made between the LLC and a relative or personal acquaintance of any LLC officer, Member or employee, and if so, the terms, conditions and current status of each loan.

I have borrowed \$20,000 dollars from my relatives that must be paid in a reasonable amount of time. \$1000 monthly that has not begun due to our situation am in default

**[Add additional information responding to the CT response to (c) above as follows:**

**Is there a written loan document and if not, can you add more details about the loan with relatives?**

**Have any payments been made on the loan and if Yes, how much of the \$20,000 has been paid back?**

**What is the remaining or outstanding amount of the loan as of July 23, 2022?**

**What is Chill Transportation's preferred remaining payment schedule? In other words, how many monthly payments remain to be paid at \$1000/month?]**

(d) For the Review Period indicate if any other non-operating disbursements (e.g., grants, gifts, transfers, etc.) of assets have been made between the LLC and any of its officers, Members, employees or any relative or personal acquaintance of any LLC officer, Member or employee, and if so, the date and description of and the underlying reason for each disbursement.

None

6. **Members** – Sonia Slayden President sole proprietor

Provide the names of Stockholders/Partners/Members (hereinafter called Members) who hold the first eighty percent (80%) of the LLC's voting shares. For each Member named, indicate the type and percentage of shares held and the respective dollar value

7. **Litigation** -none

A statement with relevant details if the LLC currently is, or anticipates being a party to, any litigation which has not been noted in the most recent financial statement and which could impact the LLC's financial situation.

8. **Financial Settlements** – submitted

**[COOL COMMENT: SEE HIGHLIGHTED TEXT BELOW FOR NO. 8 – I DO NOT RECALL SEEING INFORMATION RELATED TO HIGHLIGHTED TEXT – PLEASE CONSIDER WHETHER CHILL TRANSPORTATION (“CT”) HAS PROVIDED THAT INFORMATION & WHERE, AND IF NOT, PLEASE PROVIDE THIS INFORMATION OR SIMILAR STATEMENTS/SHEETS.]**

**For example, did Prime Insurance provide any financial settlement regarding the August 2021 accident? If Yes, please explain the details of the settlements, including amount of any financial payments and the purpose or coverage provided by any such payments]**

A statement with relevant details if the LLC currently is, or anticipates receiving or paying, a financial settlement which has not been noted in the most recent financial statements.

9. **LLC Control and Affiliations** - none

(a) For the period under review indicate if the LLC controlled or controls, or was or is controlled by or affiliated with any other company or entity, domestic or foreign.

For each company or entity, provide:

- name, address and phone number
- type of affiliation (e.g., subsidiary, parent, etc.)
- names of senior officers and board of directors
- description of any operational ties (e.g., provides administrative services, provides marketing services, etc.), and percentage of ownership and means of control.

(c) For the Review Period indicate whether the LLC had or currently has any business with any other entity where a LLC officer, director or principal had or currently has a financial interest in or control of that other entity.

12. **Credit** - None

(a) If the LLC has any lines of credit or other loans which have not been mentioned in the most recent financial statement, indicate the financial institution(s) or lender(s), the specific terms and conditions, and the current financial status of that line of credit or loan.

Transport funding I owe \$30,000 paying \$1284.08 monthly. In default

**[Add additional information responding to the CT response to (a) above as follows:**

**To what entity does CT still owe \$30,000?**

**What is the underlying reason for this debt? Payments on the original truck involved in the August 2021 accident?**

**How many monthly payments or \$1284.08 have been made to date?**

**Is there a final legally binding deadline for making all payments and if so, what is that date?**

**How much is still owed on this \$30,000 amount?**

**By how much is CT in default as of July 23, 2022?**

(b) If the LLC applied for and was denied credit (including a loan) during the Review Period, provide a statement containing details of that credit request and denial (i.e., date applied for, amount, name of financial institution/lender, date denied, etc.). Include a copy of the letter of denial from that financial institution/lender.

11. **Insurance** -provided

**[COOL COMMENT: SEE HIGHLIGHTED TEXT BELOW FOR NO. 11 – I DO NOT RECALL SEEING INFORMATION RELATED TO HIGHLIGHTED TEXT FOR THE AUGUST 2021 ACCIDENT (E.G., ANY COVERAGE ON ENVIRONMENTAL COSTS, LOAD, ETC. – PLEASE CONSIDER WHETHER CHILL TRANSPORTATION (“CT”) HAS PROVIDED THAT INFORMATION & WHERE, AND IF NOT, PLEASE PROVIDE THIS INFORMATION OR SIMILAR STATEMENTS/SHEETS.]**

- (a) Provide true and complete copies of each policy that provides any insurance coverage for the LLC regarding this specific environmental issue.
- (b) In terms of ongoing LLC operational expenses, provide information and documentation on any tractor truck, trailer, etc. insurance coverage(s) that may affect the LLC’s current financial health.

12. **Market Conditions** submitted

If market conditions are a negative factor affecting the LLC’s current financial health, provide a substantive statement with supporting information.

13. **Other Assets**- none

If the LLC has a financial interest in, control of, or is the beneficiary of any asset (real estate, major equipment, aircraft, watercraft, etc.) in the U.S. or in another country that has not been identified in the LLC’s federal tax returns or in other financial information provided to EPA, identify each asset by type of asset, estimated value, and specific location (e.g., address, state or country).

14. **Investigations & Potential Claims**- none

**[COOL COMMENT: WHAT IS THE BASIS FOR CHILL TRANSPORTATION’S “none” RESPONSE ABOVE?**

**SEE HIGHLIGHTED TEXT BELOW REGARDING NO. 14. EPA HAS REASON TO BELIEVE THAT CHILL TRANSPORTATION HAS BEEN CONTACTED BY THE U.S. COAST GUARD REGARDING POTENTIAL REIMBURSEMENT CLAIMS REGARDING FEDERAL GOVERNMENT INCURRED EXPENSES RESPONDING TO OIL SPILL FROM AUGUST 2021 ACCIDENT AND THAT WASHINGTON STATE DEPARTMENT OF ECOLOGY HAS ALSO CONTACTED CHILL TRANSPORTATION ABOUT A POSSIBLE ECOLOGY PENALTY ACTION – PLEASE CONSIDER WHETHER CHILL TRANSPORTATION (“CT”) HAS PROVIDED THAT INFORMATION & WHERE, AND IF NOT, PLEASE PROVIDE THIS INFORMATION OR SIMILAR STATEMENTS/SHEETS.]**

Identify and describe any investigations currently underway of the LLC and/or LLC officers and/or Members that may have an impact on the LLC's operations or financial health, including but not necessarily limited to the following:

Is the LLC aware of any potential penalty claims associated with the August 2021 accident/oil spill from the Washington State Department of Ecology and if so, what is the level of the penalty claim? Explain and describe.

Is the LLC aware of any potential financial reimbursement claims associated with the August 2021 accident/spill regarding EPA incurred response/removal costs being managed and sought by the U.S. Coast Guard's National Pollution Funds Center? Explain and describe.

15. **Forward Looking Statements**- N/A

Provide "Forward looking statements" made or issued publicly by the LLC or someone acting on behalf of the LLC during the past year.

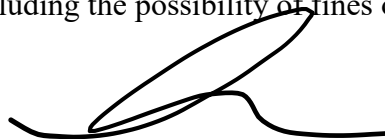
16. **Additional Information**- submitted

The EPA encourages the LLC to provide any additional substantive information which provides insight into its financial condition.

**Please note that the EPA may request additional information as part of its review of this case information.**

**CERTIFICATION**

I certify that the attached financial information is true, correct, and complete. I certify that the portions of these documents which I did not personally prepare were prepared by persons acting on behalf of [company name] under my supervision and at my instruction, and that the information provided is true, accurate, and complete. I am aware that there are significant penalties for knowingly submitting false statements and information, including the possibility of fines or imprisonment.



7/19/22

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Sonia Slayden

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Print Name

President

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Title





**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**

**REGION 10**

1200 Sixth Avenue, Suite 155  
Seattle, WA 98101

ENFORCEMENT &  
COMPLIANCE ASSURANCE  
DIVISION

Reply To: 20-C04

**CERTIFIED MAIL- RETURN RECEIPT REQUESTED**

Ms. Sonia I. Slayden  
President  
Chill Transportation LLC  
2112 Berkeley Avenue, Apt. 6  
Los Angeles, California 90026

Re: EPA's Intent to File Administrative Complaint Against Chill Transportation

Dear Ms. Slayden:

The purpose of this letter is to inform Chill Transportation LLC ("Chill") that the U.S. Environmental Protection Agency (EPA) intends to file an administrative complaint in February 2023 for Chill's alleged Clean Water Act (CWA) violations unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023.

On March 15th, 2022, EPA notified Chill of documented CWA violations related to Chill's ownership and operation of a truck tractor and refrigerated trailer that crashed and caused an oil spill on August 8th, 2021. The Chill vehicle was traveling north-bound on Washington State Route 97, about 4 miles south of the City of Toppenish, Washington. The truck crash occurred at approximately Mile Post 57 on and near a bridge over Toppenish Creek, within the Toppenish National Wildlife Refuge and within the exterior boundaries of the Yakama Indian Reservation. The truck crash resulted in the release of oil (e.g., diesel fuel) to Toppenish Creek, wetlands adjacent to the creek and creek shorelines that included areas of highway ballast that had to be removed, disposed of and replaced as part of the oil spill response and remediation actions.

EPA has repeatedly conveyed to Chill that EPA favors pre-filing discussions. These help to ensure EPA has all relevant information and often leads to a resolution that avoids the time and expense of litigation. In EPA's March 15th, 2022, email notice captioned "Notice of Intent to File Administrative Complaint for Violation of the Clean Water Act and Opportunity to Confer Prior to Filing," EPA stated that it "generally provides a period of 90 days to reach settlement before considering more formal enforcement options." As of the date of this letter, it has been over 270 days since that email message.

On June 1st, 2022, to aid Chill in providing support of its claim about its inability to pay any CWA civil penalty, EPA provided Chill with an Ability-to-Pay Claim Initial Data Request form (herein, "ATP Form"). Chill submitted initial ATP Form responses to EPA on July 15th and 21st, 2022, but those responses were incomplete and did not include the necessary

supporting documentation. For example, Chill's submission indicated, under Item Nos. 3 and 4, that Chill had submitted annual financial statements and year-to-date financial statements. However, Chill neither submitted financial statements with its July 2022 submissions nor after. In response, EPA outlined detailed inquiries regarding Chill's initial ATP Form responses to obtain the additional missing information and supporting documentation. As of the date of this letter, EPA has not received an updated Chill ATP Form response or any of the necessary supporting documentation.

Additionally, in October and November 2022, Chill indicated it would be submitting its 2021 federal income tax filings and supporting documentation as requested in the ATP form, Item No. 2. As of the date of this letter, EPA has not received Chill's 2021 federal income tax filings and supporting documentation.

EPA has repeatedly exercised patience and made efforts to accommodate your situation and Chill's current operating status, but the persistent delays in Chill's failure to make adequate and complete submissions prevent EPA from proceeding with a detailed evaluation of Chill's ability to pay any potential settlement penalty. Additionally, information submitted in July 2022 is now at least five months old and should be updated to ensure it is still accurate and representative of Chill's July 2022 representations.

**Accordingly, EPA intends to proceed with the filing of an administrative complaint in February 2023 unless Chill submits complete and adequate financial documentation to fully support its inability-to-pay claim to EPA by Tuesday, January 31st, 2023.** If Chill chooses to continue its representations of any inability-to-pay claim, Chill needs to update, finalize, and make complete and adequate financial documentation submissions which should include, but is not limited to, the following information:

1. An updated, revised and certified ATP Form, updating and describing any changes for each ATP form item since the original Chill July 15th and 21st submissions. EPA encourages Chill to re-review EPA's July 23rd email comments and inquiries as a guide for identifying potentially missing information that should be included in a revised, updated ATP Form;
2. Per ATP Form, Item No. 2, true and complete copies of signed federal tax returns for calendar years 2021 and 2022 that relate to filings for the Chill LLC. Note, if the detailed tax information is reported on a taxpayer's form 1040, furnish the entire 1040 with all schedules and statements.
3. Per ATP Form, Item No. 3, if the 2022 tax returns are not available, furnish true and complete copies of Chill's 2022 financial statements to include but not limited to Income Statement, Balance Sheet and Cash Flow Statement.

EPA encourages Chill to provide the requested ATP Form information and any additional substantive information which provides insight into Chill's current financial condition.

Please contact Patrick Johnson in the EPA Region 10 Office of Regional Counsel at (907) 271-3914 or [johnson.patrick@epa.gov](mailto:johnson.patrick@epa.gov) if you have any questions about this notice letter and EPA's intention to proceed with the filing of an administrative complaint absent Chill's submission of complete and adequate financial documentation to fully support its Ability-To-Pay Claim to EPA by Tuesday, January 31st, 2023.

Thank you for your prompt attention to this important matter.

Sincerely,

Jeff KenKnight, Chief  
Water Enforcement and Field Branch