

5. Each party to this action shall bear its own costs and attorney fees.

6. Respondent consents to the issuance of the CAFO hereinafter recited and consents to the assessment and payment of the stated civil penalty in the amount and by the method set out in this CAFO.

7. Nothing in this CAFO shall be construed to prevent or limit EPA's civil and criminal authorities, or that of other Federal, State, or local agencies or departments to obtain penalties or injunctive relief under other Federal, State, or local laws or regulations.

8. Each undersigned representative of the parties to this agreement certifies that he or she is fully authorized by the party represented to enter into the terms and conditions of this agreement, to execute it, and to legally bind that party to it.

9. This CAFO shall apply to and be binding upon Respondent, its officers, directors, servants, employees, agents, successors, and assigns, including, but not limited to, subsequent purchasers.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

A. Preliminary Statement

10. Transocean Offshore Deepwater Drilling Inc. ("Respondent") is a Delaware corporation.

11. Respondent is a "person" as that term is defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e), and 40 C.F.R. § 82.3.

12. Respondent's place of business as identified on Customs and Border Patrol import documents and as filed with the Texas Secretary of State is 4 Greenway Plaza, Houston, Texas.

13. Chlorodifluoromethane ("HCFC-22") is also known as monochlorodifluoromethane. Its chemical formula is CHF_2Cl , and its CAS No. is 75-45-6. It is also referred to as R-22 or by one of its trade names, e.g., Freon® 22.

14. 40 C.F.R. § 82.15(b) provides that effective January 21, 2003, no person may import Class II controlled substances (other than transshipments, heels, or used Class II controlled substances) for which EPA has apportioned baseline production and consumption allowances, in excess of the quantity of unexpended consumption allowances, or conferred unexpended HCFC-141b exemption allowances held by that person under the authority of 40 C.F.R. Part 82, Subpart A at that time in the control period, unless the substances are for use in a process resulting in their transformation or their destruction, or unless they are produced using an exemption granted in 40 C.F.R. § 82.15(f). Every kilogram of excess import constitutes a separate violation of 40 C.F.R. Part 82, Subpart A.

15. "Import", as defined in 40 C.F.R. § 82.3, means to land on, bring into, or introduce into, or attempt to land on, bring into, or introduce into any place subject to the jurisdiction of the United States whether or not such landing, bringing, or introduction constitutes an importation within the meaning of the customs laws of the United States, with the following exemptions:

- (1) Off-loading used or excess controlled substances or controlled products from a ship during servicing,
- (2) bringing controlled substances into the U.S. from Mexico where the controlled substance had been admitted into Mexico in bond and was of U.S. origin, and
- (3) bringing a controlled product into the U.S. when transported in a consignment of personal or household effects or in a similar non-commercial situation normally exempted from U.S. Customs attention.

B. Violations Alleged

16. On or about August 3, 2010, Respondent imported thirty (30) cylinders containing 408 kilograms of chlorodifluoromethane ("HCFC-22") into the United States through Service Port No. 5301, Houston, Texas.

17. HCFC-22 is a Class II substance, as defined by 40 C.F.R. § 82.3, and 40 C.F.R. Part 82, Subpart A, Appendix B.

18. The importations listed in Paragraph 16 were not transshipments, heels, or used Class II controlled substances.

19. Respondent does not hold any baseline consumption allowances for HCFC-22. 40 C.F.R. § 82.19.

20. Respondent does not hold any unexpended consumption allowances for HCFC-22.

21. The importations listed in Paragraph 16 were not for use in a process resulting in their transformation or their destruction.

22. Therefore, Respondent violated 40 C.F.R. § 82.15(b), by illegally importing HCFC-22 into the United States.

III. TERMS OF SETTLEMENT

23. Respondent has agreed to pay a civil penalty in the amount of Forty Thousand Dollars (\$40,000) in connection with this proceeding.

24. Respondent shall pay the full amount of the civil penalty, Forty Thousand Dollars (\$40,000), within thirty (30) days of the effective date of this CAFO.

25. All payments must be made by certified check, cashier's check, or wire transfer, made payable to "Treasurer, United States of America, EPA - Region 6". Payment shall be remitted in one of three (3) ways: regular U.S. Postal mail (including certified mail), overnight

mail, or wire transfer. For regular U.S. Postal mail, U.S. Postal Service certified mail, or

U.S. Postal Service express mail, the check(s) should be remitted to:

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

For overnight mail (e.g., Fed Ex and UPS), the check(s) should be remitted to:

U.S. Bank
Government Lockbox 979077
U.S. EPA Fines & Penalties
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101
Phone No. (314) 418-1028

For wire transfer, the payment should be remitted to:

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"

PLEASE NOTE: Docket number CAA-06-2011-3388 shall be clearly typed on the check to ensure proper credit. If payment is made by check, the check shall also be accompanied by a transmittal letter and shall reference Respondent's name and address, the case name, and docket number of the CAFO. If payment is made by wire transfer, the wire transfer instructions shall reference Respondent's name and address, the case name, and docket number of the CAFO. Respondent shall also send a simultaneous notice of such payment, including a copy of the check and transmittal letter, or wire transfer instructions to the following:

Lorena Vaughn
Regional Hearing Clerk (6RC-D)
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

Marie Stucky
Enforcement Officer
Multimedia Enforcement Section (6EN-HM)
Compliance Assurance and Enforcement Division
U.S. EPA, Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

Respondent's adherence to this request will ensure proper credit is given when penalties are received in the Region.

26. Respondent agrees not to claim or attempt to claim a federal income tax deduction or credit covering all or any part of the civil penalty paid to the United States Treasurer.

27. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, unless otherwise prohibited by law, EPA will assess interest and late payment penalties on delinquent debts owed to the United States and assess a charge to cover the costs of processing and handling a delinquent debt. Interest on the civil penalty assessed in this CAFO will begin to accrue on the effective date of this CAFO but will only be recovered by EPA for any amount not paid within thirty (30) days after the effective date of this CAFO. Interest will not be assessed on any interest charges or any administrative costs. Charges to cover the administrative costs of handling a delinquent debt will be assessed monthly for the period the debt is overdue. *See* 40 C.F.R. § 13.11(b).

28. In addition to any assessed administrative costs, a penalty charge of up to six percent per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. *See* 40 C.F.R. § 13.11(c). Should a penalty charge on the debt be required, it

shall accrue from the first day payment is delinquent. *See* 31 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.

29. Pursuant to Section 113(d)(5) of the Act, 42 U.S.C. § 7413(d)(5), any person who fails to pay on a timely basis a civil penalty ordered or assessed under this section shall be required to pay, in addition to such penalty and interest, the United States' enforcement expenses, including, but not limited to, attorneys fees and costs incurred by the United States for collection proceedings, and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be 10 percent of the aggregate amount of such person's outstanding penalties and nonpayment penalties accrued as of the beginning of each quarter.

IT IS SO AGREED.

FOR THE RESPONDENT:

Date: 11/29/2011

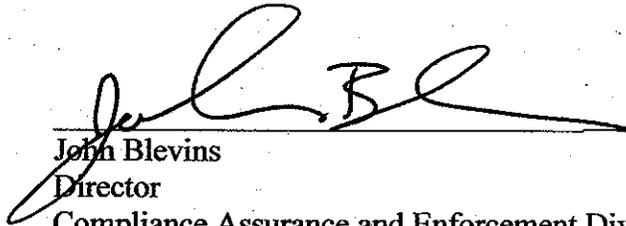


Printed Name: KEELAN ADAMSON
Title: DIRECTOR, VICE PRESIDENT,
Transocean Offshore Deepwater Drilling Inc.

Engineering and
Technical Support

FOR THE COMPLAINANT:

Date: 12.7.11



John Blevins
Director
Compliance Assurance and Enforcement Division
U.S. EPA, Region 6

IV. FINAL ORDER

Pursuant to Section 113(d) of the Clean Air Act (Act), 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 C.F.R. Part 22, the foregoing Consent Agreement is hereby ratified. This Final Order shall not in any case affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order shall resolve only those causes of action alleged in the Complaint. Nothing in this Final Order shall be construed to waive, extinguish or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action. Respondent is ordered to comply with the terms of settlement and the civil penalty payment instructions as set forth in the Consent Agreement. In accordance with 40 C.F.R. § 22.31(b), this Final Order shall become effective upon filing with the Regional Hearing Clerk.

Dated: 12/12/11

Pat Rankin
Regional Judicial Officer
U.S. EPA, Region 6

CERTIFICATE OF SERVICE

I hereby certify that on the 12 day of December, 2011, the original and one copy of the foregoing Consent Agreement and Final Order was hand-delivered to the Regional Hearing Clerk, U.S. EPA - Region 6, 1445 Ross Avenue, Dallas, Texas 75202-2733, and that a true and correct copy of the Consent Agreement and Final Order was placed in the United States Mail, certified mail, return receipt requested,

7001 0360 0003 4675 0516 addressed to the following:

Ben Cowan
Locke Lord Bissell & Liddell
2800 JP Morgan Chase Tower
600 Travis Street
Houston, TX 77002

Angela D. Hodges