

U. S. ENVIRONMENTAL PROTECTION AGENCY
WASHINGTON, D. C.

)	
In the Matter of:)	
)	SETTLEMENT AGREEMENT
Groendyke Transport, Inc)	AED/MSEB - 6053
)	
Respondent.)	
)	

THIS AGREEMENT is made and entered into by and between the United States Environmental Protection Agency ("EPA") and Groendyke Transport, Inc. located at 2510 Rock Island Blvd., Enid, Oklahoma 73702 ("Respondent" or "Groendyke").

Preliminary Statement

1. On October 25, 2001, a Notice of Violation ("Notice") was issued to Respondent for violation of § 211(k) of the Clean Air Act ("Act"), 42 U.S.C. § 7545, and the reformulated gasoline regulations promulgated thereunder at 40 C.F.R. Part 80 ("regulations"). See Attachment 1.
2. The regulations prohibit any person from distributing gasoline for use in reformulated gasoline ("RFG") covered area unless the gasoline meets the standards specified for RFG. Violators of this law are subject to a maximum civil penalty of twenty seven thousand five hundred dollars (\$27,500) per day for each violation and the amount of the economic benefit or savings resulting from the violation.
3. After considering the gravity of the alleged violations, Respondent's history of compliance with the regulations, and the size of Respondent's business, EPA proposed in the Notice a civil penalty of five thousand two hundred eighty dollars (\$5,280) ("proposed penalty").
4. The parties, desiring to settle and resolve this matter, in consideration of the mutual covenants and agreements contained herein, which consideration is acknowledged by the parties to be adequate, agree as set forth herein.

Terms of Agreement

5. The parties agree that the settlement of this matter is in the public interest and that this Settlement Agreement ("Agreement") is the most appropriate means of resolving the matter.
6. By entering into this Agreement, Respondent does not admit or deny that it is in any way responsible for the alleged violations or that any violations have occurred.

7. The parties stipulate and agree to the following matters. It is further agreed that these stipulations are applicable to this Agreement and any enforcement or penalty proceeding arising out of this Agreement or the subject matter of this Agreement:

a. At all relevant times, Respondent was a carrier as defined within the meaning of 40 C.F.R. § 80.2.

b. EPA alleged in its October 25, 2001, Notice that Respondent distributed conventional gasoline, which did not meet the RFG standards, for use in an RFG covered area.

c. Jurisdiction to settle this matter exists pursuant to § 211 of the Clean Air Act, 42 U.S.C. § 7545, 40 C.F.R. Part 80, and other provisions of law.

d. Respondent has taken and will continue to take actions that are designed to prevent future violations of the regulations. These actions include, but are not limited to:

1. Respondent sent a memo to all of its drivers and terminal personnel reminding them of their obligation to comply with the RFG regulations and informing them that they will be disciplined for future violations of the regulations.

2. Respondent changed the process for ordering fuel and dispatching drivers so that the drivers are required to compare their pickup orders with a computer printout from the loading facility in order to verify that the driver loaded the correct product.

3. Respondent has provided each of its drivers that delivers gasoline to the RFG covered area at issue in this case with a copy of a Driver Policy & Procedures Manual that is designed, in part, to prevent violations of the regulations.

4. Respondent has agreed to remind each of its drivers that delivers product to the RFG area at issue in this case of their obligations to comply with the regulations at each of the company's monthly safety meetings.

8. After considering the gravity of the alleged violations, Respondent's history of compliance with the regulations, the economic benefit or savings resulting from the violations, Respondent's size of business, and actions taken to remedy the violations, EPA has determined to mitigate the civil penalty to three thousand one hundred sixty eight dollars (\$3,168) subject to successful completion of the terms of this Agreement.

9. Respondent agrees to pay three thousand one hundred sixty eight dollars (\$3,168) to the United States of America within thirty (30) days from the date that this Agreement is executed by EPA and returned to Respondent by certified mail return receipt requested ("the due date"). Late payment of the civil penalty is subject to interest and fees as specified in 31 U.S.C. § 3717. Respondent agrees to pay the amount by check made payable to the "United States of

America," and to mail the payment to:

U.S. Environmental Protection Agency
Washington Accounting Operations
P.O. Box 360277M
Pittsburgh, Pennsylvania 15251
Attn.: AED/MSEB - 6053

A photocopy of the check shall be mailed simultaneously to:

Jeffrey A. Kodish, Attorney
U.S. Environmental Protection Agency
Mobile Sources Enforcement Branch
12345 West Alameda Parkway, Suite 214
Denver, CO 80228

10. Time is of the essence to this Agreement. Upon failure to timely perform pursuant to paragraph 9 of this Agreement, Respondent agrees to pay a stipulated penalty of twenty seven thousand five hundred dollars (\$27,500). This stipulated penalty is in addition to the proposed penalty. Upon such default this amount shall be immediately due and owing. The parties further agree that upon such default or failure to comply, EPA may refer this matter to the United States Attorney General for collection pursuant to § 211(d) of the Clean Air Act, 42 U.S.C. § 7545(d), commence an action to enforce this Agreement or to recover the civil penalty pursuant to § 211 of the Clean Air Act; or pursue any other remedies available to it. Respondent specifically agrees that in the event of such default or failure to comply, EPA may proceed in an action based on the original claim of violation of § 211 of the Clean Air Act, 42 U.S.C. § 7545, and Respondent expressly waives its right to assert that such action is barred by 28 U.S.C. § 2462, other statutes of limitation, or other provisions limiting actions as a result of passage of time.

11. This Agreement becomes effective upon the date executed by EPA, at which time a copy will be returned to Respondent.

12. Respondent hereby represents that the individual or individuals executing this Agreement on behalf of Respondent are authorized to do so and that such execution is intended and is sufficient to bind Respondent.

13. Respondent waives its rights, if any, to a hearing, trial or any other proceeding on any issue of fact or law relating to the matters consented to herein.

14. The terms of this Agreement are contractual and not a mere recital. If any provision or provisions of this Agreement are held to be invalid, illegal or unenforceable, the remaining provisions shall not in any way be affected or impaired thereby.

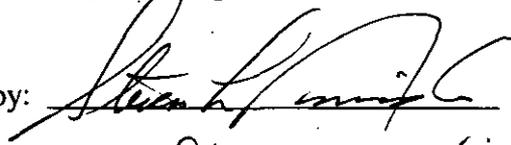
15. The validity, enforceability, and construction of all matters pertaining to this

Agreement shall be determined in accordance with applicable federal law.

16. Upon completion of the terms of this Agreement, this matter shall be deemed terminated and resolved. Nothing herein shall limit the right of EPA to proceed against Respondent in the event of default or noncompliance with this Agreement; for violations of § 211 of the Clean Air Act, 42 U.S.C. § 7545, which are not the subject matter of this Agreement; or for other violations of law; or with respect to other matters not within the scope of the Agreement. This Agreement in no way affects, or relieves Respondent of responsibility to comply with other state, federal or local law or regulations.

The following agree to the terms of this Agreement:

Groendyke Transport, Inc.

by: 

Date: 2-08-02

Print Name: Steven L. Niswander

Print Title: V.P. Safety & Compliance

United States
Environmental Protection Agency

by: 

Date: 3/1/02

Bruce C. Buckheit, Director
Air Enforcement Division
Office of Enforcement and Compliance Assurance