

# **Fiscal Year 2014 EPA Enforcement and Compliance Annual Results**

**Prepared by the Office of Enforcement and Compliance Assurance  
U.S. Environmental Protection Agency**

**December 18, 2014**

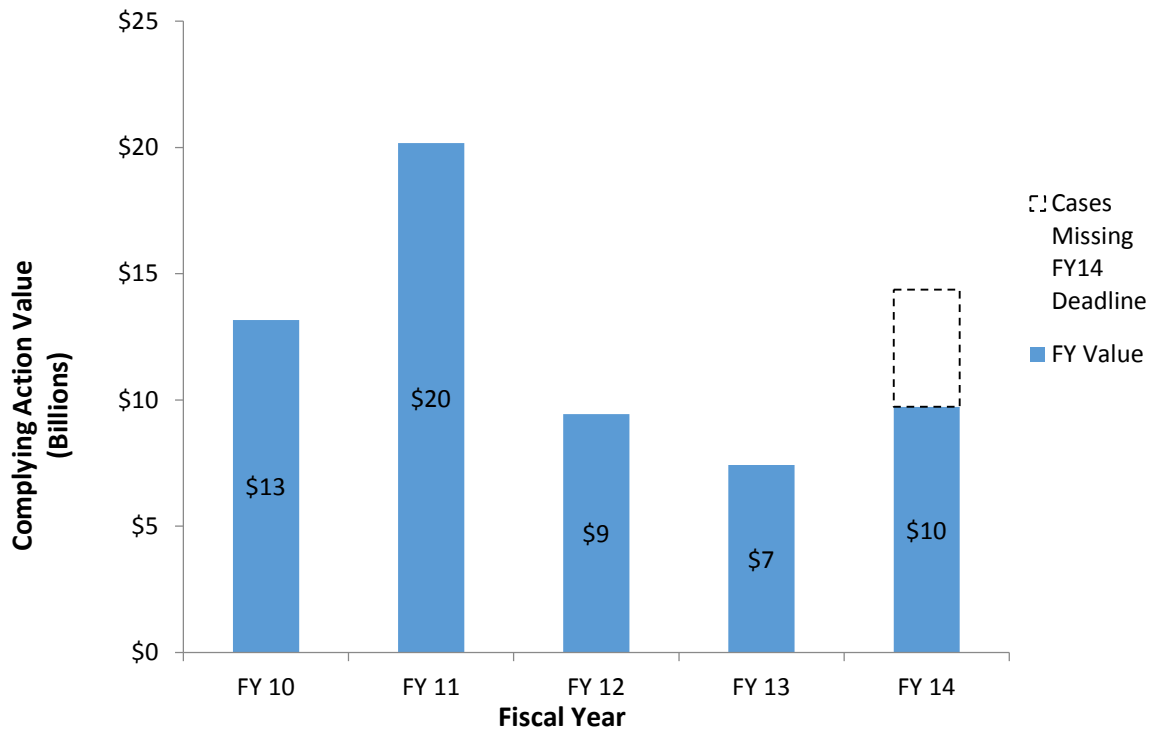
# FY 2014 Enforcement and Compliance Annual Results

## Table of Contents

<b><u>TABLE OF CONTENTS</u></b>	<b><u>PAGE</u></b>
Estimated Value of Administrative and Civil Judicial Complying Actions (Injunctive Relief)	3
Administrative and Civil Penalties Assessed	4
<b><u>Estimated Environmental Benefits</u></b>	
- Volume of Contaminated Water and Soil to be Cleaned Up	5
- Commitments to Reduce, Treat or Eliminate Pollution	6
- Hazardous Waste Treated, Minimized, or Properly Disposed	7
Civil Enforcement Case Initiations and Conclusions	8
Federal Inspections and Evaluations	9
Supplemental Environmental Projects	10
<b><u>EPA Criminal Enforcement Program</u></b>	
Environmental Crime Cases Opened, Defendants Charged, and Sentencing Results - Years of Incarceration	11
Value of Fines and Restitution and Value of Court Ordered Environmental Projects	12
Superfund Results	13
<b>Acronyms and Descriptions for Statutes/Sections</b>	14

# FY 2014 Enforcement and Compliance Annual Results

## Estimated Value of Administrative and Civil Judicial Complying Actions (Injunctive Relief) FY 2010 – FY 2014



➤ In FY 2014, EPA enforcement actions required companies to invest more than **\$9.7 billion** in actions & equipment to control pollution (injunctive relief.)

➤ A number of large cases at the beginning of FY15 (shown in dotted bar) would have, if resolved just weeks earlier, added approximately \$4.6 billion to the total. Injunctive relief totals vary widely from year to year depending on the timing of resolution of the largest cases.

➤ The total in FY 2011 is mainly due to one large company-wide air settlement (TVA; 26% of FY 2011 total) and two large municipal water settlements (City of Honolulu and NEORSD-Cleveland; both comprise 35% of FY 2011 total).

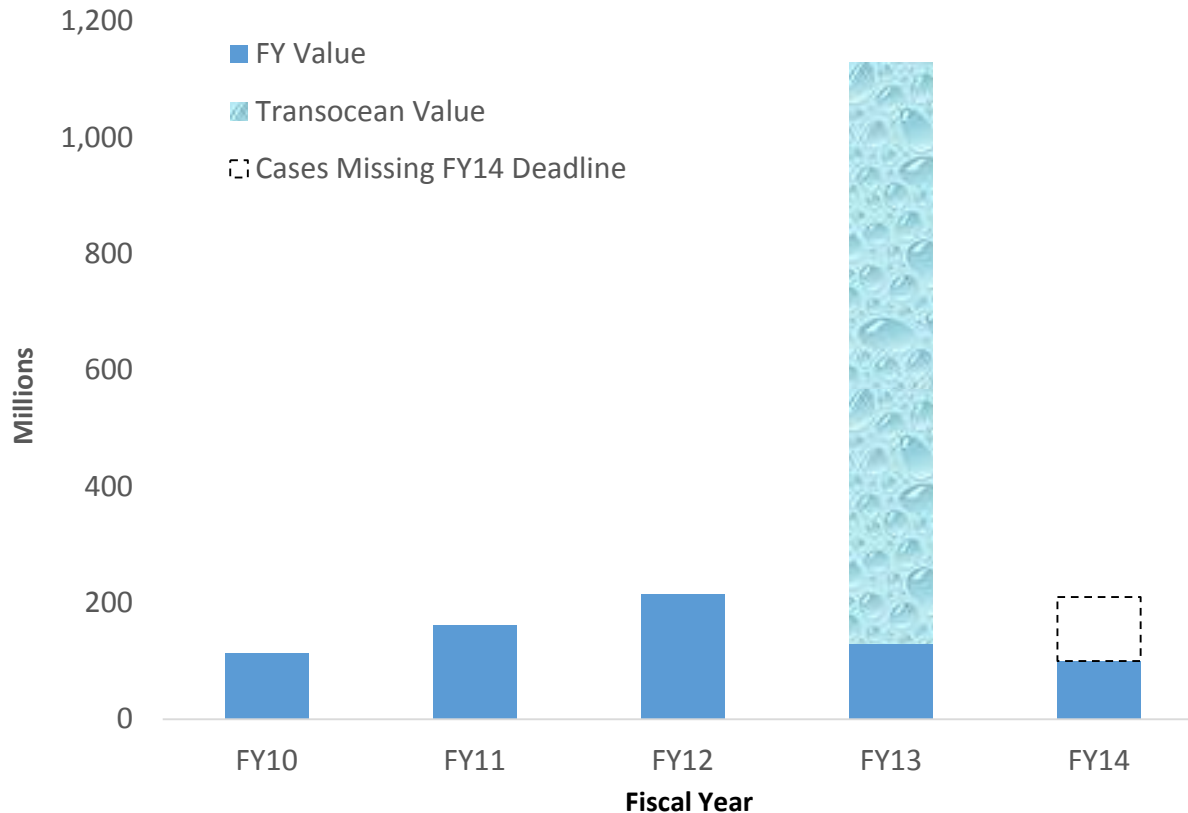
Data Source: Integrated Compliance Information System (ICIS)  
Prepared by: OC/ETDD/DSIMB  
November 7, 2014

Note: All prior FY dollar figures in this report are adjusted to reflect the current value in FY 2014 dollars based on the monthly rate of inflation/deflation as determined by the U.S. Department of Labor Consumer Price Index for All Urban Consumers.

# FY 2014 Enforcement and Compliance Annual Results

## Administrative and Civil Judicial Penalties Assessed

FY 2010 – FY 2014



- In FY 2014, EPA obtained nearly **\$100 Million** in federal administrative and civil judicial penalties.
- The FY 2013 results were dominated by the record setting \$1 Billion penalty from Transocean in the Deepwater Horizon case.
- Penalties assessed vary widely from year to year depending on the timing of resolution of the largest cases.
- For example, a handful of large cases at the beginning of FY15 (shown in dotted bar) would have, if resolved just weeks earlier, made this our second highest civil penalty over the past five fiscal years.

Beginning in FY2011, and continuing through FY2015, EPA and the Department of Justice have made a significant investment in the Deepwater Horizon case, as evidenced by the more than \$1 Billion in civil penalties obtained in FY2013.

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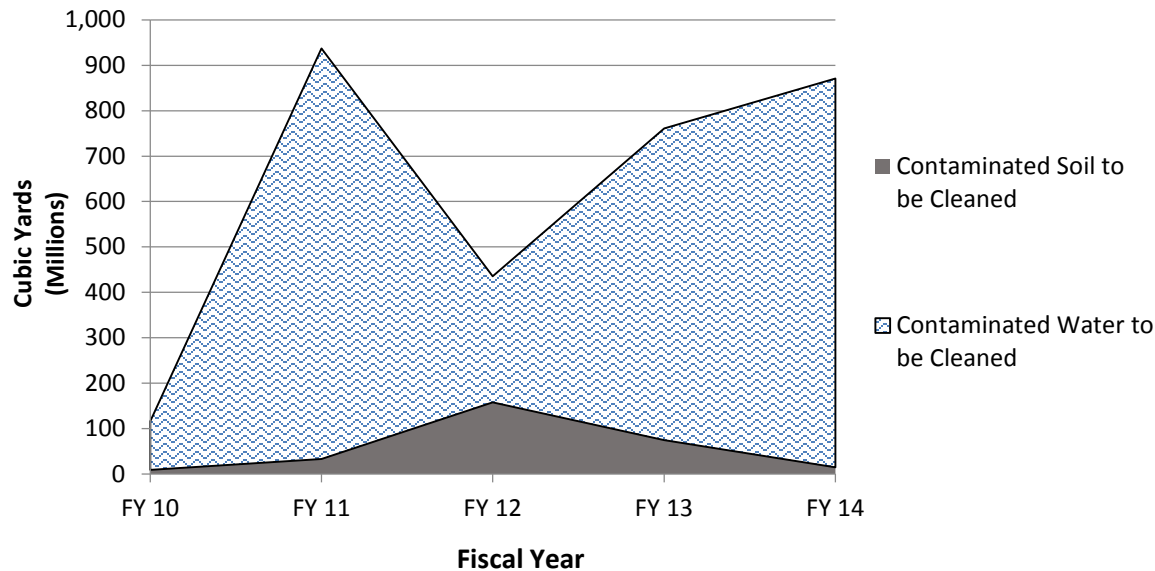
Data Source: Integrated Compliance Information System (ICIS)  
Prepared by: OC/ETDD/DSIMB

# FY2014 Enforcement and Compliance Annual Results

## Estimated Environmental Benefits

### Volume of Contaminated Water and Soil to be Cleaned Up

FY 2010 – FY 2014



Data Source: Integrated Compliance Information System.

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November 7, 2014

➤ In FY 2014 the Agency obtained commitments to remediate an estimated **856 M cubic yards** of Contaminated Water/ Aquifer to be Cleaned Up (cubic yards).

➤ Milan Army Ammunition Plant (CERCLA), accounted for 798 M cubic yards of Contaminated Water/ Aquifer to be Cleaned Up (cubic yards).

➤ In FY 2014 the Agency obtained commitments to remediate an estimated **15 M cubic yards** of Contaminated Soil to be Cleaned Up (cubic yards).

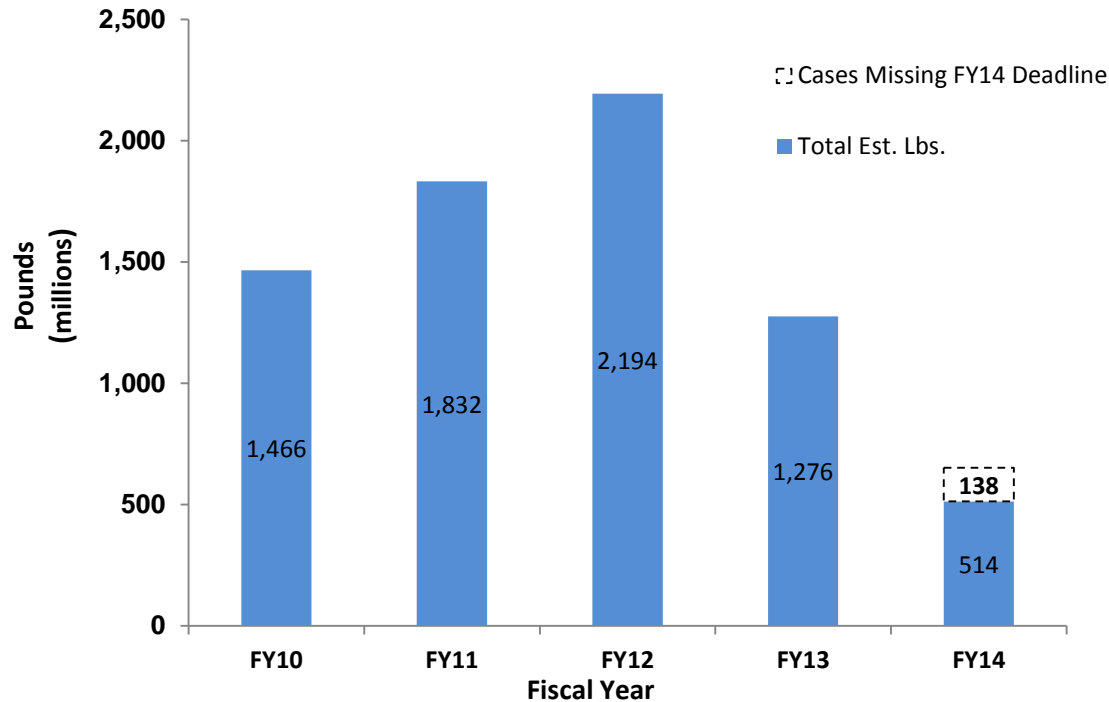
➤ These estimated benefits are the result of CERCLA and RCRA Corrective Action enforcement.

# FY 2014 Enforcement and Compliance Annual Results

## Estimated Environmental Benefits

### Commitments to Reduce, Treat, or Eliminate Pollution

#### FY 2010 – FY 2014



Data Source: Integrated Compliance Information System.  
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➤ In FY 2014, EPA enforcement actions required companies to commit to reduce pollution by an estimated **514 million pounds** per year.

➤ EPA enforcement addresses the biggest sources of pollution first. As a result, in the sectors responsible for the largest amounts of pollution reduced in prior years (e.g., coal fired power plants, raw sewage discharges), the amount of pollution reduced through EPA's enforcement cases will decline over time.

➤ EPA is increasing focus on air toxic pollution violations. In FY 14, EPA actions resulted in approximately 6.7 million pounds of air toxics reduced.

➤ Environmental benefits vary widely from year to year depending on the timing of resolution of the largest cases.

➤ A number of large cases at the beginning of FY15 (shown in dotted bar) would have, if resolved just weeks earlier, added approximately 138 million pounds to the total.

➤ Cases lodged early FY15 include 4.75 M metric tons of CO2 emission credits forfeited (not included in graph).

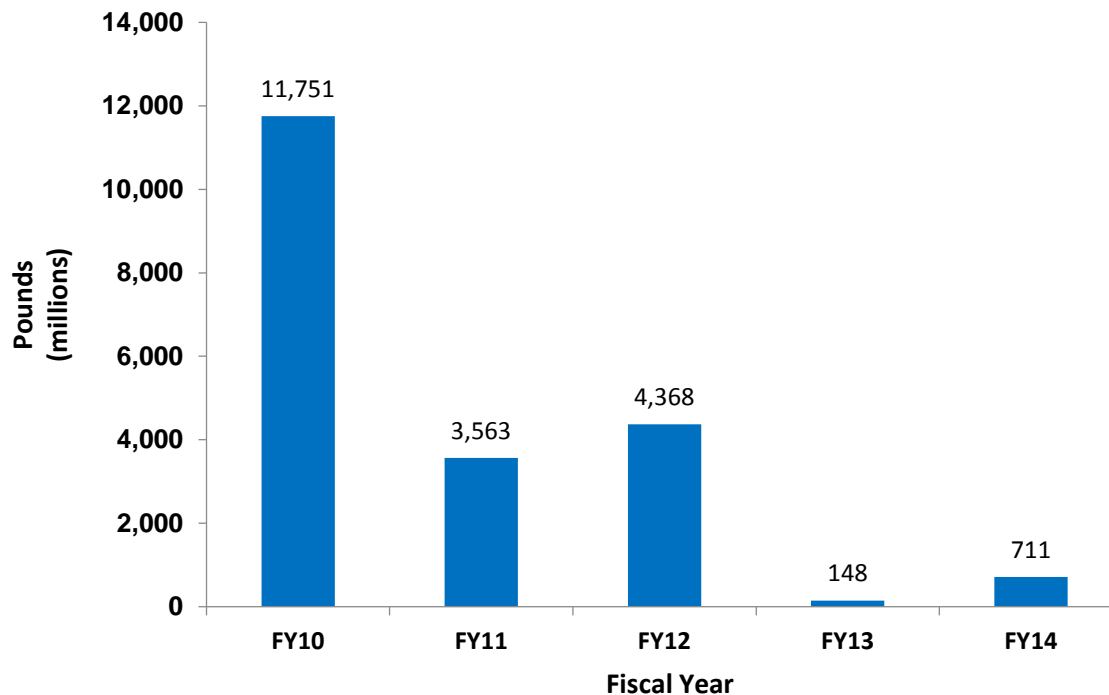


# FY2014 Enforcement and Compliance Annual Results

## Estimated Environmental Benefits

### Hazardous Waste Treated, Minimized, or Properly Disposed

FY 2010 – FY 2014



➤ In FY 2014, EPA enforcement actions required companies to commit to treat, minimize, or properly dispose of an estimated **711 million pounds** of hazardous waste.

➤ The hazardous waste metric is generally dominated by results from one or two very big cases. This results in substantial variability in this measure from year to year.

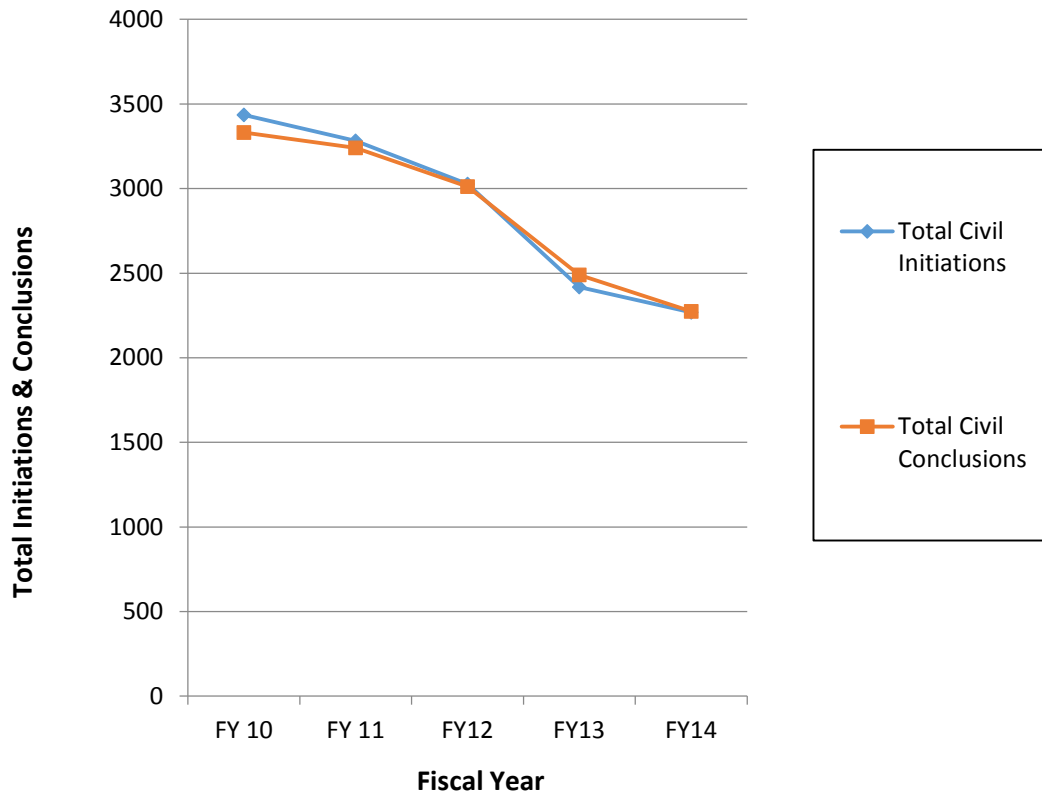
Data Source: Integrated Compliance Information System.  
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# FY2014 Enforcement and Compliance Annual Results

## Civil Enforcement Case Initiations and Conclusions

FY 2010 – FY 2014



➤ In FY 2014 EPA continued to pursue larger more complex, risk-based enforcement cases leading to significant environmental and health gains, but lower numbers overall.

➤ In FY 2014, EPA initiated a total of **2,268** civil judicial and administrative cases.

➤ In FY 2014, EPA concluded **2,275** civil judicial and administrative cases.

➤ Case numbers in FY14 were also affected by the shut down at the beginning of the year, in addition to budget reductions.

Data Source: Integrated Compliance Information System.

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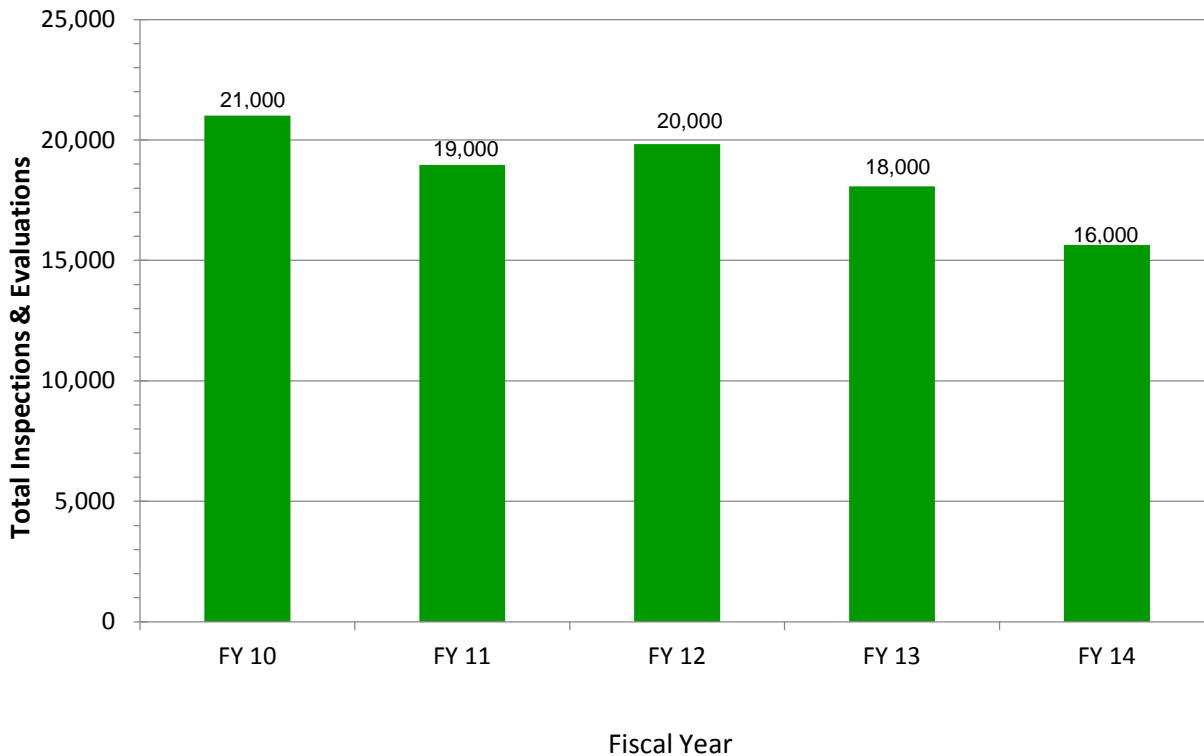




# FY 2014 Enforcement and Compliance Annual Results

## Federal Inspections and Evaluations (Conducted by EPA) FY 2010 – FY 2014

### Federal Inspections and Evaluations



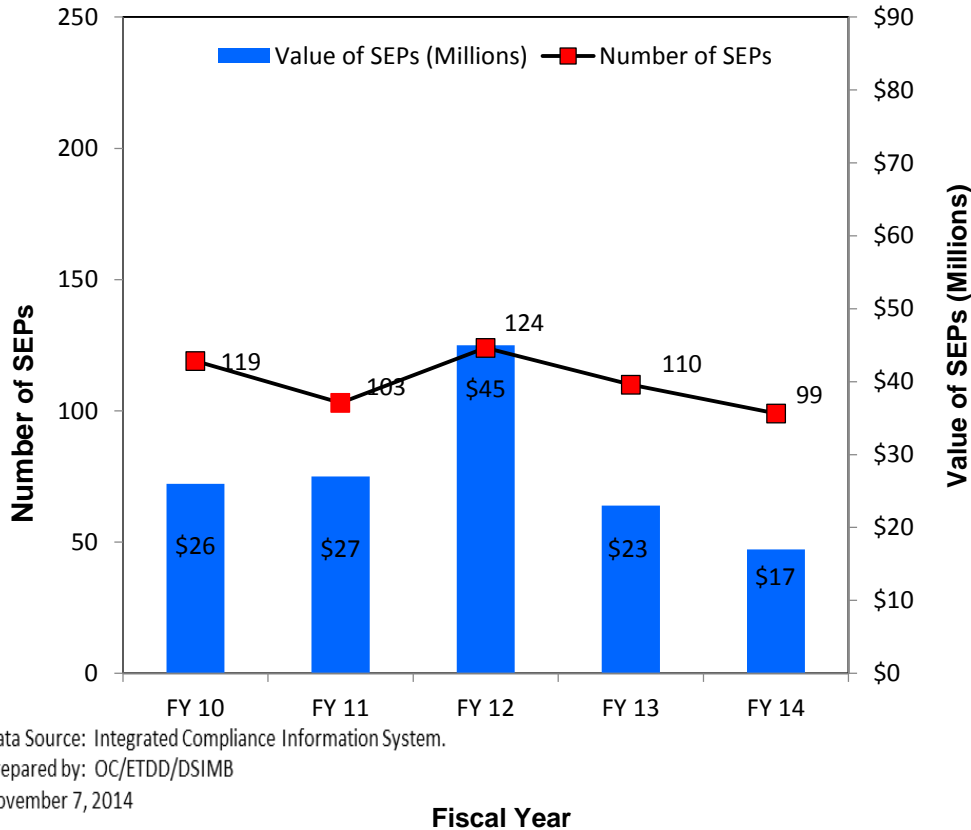
- In FY 2014, EPA conducted more than 15,600 inspections/evaluations.
- In light of tight budget circumstances, in FY 2014, EPA focused on inspections at larger facilities, leading to fewer inspections overall.
- Inspection numbers in FY14 were also affected by the shut down at the beginning of the year.
- EPA also continues to pursue additional means of gathering information about facility compliance, to supplement our on the ground inspections.

Note: There are other compliance monitoring activities conducted by the EPA that are not reflected in this chart such as civil investigations. The number of EPA Civil Investigations for the last five FYs are: 282 (FY 10), 177 (FY 11), 237 (FY 12), 103 (FY 13), 487 (FY 14).

Data Source: Integrated Compliance Information System (ICIS), ICIS-NPDES, AFS, RCRAInfo, and manual reporting.  
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# FY 2014 Enforcement and Compliance Annual Results

## Supplemental Environmental Projects FY 2010 – FY 2014



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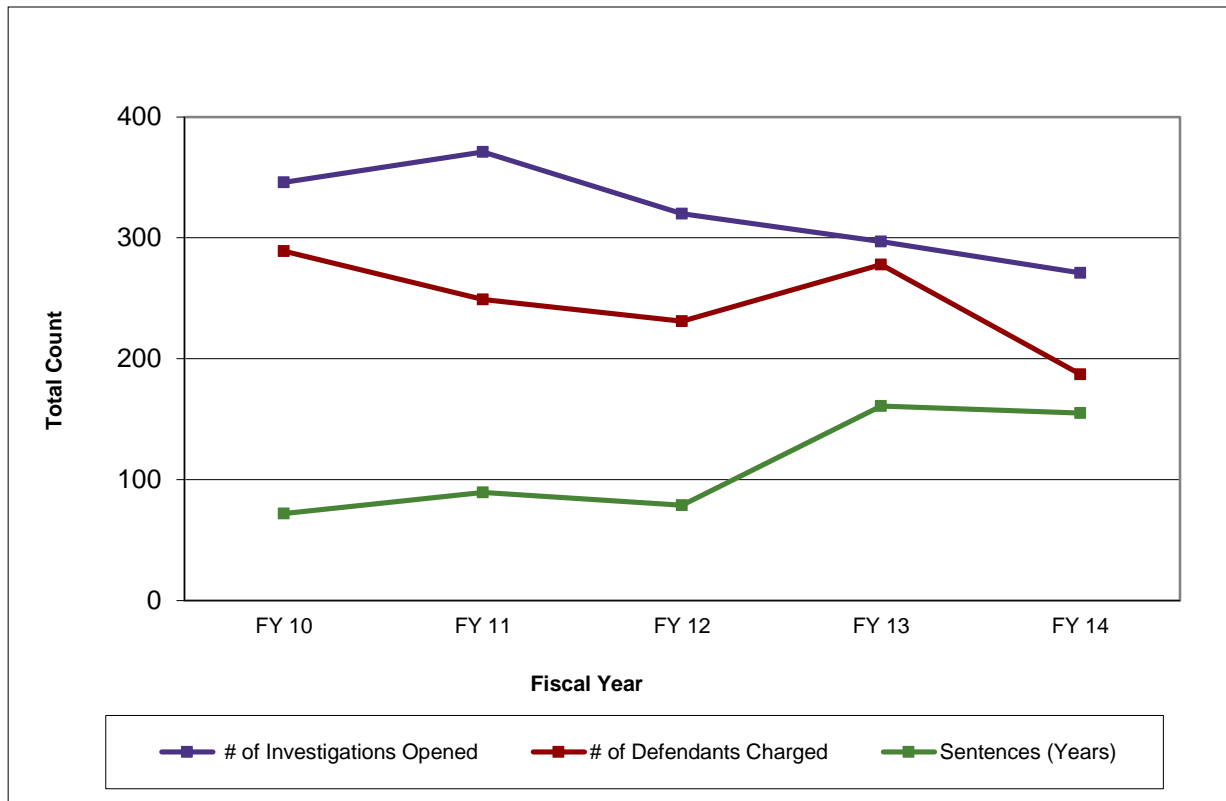
- In FY 2014, EPA enforcement actions resulted in more than an estimated **\$17 million** in Supplemental Environmental Projects (SEPs.)
- SEPs are projects that are not otherwise legally required, which a defendant/respondent agrees to undertake to benefit the community harmed by the violations (e.g., in a CAA case, the defendant may agree to retrofit diesel school buses, which reduces pollution and protects public health beyond the actions required in the injunctive relief portion of the settlement).
- The number and value of SEPs vary significantly from year to year. One or two large SEPs (e.g., one case in FY12 with an estimated value of \$20 million) can have a significant effect on the total SEP value.

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# FY 2014 Enforcement and Compliance Annual Results



## Criminal Enforcement Environmental Crime Cases Opened, Defendants Charged, and Sentencing Results – Years of Incarceration FY 2010 – FY 2014



- The criminal program continued in FY14 to focus on complex cases that involve a serious threat to human health and the environment or that undermine program integrity, resulting in fewer investigations overall.
- The focus on large and complex cases has led to continued high sentences in FY14, despite the drop in defendants charged.

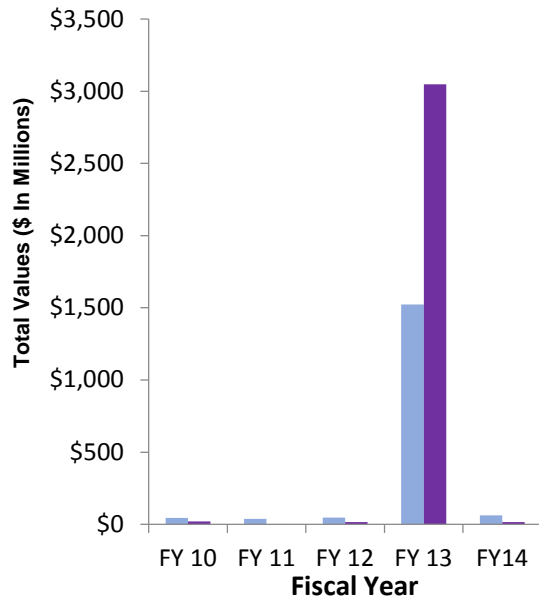
Data Source: Criminal Case Reporting System  
Prepared by: OC/ETDD/DSIMB



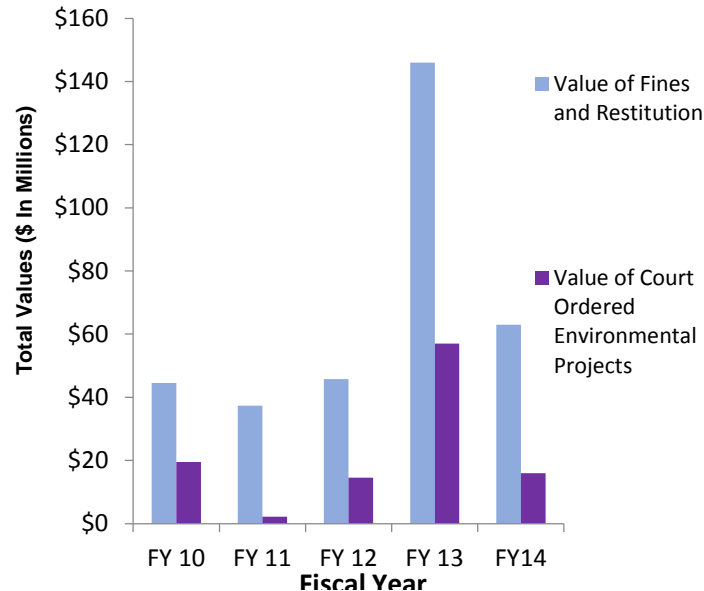
# FY 2014 Enforcement and Compliance Annual Results

## Criminal Enforcement Value of Fines and Restitution and Court Ordered Environmental Projects FY 2010 – FY 2014

With FY13 Deepwater values



Without FY13 Deepwater values



➤ Criminal fines and restitution punish misconduct, deter other violators and, along with court-ordered environmental projects, help to remedy the harm caused by the criminal conduct.

➤ In FY 2014, the total of criminal fines, restitution and court ordered projects was \$80 Million.

➤ Significant criminal cases in FY 2014 included:

- Tonawanda Coke Corp.,
- P&W Waste Oil Services, Inc.,
- Citgo Petroleum Corp.

➤ In FY 2013, the inflation adjusted values for fines and restitution, and court ordered projects without the Deepwater Horizon amounts were \$144 million and \$56 million, respectively.

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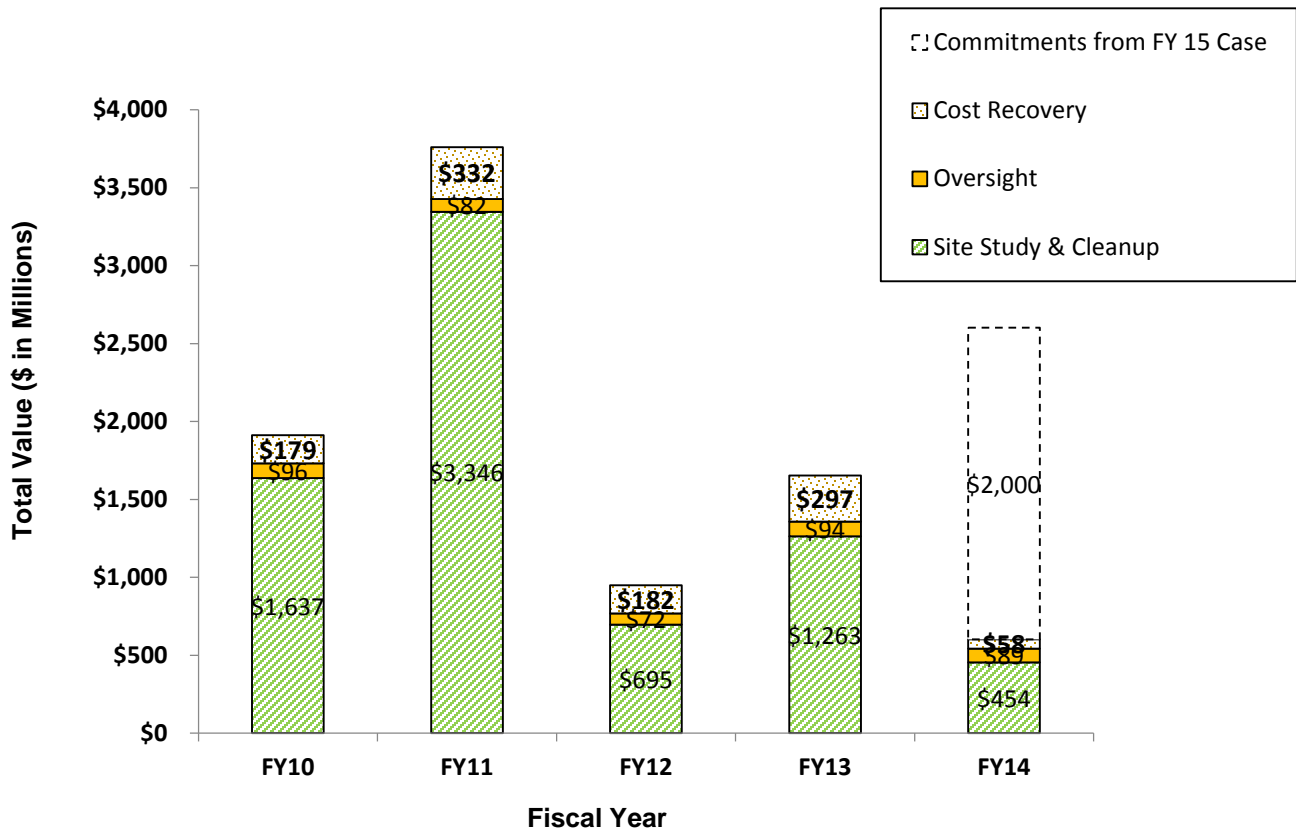
Data Source: Criminal Case Reporting System  
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# FY 2014 Enforcement and Compliance Annual Results

## Superfund Results

### FY 2010 – FY 2014



- In FY 2014, private party cleanup commitments exceeded **\$600 million**. The total dollar value of cleanup commitments is driven by settlements requiring responsible parties to conduct or pay for cleanup.
- Cleanup commitments vary widely from year to year depending on the timing of resolution of the largest cases. This is especially clear this year, since the Anadarko case lodged in FY 14 (shown in dotted bar) would, if entered just weeks earlier, have significantly changed the number.
- The Anadarko case resulted in commitments of over \$4.4 billion for cleanups around the country; we only count \$2 billion in EPA's results because the remainder is going to fund state lead cleanups.

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 Note: Totals include "allowed claims" under bankruptcy settlements.

Data Source for Clean up and Cost Recovery: FY 2014 – Manual Reporting. Data source for previous fiscal years - Comprehensive Environmental Response, Compensation & Liability Information System (CERCLIS),  
 Data Source for Oversight: Integrated Financial Management System (IFMS); Data source for previous fiscal years: CERCLIS and IFMS.  
 Prepared by: OC/ETDD/DSIMB