



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C., 20460

OCT 8 2016

OFFICE OF  
ENFORCEMENT AND  
COMPLIANCE ASSURANCE

VIA CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Montgomery Recycling Corporation  
Thomas Davanzo  
45 Montgomery Street  
Belleville, NJ 07109-1305

Re: Notice of Violation of Renewable Fuel Standards  
File Number MSEB # 8320

Mr. Davanzo:

The United States Environmental Protection Agency (EPA or we) has commenced an investigation into Montgomery Recycling Corporation's ("Montgomery Recycling") compliance with Section 211(o) of the Clean Air Act (CAA), and the renewable fuel standard regulations promulgated at 40 C.F.R. Part 80, Subpart M (RFS2 regulations).

The RFS2 regulations require refiners and importers (referred to as obligated parties), and exporters of renewable fuel to acquire sufficient Renewable Identification Numbers (RINs) to demonstrate compliance with their Renewable Volume Obligations (RVOs). The regulations include a credit trading program to facilitate compliance with the renewable fuel standards. The credit trading program allows obligated parties and exporters of renewable fuel to comply with their RVOs through the purchase of RINs.

Based upon the information available to the EPA as a result of its investigation, the EPA has determined from April 19, 2011, until December 8, 2011, all D-4 RINs generated by Montgomery Recycling (Company ID 3864 and Facility ID 80370), approximately 12,500,000 RINs, are invalid. The EPA determined Montgomery Recycling violated 40 C.F.R. § 80.1460(b)(1) by generating RINs without producing the applicable volume of renewable fuel and violated 40 C.F.R. § 80.1460(b)(2) by creating or transferring to another person RINs that are considered invalid under 40 C.F.R. § 80.1431.

The EPA issues this Notice of Violation (NOV) pursuant to Sections 205 and 211 of the CAA, 42 U.S.C. §§ 7524 and 7545, for the violations identified above. Sections 205 and 211 of the CAA authorize the EPA to assess a civil penalty of up to \$37,500 every day for each violation, plus the economic benefit or savings resulting from each violation. 42 U.S.C. §§ 7524, 7545(d); *see also* 40 C.F.R. §§ 19.4, 80.1461, 80.1463. In order to determine an appropriate penalty for each violation, the

EPA considers the gravity of the violation, the economic benefit or savings (if any) resulting from the violation, the size of your business, your history of compliance with the CAA, actions taken by you to remedy the violation and prevent future violations, the effect of the penalty on your ability to continue in business, and other matters as justice may require. 42 U.S.C. § 7524. This NOV does not create any rights or waive any of your obligations under the CAA, but rather is for the purpose of notifying you of the violations.

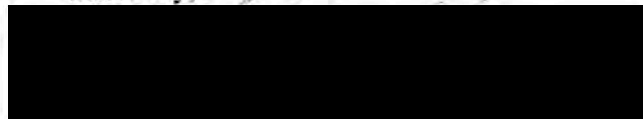
We are offering you an opportunity to confer with us about the violations alleged in this NOV. The conference will give you an opportunity to present information on the alleged violations, any efforts you have taken to comply, and the steps you will take to prevent future violations. By offering the opportunity for a conference, or participating in one, the EPA does not waive or limit its right to any remedy available to it under the CAA.

The EPA attorney assigned to this matter is Matthew Kryman. He may be reached at (303) 312-6272, Kryman.Matthew@epa.gov, or at the following address:

Matthew Kryman, Attorney-Advisor  
U.S. Environmental Protection Agency  
OECA/AED/Western Field Office (8MSU)  
1595 Wynkoop Street  
Denver, CO 80202-1129

We appreciate your attention to this important matter.

Sincerely, )



✓ Phillip A. Brooks  
Director  
Air Enforcement Division

cc: Christopher Thompson, Section Chief – Air Enforcement Division, Western Field Office  
Jeff Kodish, Fuels Team Leader – Air Enforcement Division, Western Field Office