**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY**
**REGION 5**

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| **In the Matter of:** | ) | **Docket No. CAA-05-2024-0046** |
| | ) | |
| ***Alter Trading Corporation*** | ) | **Proceeding to Assess a Civil Penalty** |
| ***St. Louis, Missouri*** | ) | **Under Section 113(d) of the Clean Air Act,** |
| | ) | **42 U.S.C. § 7413(d)** |
| **Respondent.** | ) | |
| _____ | ) | |

## Consent Agreement and Final Order

## Preliminary Statement

1. This is an administrative action commenced and concluded under Section 113(d) of the Clean Air Act (the CAA), 42 U.S.C. § 7413(d), and Sections 22.1(a)(2), 22.13(b) and 22.18(b)(2) and (3) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), as codified at 40 C.F.R. Part 22.

2. Complainant is the Director of the Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency (EPA), Region 5.

3. Respondent is Alter Trading Corporation, a corporation doing business in Missouri, Wisconsin, and Illinois.

4. Where the parties agree to settle one or more causes of action before the filing of a complaint, the administrative action may be commenced and concluded simultaneously by the issuance of a consent agreement and final order (CAFO). 40 C.F.R. § 22.13(b).

5. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.

6. Respondent consents to the assessment of the civil penalty specified in this CAFO and to the terms of this CAFO.

## Jurisdiction and Waiver of Right to Hearing

7. Respondent admits the jurisdictional allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.

8. Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO and its right to appeal this CAFO.

## Statutory and Regulatory Background

9. Pursuant to Section 608 of the CAA, 42 U.S.C. § 7671g, EPA promulgated regulations at 40 C.F.R. Part 82, Subpart F, applicable to recycling and emissions reductions of ozone-depleting substances.

10. The regulations at 40 C.F.R. Part 82, Subpart F apply to persons disposing of appliances, including small appliances and motor vehicle air conditioners.

11. The purpose of 40 C.F.R. Part 82, Subpart F is to reduce emissions of class I and class II refrigerants and their non-exempt substitutes to the lowest achievable level during the service, maintenance, repair, and disposal of appliances. *See* 40 C.F.R. § 82.150(a).

12. Under 40 C.F.R. § 82.152, a "person" means, among other things, any individual or legal entity, including an individual, corporation, partnership, association and any officer, agent, or employee thereof.

13. Under 40 C.F.R. § 82.152, an "appliance" is any device which contains and uses a class I or class II substance or substitute as a refrigerant and which is used for household or commercial purposes, including any air conditioner, motor vehicle air conditioner (MVAC), refrigerator, chiller, or freezer. For a system with multiple circuits, each independent circuit is considered a separate appliance.

14. Under 40 C.F.R. § 82.152, an "MVAC" is an appliance that is a motor vehicle air conditioner as defined in 40 C.F.R. § 82.32(d), which states that MVAC "means mechanical vapor compression refrigeration equipment used to cool the driver's or passenger's compartment of any motor vehicle. This definition is not intended to encompass the hermetically sealed refrigeration systems used on motor vehicles for refrigerated cargo and the air conditioning systems on passenger buses using HCFC-22 refrigerant."

15. Under 40 C.F.R. § 82.152, an "MVAC-like appliance" is a mechanical vapor compression, open-drive compressor appliance with a full charge of 20 pounds or less of refrigerant used to cool the driver's or passenger's compartment of off-road vehicles or equipment. This includes, but is not limited to, the air-conditioning equipment found on agricultural or construction vehicles. This definition is not intended to cover appliances using R-22 refrigerant.

16. Under 40 C.F.R. § 82.152, a "small appliance" is any appliance that is fully manufactured, charged, and hermetically sealed in a factory with five (5) pounds or less of refrigerant, including, but not limited to, refrigerators and freezers (designed for home, commercial, or consumer use), medical or industrial research refrigeration equipment, room air conditioners (including window air conditioners, portable air conditioners, and packaged terminal air heat pumps), dehumidifiers, under-the-counter ice makers, vending machines, and drinking water coolers.

17. Under 40 C.F.R. § 82.152, "class I" refers to an ozone-depleting substance that is listed in 40 C.F.R. Part 82, Subpart A, appendix A.

18. Under 40 C.F.R. § 82.152, "class II" refers to an ozone-depleting substance that is listed in 40 C.F.R. Part 82, Subpart A, appendix B.

19. Under 40 C.F.R. § 82.152, "Substitute" means any chemical or product, whether existing or new, that is used as a refrigerant to replace a class I or II ozone-depleting substance. Examples include, but are not limited to hydrofluorocarbons, perfluorocarbons, hydrofluoroolefins, hydrofluoroethers, hydrocarbons, ammonia, carbon dioxide, and blends thereof. As used in this subpart, the term "exempt substitutes" refers to certain substitutes when used in certain end-uses that are specified in 40 C.F.R. § 82.154(a)(1) as exempt from the venting prohibition and the requirements of this subpart, and the term "non-exempt substitutes" refers to all other substitutes and end-uses not so specified in 40 C.F.R. § 82.154(a)(1).

20. Under 40 C.F.R. § 82.152, "refrigerant" means, for purposes of 40 C.F.R. Part 82, Subpart F, any substance, including blends and mixtures, consisting in part or whole of a class I or class II ozone-depleting substance or substitute that is used for heat transfer purposes and provides a cooling effect.

21. Under 40 C.F.R. § 82.152, "disposal" means the process leading to and including: (1) the discharge, deposit, dumping or placing of any discarded appliance into or on any land or water; (2) the disassembly of any appliance for discharge, deposit, dumping or placing of its discarded component parts into or on any land or water; (3) the vandalism of any appliance such that the refrigerant is released into the environment or would be released into the environment if it had not been recovered prior to the destructive activity; (4) the disassembly of any appliance for reuse of its component parts; or (5) the recycling of any appliance for scrap.

22. Under 40 C.F.R. § 82.154(a)(1), no person maintaining, servicing, repairing, or disposing of appliances may knowingly vent or otherwise release into the environment any refrigerant or substitute from such appliances, with certain exceptions not relevant to this matter. *See also* 42 U.S.C. § 7671g(c).

23. Under 40 C.F.R. § 82.155(b), the final processor—i.e., persons who take the final step in the disposal process (including but not limited to scrap recyclers and landfill operators) of small appliances, MVACs, or MVAC-like appliances—must either:

> (1) Recover any remaining refrigerant from the appliance in accordance with 40 C.F.R. § 82.155(a); or
>
> (2) Verify using a signed statement or a contract that all refrigerant that had not leaked previously has been recovered from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a). If using a signed statement, it must include the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered. If using a signed contract between the supplier and the final processor, it must either state that the supplier will recover any remaining refrigerant from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a) prior to delivery or verify that the refrigerant had been properly recovered prior to receipt by the supplier.[1]

24. Under 40 C.F.R. § 82.155(b)(2)(i), it is a violation of 40 C.F.R. Part 82, Subpart F to accept a signed statement or contract if the person receiving the statement or contract knew or had reason to know that the signed statement or contract is false.

25. Under 40 C.F.R. § 82.155(b)(2)(ii), the final processor must notify suppliers of appliances that refrigerant (if not recovered by the final processor) must be properly recovered in accordance with 40 C.F.R. § 82.155(a) before delivery of the items to the facility. The form of this notification may be signs, letters to suppliers, or other equivalent means.

26. Under 40 C.F.R. § 82.155(b)(2)(iii), if all the refrigerant has leaked out of the appliance, the final processor must obtain a signed statement that all the refrigerant in the appliance had leaked

[1] In the Preamble to the original rule and in revisions to 40 C.F.R. Part 82 Subpart F, EPA described under what circumstances a contract was appropriate and when a disposer should use a signed statement: "EPA notes here that a contract is appropriate for businesses to streamline transactions in cases where they maintain long-standing business relationships. A contract would be entered into prior to the transaction, such as during the set-up of a customer account, not simultaneously with the transaction. A signed statement is more appropriate for one-off transactions between the supplier and the final processor." 81 Fed. Reg. 82272, 82309 (Nov. 18, 2016).

out prior to delivery to the final processor and recovery is not possible. "Leaked out" in this context means those situations in which the refrigerant has escaped because of system failures, accidents or other unavoidable occurrences not caused by a person's negligence or deliberate acts such as cutting refrigerant lines.

27. The Administrator of EPA (the Administrator) may assess a civil penalty of up to $57,617 per day of violation up to a total of $460,926 for violations that occurred after November 2, 2015 under Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1), and 40 C.F.R. Part 19.

28. Section 113(d)(1) limits the Administrator's authority to matters where the first alleged date of violation occurred no more than 12 months prior to initiation of the administrative action, except where the Administrator and the Attorney General of the United States jointly determine that a matter involving a longer period of violation is appropriate for an administrative penalty action.

29. The Administrator and the Attorney General of the United States, each through their respective delegates, have determined jointly that an administrative penalty action is appropriate for the period of violations alleged in this CAFO.

## Factual Allegations and Alleged Violations

30. Alter owns and operates scrap recycling facilities at the following locations (the "Facilities"), among others:

a. 4400 Sycamore Ave, Madison, Wisconsin (Madison Facility);

b. 3532 White Ave, Eau Claire, Wisconsin (Eau Claire Facility);

c. 2175 Badgerland Drive, Green Bay, Wisconsin (Green Bay Facility);

d. 2080 Spindt Drive, Waupaca, Wisconsin (Waupaca Facility);

e. 501 E Stewart St., Bloomington, IL 61701 (Bloomington Facility); and

f. 2424 W. Clarke St. Peoria, IL 61607 (Peoria Facility).

31. Alter is a corporation, so it is a "person" within the meaning of 40 C.F.R. § 82.152.

32. At the Facilities during the inspections discussed below, Alter accepted for recycling and disposal "small appliances" and "MVACs," within the meaning of 40 C.F.R. § 82.152, that contain or once contained ozone depleting substances or substitutes.

33. The ozone depleting substances or substitutes in the small appliances and MVACs Alter accepts for recycling are "refrigerants" within the meaning of 40 C.F.R. § 82.152.

34. Alter's recycling of small appliances and MVACs constitutes "disposal" within the meaning of 40 C.F.R. § 82.152.

35. As a person who disposes of small appliances and MVACs that contain refrigerants, Alter is subject to requirements at 40 C.F.R. Part 82, Subpart F.

**The Facilities**

36. EPA conducted an inspection of the Madison Facility on October 23, 2018.

37. At the time of the inspection, Alter did not operate refrigerant recovery equipment to recover refrigerant from small appliances at its Madison Facility. It had recently begun refrigerant recovery from vehicles at the Madison Facility. During an inspection in August 2023, EPA confirmed that the Madison Facility now provides refrigerant recovery for non-contract suppliers.

38. At the time of the inspection, Alter's representatives and signage stated it would accept small appliances at its Madison Facility only if the refrigerants are no longer in the units.

39. Alter representatives stated that it requires frequent suppliers to sign a Material Supplier Certification contract prior to acceptance of small appliances and MVACs. Alter

representatives also stated that it requires other suppliers to sign a "Documentation of Refrigerant Removal" verification statement for loads of scrap metal containing small appliances.

40. The blank verification statement supplied by Alter for the Madison Facility at the time of the inspection did not contain fields for the name and address of the person recovering the refrigerant nor the date that refrigerant was recovered. After the inspection, Alter supplied a blank verification statement that contained a field for the name and address of the person recovering the refrigerant and the date that refrigerant was recovered.

41. EPA inspectors also observed appliances on a pile of metal to be recycled at the Madison Facility. These appliances had intact back panels and no evidence of proper refrigerant recovery.

42. By using verification forms without fields for the name and address of the person recovering the refrigerant nor the date of recovery, Alter accepted a signed statement to verify that refrigerants have been recovered without all necessary information, in violation of 40 C.F.R. § 82.155(b)(2).

43. By accepting a signed statement or contract to verify recovery of refrigerant from suppliers at the Madison Facility for appliances from which refrigerant had not been recovered and that still contained refrigerant, Alter accepted a signed statement or contract that it knew or had reason to know is false, in violation of 40 C.F.R. § 82.155(b)(2)(i).

44. By accepting appliances with intact back panels and no evidence of refrigerant recovery, Alter failed to recover refrigerants from appliances at the Madison Facility during scrap recycling or to otherwise ensure it accepted only appliances with already-recovered refrigerant, in violation of 40 C.F.R. § 82.155(b)(1).

45. Alter failed to recover refrigerant from intact appliances during scrap recycling at the Madison Facility and vented or otherwise released into the environment the refrigerant from such appliances, in violation of 40 C.F.R § 82.154(a).

46. EPA conducted an inspection of the Eau Claire Facility on October 23, 2018.

47. At the Eau Claire Facility, Alter representatives stated that it purchases small appliances as scrap metal only from commercial suppliers that have signed a Material Supplier Certification contract prior to acceptance of small appliances.

48. EPA inspectors observed the staging area where intact appliances are received and where non-conforming intact units are quarantined for recovery of any remaining refrigerant by personnel. EPA inspectors observed recovery equipment and refrigerant tanks in both the MVAC and the small appliance recovery stations and reviewed records of refrigerant disposal.

49. At the time of the inspection, EPA inspectors observed appliances on a pile of metal to be sorted for potential recycling at the Eau Claire Facility. Some of these appliances appeared to have cut/damaged lines with no signs of proper recovery and other appliances had intact refrigeration lines. Facility personnel stated such appliances would be from frequent suppliers for which contracts are on file (i.e., non-intact unit) or from industrial roll-offs (i.e., intact unit) that were subsequently transferred to the recovery area.

50. The Eau Claire facility discontinued accepting intact appliances in October 2021.

51. By accepting a signed statement or contract to verify recovery of refrigerant from suppliers at the Eau Claire Facility for appliances from which refrigerant had not been recovered or that had cut refrigeration lines clearly visible, Alter accepted a contract that it knew or had reason to know is false, in violation of 40 C.F.R § 82.155(b)(2)(i).

52. On March 29, 2019, EPA issued Alter a Finding of Violation (FOV) alleging that it violated the regulations for the Protection of Stratospheric Ozone by failing to meet the requirements of 40 C.F.R. Part 82, Subpart F at its Madison and Eau Claire Facilities.

53. On April 29, 2019, and again on September 30, 2020, representatives of Alter and EPA discussed the March 29, 2019 FOV (FOV conference). Additional discussions were held on February 22, 2024.

54. At the initial FOV conference, Alter presented its existing program to recover refrigerant and/or verify proper refrigerant recovery for small appliances and MVACs at its Madison and Eau Claire Facilities. This program was in place at the Eau Claire Facility at the time of the EPA's unannounced inspection and was in process of being established at the Madison Facility at the time of the EPA inspection.

55. After the initial FOV conference, Alter sent an email containing various training materials, including materials in pdf form called "EXCERPT Inbound Material Source Control Certification Training Module 1-6 – 2018.pdf" and its Refrigerant Management Program dated December 2017. In February 2024, Alter sent an email containing a subsequent version of its Refrigerant Management Program and an excerpt of its updated training for which Alter incorporated photos displaying indications of proper appliance recovery.

56. EPA conducted an inspection of the Bloomington Facility on June 14, 2021.

57. At the time of the Bloomington Facility inspection, Alter's representatives stated that any small appliances with cut/damaged refrigerant lines would be turned away.

58. At the time of the Bloomington Facility inspection, Alter representatives stated that non-contract suppliers are instructed that appliances with intact refrigeration lines would be accepted

for no scrap value and no fee and they are to be placed in an area exclusively for appliances with intact lines to be picked up by a third party for proper refrigerant recovery.

59. At the time of the Bloomington Facility inspection, EPA witnessed a refrigeration unit with cut/damaged lines in a small pile near the scrap pile. The on-site crane operator stated that the appliance and other pieces in the small pile were moved away from the large pile of unprepared scrap because the pieces were large. The crane operator did not mention that the pieces had been moved because of the cut lines. Alter representatives stated in subsequent meetings with EPA that this unit from a contract supplier had been moved to examine that it no longer had remaining refrigerants and that units from contract suppliers can be received in varying condition.

60. At the time of the Bloomington Facility inspection, EPA witnessed an intact refrigeration circuit on an air conditioning unit in the sheet iron receiving pile. Alter representatives stated in subsequent meetings with EPA that the intact refrigeration unit on the air conditioning unit observed during the inspection was segregated to the quarantine area in accordance with Alter's non-conforming material processes.

61. By accepting appliances with cut/damaged refrigeration lines at the Bloomington facility, Alter failed to verify that all refrigerant that had not leaked previously had been recovered from the small appliances identified in paragraph 59 (as set forth at 40 C.F.R. § 82.155(a)), in violation of 40 C.F.R § 82.155(b)(2).

62. EPA conducted an inspection of the Peoria Facility on June 14, 2021.

63. At the time of the Peoria Facility inspection, Alter's representatives stated that small appliances with intact refrigeration circuits are accepted for free and placed in a separate area, exclusively for appliances with intact lines, to await proper refrigerant recovery by Alter personnel.

64. At the time of the Peoria Facility inspection, Alter's representatives stated that any small appliances with cut/damaged refrigerant lines would be turned away.

65. At the time of the Peoria Facility inspection, EPA witnessed several small appliances with cut/damaged refrigeration lines in the separate small appliances area. Alter representatives in subsequent meetings stated that these units were received by a municipal contractor who contracts with the city to collect appliances abandoned in public areas and deliver them to Alter; as Alter is responsible for recovering remaining refrigerants, all units from this supplier are unloaded at the quarantine area for inspection and recovery if refrigerants are remaining.

66. At the time of the Peoria Facility inspection, EPA witnessed Alter personnel moving appliances in the separate small appliances area with a skid steer. An appliance had a refrigeration compressor hanging loose, the skid steer broke the refrigeration line, and EPA saw and heard refrigerant escaping from the refrigerant line.

67. By accepting appliances with cut/damaged refrigeration lines at the Peoria Facility, Alter failed to verify that all refrigerant that had not leaked previously had been recovered from the small appliances identified in paragraph 65, (as set forth at 40 C.F.R. § 82.155(a)), in violation of 40 C.F.R § 82.155(b)(2).

68. By having the capacity to conduct refrigerant recovery onsite and still failing to recover remaining refrigerant from the appliance in accordance with 40 C.F.R § 82.155(a), Alter violated 40 C.F.R § 82.155(b)(1).

69. EPA conducted an inspection of the Green Bay Facility on June 17, 2021.

70. The Green Bay Facility has the proper recovery equipment to recover refrigerant from MVACs. As a courtesy to its customers, the facility also allowed, for no value or fee, small appliances

containing refrigerant that a third party collected and properly recovered off-site. In February 2023, Green Bay discontinued allowing third-party serviced appliances to be collected at its facility.

71. The Green Bay Facility has signage at the commercial truck scale where contracted appliance scrap is received that notifies suppliers refrigerants are prohibited in material unloaded at scrap metal stockpiles. At the time of the Green Bay Facility inspection, Alter representatives stated that when a transaction occurred between a one-time supplier and the Green Bay Facility, the Green Bay Facility required the supplier to sign a Per Load Refrigerant Statement FEMS-02; however, the scale operator was using a Material Supplier Certification contract form. The Material Supplier Certification contract does not contain fields for the name and address of the person recovering the refrigerant nor the date that refrigerant was recovered.

72. By using contract forms without fields for the name and address of the person recovering the refrigerant nor the date of recovery at the Green Bay Facility, Alter accepted a signed certification contract from a one-time supplier to verify that refrigerants have been recovered without all the necessary information, in violation of 40 C.F.R. § 82.155(b)(2).

73. Alter has since stated that shortly after the inspection on June 17, 2021, the scale operator was re-trained, and the correct form placed into use.

74. EPA conducted an inspection of the Waupaca Facility on June 17, 2021.

75. At the time of the Waupaca Facility inspection, Alter's representatives stated that the Waupaca Facility accepted MVACs with refrigerant previously removed without statements for verification of proper recovery as required by 40 C.F.R. § 82.155(b)(2). Alter representatives in subsequent meetings stated that the status of any remaining refrigerants within MVACs is not known at the time of receiving and as such, MVACs purchased by Waupaca are tested by a state-licensed

technician who recovers any remaining refrigerants prior to final processing at Alter's Green Bay location in accordance with both state regulations and 40 C.F.R § 82.155(a).

76. At the time of the Waupaca Facility inspection, Alter's representatives stated that it accepted appliances from commercial HVAC/refrigeration contractors who were recorded in the facility's system as having presented a state-issued refrigerant recovery license and did not require additional verification of proper refrigerant recovery, such as the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered, on a signed statement. Alter later provided copies of supplier contracts on file at the time of inspection to EPA.

77. At the Waupaca Facility, by not using signed statements with all information required under 40 C.F.R. § 82.155 to verify that all refrigerant had been recovered from the small appliances in accordance with 40 C.F.R. § 82.155(a), Alter is in violation of 40 C.F.R. § 82.155(b)(2).

**Civil Penalty**

78. Based on analysis of the factors specified in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), the facts of this case, cooperation, and prompt return to compliance, Complainant has determined that an appropriate civil penalty to settle this action is $51,803.

79. Penalty Payment. Respondent agrees to:

*a.* pay the civil penalty of $51,803 within 30 days after the effective date of this CAFO.

b. Pay the civil penalty using any method provided in the table below.

| Payment Method | Payment Instructions |
|---|---|
| Automated Clearinghouse (ACH) payments made through the US Treasury | US Treasury REX/Cashlink ACH Receiver<br>ABA: 051036706<br>Account Number: 310006, Environmental Protection Agency<br>CTX Format Transaction Code 22 – checking<br><br>In the comment area of the electronic funds transfer, state Respondent's name and the CAFO docket number. |
| Wire transfers made through Fedwire | Federal Reserve Bank of New York<br>ABA: 021030004<br>Account Number: 68010727<br>SWIFT address: FRNYUS33<br>33 Liberty Street<br>New York, NY 10045<br>Beneficiary: US Environmental Protection Agency<br><br>In the comment area of the electronic funds transfer, state Respondent's name and the docket number of this CAFO. |
| Payments made through Pay.gov<br><br>Payers can use their credit or debit cards (Visa, MasterCard, American Express & Discover) as well as checking account information to make payments. | • Go to Pay.gov and enter "SFO 1.1" in the form search box on the top left side of the screen.<br>• Open the form and follow the on-screen instructions.<br>• Select your type of payment from the "Type of Payment" drop down menu.<br>• Based on your selection, the corresponding line will open and no longer be shaded gray. Enter the CAFO docket number into the field |
| Cashier's or certified check payable to "Treasurer, United States of America."<br><br>Please notate the CAFO docket number on the check | For **standard delivery**:<br>U.S. Environmental Protection Agency<br>Fines and Penalties<br>Cincinnati Finance Center<br>P.O. Box 979078<br>St. Louis, Missouri 63197-9000<br><br>For **signed receipt confirmation** (FedEx, UPS, Certified Mail, etc):<br>U.S. Environmental Protection Agency<br>Government Lockbox 979078<br>3180 Rider Trail S.<br>Earth City, Missouri 63045 |

80. Within 24 hours of the payment of the civil penalty Respondent must send a notice of payment that states Respondent's name and the docket number of this CAFO to EPA at the following addresses:

Air Enforcement and Compliance Assurance Branch
U.S. Environmental Protection Agency, Region 5
R5airenforcement@epa.gov

Cynthia King
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 5
cynthia.king@epa.gov

Regional Hearing Clerk (E-19J)
U.S. Environmental Protection Agency, Region 5
r5hearingclerk@epa.gov

81. This civil penalty is not deductible for federal tax purposes.

82. If Respondent does not pay timely the civil penalty, EPA may request the Attorney General of the United States to bring an action to collect any unpaid portion of the penalty with interest, nonpayment penalties and the United States enforcement expenses for the collection action under Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5). The validity, amount and appropriateness of the civil penalty are not reviewable in a collection action.

83. Respondent must pay the following on any amount overdue under this CAFO. Interest will accrue on any overdue amount from the date payment was due at a rate established by the Secretary of the Treasury pursuant to 26 U.S.C. § 6621(a)(2). Respondent must pay the United States enforcement expenses, including but not limited to attorneys fees and costs incurred by the United States for collection proceedings. In addition, Respondent must pay a quarterly nonpayment penalty each quarter during which the assessed penalty is overdue. This nonpayment penalty will be 10

percent of the aggregate amount of the outstanding penalties and nonpayment penalties accrued from the beginning of the quarter. 42 U.S.C. § 7413(d)(5).

84. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service (IRS) annually, a completed IRS Form 1098-F (Fines, Penalties, and Other Amounts) with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, $50,000 for the payor's violation of any law or the investigation or inquiry into the payor's potential violation of any law, including amounts paid for "restitution or remediation of property" or to come "into compliance with a law." EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number (TIN), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. In order to provide EPA with sufficient information to enable it to fulfill these obligations, EPA herein requires, and Respondent herein agrees, that:

a. Respondent shall complete an IRS Form W-9 (Request for Taxpayer Identification Number and Certification), which is available at https://www.irs.gov/pub/irs-pdf/fw9.pdf;

b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent's correct TIN or that Respondent has applied and is waiting for issuance of a TIN;

c. Respondent shall email its completed Form W-9 to EPA's Cincinnati Finance Center at wise.milton@epa.gov, within 30 days after the Final Order ratifying this Agreement is filed, and EPA recommends encrypting IRS Form W-9 email correspondence; and

d. In the event that Respondent has certified in its completed IRS Form W-9 that it does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA's Cincinnati Finance Center with Respondent's TIN, via email, within five (5) days of Respondent's issuance and receipt of a TIN issued by the IRS.

**General Provisions**

85. The parties consent to service of this CAFO by e-mail at the following valid e-mail addresses: king.cynthia@epa.gov (for Complainant), and Sarah.Schlichtholz@altertrading.com (for Respondent). Respondent understands that the CAFO will become publicly available upon filing.

86. This CAFO resolves only Respondent's liability for federal civil penalties for the violations alleged in this CAFO.

87. The CAFO does not affect the rights of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violation of law.

88. This CAFO does not affect Respondent's responsibility to comply with the CAA and other applicable federal, state and local laws. Except as provided in paragraph 86, above, compliance with this CAFO will not be a defense to any actions subsequently commenced pursuant to federal laws administered by EPA.

89. Respondent certifies that it is complying fully with 40 C.F.R. Part 82.

90. This CAFO constitutes an "enforcement response" as that term is used in EPA's Clean Air Act Stationary Civil Penalty Policy to determine Respondent's "full compliance history" under Section 113(e) of the CAA, 42 U.S.C. § 7413(e).

91. The terms of this CAFO bind Respondent, its successors and assigns.

92. Each person signing this consent agreement certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.

93. Each party agrees to bear its own costs and attorney's fees in this action.

94. This CAFO constitutes the entire agreement between the parties.

**Alter Trading Corporation, Respondent**

07-23-24

Date

Bob Ellis - Senior Vice President and General Counsel
Alter Trading Corp.
T: (314) 872-2440 | F: 563-344-5317 | M: 563-529-1649
Bob.Ellis@altertrading.com | WWW.ALTERTRADING.COM
700 Office Pkwy | St. Louis, MO 63141

**United States Environmental Protection Agency, Complainant**

MICHAEL HARRIS

Digitally signed by MICHAEL HARRIS
Date: 2024.08.07 12:05:31 -05'00'

Michael D. Harris
Division Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 5

## Final Order

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

ANN COYLE Digitally signed by ANN COYLE Date: 2024.08.07 16:07:18 -05'00'

_____ _____

Date

Ann L. Coyle
Regional Judicial Officer
U.S. Environmental Protection Agency
Region 5