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REGIONAL HEARING CLERK
EPA REGION 6

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TX

IN THE MATTER OF:	§	
	§	
	§	
ROYAL CARIBBEAN CRUISES LTD	§	
	§	Consent Agreement and Final Order
	§	USEPA Docket No. RCRA-06-2024-1005
	§	
RESPONDENT	§	
	§	
_____	§	

CONSENT AGREEMENT AND FINAL ORDER

I. PRELIMINARY STATEMENT

1. This Consent Agreement and Final Order (“CAFO”) is entered into by the United States Environmental Protection Agency (“EPA” or “Complainant”), Region 6, and Royal Caribbean Cruises Ltd. (“RCL” or “Respondent”) and concerns the following eight cruise vessels that have offloaded waste at the Port of Galveston, Texas, United States. Each vessel is listed below with its respective EPA identification number:

- A. Celebrity Millennium-FLR000078196;
- B. Adventure of the Seas-FLR000077941;
- C. Enchantment of the Seas-FLR000078154;
- D. Grandeur of the Seas-FLR000077982;
- E. Independence of the Seas-FLR000146712;
- F. Liberty of the Seas-FLR000137505;
- G. Allure of the Seas-FLR000166298; and

H. Vision of the Seas-FLR000078139.

2. Notice of the commencement of this action has been given to the State of Texas under Section 3008(a)(2) of the Resource Conservation and Recovery Act ("RCRA"), 42 U.S.C. § 6928(a)(2).¹

3. For purposes of this proceeding, Respondent admits the jurisdictional allegations herein; however, the Respondent neither admits nor denies the specific factual allegations and the alleged violations of law contained in this CAFO.

4. The Respondent explicitly waives any right to contest the allegations and its right to appeal the final order contained in this CAFO and, for purposes of this proceeding only, waives all defenses which have been raised or could have been raised to the claims set forth in the CAFO.

5. This CAFO resolves only the claims alleged herein, which relate to Respondent's waste that it offloaded at the Port of Galveston, Texas from the vessels identified in Paragraph one (1) of this CAFO.

6. Pursuant to Section 3008 of RCRA, 42 U.S.C. § 6928, and in accordance with the "Consolidated Rules of Practice Governing the Administrative Assessment of Civil

¹ On December 26, 1984, the State of Texas received final authorization for its base Hazardous Waste Management Program. 49 Fed. Reg. 48,300 (Dec. 12, 1984). Subsequent revisions have been made to the Texas Hazardous Waste Program and authorized by EPA. Except as otherwise provided, all citations found within this order are to the "EPA-Approved Texas Statutory and Regulatory Requirements Applicable to the Hazardous Waste Management Program" dated December 2015, incorporated by reference under 40 C.F.R. § 272.2201(c)(1)(i) effective on April 10, 2020. 85 Fed. Reg. 20,187, 20,190 (Apr. 10, 2020); 40 C.F.R. § 272.2201: Texas State-Administered Program: Final Authorization. References and citations to the "EPA-Approved Texas Statutory and Regulatory Requirements Applicable to the Hazardous Waste Management Program" may vary slightly from the State of Texas's published version. The corresponding C.F.R. citations are also provided.

Penalties," 40 Code of Federal Regulations ("C.F.R.") Part 22, EPA, Region 6 issues, and

Respondent agrees to the issuance of this CAFO.

7. The Respondent consents to the issuance of this CAFO hereinafter recited, consents to assessment and payment of the stated civil penalty in the amount and by the method set out in this CAFO, and consents to the specific time periods and requirements stated in Section V (Compliance Order).

8. By their signatures to this CAFO, the EPA and RCL (the "Parties") agree to the use of electronic signatures for this matter. The Parties further agree to electronic service of this CAFO, pursuant to 40 C.F.R. § 22.6, by email to the following addresses: EPA-

Moncrieffe.marcia@epa.gov, and for Respondent as follows:

Anne.Carpenter@hoganlovells.com.

II. JURISDICTION

9. This CAFO is issued by EPA, Region 6, pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), as amended by the Hazardous and Solid Waste Amendments of 1984 ("HSWA") and is simultaneously commenced and concluded through the issuance of this CAFO under 40 C.F.R. §§ 22.13(b) and 22.18(b)(2) and (3).

10. Respondent agrees to undertake and complete all actions required by the terms and conditions of this CAFO. In any action by EPA or the United States to enforce the terms of this CAFO, Respondent agrees not to contest the authority or jurisdiction of the Regional Administrator of EPA, Region 6, to issue or enforce this CAFO, as to waste offloaded in a U.S. port in EPA, Region 6, and agrees not to contest the validity of this CAFO or its terms or conditions.

11. Section IV of this CAFO contains concise statements of the factual and legal basis for EPA's alleged violations of RCRA together with specific provisions of RCRA and the implementing regulations that Respondent is alleged by EPA to have violated.

III. STATUTORY AND REGULATORY BACKGROUND

12. Federal regulation of hazardous waste is primarily based on RCRA, enacted on October 21, 1976, to amend the Solid Waste Disposal Act, and on the Hazardous and Solid Waste Amendments ("HSWA") enacted by Congress in 1984 to further amend the Solid Waste Disposal Act. RCRA establishes a "cradle-to-grave" program to be administered by the Administrator of EPA and authorized states to regulate the generation, transportation, treatment, storage, and disposal of hazardous waste. See 42 U.S.C. § 6901 *et seq.*

13. RCRA's Subchapter III (RCRA §§ 3001-3023, 42 U.S.C. §§ 6921-6939(g), known as "Subtitle C") required EPA to promulgate regulations establishing performance standards applicable to facilities that generate, transport, treat, store, or dispose of hazardous wastes. Together, RCRA Subtitle C and its implementing regulations, set forth at 40 C.F.R. Parts 260 – 279, comprise EPA's RCRA hazardous waste program.

14. RCRA Section 3006, 42 U.S.C. § 6926, allows the Administrator to authorize a state to administer its own hazardous waste program in lieu of the federal program when the Administrator deems the state program to be equivalent to and consistent with the federal program.

15. Pursuant to its authority under Subtitle C of RCRA, 42 U.S.C. §§ 6922(a), 6923(a), and 6924(a), EPA has promulgated regulations applicable to solid and hazardous waste generators at 40 C.F.R. Parts 261 and 262; to transporters at Part 263; to owner/operators of hazardous

waste facilities at 40 C.F.R. Parts 264 and 265; and to land disposal of solid and hazardous waste at 40 C.F.R. Part 268.

16. In connection with EPA's delegation of RCRA authority to the State of Texas, the Texas Commission on Environmental Quality ("TCEQ") codified the applicable RCRA authorized program, Standards Applicable To Generators of Hazardous Waste at 30 Texas Administrative Code ("TEX.ADMIN.CODE"), Chapter 335, Subchapter C, [40 C.F.R. Part 262].

17. Although EPA has granted the State of Texas authority to enforce its own hazardous waste program, EPA retains jurisdiction and authority to initiate an independent enforcement action, pursuant to Section 3008(a)(2) of RCRA, 42 U.S.C. § 6928(a)(2).

18. As the authorized provisions of Texas's hazardous waste program operate in lieu of the federal RCRA program, the citations for the violations of those authorized provisions alleged herein will be to the authorized Texas program; however, for ease of reference, the federal citations will follow in brackets.

19. 30 TEX.ADMIN.CODE § 335.1(138), [40 C.F.R. § 261.2], defines a "solid waste" as any discarded material that is not otherwise excluded under § 335.1(138)(A)(i-iv), [40 C.F.R. § 261.4(a)], or that is not excluded by variance. A discarded material is any material which is abandoned, recycled, inherently waste-like, or a military munition. Materials are solid waste, as defined in 30 TEX.ADMIN.CODE § 335.1(138)(C), [40 C.F.R. § 261.2(b)], if they are abandoned by being disposed of, burned or incinerated, or accumulated, stored, or treated (but not recycled) before, or in lieu of, being abandoned by being disposed of, burned, or incinerated.

20. 30 TEX.ADMIN.CODE § 335.1(69) defines a "hazardous waste" as any waste identified or listed as hazardous waste by the Administrator of the United States Environmental

Protection Agency in accordance with the federal Solid Waste Disposal Act, as amended by the Resources Conservation and Recovery Act, 42 United States Code, §§ 6901 et seq. And EPA defines a “hazardous waste” as a solid waste that is not excluded from regulation, and it exhibits any of the characteristics of hazardous waste identified in 40 C.F.R. Part 261, Subpart C, or it is listed in Part 261, Subpart D, [40 C.F.R. § 261.3].

21. Pursuant to 30 TEX.ADMIN.CODE § 335.1(65), [40 C.F.R. § 260.10], a generator is any person whose act first causes a hazardous waste to become subject to regulation.

IV. FACTUAL ALLEGATIONS AND ALLEGED VIOLATIONS

22. Royal Caribbean Cruises Ltd., (“RCL”) operates foreign-flagged, Liberian and Malta vessels.

23. Respondent’s eight (8) vessels identified in Paragraph 1 above have offloaded waste at the Port of Galveston, Texas one or more times in the last five (5) years.

24. Respondent is a “person” within the meaning of Section 1004(15) of RCRA, 42 U.S.C. § 6903(15), 30 TEX.ADMIN.CODE. § 3.2(25), and 40 C.F.R. § 260.10.

25. Pursuant to Section 3007 of RCRA, on December 6 through the 8, 2022, EPA conducted a RCRA inspection at the Port of Galveston (the “Inspection”) and identified Terminal/Pier 10 as the pier at the port that RCL uses to offload waste from vessels into the United States.

26. On March 24, 2023, EPA, Region 6 issued an informal information request to RCL and on September 6, 2023, EPA Region 6 issued an information request to RCL Pursuant to Section 3007 of RCRA, (collectively the “Requests”).

27. On June 2, 2023, October 6, 2023, and November 6, 2023, Respondent submitted responses to the Requests (“Responses”).

28. In reviewing the Inspection report, Responses, and additional information received from RCL (the "Investigation"), EPA confirmed that from July 2019 to July 2024, (the "Relevant Period of this Investigation") RCL had offloaded RCRA solid waste and hazardous waste into the United States at the Port of Galveston, Terminal/Pier 10.

29. Respondent is subject to Sections 3002 and 3010 of RCRA, 42 U.S.C. §§ 6922 and 6930, and 30 TEX.ADMIN.CODE, Chapter 335, Subchapter C, [40 C.F.R. Part 262] for waste offloaded in the United States.

Claim I Failure to Revise RCRA 3010 Notifications

30. The allegations in Paragraphs 1-29 are realleged and incorporated herein by reference.

31. Pursuant to Section 3010(a) of RCRA, 42 U.S.C. § 6930(a), any person generating regulated waste must notify EPA of its activities, including the location and general description of such activity and the regulated waste being handled and/or managed. Respondent must submit the information required in the RCRA Subtitle C Reporting Instructions and Forms by completing the RCRA Subtitle C Site Identification Form (EPA Form 8700-12).

32. Pursuant to 30 TEX.ADMIN.CODE § 335.6, any person who generates 1,000 kilograms or more of hazardous waste in any calendar month must meet the requirements for notification of 30 TEX.ADMIN.CODE § 335.6.

33. Pursuant to the 30 TEX.ADMIN.CODE § 335.1(137), [40 C.F.R. § 260.10], a "small quantity generator" ("SQG") is a generator who generates less than 1,000 kilograms of hazardous waste or less than or equal to 1 kilogram of acute hazardous waste in a calendar month.

34. For the Relevant Period of this Investigation, EPA determined that Respondent notified

as a SQG on its Form(s), (EPA Form 8700-12).

35. For at least one instance for seven of the eight vessels identified in Paragraph 1 of this CAFO and over the Relevant Period of this Investigation, EPA determined that Respondent generated quantities of hazardous waste greater than 1,000 kilograms of hazardous waste or greater than 1 kilogram of acute hazardous waste in a calendar month, which classified Respondent as a large quantity generator ("LQG") in at least one calendar month for seven of the eight vessels identified in Paragraph 1 of this CAFO.

36. Respondent did not revise its EPA Form 8700-12 to notify EPA, nor to notify an authorized State, Texas, of this change in the quantity of waste that it generated and offered for transportation and disposal, in violation of Section 3010 of RCRA, 42 U.S.C. § 6930, and 30 TEX.ADMIN.CODE § 335.6.

37. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a) and 40 C.F.R. Part 19, EPA may assess a civil penalty of not more than \$25,000, and increased for inflation, per day of noncompliance for each violation of a requirement of Subtitle C of RCRA, requiring compliance immediately or within a specific time period, or both.

Claim II Failure to File Accurate Biennial Reports

38. The allegations in Paragraphs 1-37 are realleged and incorporated herein by reference.

39. Pursuant to 30 TEX.ADMIN.CODE § 335.9 and 40 C.F.R. § 262.41, a LQG who ships any hazardous waste off-site for treatment, storage, and/or disposal must prepare and submit, respectively, for the State of Texas an accurate annual report and for EPA an accurate Biennial Report to EPA's Regional Administrator, by March 1 of each even-numbered year.

40. During the Relevant Period of the Investigation, RCL's biennial reports reflected that

each ship identified in Paragraph 1 of this CAFO were SQGs, when on more than one occasion, seven of the eight vessels identified in Paragraph 1 of this CAFO should have been classified as LQGs, and therefore, Respondent violated 40 C.F.R. § 262.41.

41. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a) and 40 C.F.R. Part 19, EPA may assess a civil penalty of not more than \$25,000, and increased for inflation, per day of noncompliance for each violation of a requirement of Subtitle C of RCRA, requiring compliance immediately or within a specific time period, or both.

Claim III. Failure to Keep Adequate Records to Support Hazardous Waste Determinations

42. The allegations in Paragraphs 1-41 are realleged and incorporated herein by reference.

43. Pursuant to 30 TEX.ADMIN.CODE §§ 335.9(a)(1)(A) and (B), [40 C.F.R. § 262.40(c)], the generator shall keep records that are sufficiently detailed and complete to support any contentions or claims made by the generator with respect to: the description; character; and classification of each waste.

44. During the Relevant Period of the Investigation, RCL did not create and/or share with EPA, upon EPA's request, records that are sufficiently detailed and complete to support all contentions or claims made by the generator with respect to: the description; character; and classification of each waste in violation of 30 TEX.ADMIN.CODE §§ 335.9(a)(1)(A) and (B), [40 C.F.R. § 262.40(c)].

45. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a) and 40 C.F.R. Part 19, EPA may assess a civil penalty of not more than \$25,000, and increased for inflation, per day of noncompliance for each violation of a requirement of Subtitle C of RCRA, requiring compliance immediately or within a specific time period, or both.

Claim IV. Failure to Comply with the Land Disposal Restrictions for the Incinerator Ash

46. The allegations in Paragraphs 1-45 are realleged and incorporated herein by reference.

47. Pursuant to 30 TEX.ADMIN.CODE § 335.431, [40 C.F.R. §§ 268.7(a)(2) and 268.7(a)(3(i))], and in accordance with all applicable requirements of the land disposal restrictions (“LDR”) found at 40 C.F.R. Part 268, at a minimum, a generator with its initial shipment of a hazardous waste sent to each treatment, storage, or disposal facility must send a one-time written notice and place a copy in its file.

48. During the Relevant Period of the Investigation, in at least one instance, RCL did not send a one-time written notice with its initial shipment of a hazardous waste to the treatment, storage, or disposal facility in violation of 40 C.F.R. Part 268.

49. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a) and 40 C.F.R. Part 19, EPA may assess a civil penalty of not more than \$25,000, and increased for inflation, per day of noncompliance for each violation of a requirement of Subtitle C of RCRA, requiring compliance immediately or within a specific time period, or both.

Claim V. Failure to Comply with the Obligations of a Large Quantity Generator

50. The allegations in Paragraphs 1-49 are realleged and incorporated herein by reference.

51. Pursuant to 30 TEX.ADMIN.CODE § 335.69(a), [40 C.F.R. § 262.34], a generator of 1,000 kilograms or greater of hazardous waste in a calendar month or greater than one (1) kilogram of acute hazardous waste in a calendar month, does not require a permit or interim status provided certain conditions are met.

52. During the Relevant Period of the Investigation, RCL did not meet the required

conditions for a LQG for certain waste (1,000 kilograms or greater of hazardous waste or greater than one (1) kilogram of acute hazardous waste) it generated in certain calendar months and has therefore violated 30 TEX.ADMIN.CODE Chapter 335, Subchapter F, [40 C.F.R. Part 270].

53. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a) and 40 C.F.R. Part 19, EPA may assess a civil penalty of not more than \$25,000, and increased for inflation, per day of noncompliance for each violation of a requirement of Subtitle C of RCRA, requiring compliance immediately or within a specific time period, or both.

V. COMPLIANCE ORDER

54. Respondent is hereby ordered to comply with the following requirements pursuant to Section 3008(a) of RCRA, 42 U.S.C § 6928(a) and within the specific time period set forth in each Subparagraph below:

A. Within one hundred and eighty (180) days of the Effective Date of this CAFO,

Respondent shall certify that it has reviewed and updated, as appropriate, its Standard Operating Procedures (“SOPs”) for its waste handling and management including:

- i. Appropriate documentation of materials incinerated on board its vessels;
- ii. Segregation of waste that is excluded from RCRA from waste that is not excluded from RCRA or procedures to treat the combined waste according to RCRA;
- iii. Appropriate documentation of hazardous waste determinations for all solid wastes generated when offloaded at all U.S. ports in EPA, Region 6 and maintaining such documentation for the length of time required by the regulations;
- iv. The accurate preparation and completion of all Hazardous Waste Manifests to comply with 40 C.F.R. Part 262, App; and
- v. Management of RCRA hazardous wastes in compliance with RCRA from ‘Cradle to Grave,’ wherein the “Cradle” is the U.S. port at which waste is offloaded from a foreign-flagged vessel and first becomes subject to RCRA, and further, when the SOPs are implemented as intended, the

allegations cited in this CAFO will not recur as a pattern of non-compliance.

- B. No later than one hundred and eighty (180) days following the Effective Date of this CAFO, Respondent will provide EPA, Region 6 with copies of its revised SOPs.
- C. Upon the Effective Date of the CAFO, Respondent will make arrangements to analyze the next batch of incinerator ash from each vessel that it operates and which offloads incinerator ash at any U.S. port in EPA, Region 6. Respondent shall provide EPA with Toxicity Characteristic Leaching Procedure ("TCLP") test results within two weeks of obtaining such results. If the TCLP test results demonstrate that the waste is hazardous waste, Respondent shall also submit how RCL is complying with the Land Disposal Restrictions. 40 C.F.R. Part 268. If Respondent concludes that the incinerator ash is not a listed waste, Respondent must provide EPA with the waste determination and supporting documentation. Respondent will repeat the testing of its incinerator ash for the next two batches of incinerator ash from each of the vessels that it operates and which offloads incinerator ash at any U.S. port in EPA, Region 6 within one hundred and eighty (180) days of the Effective Date of this CAFO. If any of these series of testing results in the incinerator ash exhibiting characteristics of hazardous waste and/or carrying a hazardous waste listing code(s) or underlying hazardous waste constituencies, Respondent will make arrangements to manage the incinerator ash as RCRA hazardous waste to its final disposal. Respondent will thereafter continue to manage its incinerator ash as RCRA hazardous waste for such vessels that offload incinerator ash at any U.S. port in EPA, Region 6 until it can provide EPA with subsequent analysis and documentation of incinerator ash on a per vessel basis demonstrating that the

incinerator ash from the named vessel does not meet the definition of a RCRA hazardous waste.

- D. Within one hundred and eighty (180) days of the Effective date of this CAFO, Respondent shall have in place a plan for managing its pharmaceutical drugs and its solvent rags that, if incinerated, could potentially result in incinerator ash that carries the listed waste codes, F, P and/or U, in accordance with RCRA. Respondent shall also have a plan in place to manage in accordance with RCRA waste that, if incinerated, could potentially result in incinerator ash that is characteristic for toxicity.

55. In all instances in which this CAFO requires written submission to EPA, the submittal made by Respondent shall be signed by an owner or officer's designee of the Respondent and shall include the following certification:

I certify under the penalty of law that this document and all its attachments were prepared by me or under my direct supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system or those persons directly responsible for gathering the information, the information submitted is to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.

56. Copies of all documents required by this CAFO shall be sent to following:

U.S. EPA, Region 6 Fred Deppe via email at Deppe.Fred@epa.gov.

VI. TERMS OF SETTLEMENT

i. Penalty Provisions

57. Pursuant to the authority granted in Section 3008(g) of RCRA, 42 U.S.C. § 6928(g) and upon consideration of the entire record herein, including the above referenced Factual

Allegations and Alleged Violations, which are hereby adopted and made a part hereof, upon the seriousness of the alleged violations, and Respondent's good faith efforts to comply with the applicable regulations, which includes Respondent's cooperation throughout the negotiation and information provided to EPA, Region 6 during the Investigation, it is ordered that Respondent be assessed a civil penalty of Four Hundred and Seventy-Three Thousand Six Hundred and Eighty-Five Dollars (\$473,685.00) that shall be paid by Respondent within thirty (30) days of the Effective Date of this CAFO.

58. Payments shall be made by Royal Caribbean Cruises Ltd. by one of the following methods:

A. By mailing a bank check, cashier's check, or certified check payable to

"Treasurer, United States," to the following address:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979078
St. Louis, MO 63197-9000

B. By wire transfer to:

Federal Reserve Bank of New York
ABA: 021030004
Account No. 68010727
SWIFT address: FRNYUS33
33 Liberty Street
New York, NY 10045
Beneficiary: US Environmental Protection Agency
*Note: Foreign banks must use a United States Bank to send wire transfer to the US EPA

C. By signed receipt confirmation (FedEx, DHL, UPS, USPS certified, registered, etc.) a bank check, cashier's check, or certified check payable to: Treasurer, United States," to the

following address:

U.S. Environmental Protection Agency
Government Lockbox 979078
US EPA Fines and Penalties
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101
Phone: 1-314-418-1028

D. By Automatic clearing house ("ACH") payment through Vendor Express using:

US Treasury REX/Cashlink Receiver
ABA: 051036706
Account number 310006 Environmental Protection Agency
CTX Format Transaction Code 22 -checking
Physical Location of US Treasury Facility:
5700 Rivertech Court
Riverdale, MD 20737
Remittance Express (REX): 1-866-234-5681

E. Through www.pay.gov using a credit or debit card (Visa, MasterCard, American Express, and Discovery) or checking accounting information.

"In the matter of Royal Caribbean Cruises Ltd., Docket No. RCRA-06-2024-1005" shall be clearly marked on the check or other remittance, to ensure proper credit. Respondent's adherence to this request will ensure proper credit is given when penalties are received in EPA, Region 6.

59. The Respondent shall send a simultaneous notice of such payment to the following:

Ms. Lorena S. Vaughn
Regional Hearing Clerk (ORCD)
U.S. EPA, Region 6
1201 Elm St., Suite 500
Dallas, TX 75202-2733
Vaughn.Lorena@epa.gov

Jeff Yurk, Manager
Waste and Chemical Enforcement Branch (ECDS)
Enforcement and Compliance Assurance Division
U.S. EPA, Region 6

1201 Elm St., Suite 500
Dallas, TX 75270
Attn: Mr. Fred Deppe
Deppe.Fred@epa.gov

60. 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 outstanding debts owed to the United States and a charge to cover the cost of process and handling a delinquent claim. Interest on the civil penalty assessed in this CAFO will begin to accrue on the Effective Date of the CAFO and will be recovered by EPA on any amount of the civil penalty that is not paid within thirty (30) calendar days of the civil penalty's due date and will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a). Moreover, the costs of the Agency's administrative handling overdue debts will be charged and assessed monthly throughout the period the debt is overdue. 40 C.F.R. § 13.11(b). EPA will also assess a fifteen dollar (\$15.00) administrative handling charge for administrative costs on unpaid penalties for the thirty (30)-day period after the payment is due and an additional fifteen dollars (\$15.00) for each subsequent thirty (30)-day period the penalty remains unpaid. In addition, a penalty charge of up to six percent (6%) per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. 40 C.F.R. § 13.11(b).

61. Should a penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.

ii. Stipulated Penalties

62. In addition to any other remedies or sanctions available to EPA, Region 6, if the Respondent fails or refuses to comply with the specific actions in the provisions of this CAFO set forth in Subparagraph 62.A., within the agreed upon time period for each provision, then the Respondent shall pay stipulated penalties in the amounts set forth in Subparagraph 62.B., for each day during which each failure or refusal to comply continues.

A. Applicable actions and CAFO provisions:

- i. Following the Effective Date of this CAFO, analysis of the next batch of incinerator ash from each vessel that offloads incinerator ash at a U.S. port in EPA, Region 6, as required under Subparagraph 54.C.
- ii. Following the Effective Date of this CAFO, analysis of the second batch of incinerator ash from each vessel that offloads incinerator ash at a U.S. port in EPA, Region 6, as required under Subparagraph 54.C.
- iii. Following the Effective Date of this CAFO, analysis of the third batch of incinerator ash from each vessel that offloads incinerator ash at a U.S. port in EPA, Region 6, as required under Subparagraph 54.C.
- iv. Within thirty (30) days of the Effective Date of this CAFO, payment of the civil penalty, as required under Paragraph 57.

B. Stipulated Penalty Amounts:

<u>Period of Failure to Comply</u>	<u>Penalty Per Violation Per Day</u>
1st through 15th day	\$1,000.00
16th through 30th day	\$1,500.00
31st day and beyond	\$5,000.00

63. Penalties shall accrue from the date of the noncompliance with the specific actions in Subparagraph 62.A., of this CAFO until the date the violation is corrected and/or compliance is achieved, as determined by EPA, Region 6. The payment of stipulated penalties shall be made in accordance with the options set forth in Subsection VI.i. (Penalty Provision) of this CAFO. For purposes of timely payment, stipulated penalties will be due within thirty (30) days of a

demand for the full amount by EPA, Region 6, unless Respondent invokes Subsection VI.iii (Dispute Resolution) procedures of this CAFO.

64. The Respondent shall send simultaneous notices of such payments to the following:

Ms. Lorena S. Vaughn
Regional Hearing Clerk (ORCD)
U.S. EPA, Region 6
1201 Elm St., Suite 500
Dallas, TX 75270
Vaughn.Lorena@epa.gov

Jeff Yurk, Manager
Waste and Chemical Enforcement Branch (ECDS)
Enforcement and Compliance Assurance Division
U.S. EPA, Region 6
1201 Elm St., Suite 500
Dallas, TX 75270
Attn: Mr. Fred Deppe
Deppe.Fred@epa.gov

Manager, RCRA Legal Branch (ORC-R)
Office of Regional Counsel
U.S. EPA, Region 6
1201 Elm St., Suite 500
Dallas, TX 75270
Attn: Ms. Marcia E. Moncrieffe
Moncrieffe.Marcia@epa.gov

65. Adherence to these procedures in addition to Respondent's compliance with the provisions of Section VI, concerning interest, penalties, and administrative costs, will ensure proper credit when payments are received.

66. If Respondent disputes the basis for imposition of stipulated penalties, then the issue shall be resolved under the Dispute Resolution procedures of this CAFO. All applicable stipulated penalties shall continue to accrue through the period that the dispute resolution is

ongoing. Invoking dispute resolution shall not stay the accrual of stipulated penalties; however, the obligation to pay shall be stayed pending resolution of the dispute.

iii. Dispute Resolution

67. If Respondent objects to any decision or directive of EPA, Region 6 regarding Section V (Compliance Order) or Subsection VI.ii. (Stipulated Penalties), then Respondent shall notify the following persons in writing of its objections, and the basis for those objections, within fifteen (15) calendar days of receipt of EPA's decision or directive:

Jeff Yurk, Manager
Waste and Chemical Enforcement Branch (ECDS)
Enforcement and Compliance Assurance Division
U.S. EPA, Region 6
1201 Elm St., Suite 500
Dallas, TX 75270
Attn: Mr. Fred Deppe
Deppe.Fred@epa.gov.

Manager, RCRA Legal Branch (ORC-R)
Office of Regional Counsel
U.S. EPA, Region 6
1201 Elm St., Suite 500
Dallas, TX 75270
Attn: Ms. Marcia E. Moncrieffe
Moncrieffe.Marcia@epa.gov.

68. The Waste and Chemical Enforcement Branch Manager ("Branch Manager") or his/her designee and the Respondent shall then have an additional fifteen (15) calendar days from EPA, Region 6's receipt of the Respondent's written objections to attempt to resolve the dispute. If an agreement is reached between the Branch Manager and the Respondent, the agreement shall be reduced to writing and signed by the Branch Manager and the Respondent and incorporated by reference into this CAFO.

69. If no agreement is reached between the Branch Manager and the Respondent within

that time, then the dispute shall be submitted to the Director of the Enforcement and Compliance Assurance Division (“Division Director”) or his/her designee. The Division Director and the Respondent shall then have a second fifteen (15)-day period to resolve the dispute. If an agreement is reached between the Division Director and the Respondent, then the resolution shall be reduced to writing and signed by the Division Director and Respondent and incorporated by reference into this CAFO. If the Division Director and the Respondent are unable to reach agreement within this second fifteen (15)-day period, then the Division Director shall provide a written statement of EPA, Region 6’s decision to the Respondent, which shall be binding upon the Respondent and incorporated by reference into the CAFO, unless challenged by Respondent in the appropriate United States District Court and after the Respondent has exhausted the applicable administrative processes.

70. If the Dispute Resolution process results in a modification of this CAFO, the modified CAFO must be approved by the Regional Judicial Officer and filed pursuant to the Subsection on Modification, below.

iv. Notification

71. Unless otherwise specified elsewhere in this CAFO, whenever written notice is required to be given, whenever a report or other document is required to be forwarded by one party to another, or whenever a submission or demonstration is required to be made, it shall be directed to the individuals specified below at the email addresses given (in addition to any action specified by law or regulation), unless these individuals or their successors give notice in writing to the other party that another individual has been designated to receive the communication:

EPA: Jeff Yurk, Manager
Waste and Chemical Enforcement Branch (ECDS)
Enforcement and Compliance Assurance Division
U.S. EPA, Region 6
1201 Elm St., Suite 500
Dallas, TX 75270
Attn: Mr. Fred Deppe
Deppe.Fred@epa.gov

Respondent: Alex Lake, Chief Legal Officer
Royal Caribbean Cruises Ltd.
1050 Caribbean Way
Miami, FL 33132
alake@rccl.com

Copies to: Eddie Segev, SVP Safety, Security and Environment
Royal Caribbean Cruises Ltd.
1050 Caribbean Way
Miami, FL 33132
esegev@rccl.com

v. Modification

72. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except upon the written agreement of all parties, and approved by a Regional Judicial Officer, and such modification or amendment being filed with the Regional Hearing Clerk.

vi. Retention of Enforcement Rights

73. EPA, Region 6 does not waive any rights or remedies available to EPA for any other violations by the Respondent of Federal or State laws, regulations, or permitting conditions.

74. Except as specifically provided in this CAFO, nothing herein shall limit the power and authority of EPA or the United States to take, direct, or order all actions to protect public health, welfare, or the environment, or prevent, abate, or minimize an actual or threatened release of hazardous substances, pollutants, contaminants, hazardous substances in accordance

with RCRA or other federal law, as applicable. Furthermore, 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.

vii. Indemnification

75. Neither EPA nor the United States Government shall be liable for any injuries or damages to person or property resulting from the acts or omissions of the Respondent, its officers, directors, employees, agents, receivers, trustees, successors, assigns, or contractors in carrying out the activities required by this CAFO, nor shall EPA or the United States Government be held out as a party to any contract entered into by a Respondent in carrying out the activities required by this CAFO.

viii. Record Preservation

76. Respondent shall preserve, during the pendency of this CAFO, all records in its possession or in the possession of its, employees, agents, contractors, or successors, which relates to Respondent's completion of the requirements of Section V (Compliance Order) of this CAFO regardless of any document retention policy to the contrary.

ix. Cost

77. Each party shall bear its own costs and attorney's fees. Furthermore, Respondent specifically waives its right to seek reimbursement of its costs and attorney's fees under the Equal Access to Justice Act (5 U.S.C. § 504), as amended by the Small Business Regulatory Enforcement Fairness Act (P.L. 104-121), and any regulations promulgated pursuant to those Acts.

x. Tax Reporting

78. 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 Chalifoux.jessica@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 has applied for a TIN and that TIN has not been issued to Respondent within 30 days after the Effective Date, then Respondent, using the same email address identified in the preceding sub-paragraph, shall further:

i. Notify EPA's Cincinnati Finance Center of this fact, via email, within 30 days after the 30 days after the **Effective Date of this Order per Paragraph 81**; and

ii. Provide EPA's Cincinnati Finance Center with Respondent's TIN, via email.

xi. Termination and Satisfaction

79. When Respondent believes that it has complied with all the requirements of this CAFO, including payment of the Subsection VI.i. (Civil Penalty), Respondent shall certify in writing and in accordance with the certification language set forth in Section V (Compliance Order), Paragraph 55 of this CAFO. Unless EPA, Region 6 objects in writing within sixty (60) days of EPA's receipt of Respondent's certification, this CAFO will be terminated based on EPA's receipt of Respondent's certification.

80. This CAFO resolves all claims and violations as set forth in Section IV, Factual Allegations and Alleged Violations. Further, Respondent is released from all liabilities for federal civil penalties and further injunctive relief for the violations alleged in this CAFO that relate to the vessels identified in Paragraph 1 of this CAFO as provided in 40 C.F.R. § 22.18(c).

xii. Effective Date of Settlement

81. This CAFO becomes effective upon filing with the Regional Hearing Clerk.

UNDERSIGNED PARTIES CONSENT TO THE ENTRY OF THIS CONSENT AGREEMENT AND FINAL

ORDER:

**FOR THE RESPONDENT:
ROYAL CARIBBEAN CRUISES LTD.**

9/17/2024

Date: _____

Eddie Segev

Signature

Eddie Segev

Name

SVP, Safety Security &
Environmental Stewardship

Title

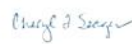


THE UNDERSIGNED PARTIES CONSENT TO THE ENTRY OF THIS CONSENT AGREEMENT AND

FINAL ORDER (cont.):

**FOR THE COMPLAINANT:
U.S. ENVIRONMENTAL PROTECTION AGENCY**

Date: September 18, 2024



Digitally signed by CHERYL
SEAGER
Date: 2024.09.18 14:48:06 -05'00'

Cheryl T. Seager
Director
Enforcement and
Compliance Assurance Division
U.S. EPA, Region 6

FINAL ORDER

Pursuant to the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 C.F.R. Part 22, the foregoing CAFO 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 herein. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondent (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. The Respondent is ordered to comply with the terms of settlement and the civil penalty payment instructions as set forth in the CAFO. Pursuant to 40 C.F.R. § 22.31(b) this Final Order shall become effective upon filing with the Regional Hearing Clerk.

Date: _____

THOMAS RUCKI

Digitally signed by THOMAS
RUCKI
Date: 2024.09.19 14:37:25 -04'00'

Regional Judicial Officer
Thomas Rucki

CERTIFICATE OF SERVICE

I hereby certify that a true and correct copy of the foregoing RCRA Consent Agreement and Final Order, Docket No. RCRA-06-2024-1005, was filed with me, the Regional Hearing Clerk, U.S. EPA, Region 6, 1201 Elm St., Suite 500, Dallas, Texas 75270-2102, and that I sent a true and correct copy on this day in following manner to the email addresses below:

Copy via Email to Complainant, EPA:

Moncrieffe.marcia@epa.gov

Copy via Email to Respondent:

Anne.Carpenter@hoganlovells.com.

Royal Caribbean Cruises Ltd.
1050 Caribbean Way
Miami, FL 33132

Digitally signed by Vaughn,
Lorena
Date: 2024.09.19 13:41:12
-05'00'
Vaughn, Lorena
Name and Date: Lorena Vaughn
Regional Hearing Clerk
Office of Regional Counsel
U.S. EPA, Region 6
1201 Elm St., Suite 500
Dallas, TX 75270-2102