

Environmental Results Through

# Smart Enforcement



Fiscal Year 2002  
Enforcement and Compliance Assurance  
Accomplishments Report

**U.S. Environmental Protection Agency**

Office of Enforcement and Compliance Assurance (2201A)

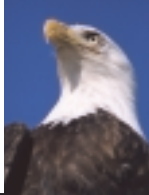
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**EPA Administrator  
Christie Whitman**

## Message from the Administrator

For more than 30 years, the mission of the U.S. Environmental Protection Agency has been to protect human health and the environment. Although the condition of America's environment has improved over the past 30 years, much work remains to be done. Our goal is clear: to make our air cleaner, our water purer, and our land better protected. The measures of our success are the environmental results that we achieve.

The environmental results of our enforcement and compliance assurance program are key to our success, and in FY 2002 they are significant. Millions of pounds of harmful pollutants will be reduced, cleaned up or treated, and all of us will enjoy cleaner air, water and land.

I am very proud of these accomplishments, the way we achieved these results and the dedicated people who produced them. We focused our resources on areas that posed the most serious threats to public health and the environment. We used integrated strategies and employed a combination of tools tailored to specific environmental problems or public health threats. EPA's strategies improved environmental management, maximized compliance and increased environmental protection. Much of this work involved partnerships with our State, local, community and Tribal counterparts. EPA's results make it clear that we will assist those who need our help and we will prosecute those who fail to comply with the law.

As we move forward to meet the next generation of environmental challenges, ensuring compliance with our environmental laws will remain vital to accomplishing our mission and achieving the goals of cleaner air, purer water and better protected land. We will all need to work together to achieve environmental progress now and in the future.

# Message from the Assistant Administrator

I am very pleased to report the accomplishments and environmental results of our enforcement and compliance assurance program for FY 2002.

Our goal is to implement a smart enforcement program that delivers environmental results. A smart program uses a mix of integrated strategies, partnerships and innovative approaches to provide cleaner air, purer water and better protected land. An integrated approach considers the appropriate tools to use when addressing environmental problems, and uses data analysis and other relevant information to marshal and leverage resources to target significant noncompliance and address the associated environmental risks. It also incorporates environmental justice into every program, policy and activity that our office implements. No community should have to bear more than its fair share of environmental burden. Our mission to protect human health and the environment applies to everyone.

In FY 2002, our program achieved significant results, and included precedent-setting civil and criminal enforcement actions that address serious environmental problems. The work of the enforcement and compliance assurance program produced cleaner air, water and land.

I would like to highlight a few of our environmental accomplishments and the results we achieved over the past year.

- ◆ As a result of EPA's enforcement settlements in FY 2002, **nearly \$4 billion in injunctive relief will be spent to correct violations, restore the environment and prevent additional damage for future generations.** This is an enormous amount of money that is going directly to clean up and enhance protection of our air, land and water for future generations. For example, under one settlement agreement, the company agreed to spend over \$337 million to install state-of-the-art pollution controls to eliminate the vast majority of sulfur dioxide and nitrogen oxide emissions from two of its coal-fired power plants.



*"Smart enforcement uses the most appropriate enforcement or compliance tools to address the most significant problems to achieve the best outcomes."*

**EPA Assistant Administrator  
John Peter Suarez**

## Highlights

\$4 billion in injunctive relief to correct violations, restore the environment and prevent additional damage

40 percent increase over 2001 in criminal cases initiated

26 percent increase in companies self-reporting violations

2.8 billion gallons of contaminated groundwater treated

3 million people will be served by drinking water systems that will be brought into compliance

34 percent increase in Compliance Assistance Center usage

- ◆ EPA's **inspections increased in FY 2002** as we continued to place a high priority on EPA inspections in the field.
- ◆ In FY 2002, there were 674 criminal cases initiated—**this is a 40 percent increase over 2001**. The 674 cases include 484 environmental crime cases and 190 counter-terrorism cases.
- ◆ The number of **companies self-disclosing violations increased 26 percent**, representing a greater number of companies coming into compliance with environmental laws.
- ◆ In FY 2002, for the first time, **we reported a wider range of results achieved** through our enforcement actions in the areas of groundwater, wetlands and drinking water protection. Approximately **2.8 billion gallons of contaminated groundwater will be treated** and another **3 million people will be served by drinking water systems that will be brought into compliance** as a result of our enforcement efforts.
- ◆ In FY 2002, EPA's 10 Internet-based Compliance Assistance Centers made technical assistance available to more than 673,000 users, **an increase of 34 percent from FY 2001**. Based on the most recent survey, **85 percent of users took actions** to reduce environmental harm and risk, waste, wastewater and air emissions or conserved water, energy and other natural resources as a result of the assistance and information obtained from these Centers. We now have 13 Centers in operation.

It is also important to note that EPA's criminal enforcement program worked tirelessly and effectively following September 11<sup>th</sup> with other federal agencies on homeland security investigations, participated in national events to ensure public safety and assisted in the anthrax investigation at the U.S. Capitol. This work was carried out in addition to the many new cases initiated and the successful prosecution of environmental crimes.

In the future we will continue to build a smart enforcement program by using all of the enforcement and compliance tools at our disposal, developing new tools, forging strategic partnerships, integrating environmental justice and encouraging innovation. I am proud of our FY 2002 accomplishments and am grateful for the dedication and hard work of our staff, as well as our partners who share the goal of cleaner air, purer water and better protected land.





# What We Do

## Our Mission:

Our mission is to improve the environment and protect human health by ensuring compliance with environmental requirements, preventing pollution and promoting environmental stewardship. Our program is comprised of dedicated individuals with diverse backgrounds and skills that work to address serious environmental harm and risk to public health caused by environmental noncompliance.

EPA is committed to using sound science, common sense, and our collective experiences to enhance the environment and to protect public health. In the context of the enforcement and compliance assurance program, these principles mean that we must be “smart” in the work that we do. Smart enforcement embodies a common sense approach to problem solving and decision making. Simply put, smart enforcement is the use of the most appropriate enforcement or compliance tools to address the most significant problems to achieve the best outcomes. We employ integrated strategies that use compliance assistance and incentives, monitoring and data analysis, and civil and criminal enforcement to achieve environmental results.



## Smart enforcement entails five key areas of focus:

Addressing significant environmental, public health and compliance problems;

Using data to make strategic decisions for better utilization of resources;

Using the most appropriate tool to achieve the best outcome;

Assessing the effectiveness of program activities to ensure continuous program improvement and desired program performance; and

Effectively communicating the environmental, public health and compliance outcomes of our activities to enhance program effectiveness.

# What We Do

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## Employee Profile

**Tracy LaCosta Back**



**Compliance Assistance  
Centers Team Leader  
Office of Compliance  
Office of Enforcement and  
Compliance Assurance  
Washington, D.C.**

“I am very proud of the work EPA has done to partner with industry, academic institutions, environmental groups and other agencies to develop sector-specific Compliance Assistance Centers.”

## Compliance Assistance:

Compliance assistance is a valuable tool we use to improve the regulated community's compliance with environmental regulations. We strategically target where regulated entities are having problems understanding how to comply with regulatory requirements and provide educational tools and other assistance such as workshops and on-site visits to help increase understanding of regulatory obligations, improve environmental management practices and reduce pollution.

Our support of industry and government sector Internet-based Compliance Assistance Centers expands the reach of our compliance assistance efforts. In FY 2002 people visited the Compliance Assistance Centers more than 673,000 times, an increase of 34 percent from FY 2001. These visits resulted in over 2.5 million requests for compliance-related information. Based on a recent survey of our Compliance Assistance Center users, approximately 85 percent said that they took actions to reduce environmental harm and risk, waste, wastewater and air emissions or conserved water, energy and other natural resources as a result of using the Centers.

## Compliance Incentives, Voluntary Programs and Innovative Approaches:

Other tools that we use include compliance incentives, voluntary programs and innovative approaches designed to motivate better environmental compliance and performance by individuals, communities, businesses and industry sectors. We promote self-policing and improvement through incentives, such as EPA's Audit and Small Business policies and the inclusion of environmental management systems in enforcement settlements.

The enforcement and compliance assurance program developed and implements EPA's Audit Policy, which provides incentives for companies to develop environmental audit and management systems. When companies voluntarily discover and promptly disclose environmental violations, EPA will waive or substantially reduce gravity-based civil penalties. In addition, for those meeting the policy's conditions, EPA will not recommend the companies for criminal prosecution. In FY 2002, there was a **26 percent increase** in the number of companies that self-disclosed environmental violations.



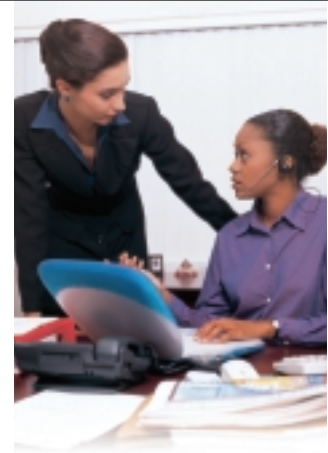
# Environmental Results Through Smart Enforcement

Our Small Business Compliance Policy provides incentives for small businesses to use compliance assistance and disclose and correct environmental violations. We work with small business compliance assistance providers to develop tools small businesses can use to understand applicable environmental requirements and take advantage of the flexibility offered by the policy.

The enforcement and compliance assurance program plays a leading role within EPA to actively promote environmental management systems (EMSs) for industry, state and local governments and federal facilities. EMSs provide organizations of all types with a structured approach for managing environmental and regulatory responsibilities to improve overall environmental performance, including areas not subject to regulation such as resource conservation and energy efficiency.

Another voluntary and innovative program is the National Environmental Performance Track Program (NEPT). NEPT is EPA's premier incentive and recognition program designed to encourage and reward top environmental performers. NEPT companies must demonstrate a solid record of environmental compliance, have an established EMS in place and identify specific commitments to achieve superior environmental performance. Additionally, the companies must certify compliance annually and undertake public outreach and report periodically on their environmental performance. The enforcement and compliance assurance program works closely with EPA's Office of Policy, Economics and Innovation to recognize the commitments made by these companies.

Voluntary and innovative initiatives like EPA's Audit and Small Business Compliance Policies, promoting the use of EMSs and recognizing NEPT companies, helps to increase environmental performance, accountability and responsibility, and allows EPA to focus our enforcement and compliance assurance resources on significant areas of environmental, public health and compliance problems.



# What We Do



## Compliance Assistance Centers

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The enforcement and compliance assurance program has sponsored partnerships with industry, academic institutions, environmental groups, and other Federal and State agencies to establish Compliance Assistance Centers for a variety of industry and government sectors. Through these centers, businesses in these sectors learn about their environmental obligations, improve compliance and find cost-effective ways to comply. The Compliance Assistance Centers can be accessed at [www.assistancecenters.net](http://www.assistancecenters.net).

**CCAR-GreenLink®:** Helps the automotive service and repair community identify flexible, common sense ways to comply with environmental requirements [www.ccar-greenlink.org](http://www.ccar-greenlink.org).

**ChemAlliance:** Provides innovative Web site features to direct chemical manufacturers to information resources and plain language compliance assistance material [www.chemalliance.org](http://www.chemalliance.org).

**Local Government Environmental Assistance Network (LGEAN):** Serves as a "first-stop-shop" by providing environmental management, planning and regulatory information for local government officials, managers and staff [www.lgean.org](http://www.lgean.org).

**National Agriculture Compliance Assistance Center (Ag Center):** Serves as the "first stop" for information about environmental requirements that affect the agriculture community [www.epa.gov/agriculture](http://www.epa.gov/agriculture). (This is a government-run center.)

**National Metal Finishing Resource Center (NMFR):** Provides comprehensive environmental compliance, technical assistance and pollution prevention information to the metal finishing industry [www.nmfr.org](http://www.nmfr.org).

**Paints and Coatings Resource Center:** Provides regulatory compliance and pollution prevention information to organic coating facilities, industry vendors and suppliers and others [www.paintcenter.org](http://www.paintcenter.org).

**Printed Wiring Board Resource Center:** Provides regulatory compliance and pollution prevention information to printed wiring board manufacturers, industry vendors and suppliers and others <[www.pwbrc.org](http://www.pwbrc.org)>.

**Printers' National Environmental Assistance Center (PNEAC):** Provides compliance and pollution prevention fact sheets, case studies and training, as well as two e-mail discussion groups on technical and regulatory issues <[www.pneac.org](http://www.pneac.org)>.

**Transportation Environmental Resource Center (TERC):** Provides compliance assistance information for each mode of transportation—air, shipping and barging, rail and trucking <[www.transource.org](http://www.transource.org)>.

**Federal Facility Compliance Assistance Center (FedSite):** Provides information on environmental regulations, pollution prevention and policies affecting Federal agencies <[www.epa.gov/fedsite](http://www.epa.gov/fedsite)>.

**Environmental Compliance for Automotive Recyclers Center (ECARcenter):** Provides information on environmental regulations that apply to automotive recycling facilities <[www.ecarcenter.org](http://www.ecarcenter.org)>.

**Construction Industry Compliance Assistance Center (CICAceneter):** Provides plain language explanations of the environmental requirements for the construction industry <[www.cicacenter.org](http://www.cicacenter.org)>.

**Border Compliance Assistance Center:** Provides information to help individuals that import hazardous waste into the United States from Mexico understand and comply with environmental regulations <[www.bordercenter.org](http://www.bordercenter.org)>.



# What We Do



## Compliance Monitoring and Data Analysis:

A key component of our work involves the effective management and use of compliance monitoring, data analysis and other information sources. The enforcement and compliance assurance program collects a wide array of compliance monitoring and enforcement data. Compliance monitoring includes all of the activities EPA conducts to determine whether an individual or group of facilities is in compliance with environmental laws. In FY 2002, EPA conducted over 17,000 compliance inspections, performed over 300 complex investigations under nine different statutory programs, responded to over 10,000 citizen complaints and assisted the States and Tribes with over 1,000 compliance inspections.

Smart enforcement means analyzing this compliance monitoring data to:

- ◆ Identify and select priorities for the enforcement and compliance program;
- ◆ Identify environmental problems and patterns of noncompliance that may need to be addressed through a targeted initiative;
- ◆ Identify and address environmental justice problems in communities in which significant noncompliance is occurring;
- ◆ Assess the state of compliance in a particular sector or population of regulated entities;
- ◆ Measure environmental outcomes resulting from program activities;
- ◆ Measure progress addressing priorities, initiatives and annual performance goals; and
- ◆ Provide the public access to enforcement and compliance data.

For example, in FY 2002, EPA collected information about the results of compliance inspections, as required by the Government Performance and Results Act. Using inspection conclusion data sheets (ICDS), we collected information on compliance deficiencies observed, actions taken to address deficiencies and compliance assistance provided during the inspections.



The evaluation and assessment of this data helps us to provide compliance assistance where needed and target sectors for enforcement where noncompliance is widespread.

Data obtained from ICDS and other sources are also used to develop databases such as the Maximum Achievable Control Technology (MACT) Prioritization database for MACT standards, which are standards designed to reduce the amount of air toxics in the environment. This database is used to assist in determining how to focus regional compliance and enforcement resources to ensure compliance with the air toxics program. The database enables users to tailor requests on facilities subject to specific MACT standards, using a number of different criteria, including the number of facilities, Toxic Release Inventory data, inspection and violation frequency, compliance dates, source complexity, rule complexity and enforcement actions.

## Civil and Criminal Enforcement:

A strong commitment to civil and criminal enforcement is vital to a smart enforcement and compliance assurance program. EPA and its partners, the State, local and Tribal governments, along with the Department of Justice, work together to assure that our nation's environmental laws are followed and achieve the environmental improvements needed to protect human health and the environment. Through data analysis, we focus our civil enforcement efforts on significant noncompliers. These are the worst polluters, based on the history and magnitude of their violations.



*EPA's criminal investigators respond to the attack at the Pentagon on September 11, 2001.*

# What We Do

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One of the most important things we do in an enforcement action is make the polluter change the process or practice that is causing the environmental problem. This is called injunctive relief. In FY 2002, civil enforcement actions resulted in almost \$4 billion in injunctive relief to restore the environment and prevent additional damage for future generations. Additionally, enforcement settlements included numerous significant supplemental environmental projects (SEPs). SEPs are environmentally beneficial projects that a violator agrees to perform in addition to injunctive relief and the payment of penalties. Through SEPs, a company can improve the quality of life for the surrounding community. For example, in FY 2002 the City of Baltimore agreed to implement a \$2.72 million SEP in settlement of a Clean Water Act case to improve water quality in the Chesapeake Bay.

Our approach in all enforcement actions is to seek appropriate injunctive relief to return violators to compliance and minimize or eliminate the potential for repeat violations by addressing the root cause of noncompliance. Where the violations appear to be the result of a wholesale or systematic failure of management, we seek injunctive relief that is sufficient to correct the problems. In such circumstances, we may include an Environmental Management System (EMS) as part of a consent decree or settlement to promote a systematic approach to understanding and managing all of the facilities' environmental impacts through appropriate policies, resources, procedures and processes. To date, EMSs in enforcement settlements have impacted over 258 facilities. EMSs may also be included in an enforcement settlement as part of a SEP.

Criminal actions are pursued against those who callously disregard our nation's environmental laws and who put the public at serious risk when they do so. Persons convicted of environmental crimes may be sentenced to jail, fined, ordered to pay restitution and placed on probation. In FY 2002, criminal violators received 215 years of prison time for their environmental crimes and the United States assessed over \$62 million in criminal penalties.

One very important aspect of what we do is to integrate environmental justice throughout our enforcement and compliance assurance program. Environmental Justice is the fair treatment and meaningful involvement of all people regardless of race, color, national origin or income with respect to the development, implementation and enforcement of all environmental laws, regulations and policies. The enforcement and compliance assurance program ensures that environmental justice concerns are taken into consideration in the implementation and enforcement of environmental laws, including through the implementation of supplemental environmental projects (SEPs) associated with enforcement actions against violators of environmental laws in environmental justice communities. We also provide compliance assistance, training, grants and outreach to environmental justice communities to improve compliance, promote environmental stewardship and achieve results.



## Integrated Strategies

Using all available tools to improve compliance and increase environmental protection, we use integrated strategies to address environmental compliance problems. An integrated strategy involves a strategic approach, which gives thoughtful, up front consideration to what tool or tools—compliance assistance, incentives, monitoring, or enforcement—to use when addressing identified environmental problems. These strategies contain clear measures to evaluate their effectiveness in resolving compliance problems and achieving environmental results.

## Superfund Enforcement Program: Dedicated to Implementing the Enforcement First Policy

Superfund cleanup is paid for either by the parties responsible for contamination or by the Superfund Trust Fund. Under the Superfund law, EPA is able to make those companies and individuals responsible for contamination at a Superfund site perform and pay for the cleanup work at the site. EPA has a longstanding policy to pursue “enforcement first” throughout the Superfund cleanup process. This policy promotes the “polluter pays” principle and helps to conserve the resources of the Superfund for cleanup of those sites where viable responsible parties do not exist. In FY 2002, EPA secured private party commitments for cleanup and cost recovery that exceeded \$627 million.



# Environmental Results at a Glance



Over the past year we worked with our State, local and Tribal partners to provide compliance assistance and ensure compliance with the Federal environmental laws. The measures of our success are the environmental results that we achieved. The results in FY 2002 are impressive and translate into cleaner air, water and land for millions of people. Here are a few of the program's major accomplishments in FY 2002:

## Making Polluters Accountable:

- ◆ Violators will pay nearly \$4 billion in injunctive relief that will go directly toward the cleanup of our environment, pollution abatement equipment and other necessary actions to improve the environment.
- ◆ EPA secured private party commitments that exceeded \$627 million for cleanup and cost recovery of contaminated Superfund sites.
- ◆ Violators committed to spend almost \$58 million for supplemental environmental projects to benefit local communities for additional environmental projects or improvements.
- ◆ EPA imposed \$26 million in administrative penalties in FY 2002, **an increase of \$2 million from the FY 2001 amounts.**
- ◆ In FY 2002, there were 674 criminal cases initiated, **a 40 percent increase over FY 2001.**
- ◆ Criminal sentences in FY 2002 were the **second highest on record**; violators received 215 years of prison time for their environmental crimes.
- ◆ Criminal violators paid in excess of \$62 million in criminal penalties.

# Environmental Results Through Smart Enforcement



## Environmental Results Through



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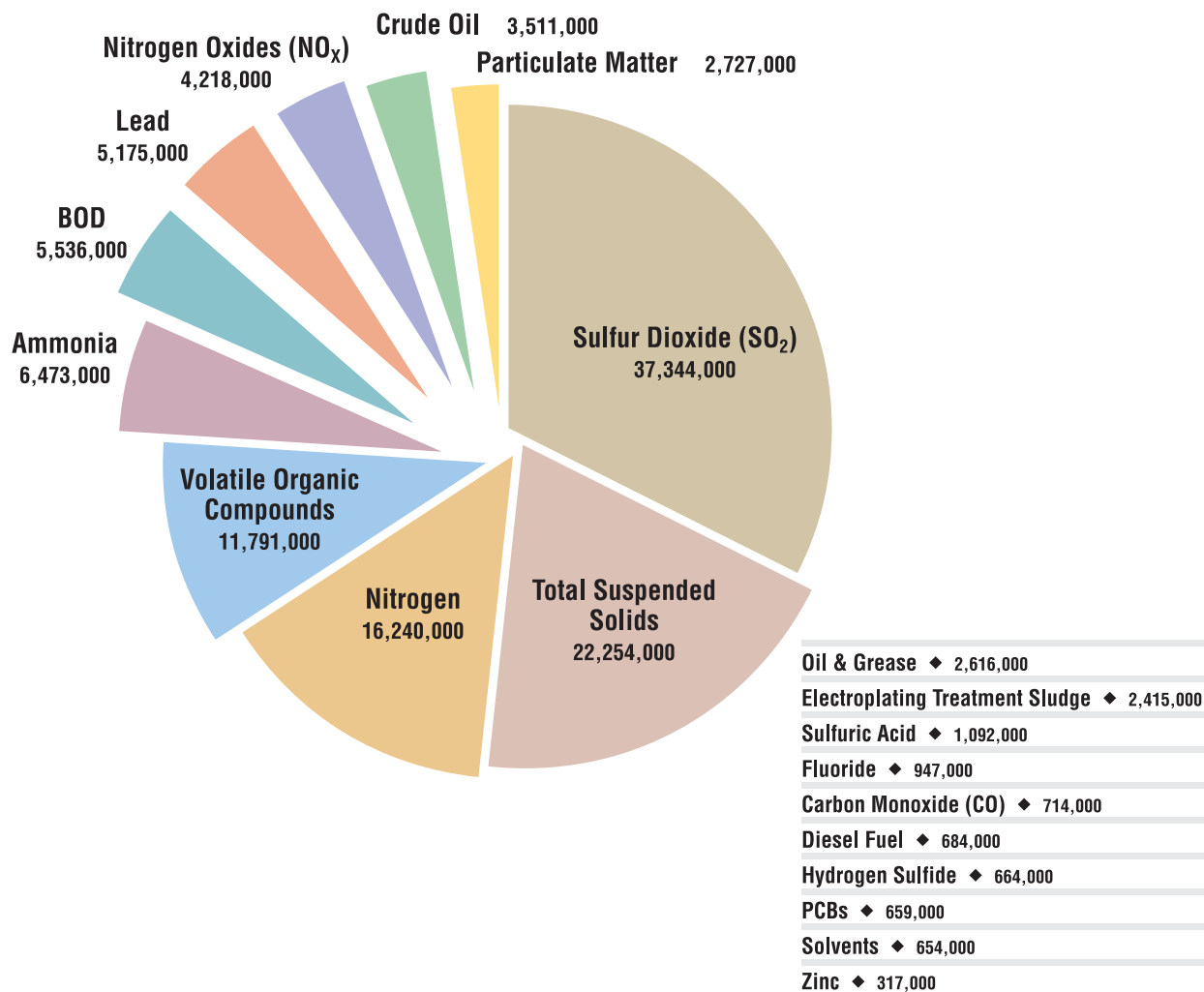
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## Cleaner Air, Purer Water and Better Protected Land

**For the first time**, we are able to estimate and report on the gallons of contaminated groundwater that will be treated as a result of EPA enforcement actions. **The results are impressive:** an estimated 2.8 billion gallons of groundwater will be treated. Our new measures also demonstrate that more than 3 million people will be served by drinking water systems that will be brought into compliance because of our FY 2002 enforcement actions.

# Environmental Results at a Glance

## Twenty Pollutants With the Largest Reductions\* Reported for EPA Enforcement Standards—FY 2002



• Data current as of May 2003.

\* This ranking does not include contaminated soil or groundwater. The numbers reported represent the pounds of pollutants reduced.

### Preventing and Reducing Pollution:

In FY 2002, EPA secured commitments for the reduction of more than an estimated 260 million pounds of harmful pollutants, 513 million pounds of contaminated soil or sediment treated and 2.8 billion gallons of groundwater treated.

Of the estimated 260 million pounds of pollutants reduced, some of the specific pollutants reduced are:

- ◆ 37 million pounds of SO<sub>2</sub>
- ◆ 22 million pounds of total suspended solids
- ◆ 16 million pounds of nitrogen
- ◆ 11 million pounds of volatile organic compounds

### Preventing and Reducing Pollution Through Compliance Monitoring:

In FY 2002, EPA began collecting information on EPA inspection outcomes at facilities subject to the Clean Air Act (CAA), Clean Water Act (CWA), the Lead Disclosure Rule under the Toxic Substances Control Act (TSCA) and the Good Laboratory Practices programs. This effort involved conducting approximately 4,000 inspections.

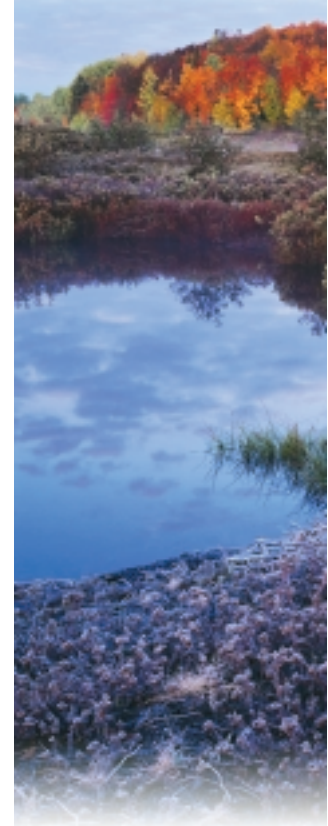
The results included:

- ◆ 76 percent of the facilities inspected received compliance assistance from EPA inspectors.

### Restoring the Environment:

In FY 2002, as a result of enforcement actions violators will:

- ◆ Return to compliance drinking water systems that serve over 3 million people



# Environmental Results at a Glance



## Providing Compliance Assistance, Information and Incentives

The enforcement and compliance assurance program has provided compliance assistance and information to over **1 million** entities through Internet-based Compliance Assistance Centers, tools, workshops and on-site visits.

- ◆ For example, over 673,000 visits to EPA's Internet-based Compliance Assistance Centers occurred in FY 2002, **an increase of 34 percent from the previous year**. Visitors made over 2.5 million requests for Web pages and targeted compliance documents. In a recent survey, users of the Centers reported a high degree of satisfaction with the services provided.
- ◆ The usage of the National Environmental Compliance Assistance Clearinghouse increased significantly since its launch in 2001 with **a 47 percent increase in the average number of monthly users** compared to FY 2001.
- ◆ The number of companies that self-disclosed environmental violations under EPA Audit Policy **increased by 26 percent** from FY 2001.





# Smart Enforcement Produces Environmental Results



The enforcement and compliance assurance program employs smart enforcement to achieve cleaner air, purer water and better protected land for all of us to enjoy. Smart enforcement uses a mix of tools such as compliance monitoring, assistance and incentives, innovative approaches and civil and criminal enforcement. Working in partnership with State and Tribal governments, local communities and other Federal agencies, EPA identifies and addresses the most significant environmental and public health problems and strategically deploys its resources, taking integrated approaches to achieve the best environmental outcomes.

EPA works with stakeholders to select national enforcement and compliance program priorities by identifying patterns of noncompliance that create significant environmental or public health risk associated with regulated sectors, particular pollutants and specific regulatory requirements. The Agency's 10 Regions support national priorities but also work with State, local and Tribal partners to identify and establish Regional and State priorities that are important to their specific geographic location. Regions provide critical resources to address the national priorities while maintaining the flexibility to direct resources to address Regional priorities. State, local and Tribal governments also play a crucial role in implementing the national environmental enforcement and compliance assurance program and producing the environmental results highlighted in this report.

# Smart Enforcement Produces Environmental Results

EPA employs smart enforcement and a robust stakeholder process in selecting its national enforcement and compliance priorities. We consider patterns of noncompliance and environmental or public health risk associated with regulated sectors, particular pollutants and specific regulatory requirements. The 10 EPA Regional Offices support national priorities and also identify and address Regional and State priorities.

In FY 2002, EPA's national enforcement and compliance priorities were:

- ◆ Clean Air Act/New Source Review
- ◆ Clean Water Act/Wet Weather
- ◆ Petroleum Refinery Sector
- ◆ Safe Drinking Water Act/Microbial Rules
- ◆ Clean Air Act/Air Toxics
- ◆ Resource Conservation and Recovery Act/Permit Evaders



Our commitment to environmental results is reflected in our work to develop program accountability measures that focus on environmental results. For example, in FY 2002, for the first time, we are able to estimate and report on the gallons of contaminated groundwater that will be treated as a result of our enforcement and compliance assistance actions. This report focuses on the significant results achieved through smart enforcement and compliance assistance efforts undertaken by EPA and its State, Tribal and community partners.

## Cleaner Air

Air pollution threatens the health of human beings and other living things on our planet. While often invisible, pollutants in the air create smog and acid rain, cause cancer or other serious health effects, diminish the protective ozone layer in the upper atmosphere and contribute to the potential for world climate change. Almost 170 million tons of pollution are emitted into the air each year in the United States. Approximately 133 million people live in areas where monitored air quality is unhealthy.

## New Source Review

The New Source Review (NSR) requirements in the Clean Air Act (CAA) are intended to ensure that the construction of new sources or modification of existing sources do not jeopardize the attainment of the national ambient air quality standards (NAAQS) in nonattainment areas, which are areas that do not meet the national air quality standards. The Prevention of Significant Deterioration (PSD) requirements ensure that areas with relatively clean air that meet the NAAQS are not significantly degraded by the influx of new air pollution sources. Failure to comply with the CAA's NSR and/or PSD requirements results in inadequate control of emissions and contributes thousands of uncontrolled tons of pollution each year. In FY 2002, EPA demonstrated its continued commitment to pursue NSR/PSD violations and secured significant reductions of nitrogen oxides ( $\text{NO}_x$ ), sulfur oxides ( $\text{SO}_x$ ), volatile organic compounds (VOCs), and particulate matter (PM), particularly in the power plant, wood products and petroleum refinery sectors.

*"Our FY 2002 accomplishments highlight examples of the environmental results that can be achieved through effective Federal, State, Tribal and local community partnerships and a smart enforcement program."*

**EPA Assistant Administrator  
John Peter Suarez**



# Smart Enforcement Produces Environmental Results

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## Power Plant Sector

For years, many power plants have operated without the best available emissions control technology, increasing air pollution near the facilities and far downwind of the plants, along the Eastern Seaboard. The utilities' failure to install this equipment resulted in tens of millions of tons of  $\text{SO}_x$ ,  $\text{NO}_x$ , and PM being emitted into the air and adverse environmental and health impacts. In addition to detrimental health effects on asthma sufferers, the elderly and children, power plant emissions are linked to forest degradation, waterway damage, reservoir contamination and deterioration of stone and copper in buildings.

### **$\text{SO}_2$ and $\text{NO}_x$ Emissions Reduced Significantly**

In January 2002, EPA, the Department of Justice and the State of New Jersey announced a major settlement involving PSEG Fossil LLC under which the company will spend more than \$337 million to install state-of-the-art pollution controls to eliminate the vast majority of  $\text{SO}_2$  and  $\text{NO}_x$  emissions from its Hudson and Mercer coal-fired power plants in Jersey City and Hamilton, New Jersey. The settlement resolved Federal and State allegations that PSEG Fossil LLC unlawfully operated the Hudson and Mercer plants and modified those plants without installing the necessary pollution controls and obtaining proper permits required by the NSR program. The combined effect of the pollution controls will reduce the company's emissions of  $\text{SO}_2$  by 90 percent and its emissions of  $\text{NO}_x$  by more than 80 percent. Overall reductions will be at least 36,000 tons of  $\text{SO}_2$  and 18,000 tons of  $\text{NO}_x$  per year. These decreases represent 32 percent of all the  $\text{SO}_2$  and 20 percent of all the  $\text{NO}_x$  emitted from stationary sources in New Jersey, and 19 percent of all the  $\text{SO}_2$  and 5 percent of all the  $\text{NO}_x$  from all sources in the State, including cars and trucks. In addition to the penalty, PSEG agreed to spend \$6 million on environmental mitigation projects, including mercury controls, carbon dioxide ( $\text{CO}_2$ ) controls and control of landfill gases.

## Wood Products Sector

### Major Wood Products Company to Reduce Harmful Air Emissions up to 95 Percent

In March 2002, EPA and the Department of Justice announced the settlement of the case against Boise Cascade Corporation, a major wood products producer. The State of Louisiana joined in the settlement. The United States claimed that Boise Cascade modified and expanded its panel board operations over the past two decades without installing the proper air pollution control equipment to reduce harmful emissions as required by the PSD regulations and State rules. The consent decree requires reductions of up to 95 percent of the harmful emissions from the company's eight plywood and particle board plants located in Oregon, Washington, Louisiana and Idaho. The settlement is expected to reduce emissions of VOCs and PM by an estimated 2,166 tons per year. Boise Cascade must install state-of-the-art air pollution control equipment at an estimated cost of \$15 million over the next three years at its Medford and Elgin, Oregon, operations and the Florien and Oakdale plants in Louisiana. The company will also pay \$4.35 million in civil penalties and spend another \$2.9 million in supplemental controls to reduce emissions at the Yakima and Kettle Falls, Washington, plants and to reduce air emissions at the Medford, Oregon, plywood facilities.



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## Employee Profile

### Jeffrey Kopf



**Assistant Regional Counsel  
Office of Regional Counsel  
EPA Region 10  
Seattle, Washington**

"I like helping to protect the environment and enjoyed working on the Boise Cascade case. The settlement resulted in the installation of state-of-the-art pollution control equipment to reduce air pollution at many of the Boise Cascade facilities."



# Smart Enforcement Produces Environmental Results

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*"The environment and public health will benefit greatly from the settlements with the refining industry. Significant strides have been made towards resolving air pollution problems across the refining industry as a result of certain industry members entering into comprehensive settlement agreements with the Federal and State governments."*

**EPA Assistant Administrator  
John Peter Suarez**

## Petroleum Refinery Sector

Addressing air emissions and unpermitted releases from refineries continues to be a high priority for EPA. Analyzing the available data, EPA determined that this sector emits significant amounts of VOC, SO<sub>2</sub> and NO<sub>x</sub> emissions. Refineries also emit significant levels of hazardous air pollutants, such as benzene, which contribute to public health and environmental problems. These pollutants are covered by the NSR and air toxic requirements of the CAA.

This administration has made significant efforts to assure the petroleum refining industry's compliance with major provisions in the CAA.

### Petroleum Refiners to Reduce Air Emissions in Five States

In FY 2002, EPA and the Department of Justice reached two comprehensive environmental settlements with Conoco Inc., Navajo Refining Company and Montana Refining Company to resolve NSR and PSD violations, new source performance standard requirements, leak detection and repair requirements governing fugitive emissions and benzene emissions from wastewater treatment plants. The States of Louisiana, Oklahoma, Montana, Colorado and New Mexico joined in the settlements, which are part of EPA's national effort to reduce air emissions from refineries. The settlements will reduce harmful air emissions from seven petroleum refineries by more than 10,000 tons per year and will mean improved air quality for the people who live near them. Conoco will spend an estimated \$95 to \$110 million to install the best available technology to control emissions from stacks, wastewater vents, leaking valves and flares throughout its refineries. Conoco will also pay a \$1.5 million civil penalty and spend about \$5 million on environmental projects in communities around the company's refineries. Navajo Refining Company and Montana Refining Company have agreed to spend an estimated \$16 to \$21 million to undertake similar projects, pay a \$750,000 civil penalty and spend about \$1.5 million on environmentally beneficial projects. Navajo Refining and Montana Refining are subsidiaries of Holly Corporation.

During the past few years certain petroleum refiners have voluntarily entered into global discussions with the United States. In addition to Conoco Inc., Navajo Refining and Montana Refining, these companies include Koch Petroleum, BP Exploration and Oil, Motiva Enterprises, Equilon Enterprises LLC, Deer Park Refining Limited Partnership





and Marathon Ashland Petroleum LLC. Together, these settlements provide for a comprehensive and cooperative approach to addressing environmental problems across the industry.

### Refiner Required to Spend Over \$12 Million to Reduce Pollution

EPA, the Department of Justice, the U.S. Attorney's office in Madison, Wisconsin, and the Wisconsin Department of Justice announced a settlement with Murphy Oil USA, Inc. in FY 2002 which will dramatically cut SO<sub>2</sub> emissions from the company's Superior, Wisconsin, refinery and improve Murphy Oil's programs to monitor and repair leaks of VOCs and to prevent oil spills. After a 10-day trial, the U.S. District Court found Murphy Oil liable for substantial violations of the PSD permitting requirements and other CAA emission limits, as well as water permit, oil spill containment and waste handling requirements. Murphy Oil also agreed to pay a \$5.5 million civil penalty, the largest penalty ever leveled in Wisconsin in an environmental enforcement case.

### Employee Profile

#### Patrick William Foley



**Chemical Engineer  
Office of Regulatory Enforcement  
Office of Enforcement and  
Compliance Assurance  
Washington, D.C.**

"My work at EPA is both challenging and rewarding. It involves identifying violations of the Clean Air Act, negotiating settlements and recommending the appropriate air pollution control technologies to be installed. These efforts result in directly measurable reductions in air pollution, particularly in the work I did on the Petroleum Refinery Sector Initiative."

# Smart Enforcement Produces Environmental Results



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*"In sum, environmental justice is the goal to be achieved for all communities and persons across this nation."*

**EPA Administrator  
Christie Whitman**

## Air Toxics

Toxic air pollutants, also known as hazardous air pollutants, are those pollutants that are known or suspected to cause cancer or other serious health effects such as reproductive effects or birth defects or adverse environmental effects. In determining where to deploy our enforcement and compliance assistance resources, we focus on reducing exposure to toxic air emissions that present high risk to the public. In FY 2002, two of the toxic air emissions areas we focused our enforcement resources on were gasoline refueling operations and the removal of asbestos.

### Excess Hazardous Air Emissions to be Reduced From Gasoline Refueling Operations

In FY 2002, **EPA Region 2** filed a consent agreement and final order settling a CAA administrative action against Cumberland Farms, Inc., which operates a network of over 1,000 retail stores and gas stations in the Northeast and Florida. Cumberland Farms agreed to undertake a supplemental environmental project worth over \$2 million as part of a consent agreement to resolve CAA violations at 80 of its gasoline stations in Connecticut, Massachusetts and Rhode Island, many of which resulted in excess hazardous emissions. EPA worked with the State of Massachusetts, which performed inspections in support of EPA's action. Under the SEP, Cumberland will upgrade its vapor recovery systems with more effective systems. The company agreed to consider prioritizing the upgrade in environmental justice communities, which are disproportionately impacted with adverse environmental conditions, and paid a cash penalty of \$90,000.

### Asbestos

Another area of focus in FY 2002 was the illegal removal of asbestos. Asbestos is a carcinogen. The inhalation of airborne asbestos fibers released through improper removal can cause cancer, a lung disease known as "asbestosis" (scarring of the lungs) and mesothelioma, a cancer of the chest and abdominal cavity. Only workers who have been properly trained and who have proper safety clothing and equipment can lawfully remove asbestos. Unfortunately, many defendants in asbestos cases have hired untrained workers to do asbestos demolition work. In FY 2002, EPA brought a number of cases against individuals and companies who violated the CAA requirements for the safe handling of asbestos.

## Smart Enforcement Uses the Most Appropriate Tools to Achieve the Best Environmental Outcome

EPA provides compliance assistance to the regulated community using tools such as plain English guidance and compliance assistance workshops. For example, EPA developed the plain English tool for the regulation of air toxics under the pharmaceutical MACT rule. This tool was developed to assist the pharmaceutical industry's understanding of the MACT requirements and the various compliance options that are available. The Agency also provided workshops designed to inform small- to medium-sized owners and operators of common violations involving prevention of significant deterioration and NSR, flaring, benzene and leak detection and repair at their facilities.

## Illegal Removal of Asbestos Curtailed to Prevent Asbestos Contamination

As a result of EPA's criminal enforcement efforts, in April 2002, six employees of AAR Contractors, Inc. pled guilty in Federal court in Syracuse, New York, to felonies arising from the removal of asbestos. Specific individual charges included violation of the CAA, TSCA, and the Racketeer Influenced Corrupt Organization Act (RICO). The criminal prosecution by the Department of Justice and the U.S. Attorney, Northern District of New York, Syracuse, covered a 10-year conspiracy to illegally remove asbestos at numerous buildings in upstate New York and included charges of intentionally contaminating buildings with asbestos in order to defraud owners and obtaining false asbestos lab tests.



# Smart Enforcement Produces Environmental Results

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*"I enjoy the challenge of putting together the right mix of scientific, engineering and legal information to accomplish a successful outcome. By successful, I mean our activities result in a change in the way people think about designing, operating and maintaining industrial facilities, such that the minimization of emissions into the atmosphere is always considered."*

**Patric McCoy**

**Environmental Scientist  
Air and Radiation Division,  
Air Enforcement and  
Compliance Assurance Branch  
EPA Region 5, Chicago, Illinois**

## Protecting Stratospheric Ozone

The depletion of stratospheric ozone is a global environmental problem. Ozone depletion can result in an increase in skin cancer, cataracts and possible immune system impairments among humans, as well as a reduction in crop yields and diminished productivity of oceans. The CAA phases out the production and consumption of certain types of ozone-depleting substances, requires recycling of chlorofluorocarbons (CFCs), prevents venting and other excessive leaks from certain equipment and restricts motor vehicle air conditioning repair activities.

### The Use of Incentives Results in Protection of Human Health and Stratospheric Ozone

In FY 2002, EPA worked in partnership with the largest trade association for the baking industry and employed a mix of compliance assistance and incentives to secure the reduction or elimination of leaks of ozone-depleting substances used in the refrigeration equipment throughout the baking industry. Through the Bakery Partnership Program, 43 baking companies owning a combined total of 250 baking facilities signed up to participate in a unique voluntary initiative. These bakeries use large quantities of chlorofluorocarbons and other chemicals that contribute to depletion of the ozone layer in their baking processes. EPA staff addressed specific questions posed by the regulatory community and provided plain language information on the regulatory requirements and opportunities to disclose and correct violations under the Program. EPA offered incentives to those commercial bakeries willing to self-report potential violations and agree to reduce or eliminate leaks of ozone-depleting substances used in their refrigeration equipment. EPA staff also addressed specific questions that the regulatory community had regarding the Bakery Partnership and the regulatory structure. To evaluate the industry's compliance with the CAA's stratospheric protection regulations, audits of more than 1,000 giant baking machines, mixers, and blenders containing refrigerants will be performed in 2003. Eight hundred of these industrial process baking machines have already been converted to non-ozone-depleting substances.



### **Boston School Children to Ride Cleaner Buses**

EPA, the Department of Justice and the U.S. Attorney's office in Massachusetts settled a CAA case against Waste Management of Massachusetts, Inc. on April 26, 2002. EPA's complaint alleged that the Hampton, New Hampshire, company collected and crushed refrigerators and air conditioners in 1997 and 1998, which resulted in the illegal release of ozone-destroying chemicals. The company paid a \$775,000 penalty and will spend \$1.4 million to retrofit 200 Boston school buses with particle traps and to purchase ultra low-sulfur diesel fuel. This is one of the largest school bus retrofit efforts in the nation. Waste Management will also spend \$1.2 million to create park land on a 4½ acre site on Chelsea Creek in Massachusetts.



### **Criminal Enforcement to Prevent Illegal Import of CFCs**

Our criminal enforcement program works as part of a nationwide task force that includes U.S. Customs Service, the Internal Revenue Service (IRS), the Defense Logistics Agency, the State Department and the Commerce Department to prosecute cases dealing with the illegal import of CFC refrigerants into the United States. As a result of our combined efforts, in March 2002 four individuals pled guilty in the second largest case ever in terms of the amount of unlawfully imported CFCs. These individuals unlawfully imported 1,760 tons of illegal CFCs and pled guilty to making false statements to EPA and the U.S. Customs Service and conspiracy to defraud the IRS. The scheme involved over \$24 million in tax fraud, wire fraud and a money laundering operation.

# Smart Enforcement Produces Environmental Results

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## Purer Water

Over the nearly 30 years since enactment of the Clean Water Act (CWA) and Safe Drinking Water Act (SDWA), EPA has made substantial progress in improving the quality of surface waters and the safety of drinking water. Despite measurable improvements in the quality of water, serious water pollution and drinking water problems remain. At the same time, population growth continues to result in increased water pollution, and in greater demands on wastewater and drinking water systems. In the past year we worked to achieve safe sources of drinking water, edible fish, swimmable beaches, and healthy watersheds.

In FY 2002, EPA addressed a number of compliance issues that significantly impact the quality of the water in the United States. We focused our resources strategically, applying the appropriate compliance assistance and enforcement tools to address the pollutants and sectors that presented the greatest environmental risk to clean water. We focused on run-off resulting from wet weather precipitation, such as overflows from combined sewers, sanitary sewers, stormwater discharges and concentrated animal feeding operations (CAFOs). In addition, we addressed noncompliance issues involving the SDWA Microbial Rules, which require the prevention, monitoring, treatment and removal of microbiological contaminants in drinking water. Discharges into waters of the United States in excess of CWA limits, the Oil Pollution Act (OPA) and wetlands restoration were also important compliance and enforcement areas in FY 2002. Following are the highlights of our FY 2002 accomplishments in these critical programs.





Supplemental Environmental Projects (SEPs) provide opportunities for environmental violators to undertake environmentally beneficial projects. A SEP is part of an enforcement settlement connected with the violation of a statutory or regulatory environmental requirement.

SEPs are environmentally beneficial projects that may be proposed by a violator or EPA during the settlement of an enforcement action. We examine whether a violator is committed to, and has the ability to, perform a SEP when determining the appropriateness of including a SEP in the settlement. If a violator agrees to perform a SEP, its cash penalty may be lowered. The SEP must reduce risks to, improve or protect public health or the environment.

For example, in FY 2002 EPA and the Department of Justice entered into a consent decree resolving allegations against the Board of Water & Sewer Commissioners of the City of Mobile, Alabama (the Board) for numerous CWA violations. Under the settlement, the Board agreed to commit to several SEPs that included installing new private residential sewer lines in low income areas; funding the acquisition of environmentally valuable habitat in Mobile County through the Alabama Forever Wild Program; funding the acquisition of environmentally valuable habitat in the Dog River watershed in Mobile County; and partially funding the creation and maintenance of a publicly available database of water quality monitoring in Mobile County.



# Smart Enforcement Produces Environmental Results

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## Overflows From Combined Sewers and Sanitary Sewers

Sewer overflows contain bacteria and other pathogens that cause illness and lead to beach and shell fish bed closures. Combined Sewer Overflows (CSOs) occur in older sewer systems that collect both sanitary sewage and stormwater runoff in the same pipe. In periods of rainfall or snowmelt, the treatment plant and/or associated collection system may be unable to ensure that the wastewater is appropriately collected and treated, resulting in raw sewage and industrial wastewater being released into the environment.

Sanitary sewer overflows (SSOs) are overflows or releases from sanitary sewer systems and are illegal under the CWA. Several reasons why municipal systems with separate sanitary sewers may have overflows include inadequate capacity of the sewer lines and/or the wastewater treatment plant or insufficient operation and maintenance programs for their collection systems. Sewer overflows can pose a significant threat to public health and the environment, and remain a leading cause of water quality impairment.

### **City of Youngstown, Ohio, to Improve Sewer Systems and Stop Sewage Overflows**

The City of Youngstown, Ohio, agreed to perform a number of projects to eliminate direct discharges of raw sewage from its collection system and develop and implement a long-term control plan to address wet weather rain overflows from its combined sewer system and improve its operation and maintenance programs and data management systems. The City estimates it will spend \$12 million in short-term improvements over the next 6 years and \$100 million over the next 2 decades to develop and implement a long-term sewage discharge control plan. This agreement is expected to eliminate more than 800 million gallons of wet weather sewage discharges annually.



### **City of Baton Rouge and East Baton Rouge Parish to End Sewage Overflows**

EPA, the Department of Justice and the State of Louisiana entered into a settlement with the City of Baton Rouge and East Baton Rouge Parish, Louisiana, to end years of sewage overflows and long-standing violations of the CWA. The settlement requires the jurisdictions to make extensive improvements to their co-owned and operated municipal sewage treatment and collection system that are intended to reduce discharges of untreated sewage to public areas and United States waters by more than 1.2 billion gallons annually. Under the consent decree, Baton Rouge and East Baton Rouge Parish will undertake a comprehensive improvement plan over the next 13 to 15 years that is expected to cost between \$330 and \$461 million. The City and the Parish paid a \$729,500 penalty and agreed to spend up to \$1.12 million for environmental projects that will benefit local citizens served by smaller neighborhood sewer systems.

### **City of Baltimore to Overhaul Sewer System to Stop Overflows Into City Streets and Local Waterways**

In September 2002, EPA, the Department of Justice and the State of Maryland entered into a consent decree with the City of Baltimore that will eliminate unpermitted discharges of raw sewage from the City's sanitary waste collection system. Many of the water bodies affected by these discharges fail to meet the Maryland water quality standards for fecal coliform. The terms of the settlement will prevent the discharge of more than 30 million gallons per year of raw sewage and provide for injunctive relief valued at approximately \$940 million. The City is required to make infrastructure improvements to resolve its violations; eliminate Baltimore's four combined sewer and sanitary sewer structures; undertake a significant capacity-related construction program; and develop and implement remedial action plans for each of the City's sewer sheds. As part of the settlement, Baltimore will perform the design work necessary to install Biological Nutrient Removal (BNR) technology at the Patapsco Wastewater Treatment Plant as a supplemental environmental project. The implementation of BNR at Patapsco is critical to achieve the nutrient reduction goals needed to help remove the Chesapeake Bay from the national list of impaired waters. It would take decades to obtain the equivalent amount of nutrient reduction from the control of other sources that will result from the installation of BNR at the Patapsco Plant.



# Smart Enforcement Produces Environmental Results

## Runoff From Stormwater Discharges

The control and proper handling of runoff from stormwater discharges are important to achieve safe sources of drinking water, edible fish, swimmable beaches and healthy watersheds for our nation. Urban runoff and storm sewers account for over 50 percent of the impaired coastal shorelines in the United States.

### Use of Integrated Strategy to Improve Compliance in the Auto Salvage Sector and Prevent Stormwater Discharges

EPA used an integrated strategy of enforcement and compliance assistance to identify and address environmental compliance in the auto salvage sector. EPA worked with 40 representatives from States, industry, trade associations, academia, and nonprofit organizations concerning stormwater control requirements to target compliance issues relating to the auto salvage industry, identify existing and planned compliance assistance activities and develop tools to address outstanding compliance needs. For example, EPA helped develop a compendium of 64 EPA, State and industry compliance assistance tools to provide information on environmental areas of concern and a new compliance assistance center for the auto salvage sector.

In July 2002, **EPA's Region 9** issued compliance orders to 20 Los Angeles-area companies in the auto salvage sector for failing to comply with Federal and State stormwater control requirements. The companies violated their National Pollutant Discharge Elimination System (NPDES) permits, which serve to prevent contaminated stormwater runoff from entering local and regional storm drain systems. EPA ordered the companies to correct violations immediately to prevent polluted runoff from entering storm drains. Stormwater is a critical source of replenishment for recharging basins and coastal waters, such as Santa Monica Bay. These actions came after nearly 1,000 inspections of industrial facilities in Los Angeles and Ventura Counties conducted by the Los Angeles Water Quality Control Board and EPA over a year. These compliance assistance and enforcement actions will improve compliance with environmental laws throughout the auto salvage sector.





## Environmental Results Through Smart Enforcement



**EPA Region 3**, working with the District of Columbia, implemented an integrated strategy for stormwater that uses a mixture of compliance assistance, compliance monitoring and enforcement tools. EPA Region 3 developed a stormwater Web site that includes useful information on best management practices and sample stormwater pollution prevention plans for seven different industry sectors. The Region also conducted a number of on-site compliance assistance visits for the construction sector and partnered with the District of Columbia to address multi-media concerns for the auto service/body shop sector, a major source of pollution impairing the Anacostia River. Additionally, EPA developed and implemented the Anacostia Watershed Stormwater Enforcement Strategy to address stormwater violators located in the watershed. EPA identified the sources potentially subject to the stormwater requirements and sent compliance outreach materials to over 1,000 entities. EPA then prioritized the industrial facilities that did not file for permits or implement required controls for inspection according to environmental risk. EPA and the District of Columbia conducted more than 200 inspections and initiated enforcement actions against the entities with the poorest compliance records. EPA is currently re-inspecting the sites where enforcement actions were previously taken to measure the results achieved because of EPA and the District of Columbia's actions.





# Smart Enforcement Produces Environmental Results

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## Runoff from Concentrated Animal Feeding Operations (CAFO)

The increasing concentration of livestock operations to larger facilities has created significant human health and environmental risks. Improper handling of manure from feedlots, lagoons and improper land application can result in excessive nutrients (nitrogen and phosphorus), pathogens (e.g., fecal coliform) and other pollutants in the water. This pollution can kill fish, cause excessive algae growth and contaminate drinking water. In addition, emissions of air pollutants from very large CAFOs may result in significant health effects for nearby residents.

EPA successfully used an integrated strategy of inspections, education, compliance assistance, incentives and enforcement to promote compliance by the thousands of livestock operations subject to regulation under the CWA. In FY 2002, we secured significant environmental improvements for local communities adversely impacted by CAFO operations.

**Compliance incentives are also important tools that allow EPA to leverage resources to achieve the best environmental outcomes.**

### **The Joint EPA-State of Iowa Open Feedlot Project**

The Iowa Department of Natural Resources (IDNR), with cooperation and support from **EPA Region 7**, the Iowa Cattlemen's Association, the United States Department of Agriculture, the Farm Bureau and local environmental groups, launched a 9-month compliance audit/incentive program for cattle feedlots that encouraged producers without permits to register with IDNR for a limited period of time. Prior to initiation of the registration program, only 30 open feedlots had the required NPDES permit; at the end of the registration period, 965 feedlots registered under program requirements. The dramatic increase in the number of large feedlots that will now be operating in compliance with the CWA and additional State laws will result in tremendous benefits for water quality in Iowa.

### **Second Largest Hog Producer to Spend \$50 Million to Install Innovative Wastewater Treatment Technology**

EPA, the Department of Justice and the Citizens Legal Environmental Action Network (CLEAN) entered into a civil settlement with Premium Standards Farms, Inc. (PSF), the nation's second largest pork producer, and Continental Grain Company, Inc. to resolve violations of the CWA, Emergency Planning and Community Right-to-Know Act, Comprehensive Environmental Response, Compensation, and Liability Act, and the CAA that occurred at a number of the companies' factory farms in northwest Missouri. PSF's and Continental's operations in Missouri consist of more than 1,000 barns, 163 animal waste



lagoons and 1.25 million pigs primarily located on 21 large-scale facilities in five counties. Under the settlement, the companies agreed to spend as much as \$50 million to develop and install cleaner wastewater treatment technologies never before used in this industry. The companies also will be required to comply with new management practices designed to prevent future discharges of animal wastes and minimize the negative impact of the facilities on local residents. Further, the companies have agreed to implement a \$300,000 SEP to reduce air emissions and odors from swine barns and pay a \$350,000 civil penalty. The federal settlement complements a previous consent judgment negotiated by the State of Missouri, PSF and Continental that required the defendants to spend up to \$25 million to develop new technology. EPA and Missouri are working together to coordinate and implement both decrees.



## Safe Drinking Water Act

There are approximately 168,000 active public water systems throughout the United States that serve 275 million people. The Safe Drinking Water Act (SDWA) provides for national primary drinking water regulations that address the prevention, monitoring, treatment and removal of microbiological contaminants. Contaminated drinking water is a direct threat to human health. The effects can be severe, especially on children, the elderly and persons with compromised immune systems. Adverse health effects of microbiological contamination include gastrointestinal distress, fever, pneumonia, dehydration or death.

### Safe Drinking Water Monitoring and Enforcement Initiative in Michigan Results in Safer Drinking Water for Public

The Michigan Department of Environmental Quality (MDEQ) and **EPA Region 5** continued with their multi-year safe drinking water project to improve compliance at 1,026 non-community water systems. MDEQ and EPA worked with 43 Local Health Departments (LHD) as the implementing agencies. The LHDs used a combination of enforcement actions, monitoring reminder notices and informal violation notices to improve overall compliance rates. Since the inception of this program, monitoring violations for total coliform bacteria and nitrate at the non-community water systems decreased at least 60 percent.



# Smart Enforcement Produces Environmental Results

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## **EPA and Department of Justice Lawsuit Results in Orders Placing California Water Companies Into Receivership to Ensure Safe, Clean Drinking Water**

In April 2002, a U.S. District Court judge in San Jose, California, ordered eight Monterey County water companies owned by the Salinas-based Alisal Water Corporation into receivership. This order shifted control of the day-to-day operations of the water companies and the quality of the water provided to customers from the company. The decision resulted from a Federal SDWA suit brought by EPA and the U.S. Department of Justice against the company and its owners. The case alleged the owners deliberately falsified lab reports for public water systems submitted to the state and Monterey County to hide violations of the maximum contaminant level for total coliform bacteria in the water provided to the public, among numerous other violations.

## **EPA Prevents Discharges Into U.S. Waters in Excess of Clean Water Act Permit Limits**

The world's largest meat packer reduced discharges of ammonia into the Missouri River and air emissions as a result of EPA enforcement. EPA, in partnership with the State of Nebraska and the Department of Justice, entered into a settlement with IBP, inc., the world's largest producer of fresh beef, pork and related products in FY 2002 for violations of the CWA, the CAA and other environmental statutes at its 200-acre complex of facilities located near Dakota City, Nebraska, and other facilities in Nebraska, Iowa, Kansas and Texas. Citizens in the communities surrounding the Dakota facility previously complained about the environmental problems at IBP, including the resulting odors. The Dakota City facility emitted up to 1,900 pounds of hydrogen sulfide each day into the air and discharged approximately four million gallons of contaminated wastewater daily into the Missouri River. This wastewater contained levels of ammonia in quantities toxic to aquatic life. Under the terms of the decree, IBP will spend \$10 million on injunctive relief to resolve its violations at its Dakota City facility and pay a \$4.1 million penalty. IBP also committed to a SEP valued at \$3.4 million to reduce the sulfur content of its incoming water, thereby reducing the potential for generating hydrogen sulfide at the wastewater treatment plant.



# Environmental Results Through Smart Enforcement



## **Steel Company Ordered to Pay Second Highest Penalty Ever Awarded by a Judge After Trial Under the Clean Water Act**

As a result of EPA enforcement, the Federal District Court for the Western District of Pennsylvania ordered Allegheny Ludlum Steel Corporation to pay the United States the second highest penalty awarded by a judge after trial under the CWA. The court ordered Allegheny Ludlum to pay a penalty of \$8.2 million for violations of the CWA at its steel mills on the Allegheny and Kiskiminetas Rivers outside Pittsburgh. The award was based, in part, on a finding that Allegheny Ludlum gained a savings of \$4.1 million from its delay and failure in spending money on necessary environmental controls.

## **Oil Pollution Act**

Congress signed the Oil Pollution Act (OPA) into law in August 1990, largely in response to rising public concern following the Exxon Valdez oil spill in Alaska's Prince William Sound. The OPA is the most recent comprehensive effort to deal with the harmful environmental impacts of oil spills. Oil spills pose a potentially serious threat to human health and the environment.

## **Compliance Rates Increase Because of Compliance Assistance and Expedited Penalty Resolution Process**

EPA's Region 6 office in Dallas, Texas, is integrating compliance assistance into its ongoing Spill Prevention Control and Countermeasure (SPCC) inspection and compliance assistance program. Region 6 conducted compliance assistance workshops in each geographic area prior to initiating SPCC inspections of facilities within the area. In FY 2002, Region 6 conducted workshops attended by over 1,900 owners and operators of SPCC-regulated facilities. The Region subsequently conducted inspections of the facilities and followed up with administrative penalty enforcement actions using a simplified and expedited penalty process. Since the inception of the program, compliance rates increased from 36 percent during the 1999/2000 fiscal years to 53 percent in 2001/2002 fiscal years. This represents a 17 percent improvement in compliance rates due to this innovative program.





# Smart Enforcement Produces Environmental Results



The incorporation of this expedited enforcement process has allowed the Region to address more facilities than ever before. There are over 200,000 facilities in the Region under the scope of the SPCC regulations. The expedited enforcement approach, which usually takes less than 45 days from assessment to finalization, provided the Region with time to address more facilities and established a more balanced compliance program.

## Ensuring Environmental Compliance by Cruise Lines

Cruise ship activity has increased by almost 50 percent since the early 1990s. Cruise ships generate large quantities of solid and hazardous wastes, which pose significant risks to human health and the marine environment. Wastes include hazardous wastes from photographic lab chemicals, dry cleaning fluids, paints, pesticides, sewage waste, oily bilge and ballast water, waste oil and “grey” water from baths, showers and galleys.

As a result of EPA criminal enforcement efforts, Carnival Corp. of Miami, Florida, which operates 40 cruise ships including those of the Carnival Cruise Lines, pled guilty in April 2002 to falsification of oil record books on several of its ships. The company will pay \$18 million in penalties, \$9 million of which will be used for a variety of environmental community service projects. Carnival was also ordered to implement and enforce a new corporation-wide environmental compliance program.

EPA initiated a criminal enforcement action against Norwegian Cruise Lines, which pled guilty on July 31, 2002, for concealing the illegal discharge of oil-contaminated bilge waste into the Atlantic Ocean. The company will pay a \$1 million penalty and an additional \$500,000 for environmental community service projects in South Florida.





### Wetlands Restoration

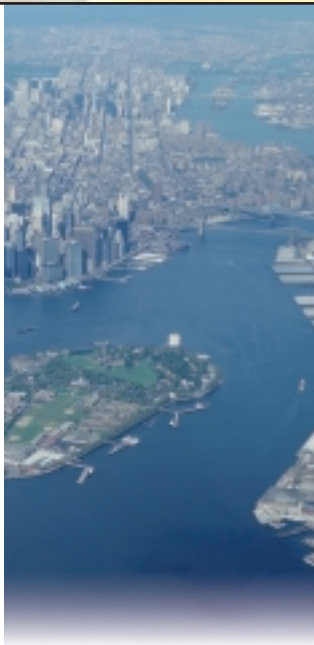
Wetlands provide critical habitat for wildlife, including many endangered species. They are also important for flood and storm damage control, shoreline erosion protection, groundwater recharge and water quality improvement. They provide billions of dollars to the nation's economy each year from flood protection and water purification, fisheries, hunting of waterfowl and other recreational opportunities. EPA enforcement activity has generally focused on actions against unpermitted discharges.

As a result of work undertaken by EPA's criminal enforcement program, Emilio A. Perez and EMISAR Trucking and Equipment, Inc., of Palm Beach County, Florida, were convicted of CWA violations and damaging Federal property by dumping mixed solid wastes into wetlands at Bay Bottom and Sand Cut in Palm Beach County. Part of the wetlands belong to the U.S. Army Corps of Engineers. The case was investigated by EPA's Criminal Investigation Division, the U.S. Army Corps of Engineers and the Environmental Investigations Unit of the Palm Beach County Sheriff's Office and prosecuted by the U.S. Attorney's office in Miami.



# Smart Enforcement Produces Environmental Results

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## Better Protected Land

Improper waste handling, management and disposal practices present significant environmental threats. These improper activities also economically undercut facilities that operate in compliance with the provisions of the Resource Conservation and Recovery Act (RCRA) and could lead to future contaminated sites under the Comprehensive Environmental Response, Compensation and Liability Act (CERCLA or Superfund). In FY 2002, EPA focused enforcement and compliance assurance efforts to ensure compliance with the permit and underground storage requirements of RCRA and the cleanup of contaminated Superfund sites under CERCLA. Below are some of the highlights of our efforts in FY 2002 to ensure that our land is better protected.

## RCRA Permit Evaders, Compliance with Underground Storage Tank Requirements and Corrective Action

### Permit Evaders

RCRA is intended to protect human health and the environment from the hazards posed by handling and disposing of wastes. In FY 2002, EPA and the U.S. Department of Justice resolved an action against Mobil Oil Corporation, now ExxonMobil, involving the illegal disposal of benzene-contaminated wastewater in surface impoundments without a permit. This is one of the largest hazardous waste settlements in history. ExxonMobil agreed to pay a civil penalty of \$8.2 million and to spend \$3 million on a SEP to purchase and restore environmentally sensitive land along the Arthur Kill Waterway area located near the New York City Harbor, where the violations occurred.

### Underground Storage Tanks

RCRA also regulates underground tanks that store petroleum or hazardous substances. Underground storage tanks (USTs) range in capacity from a few hundred to 50,000 or more gallons and are used to store gasoline, heating oil and other fuels, waste oil and hazardous substances at gas stations, marinas, government facilities and large industrial sites. Leaks from tanks often contaminate the groundwater and can cause unhealthy gasoline vapors to settle into the basements of private homes

## Environmental Results Through Smart Enforcement

and apartment buildings. EPA and States' underground storage tank regulations were put in place to prevent releases of petroleum and, if a release does occur, to ensure that it is addressed immediately.



*Before tank removal.*

To resolve alleged violations under RCRA, Pennzoil-Quaker State Company (PQS) paid an assessed penalty and agreed to undertake a SEP in Shreveport, Louisiana. The SEP provided for the removal and disposal of a storage tank and associated materials on property that will be developed into a 300,000 square foot convention center complex in a community with significant environmental justice concerns. The SEP assisted in the cleanup of a contaminated redevelopment site and the convention center is expected to create and sustain over 1,100 jobs in this economically disadvantaged community.



*After tank removal.*

# Smart Enforcement Produces Environmental Results

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## Employee Profile

**Yolaanda Walker**

**Environmental Engineer  
Office of Site Remediation  
Enforcement  
Office of Enforcement and  
Compliance Assurance  
Washington, D.C.**

"I enjoy tackling complex technical and policy issues that require resolution and working with people with diverse educational backgrounds who also share the passion and drive to provide the best support to our Regional offices to address RCRA and CERCLA priorities."

## Criminal Action Taken to Halt False and Improper UST Testing Practices

As a result of the extensive investigation by EPA and several criminal agencies, Tanknology-NDE, the largest UST testing company in the United States, pled guilty to 10 felony counts of presenting false claims and making false statements to Federal agencies in July 2002. The company agreed to pay a \$1 million criminal fine and restitution of \$1.29 million to the United States for false UST testing services performed by its employees. Tanknology, headquartered in Austin, Texas, performed false tests at Federal installations across the country, including U.S. Postal facilities, military bases and a NASA facility. In addition to paying the criminal fine and restitution, Tanknology will serve a term of probation for 5 years and implement a quality management system to ensure that false and improper testing practices do not recur.

## Integrated Compliance Assistance and Enforcement Effort to Address UST Noncompliance

In FY 2002, **EPA's Region 9** continued its multi-year effort to address widespread non-compliance with RCRA UST requirements on Tutuila, the largest island in American Samoa. This integrated compliance assistance and enforcement effort began when EPA inspectors found widespread noncompliance with UST requirements in January 2001. EPA inspected all 19 of the known UST facilities in Tutuila and entered into consent decrees that provided an enforcement structure to return the facilities to compliance. In FY 2002, Region 9 entered into the 15th settlement with a gasoline storage tank owner on the island. As a result of EPA's actions, the compliance rate with tank upgrade and leak detection requirements on Tutuila improved from almost zero to nearly full compliance. Operating in close coordination with the American Samoa Environmental Protection Agency, EPA helped assure that new equipment was properly installed and functioning correctly.

## RCRA Corrective Action

### RCRA Corrective Action Results in Cleaner Water for Nearly 20 Million People

Kerr McGee Chemical Corporation is the primary source of perchlorate contamination in Las Vegas, Lake Mead and the lower Colorado River. The Kerr McGee groundwater





plume is the largest known release of perchlorate in the country and threatens the drinking water supply of 15 to 20 million people that use Lake Mead and the lower Colorado River system as a source of drinking water. Perchlorate affects the thyroid gland, which regulates metabolism and development. Infants and young children are particularly sensitive to the effects of perchlorate. **EPA Region 9** and the Nevada Department of Environmental Protection (NDEP) partnered together to secure Kerr McGee's agreement to voluntarily begin extraction of perchlorate-contaminated groundwater. As a result of this partnership, a full-scale remediation system that removes more than 2,500 pounds of perchlorate per day from the groundwater became operational in 2002. Perchlorate levels in Las Vegas, Lake Mead and the Colorado River have begun to decrease, and the risks to 15 to 20 million people from consuming perchlorate-contaminated drinking water will be significantly reduced.

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## Superfund Cleanup

### Enforcement First for Remedial Action at Superfund Sites

EPA's Superfund Program was established to locate, investigate and clean up the worst sites nationwide. Under CERCLA, EPA is able to make companies and individuals responsible for a contaminated site perform and pay for investigation and cleanup activities. EPA has a long-standing policy to pursue "enforcement first" throughout the Superfund cleanup process. This policy promotes the "polluter pays" principle and helps to conserve Superfund resources for the cleanup of those sites where viable responsible parties do not exist. EPA may also use the Superfund Trust Fund to pay for investigation and cleanups, and then attempt to get the money back from responsible parties through legal actions.



### Implementing the New Brownfields Law

On January 11, 2002, President Bush signed the legislation that both he and Administrator Whitman identified as "the most significant piece of environmental legislation" passed by Congress in the preceding year: the Small Business Liability Relief and Brownfields Revitalization Act. Passage of the legislation is important because it protects small waste contributors, certain municipal solid waste generators and innocent purchasers of contaminated properties. EPA quickly moved to develop implementation guidance and on May 31, 2002, issued the first guidance addressing, "Bona Fide Prospective



# Smart Enforcement Produces Environmental Results

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Purchasers and the New Amendments to CERCLA.” Prior to the legislation’s enactment, purchasers who bought contaminated properties had to involve the Federal government and enter into prospective purchaser agreements (PPAs) with EPA to address CERCLA liability concerns. In its guidance, EPA explained that because Congress provided statutory liability protection, the need for PPAs and Federal government involvement in private party real estate transactions is unnecessary in most instances and identified those limited circumstances where a PPA might be appropriate. Our efforts in implementing this important legislation will pave the way for contaminated properties to be returned to productive use more quickly.

## **Superfund Enforcement Action Results in Greatly Reduced Exposure to Lead in Community**

In FY 2002, EPA issued an Administrative Order on Consent to the Doe Run Resources Corporation under Section 106 of CERCLA, requiring the company to take immediate actions to address lead contamination in the town of Herculaneum, Missouri. The town is a community of about 2,400 people located in the footprint of a lead smelter that has operated since the 1890s. The smelter, operated by the Doe Run Company, is the largest primary lead smelter in the nation. Sampling data from 2001 showed that 50 percent of the children living within a half mile of the smelter have elevated blood lead levels and that people were being exposed to high levels of lead. In 2002, Doe Run completed remediation of contaminated soils at homes with children under 6 years of age, completed soil cleanups at residential yards with lead levels above a prescribed level and undertook interior dust cleanups at homes where it performed soil remediation. The company also developed and implemented a transportation and materials handling control plan to address problems with lead releases along the truck haul routes through town and suspected fugitive dust emissions from the facility. The combination of actions completed by Doe Run as a result of this CERCLA enforcement action greatly reduced exposure to lead in this community. The 2002 blood level sampling data for children living closest to the smelter shows a 62 percent reduction in the prevalence of elevated blood levels compared to 2001 data.

# Environmental Results Through Smart Enforcement



*Here, personnel use heavy equipment to remove contaminated soils from a site.*

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*EPA's regulations covering aboveground oil storage tanks (ASTs), such as the one pictured here, are based on the concept of preventing spills through proper design, operation, and maintenance procedures.*

In FY 2002, cost recovery was addressed at 240 National Priority List (NPL) and non-NPL sites, of which 101 had total past costs greater than or equal to \$200,000. EPA's cost recovery activities are important because they preserve the Superfund Trust Fund by recovering EPA's past costs, which makes resources available for other Superfund site cleanups. With respect to private parties in FY 2002, EPA secured cleanup and cost recovery commitments valued in excess of \$627 million (over \$501 million for future cleanup and \$126 million for recovery of past costs).



# Smart Enforcement Produces Environmental Results

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## Fox River Superfund Site

EPA entered into a unique CERCLA Consent Decree in FY 2002 for the Fox River Superfund site in Wisconsin. The agreement is unique because it was finalized prior to the issuance of a record of decision, and before any formal allocation of liability among the potentially responsible parties (PRPs) for the Fox River site. The agreement will provide \$40 million over a 4-year period to fund remediation and natural resource restoration projects in the Lower Fox River Valley. It will fund important pre-design projects and will keep the momentum of this project going while the record of decision is completed. The Decree provides that Appleton Papers, Inc., and NCR Corporation will make periodic payment to an escrow account based on projected costs up to \$10 million per year for 4 years. Money not expended in 1 year will “roll over” to subsequent years. The selection of “response actions projects” or “restoration projects” is within the discretion of the response agencies and the natural resource trustees. This unique agreement is important because it will facilitate and expedite the cleanup of this site.



## Significant Environmental Results Achieved through EPA's Core Programs

In addition to the enforcement and compliance assurance program's accomplishments highlighted in the areas of cleaner air, purer water and better protected land, there are a number of ongoing core programs that EPA implements directly and programs that involve multiple environmental statutes that produced significant environmental results in FY 2002.

### Pesticides

#### **Integrated Compliance and Enforcement Strategy for Pesticide e-Commerce**

The Federal Insecticide, Fungicide and Rodenticide Act (FIFRA) regulates pesticides, including germ-killing substances or anti-microbials. EPA and State pesticide regulatory agencies face an increasing number of tips, complaints and questions about the sale of pesticides and pesticidal services over the Internet. The rise of e-commerce creates greater opportunities for unknowing or unscrupulous vendors to sell consumers unregistered and restricted use pesticides. Such sales could present a significant risk to human health and the environment. In response to this environmental, consumer protection and compliance concern, EPA issued the Integrated Compliance and Enforcement Strategy for Pesticide e-Commerce in FY 2002. The strategy provides guidance on how to conduct inspections and enforce violations in the virtual world of the Internet, and educated the regulated community about its legal obligations and how to meet them. EPA worked closely with States in developing the strategy to address States' unique concerns.

In September 2002, EPA ordered Aerotech Laboratories, Inc., of Phoenix, Arizona, and American Security and Control, Inc., of Falls Church, Virginia, to stop advertising and selling their unregistered pesticide products, which they claimed protected against anthrax. EPA ordered Aerotech to stop selling the unregistered pesticide, Modec Decon Formulation (MDF), that the company included in its Bioterrorism Response Kit. In addition, the stop sale order required the company to stop selling two other unregistered products the company advertised on the Internet: the Anthrax and Biological





# Smart Enforcement Produces Environmental Results

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## Data collection and analysis are important components of a smart enforcement and compliance assurance program.

Data analysis allows EPA to focus compliance assurance and enforcement resources more strategically to ensure public health and environmental protection. EPA's Environmental Justice Program is researching the migrant and seasonal farm worker population using baseline population data. This information, in addition to other current available data, will be used to enhance our ability to identify areas where migrant and seasonal farm worker populations exist and where assistance and efforts can be targeted. In addition to this ongoing research, the Environmental Justice Program partnered with Harvest America Corporation (HAC) to educate and inform migrant and seasonal farm workers in Southwestern Kansas on pesticide safety and pesticide exposure risks. HAC received a grant in the amount of \$30,000 for the Informing People on Pesticides (IPOP) Project over a period of 1 year. Objectives of the project include: establishing a network capable of identifying and educating migrant/seasonal farm workers whose work may expose them to pesticides, collecting data of pesticide usage, providing bilingual and culturally sensitive pesticide safety information and increasing pesticide safety knowledge to the target population. The focus area for this project includes eight communities located in western Kansas.





*Continued from page 49*

Decontamination System and the Anthrax and Other Biologicals Decontaminant Killer Solution. The company inaccurately claimed their pesticides received EPA approval. Both companies subsequently removed their unauthorized anthrax advertisements from their Internet sites.

## **FIFRA Settlement Prevents Sale of Unregistered Pesticide Products**

EPA settled a FIFRA administrative action against the Rolf C. Hagen (USA) Corporation of Mansfield, Massachusetts, for \$204,600 in February 2002. The company sold and distributed five unregistered pesticide products on 36 occasions, sold or distributed an improperly branded ultraviolet sterilizer on three occasions and produced a pesticidal device in an unregistered establishment.

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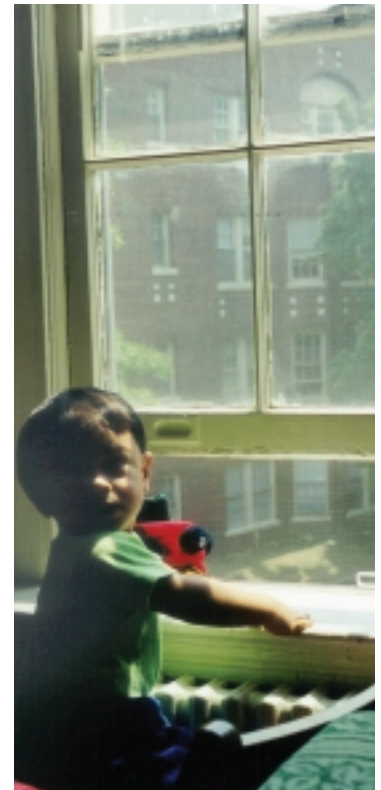
## **Toxics Under TSCA**

### **Lead Paint**

Although preventable, lead poisoning remains a major childhood environmental disease. Nearly 1 million children in the United States have blood-lead levels high enough to result in irreversible neurological and other health damage. Roughly 24 million children under the age of 6 are potentially at risk for lead poisoning, generally through exposure to lead-based paint and lead-contaminated dust and soil. The Real Estate Notification and Disclosure Rule (Lead Disclosure Rule) under TSCA requires that landlords and owners of regulated property provide information about lead poisoning to prospective renters and purchasers and disclose known information regarding lead-based paint to potential lessees or purchasers prior to finalizing lease or purchase agreements. EPA directly administers this program.

### **Integrated Compliance Assistance Enforcement Initiative Increases Compliance With Lead Disclosure Rule**

In FY 2002, EPA's enforcement and compliance program, along with EPA's Office of Children's Health Programs and the Office of Pollution Prevention and Toxics, led a compliance assistance initiative to increase compliance with the Lead Disclosure Rule and reduce the health risks posed by lead-based paint. The initiative resulted in over 2,000 inspections and/or the review of approximately 9,000 leases. EPA provided compliance assistance information and pamphlets on compliance with the lead pro-



# Smart Enforcement Produces Environmental Results

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gram during every inspection. On average, 23 children per inspection resided in the units covered by the lease reviews. We found deficiencies in more than 500 inspections, and 60 facilities took immediate action to correct the deficiencies. We issued more than 300 notices of noncompliance and 18 complaints as a result of detecting noncompliance through these inspections.

## **More Than 130,000 Families in 47 States and D.C. Benefit From Lead Disclosure Settlement**

EPA and the Department of Housing and Urban Development reached a landmark settlement in January 2002 with one of the nation's largest property management firms, the Denver-based Apartment Investment and Management Co.(AIMCO). Under the terms of the settlement, residents living in hundreds of thousands of apartments in 47 states and Washington, D.C., will now have lead-safe units. The United States alleged that AIMCO failed to warn its tenants that their homes may contain lead-based paint hazards in violation of the Lead Disclosure Rule. The settlement requires AIMCO to test and clean up lead-based paint hazards in more than 130,000 apartments nationwide and pay a \$129,580 penalty. The penalty and the number of units being tested and cleaned are the largest ever in a lead disclosure settlement.

## **Asbestos**

### **Compliance Assistance and Inspections Result in Greater Protection of School Children from Asbestos Exposure**

TSCA's Asbestos Hazard Emergency Removal Act (AHERA) requires local education agencies to inspect their schools for asbestos-containing building materials and prepare management plans that recommend the best way to reduce the asbestos hazard. In FY 2002 **EPA Region 8** conducted 68 school district inspections, which uncovered an AHERA noncompliance rate exceeding 75 percent. To address this problem, EPA created an AHERA training package and distributed the package to many of the school districts. The goal of the package is to provide compliance assistance to school districts to improve the overall compliance rate and provide a safer environment for the school children.



## Ensuring Compliance at Federal Facilities

An important part of EPA's work is ensuring that Federal agencies comply with environmental requirements in the same manner and extent as privately owned facilities. In FY 2002, EPA undertook initiatives to increase compliance at Federal facilities, and issued or completed 25 enforcement actions against Federal agencies and government contractors.

### Enforcement at Federal Facility Paves the Way for Commercial and Industrial Reuse of Property

In FY 2002, EPA entered into a consent agreement and final order with the U.S. Navy to resolve claims under TSCA and CERCLA for contamination with PCBs at the Mare Island Naval Shipyard in Vallejo, California. The agreement paves the way for the transfer of the contaminated property to a private developer that plans to remediate and develop the property for commercial and industrial reuse. Approximately 690 gallons of liquid PCBs and 14 million pounds of PCB-contaminated concrete, wood and soil are expected to be removed from the site.

### Compliance Assistance Provided to Veterans Health Administration

EPA and the Veterans Health Administration undertook a significant compliance assurance initiative in FY 2002 and signed a precedential agreement committing their organizations to work together to improve compliance at Veterans Administration (VA) Medical Centers across the nation. Under the Veterans Health Administration Partnership for Compliance, EPA will conduct environmental management reviews at VA Medical Centers to evaluate their environmental systems and recommend improvements. The Veterans Health Administration will update its internal compliance auditing procedures to ensure that its facilities operate in compliance with environmental laws and regulations. The Veterans Health Administration is currently pilot testing new self-auditing procedures and how to integrate them into its existing safety evaluation program.



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### Employee Profile

**Sally M. Dalzell**

**Attorney/Advisor  
Federal Facilities Enforcement  
Office, Office of Enforcement and  
Compliance Assurance  
Washington, D.C.**

"Many Federal facilities present significant environmental challenges. I assist the EPA Regions in carrying out their important work of ensuring protective cleanups and compliance with environmental laws by Federal agencies. I believe EPA makes a difference for the good of the people and our country. The impact we make often extends to the next generation."

# Smart Enforcement Produces Environmental Results

## Settlement Agreement With the Army Requires Technology to Warn About Potential Releases

In FY 2002, **EPA Region 3** entered into a Consent Agreement and Final Order resolving a series of UST violations at the Army's Walter Reed Army Medical Center Facilities in Washington, D.C., and Maryland. EPA determined, through an inspection and document review, that the Army violated key release detection requirements at a number of tanks throughout the facilities to report and investigate suspected releases and failures to maintain adequate spill protection capacity. Under the terms of the consent agreement, the Army agreed to pay a penalty of \$36,195 and to install a centralized UST release, detection and alarm system worth more than \$100,000. This system will result in enhanced environmental protection by providing the Army with real-time warnings of potential releases.



## International Enforcement Program

EPA's international enforcement and compliance assurance work includes the implementation of international commitments for enforcement and compliance cooperation with other countries, especially those along the U.S. border, and helps build international capacity for improving domestic environmental governance. We also contribute to an Agency-wide initiative to create an integrated compliance and enforcement strategy for imports and exports of toxic and hazardous chemicals, pesticides and wastes.

### United States, Canada and Mexico Work Together to Enforce Environmental Laws

EPA participated in the North American Working Group on Environmental Enforcement and Compliance Cooperation of the tri-national Commission for Environmental Cooperation. A FY 2002 highlight is the Transboundary Enforcement Workshop that brought together representatives from Canada, Mexico and the United States to work on enforcement of environmental laws in one country that may require the assistance of another country, either in the form of mutual legal cooperation or the voluntary exchange of information or assistance.

# Environmental Results Through Smart Enforcement



## EPA Works With Representatives From India to Strengthen and Promote Environmental Compliance in India

In FY 2002 as part of EPA's Memorandum of Understanding with the Indian Ministry of Environment and Forests (MoEF), EPA worked with government officials at the national, local and State levels to develop India's environmental compliance and enforcement capacity. EPA provided a training course to individuals from all levels of government, as well as academia, industry, consultants, public institutes, non-governmental organizations and citizen groups. Based upon feedback from the training and meetings with key individuals in India, a long-term plan to strengthen and promote India's environmental compliance and enforcement program was developed and agreed upon by representatives from EPA, MoEF, the U.S. Agency for International Development and the U.S. Asia Environmental Partnership Program.

## EPA Prevents Importation of Millions of Gallons of Hazardous Waste

EPA's review of notifications of intent to import hazardous waste resulted in the objection to the importation of 31 waste streams on various regulatory grounds, such as the lack of a permit at the receiving facility or the non-inclusion of the subject waste in the permit of the receiving facility. The objections denied potential entry of 165,495 tons of solid hazardous wastes and almost 18 million gallons of liquid hazardous wastes into the United States.

EPA also undertook an EPA-U.S. Customs Initiative to create an integrated compliance and enforcement strategy for imports and exports of toxic and hazardous chemicals, pesticides and wastes. In 2002, the initiative assessed opportunities for providing real-time access to import data necessary for compliance and enforcement decision-making, including a seamless information-sharing system between EPA and the U.S. Customs Service. The group also assessed creating focused policies, strategies and regulatory approaches related to imports and exports.



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## Employee Profile

**Gaetano La Vigna**



**Environmental Engineer  
Division of Enforcement and  
Compliance Assistance,  
Air Compliance Branch  
EPA Region 2, New York, New York**

"Reducing pollution will have a positive effect on human health while preserving the environment."



# Smart Enforcement Produces Environmental Results

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## The National Environmental Policy Act Program

The National Environmental Policy Act (NEPA) requires agencies to consider the environmental consequences of their actions. The NEPA Program's mission is to carry out NEPA responsibilities to maximize protection of human health and the environment and public understanding of the environmental impacts of Federal actions. The NEPA program is part of OECA. For approximately 500 major actions a year, agencies prepare an environmental impact statement, which EPA reviews to assess those impacts and determine the adequacy of public disclosure. As a result of EPA's NEPA Program, Federal agencies resolved 79 percent of the environmental impacts and public disclosure concerns identified by EPA. In its advisory role under NEPA, EPA undertook efforts to protect more than 5,600 acres of terrestrial habitat and more than 1,600 acres of aquatic habitat and assisted numerous Federal agencies to quickly meet their project goals while minimizing environmental harm.

## Conclusion

The highlights described in this annual report represent the environmental results that can be achieved through smart enforcement. As we move into the future, the enforcement and compliance assurance program will continue to build a smart enforcement program by using all of the enforcement and compliance tools at our disposal, developing new tools, forging strategic partnerships, integrating environmental justice and encouraging innovation.



# Acronyms

<b>BACT</b>	Best Available Control Technology	<b>EPA</b>	U.S. Environmental Protection Agency
<b>BLM</b>	Bureau of Land Management	<b>EPCRA</b>	Emergency Planning and Community Right-to-Know Act
<b>BOD</b>	Biological Oxygen Demand	<b>ERNS</b>	Emergency Response Notification System
<b>CAA</b>	Clean Air Act	<b>FFEO</b>	Federal Facilities Enforcement Office
<b>CAFO</b>	Concentrated Animal Feeding Operations	<b>FIFRA</b>	Federal Insecticide, Fungicide and Rodenticide Act
<b>CCR</b>	Consumer Confidence Report	<b>FY</b>	Fiscal Year
<b>CERCLA</b>	Comprehensive Environmental Response, Compensation, and Liability Act	<b>GPO</b>	Government Printing Office
<b>CFC</b>	Chlorofluorocarbon	<b>GPRA</b>	Government Performance and Results Act
<b>CSO</b>	Combined Sewer Overflows	<b>HUD</b>	Department of Housing and Urban Development
<b>CWA</b>	Clean Water Act	<b>IDEA</b>	Integrated Data for Enforcement Analysis
<b>DOD</b>	Department of Defense	<b>LDAR</b>	Leak Detection and Repair
<b>DOE</b>	Department of Energy	<b>MACT</b>	Maximum Achievable Control Technology
<b>DOJ</b>	Department of Justice	<b>MCL</b>	Maximum Concentration Limits
<b>EA</b>	Enforcement Action	<b>MRBMA</b>	Mercury-Containing and Rechargeable Battery Management Act
<b>EAO</b>	Emergency Administrative Order	<b>MTBE</b>	Methyl Tertiary Butyl Ether
<b>ECHO</b>	Enforcement and Compliance History Online	<b>NASA</b>	National Aeronautics and Space Administration
<b>EJ</b>	Environmental Justice	<b>NEPA</b>	National Environmental Policy Act
<b>EMS</b>	Environmental Management System		
<b>EMR</b>	Environmental Management Review		
<b>EO</b>	Executive Order		

# Appendices

<b>NESHAPs</b>	National Emissions Standards for Hazardous Air Pollutants	<b>RCRA</b>	Resource Conservation and Recovery Act
<b>NEIC</b>	National Enforcement Investigations Center	<b>RMP</b>	Risk Management Plan
<b>NO<sub>2</sub></b>	Nitrogen Dioxide	<b>SEP</b>	Supplemental Environmental Project
<b>NO<sub>x</sub></b>	Nitrogen Oxides	<b>SDWA</b>	Safe Drinking Water Act
<b>NOV</b>	Notice of Violation	<b>SWTR</b>	Surface Water Treatment Rule
<b>NPDES</b>	National Pollutant Discharge Elimination System	<b>SFIP</b>	Sector Facility Indexing Project
<b>NPMS</b>	National Performance Measures Strategy	<b>SIC</b>	Standard Industrial Classification
<b>NSR/PSD</b>	New Source Review/Prevention of Significant Deterioration	<b>SIP</b>	State Implementation Plan
<b>OAQPS</b>	Office of Air Quality Planning and Standards	<b>SNC</b>	Significant Noncompliance
<b>OECA</b>	Office of Enforcement and Compliance Assurance	<b>SO<sub>2</sub></b>	Sulfur Dioxide
<b>OI</b>	Order for Information	<b>SPCC</b>	Spill Prevention Control and Countermeasure
<b>OLC</b>	Office of Legal Counsel	<b>SSO</b>	Sanitary Sewer Overflows
<b>ORE</b>	Office of Regulatory Enforcement	<b>TRI</b>	Toxic Release Inventory
<b>OTIS</b>	On-line Tracking Information System	<b>TSCA</b>	Toxic Substances Control Act
<b>PCB</b>	Polychlorinated Biphenyl	<b>TSS</b>	Total Suspended Solids
<b>PM</b>	Particulate Matter	<b>USCG</b>	U.S. Coast Guard
<b>POTW</b>	Publicly Owned Treatment Works	<b>USFS</b>	U.S. Forest Service
		<b>UST</b>	Underground Storage Tank
		<b>VOC</b>	Volatile Organic Compound



## Charts

The numbers reflected here are current as of May 2003.

### Dollar Value of FY 2002 EPA Enforcement Actions (by Statute)

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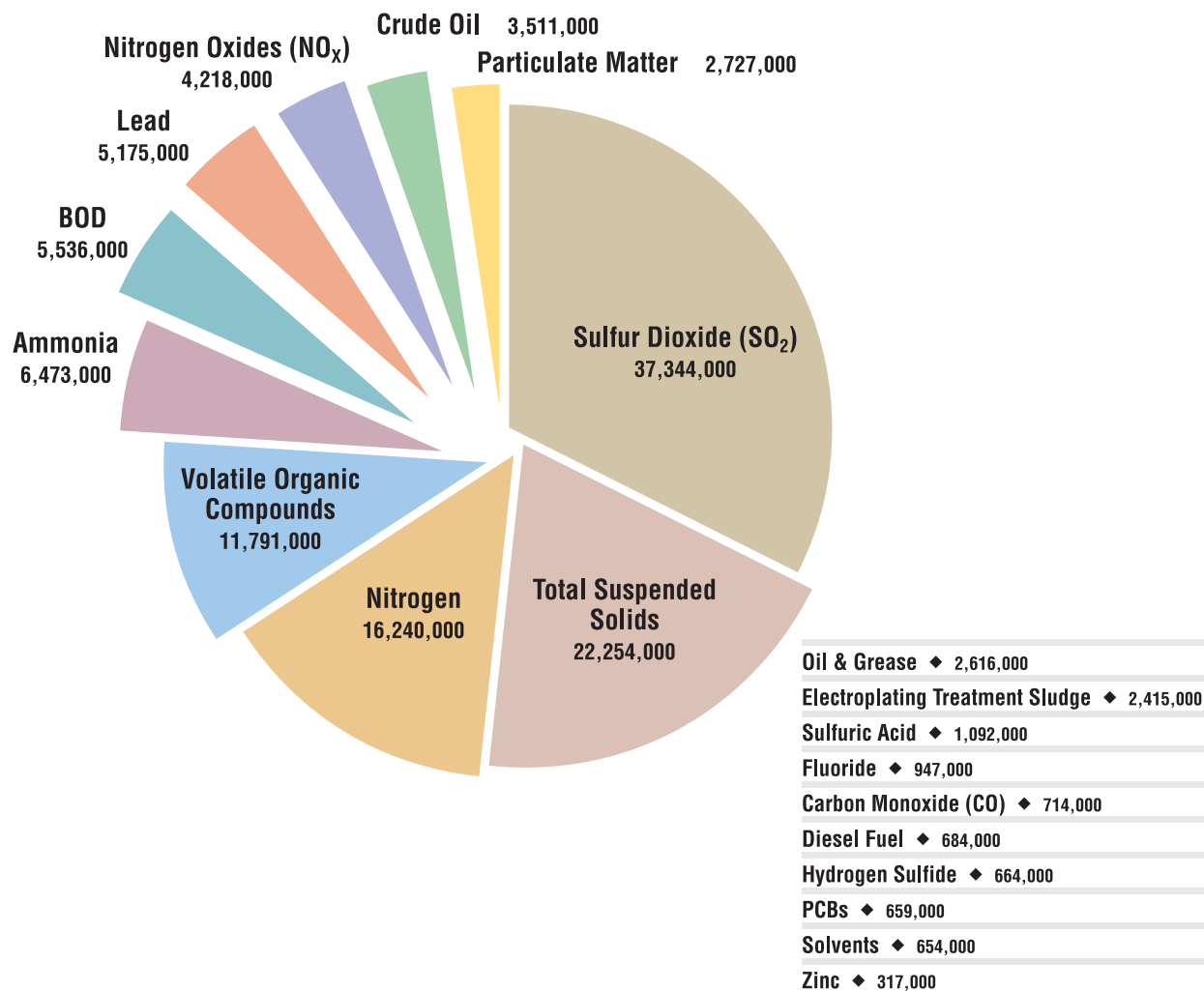
	Criminal Penalties Assessed	Civil Judicial Penalties Assessed*	Administrative Penalties Assessed*	\$ Value of Jud. Injunctive Relief	\$ Value of Adm. Injunctive Relief	\$ Value of SEPs
<b>CAA</b>	\$7,162,382	\$33,857,828	\$5,930,181	\$462,502,233	\$16,576,601	\$33,109,876
<b>CERCLA</b>	\$3,054,294	\$1,589,300	\$1,101,822	\$429,359,353	\$360,940,872	\$2,960,218
<b>CWA</b>	\$29,928,606	\$16,951,009	\$4,940,169	\$1,496,614,587	\$813,784,601	\$13,078,678
<b>EPCRA</b>	\$0	\$225,000	\$3,100,756	\$0	\$582,589	\$1,223,257
<b>FIFRA</b>	\$120,100	\$12,000	\$2,945,960	\$500,000	\$218,150	\$12,000
<b>RCRA</b>	\$2,569,531	\$11,130,437	\$5,587,018	\$12,972,600	\$47,288,155	\$6,261,460
<b>SDWA</b>	\$8,750	\$500	\$373,752	\$290,000,000	\$2,152,581	\$428,200
<b>TSCA</b>	\$280,000	\$50,000	\$1,879,843	\$400,000	\$2,800,023	\$832,652
<b>Title 18 &amp; other</b>	\$19,128,655	\$0	\$0	\$0	\$0	\$0
<b>Totals</b>	<b>\$62,252,318</b>	<b>\$63,816,074</b>	<b>\$25,859,501</b>	<b>\$2,692,348,773</b>	<b>\$1,244,343,572</b>	<b>\$57,906,341</b>

\* Administrative penalties assessed include \$93,100 from RCRA UST field citations.

• Data current as of May 2003.

# Appendices

## Twenty Pollutants With the Largest Reductions\* Reported for EPA Enforcement Standards: FY 2002



• Data current as of May 2003.

\* This ranking does not include contaminated soil or groundwater. The numbers reported represent the pounds of pollutants reduced.





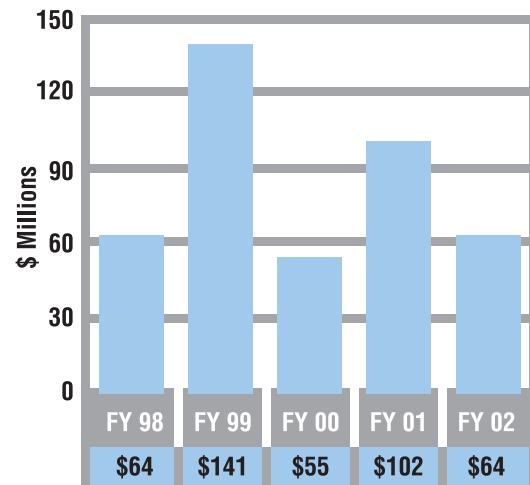
## Dollar Value of EPA Enforcement Actions Concluded: FY 1998 to FY 2002

EPA Civil Penalties—Administrative



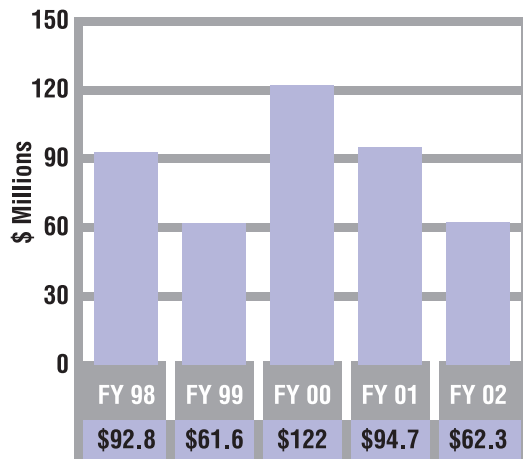
Administrative

EPA Civil Penalties—Judicial

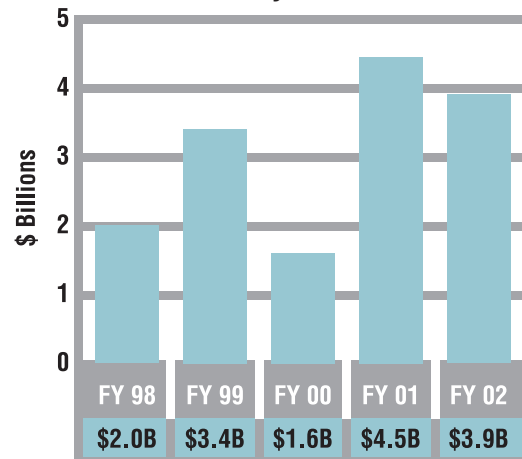


Judicial

EPA Criminal Penalties

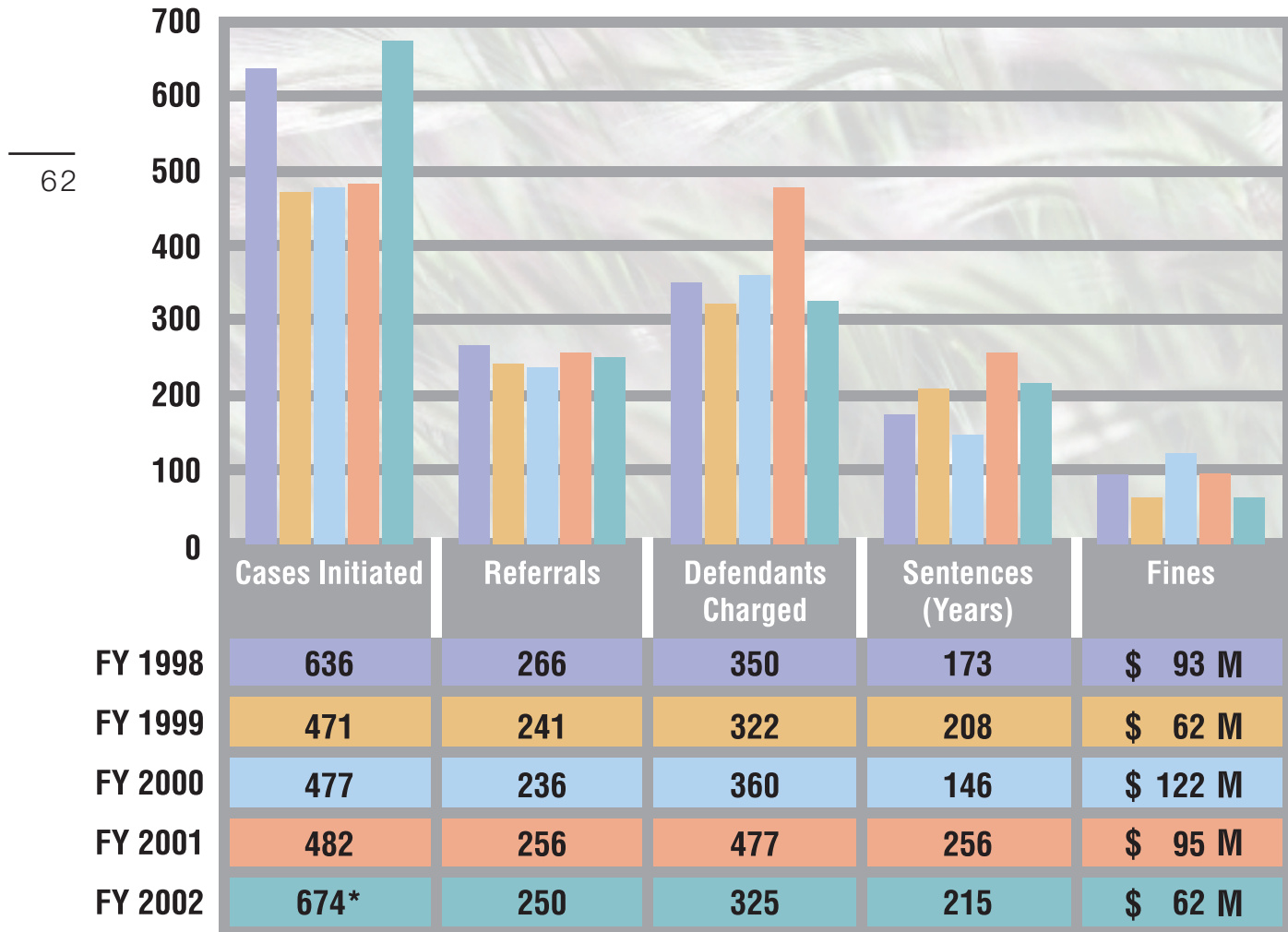


Value of Injunctive Relief



# Appendices

## EPA Criminal Enforcement: Major Outputs: FY 1998 to FY 2002



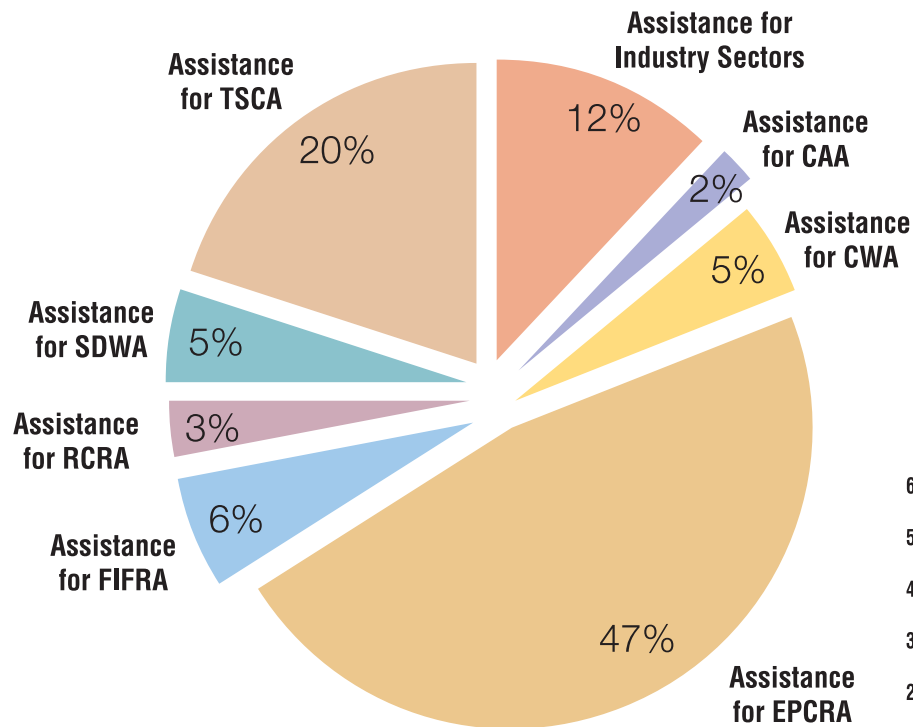
\* FY 2002 includes 190 counter-terrorism investigation initiatives.



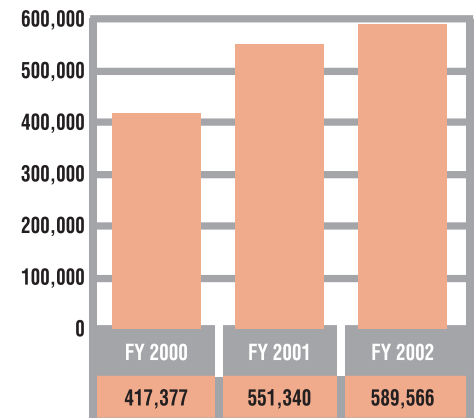
## FY 2002 National Compliance Assistance by Statute and Sector

Number of Entities Reached = 589,566

The Compliance Assurance Centers were visited more than 673,000 times.



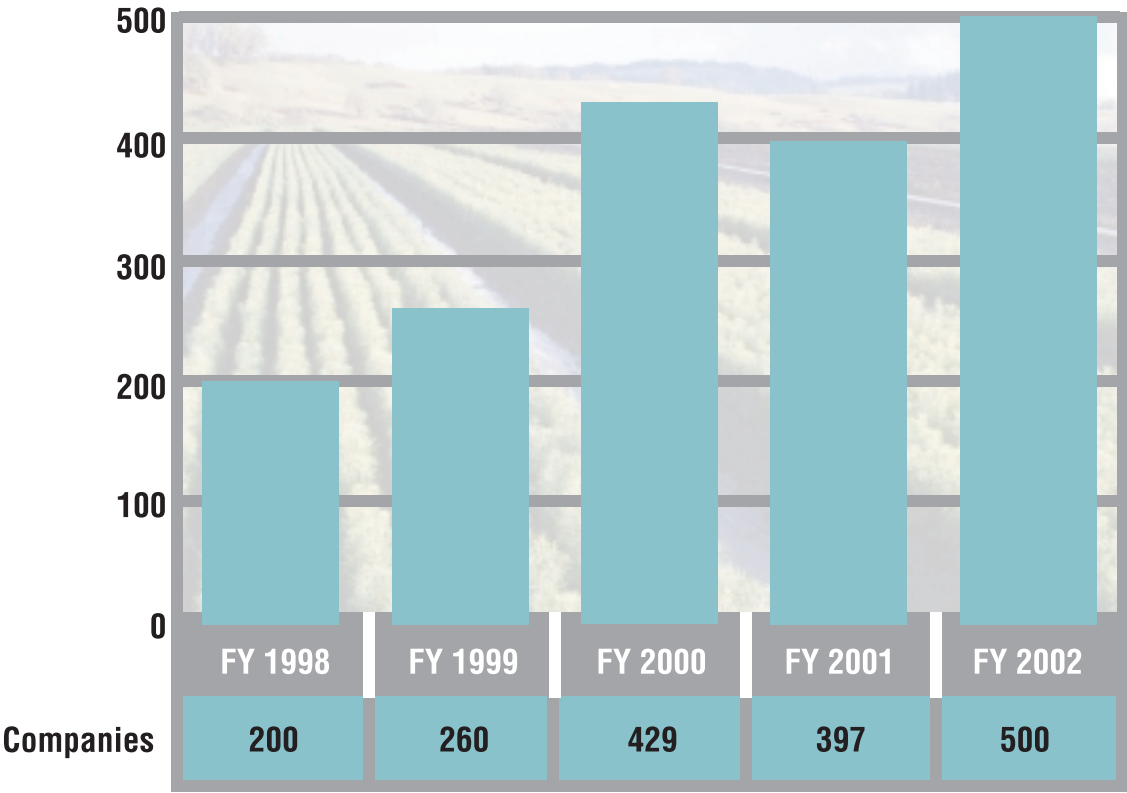
## Entities Reached



# Appendices

## Use of Audit Policy: FY 1998 to FY 2002

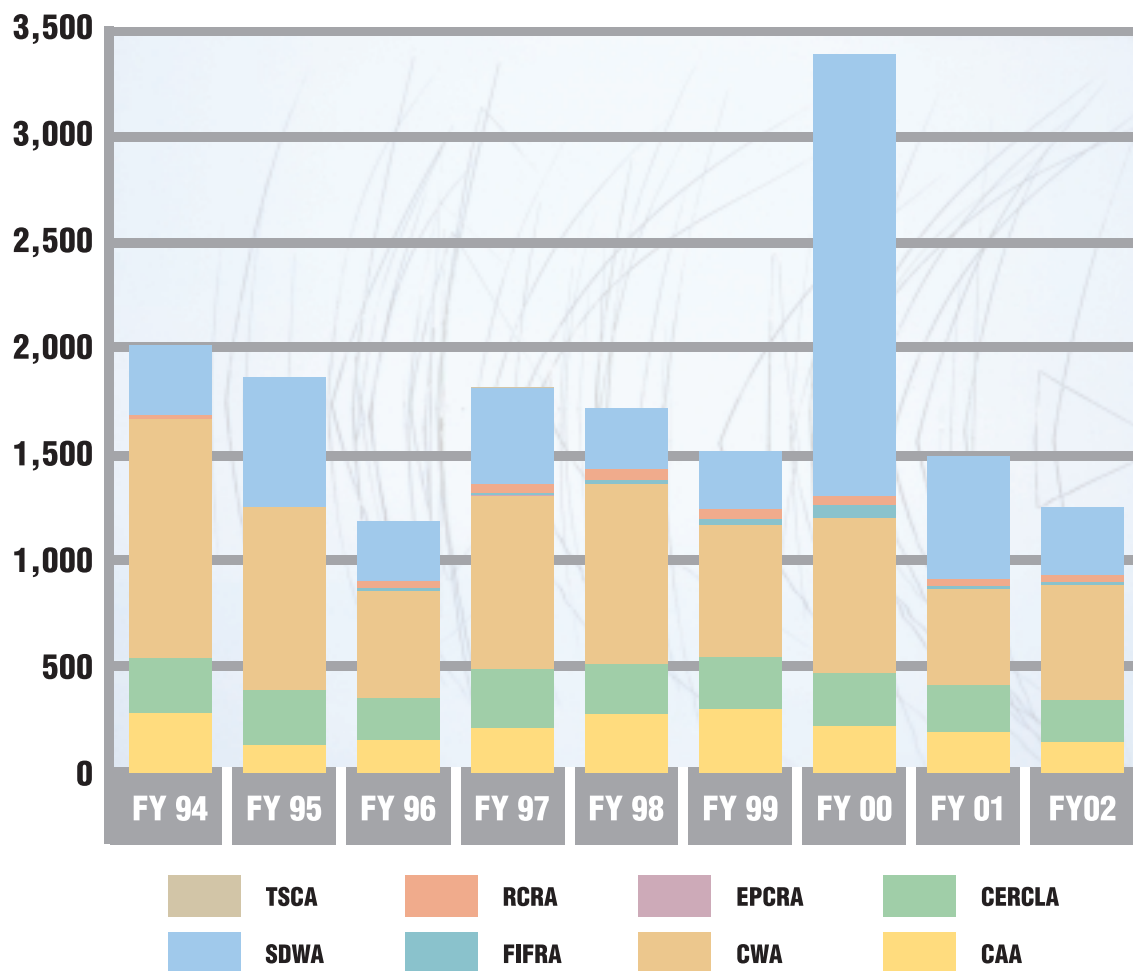
### Audit Policy Disclosures



• Data current as of May 2003.



## EPA Administrative Compliance Orders: FY 1994 to FY 2002



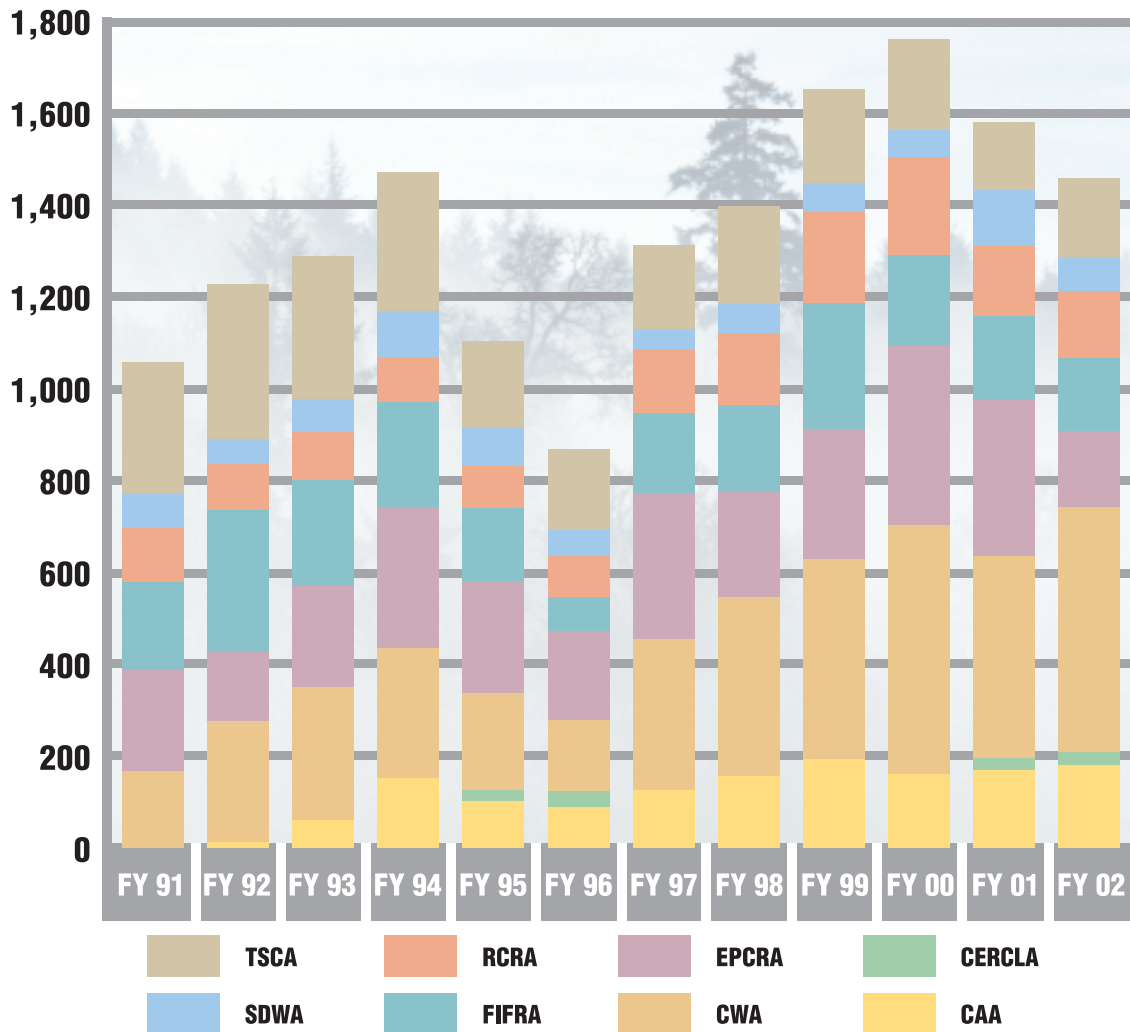
The significant number of FY 2000 administrative settlements was due to first-time enforcement of a new SDWA requirement to submit Consumer Confidence Reports (drinking water quality reports for consumers).

- Data current as of May 2003.



# Appendices

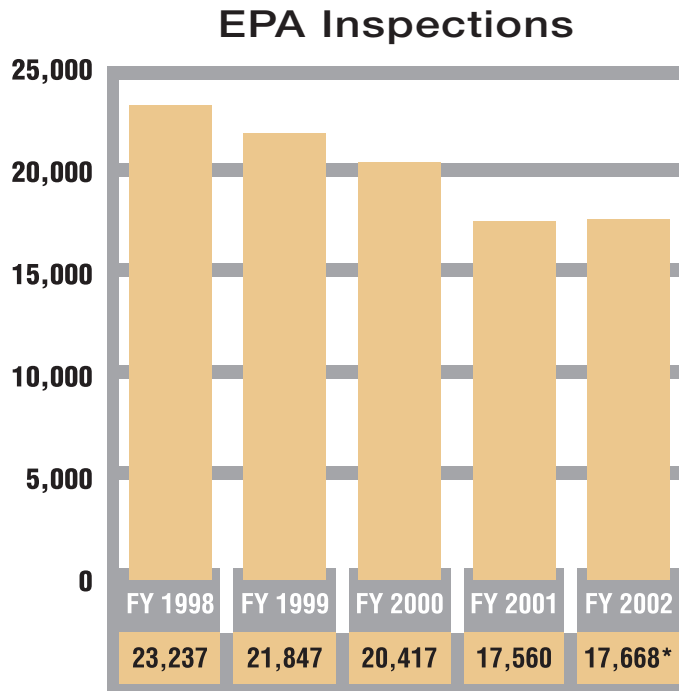
## EPA Administrative Penalty Order Complaints: FY 1991 to FY 2002



• Data current as of May 2003.



## National Totals—EPA Civil Enforcement Activity: FY 1998 to FY 2002



\* In FY 2002 OECA adopted a new policy for counting CAA inspections. Under the previous method, '02 inspections would exceed 18,000.

- Data current as of May 2003.

# Appendices

## Useful Web Sites

**Enforcement and Compliance Home Page:** <[www.epa.gov/compliance](http://www.epa.gov/compliance)>

**Newsroom:** <[www.epa.gov/compliance/newsroom](http://www.epa.gov/compliance/newsroom)>

**Information Resources:** <[www.epa.gov/compliance/resources/index.html](http://www.epa.gov/compliance/resources/index.html)>

**Tips and Complaints:** <[www.epa.gov/compliance/complaints.html](http://www.epa.gov/compliance/complaints.html)>

**National Compliance Assistance Clearinghouse:** <[cfpub.epa.gov/clearinghouse](http://cfpub.epa.gov/clearinghouse)>

**Compliance Assistance Centers:** <[www.assistancecenters.net](http://www.assistancecenters.net)>

**Audit Policy:** <[www.epa.gov/compliance/incentives/auditing/index.html](http://www.epa.gov/compliance/incentives/auditing/index.html)>

**Small Business Policy:** <[www.epa.gov/compliance/incentives/smallbusiness/index.html](http://www.epa.gov/compliance/incentives/smallbusiness/index.html)>

**Small Communities Policy:** <[www.epa.gov/compliance/incentives/smallcommunity/index.html](http://www.epa.gov/compliance/incentives/smallcommunity/index.html)>

**Sector Notebooks:** <[www.epa.gov/oeca/sector](http://www.epa.gov/oeca/sector)>

**EPA Regional Offices:** <[www.epa.gov/epahome/whereyoulive.htm#regiontext](http://www.epa.gov/epahome/whereyoulive.htm#regiontext)>

**Laws and Regulations:** <[www.epa.gov/epahome/lawregs.htm](http://www.epa.gov/epahome/lawregs.htm)>

**State Environmental Agencies:** <[www.epa.gov/epapages/statelocal/envrolst.htm](http://www.epa.gov/epapages/statelocal/envrolst.htm)>

**Environmental Compliance for Automotive Recyclers Center (ECARcenter):** <[www.ecarcenter.org](http://www.ecarcenter.org)>

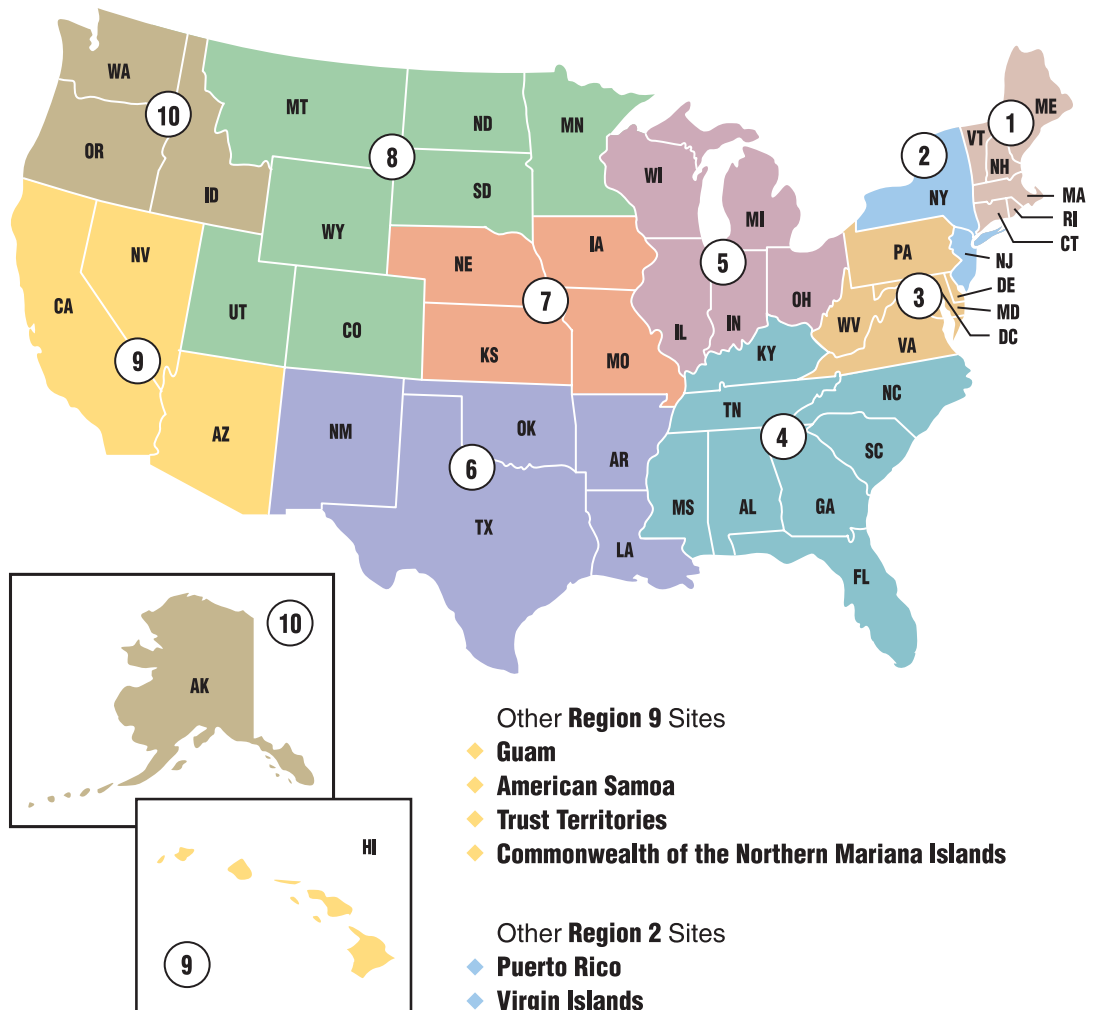
**Construction Industry Compliance Assistance Center (CICAceneter):** <[www.cicacenter.org](http://www.cicacenter.org)>

**Border Compliance Assistance Center:** <[www.bordercenter.org](http://www.bordercenter.org)>

**Enforcement and Compliance History Online (ECHO):** <[www.epa.gov/echo](http://www.epa.gov/echo)>



# Information About EPA Regions



## Information About OECA Offices

EPA's enforcement and compliance assurance program's mission is to protect human health and the environment by ensuring that regulated entities and Federal, State, Tribal, and local governments comply with our nation's environmental requirements for keeping our air, land and water clean. EPA's OECA achieves these goals by working in partnership with State governments, Tribal governments and other Federal agencies and using an integrated approach of compliance assistance, compliance incentives and innovative civil and criminal enforcement.

**The Office of Compliance (OC)** assists industries and other regulated entities to improve their compliance with environmental laws. OC also works with EPA Regions and Headquarters to establish national enforcement and compliance priorities, monitor compliance, develop and track performance and measure and evaluate results.

**The Office of Criminal Enforcement, Forensics and Training (OCEFT)** directs EPA's criminal program, provides technical and forensic services for civil and criminal investigative support and provides training for Federal, State, and local environmental professionals. OCEFT also provides investigative and technical support to the Federal government's homeland security program.

**The Office of Federal Activities (OFA)** reviews all Federal Environmental Impact Statements (EISs) prepared under the National Environmental Policy Act (NEPA); maintains a national EIS filing system; assures that EPA's own actions comply with NEPA and other environmental requirements; and provides technical assistance, compliance assistance, enforcement and capacity building.

**The Office of Environmental Justice (OEJ)** provides a central point for EPA to address environmental and human health concerns in all communities, including minority communities and/or low-income communities—a segment of the population that has been disproportionately exposed to environmental harms and risks.





**The Office of Regulatory Enforcement (ORE)** works with States, EPA Regional Offices, Tribes, and other Federal agencies to assure compliance with the nation's environmental laws by investigating violations, deterring violations of Federal environmental laws through civil enforcement actions and providing incentives to those members of the regulated community to comply with the law.

**The Office of Site Remediation Enforcement (OSRE)** facilitates, coordinates and evaluates the enforcement of EPA's national hazardous waste cleanup programs: Comprehensive Environmental Response Compensation and Liability Act (CERCLA or Superfund), Resource Conservation and Recovery Act, Oil Pollution Act, and Underground Storage Tanks.

**The Office of Planning, Policy Analysis and Communications (OPPAC)** recommends national policy on issues pertaining to environmental enforcement and compliance and addresses emerging and crosscutting issues, such as innovation in OECA's programs.

**The Federal Facilities Enforcement Office (FFEO)** is responsible for ensuring that Federal facilities take all necessary actions to prevent, control and abate environmental pollution.

## Useful Contact Information

### **Environmental Emergencies**

(To report oil spills and chemical accidents): 1 800 424-8802

**Office of Enforcement and Compliance Assurance:** 202 564-2440

**Office of Compliance:** 202 564-2280

**Office of Regulatory Enforcement:** 202 564-2220

**Office of Site Remediation and Enforcement:** 202 564-5110

**Office of Criminal Enforcement, Forensics and Training:** 202 564-2480

**Office of Environmental Justice:** 202 564-2515

**Office of Planning, Policy Analysis & Communications:** 202 564-2530

**Federal Facilities Enforcement Office:** 202 564-2510

**Office of Federal Activities:** 202 564-5400

**Administration and Resources Management Support Staff:** 202 564-2455

### **Mailing Address:**

U.S. Environmental Protection Agency  
1200 Pennsylvania Ave., NW  
Washington, D.C. 20460-0001

