



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

OFFICE OF
ENFORCEMENT AND
COMPLIANCE ASSURANCE

VIA EMAIL AND
UNITED PARCEL SERVICE

Gerald Green, Chief Operating Officer
Elliot Global Partners
5850 W 3rd Street, Unit 368
Los Angeles, CA 90036

Re: Notice of Violation of Renewable Fuel Standards
File Number AED/FEB #8417

Mr. Green:

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

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

Based upon the information available to the EPA as a result of its investigation, the EPA has determined that Elliot Global (Company ID 6495 and Facility ID 83681) violated 40 C.F.R. § 80.1460(b)(2) by creating 975,900 invalid D4 RINs on March 30, 2020, and 4,861,840 invalid D4 RINs on January 28, 2021. Elliot Global also violated 40 C.F.R. § 80.1460(b)(2) by transferring a portion of these invalid RINs to other parties. These RINs are invalid pursuant to 40 C.F.R. § 80.1431(a)(ix) because they were improperly generated. They were improperly generated because Elliot Global failed to comply with 40 C.F.R. § 80.1426(a)(2), which requires importers to obtain information from foreign renewable fuel producers "to make the appropriate determination regarding the applicable D code and compliance with the renewable biomass definition."

The EPA issues this Notice of Violation (NOV) pursuant to Sections 205 and 211 of the CAA, 42 U.S.C. §§ 7524 and 7545, for the violations identified above. Sections 205 and 211 of the CAA authorize the EPA to assess a civil penalty of up to \$48,762 every day for each violation, plus the

economic benefit or savings resulting from each violation. 42 U.S.C. §§ 7524, 7545(d); *see also* 40 C.F.R. §§ 19.4, 80.1461, 80.1463. In order to determine an appropriate penalty for each violation, the EPA considers the gravity of the violation, the economic benefit or savings (if any) resulting from the violation, the size of your business, your history of compliance with the CAA, actions taken by you to remedy the violation and prevent future violations, the effect of the penalty on your ability to continue in business, and other matters as justice may require. 42 U.S.C. § 7524. This NOV does not create any rights or waive any of your obligations under the CAA, but rather is for the purpose of notifying you of the violations.

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

The EPA attorney assigned to this matter is Jeff Kodish. He may be reached at (303) 312-7153, kodish.jeff@epa.gov, or at the following address:

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

We appreciate your attention to this important matter.

Sincerely,

Thomas P. Carroll

Thomas P. Carroll, Acting Director
Air Enforcement Division

cc: Anthony J. Miller, Chief – Air Enforcement Division, Fuels Enforcement Branch