

Enclosure

CLEAN AIR ACT MOBILE SOURCE EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO. CAA-11-7935

Respondent: Horst Pudwill, President
OWT Industries, Inc.
1428 Pearman Dairy Road
Anderson, South Carolina 29625

1. The parties enter into this Clean Air Act Mobile Source Expedited Settlement Agreement (Agreement) in order to settle the civil violations discovered as a result of the inspection specified in Table 1, attached, incorporated into this Agreement by reference. The civil violations that are the subject of this Agreement are described in Table 2, attached, incorporated into the Agreement by reference, regarding the vehicles/engines specified therein.
2. Respondent admits being subject to the Clean Air Act (CAA) and its associated regulations and that the United States Environmental Protection Agency (EPA) has jurisdiction over the Respondent and the Respondent's conduct described in Table 2. Respondent does not contest the findings detailed therein, and waives any objections Respondent may have to EPA's jurisdiction.
3. Respondent consents to the payment of a penalty in the amount of \$20,000, further described in Table 3, attached, incorporated into the Agreement by reference. Respondent agrees to follow the instructions in "CAA Mobile Source Expedited Settlement Agreement Instructions," attached, incorporated into this Agreement by reference. Respondent certifies that the required remediation, detailed in Table 3, has been carried out.
4. By its first signature below, EPA approves the findings resulting from the inspection and alleged violations set forth in Table 1 and Table 2. Upon signing and returning this Expedited Settlement Agreement to EPA, Respondent consents to the terms of the Expedited Settlement without further notice. Respondent acknowledges that this Expedited Settlement Agreement is binding on the parties signing below, and becomes effective on the date of the EPA Air Enforcement Division Director's ratifying signature.

APPROVED BY EPA:


for Phillip A. Brooks, Director, Air Enforcement Division

Date: 6/29/11

APPROVED BY RESPONDENT:

Name (print): Lee E Sowell

Title (print): President

Signature: Lee E Sowell

Date: 7/22/11

RATIFIED BY EPA:


Phillip A. Brooks, Director, Air Enforcement Division

Date: 8/9/11

Table 1 - Inspection Information

Entry/Inspection Date(s):		Docket Number:	
entered 3/2/2011		C A A - 1 1 - 7 9 3 5	
Inspection Location:		Entry/Inspection Number(s)	
CBP Garden City Terminal, Garden City, GA		K C 1 1 7 0 6 4 0 5 7 e t c.	
Address:			
1428 Pearman Dairy Road			
City:		Inspector(s) Name(s):	
Anderson		Officer Mitchell Kent, U.S. Customs	
State:	Zip Code:	EPA Approving Official:	
SC	29625	Phillip A. Brooks	
Respondent:		EPA Enforcement Contact:	
Horst Pudwill, President, OWT Industries, Inc.		Evan M. Belser, Attorney Advisor	

Table 2 - Description of Violation and Vehicles/Engines

Throughout early 2011, OWT Industries, Inc. (OWT) imported the 9,720 engines identified below, and subsequently sold and delivered 3,088 of these engines to a third-party retailer. These engines are identified by serial number in the attachments to April 20, 2011, emails from OWT to Evan Belser. The emission control information labels on these engines are removable without being destroyed or defaced, and therefore do not comply with the standards in 40 C.F.R. § 90.114. EPA has therefore determined that OWT committed 9,720 violations of 40 C.F.R. § 90.1003(a)(4)(ii) and 42 U.S.C. § 203 by importing or introducing into commerce engines with noncompliant labels.

Equipment Description	Engine Family	Manufacturer	Model Year	Quantity
Loose gasoline engines	ACRPS.1891GB	Chongqing Rato Power Co., Ltd.	2010	9,720

Table 3 - Penalty and Required Remediation

Penalty	\$20,000
Required Remediation	<p>For each one of the 6,632 engines not already sold, OWT must either:</p> <p>(1) Export the engine to a country beside Canada, Mexico, and the United States territories and provide EPA with a report and documentation proving exportation in the corrective action report required on the instructions page of this Agreement;</p> <p>(2) Destroy the engine according to a procedure prepared by OWT and approved by EPA, and provide EPA with a report and documentation proving destruction in the corrective action report required on the instructions page of this Agreement; or</p> <p>(3) Relabel the engine as follows:</p> <p>(a) Mail, by courier or overnight service to the address below, (i) three or more sample</p>

replacement labels and (ii) a letter from Chongqing Rato Power Co., Ltd. (CRP) that either authorizes OWT to relabel the subject engine(s) or states who from CRP will relabel the engine(s):

Evan Belser U.S. E.P.A.
1200 Pennsylvania Avenue, NW
Ariel Rios South Room 1111A (MC 2242A)
Washington, D.C. 20004

(b) Notify Evan Belser at belser.evan@epa.gov of (i) the location where the relabeling will occur and (ii) which of the 6,632 engines will be relabeled.

(c) EPA will approve the materials and information provided under paragraph (3)(a) and (3)(b) only if the proffered labels fully comply with all applicable laws. If EPA disapproves, the subject engines must be exported or destroyed according to paragraph (1) or (2).

(d) Only after receiving EPA approval, remove the original label and apply the replacement label to each engine identified in paragraph (3)(b). Document this process with digital photos showing the removal of the original label and application of the replacement label for at least three engines.

(e) Include the following in the corrective action report required on the instructions page of this Agreement: (i) copies of all mailings, emails, pictures and other information from this paragraph (3), (ii) a completed and signed copy of the Affirmation of Inspection of EPA Emission Control Information Label incorporated here as Exhibit 1, and (iii) any other information necessary to prove complete performance of this paragraph (3). As per the instructions, this corrective action report is due within 30 days of OWT's receipt of this Agreement.