

**BEFORE THE UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION III  
1650 Arch Street  
Philadelphia, Pennsylvania 19103-2029**

**IN THE MATTER OF:**

Diesel Works, LLC

**Respondent.**

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**DOCKET NO.: CAA-03-2020-0077**

**EXPEDITED SETTLEMENT  
AGREEMENT**

**EXPEDITED SETTLEMENT AGREEMENT**

1. This Expedited Settlement Agreement (“Agreement”) is entered into by the Director, Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency, Region III (“EPA” or “Complainant”), and Diesel Works, LLC (“Respondent”), pursuant to Section 205(c)(1) of the Clean Air Act (“CAA”), as amended, 42 U.S.C § 7524(c)(1), and the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits* (“Consolidated Rules of Practice”), 40 C.F.R. Part 22 (with specific reference to 40 C.F.R. §§ 22.13(b), 22.18(b)(2), and (3)). The Administrator has delegated this authority to the Regional Administrator who, in turn, has delegated it to the Complainant.
2. EPA has jurisdiction over the above-captioned matter pursuant to Section 205(c)(1) of the CAA, 42 U.S.C § 7524(c)(1), and 40 C.F.R. §§ 22.1(a)(2) and 22.4 of the Consolidated Rules of Practice.
3. Respondent is a “person” as defined under Section 302(e) of the CAA, 42 U.S.C § 7602(e), and a “manufacturer” as defined under Section 216(1) of the CAA, 42 U.S.C § 7550(1) and 40 C.F.R. § 1068.30.
4. EPA alleges that Respondent failed to comply with Section 203(a)(3)(A) of the CAA, 42 U.S.C. § 7522(a)(3)(A), and the implementing regulations found at 40 C.F.R. § 1068.101(b)(1).
5. As a result of EPA’s investigation, EPA obtained evidence pursuant to its enforcement authority under Section 208(b) of the CAA, 42 U.S.C. § 7542(b), indicating that Respondent tampered with emissions controls on the 15 EPA-certified motor vehicles listed below, by removing or rendering inoperative a device or element of design installed on or in the vehicle or engine in compliance with regulations under Title II of the CAA, between March 7, 2018 and July 5, 2018. Specifically, EPA’s investigation found invoices that confirmed tampering in violation of Section 203(a)(3)(A) of the CAA, 42 U.S.C. § 7522(a)(3)(A), and the implementing regulations found at 40 C.F.R. § 1068.101(b)(1). Respondent has provided no documented reasonable basis to conclude that such conduct does not adversely affect emissions.

**Table 1: Violation Summary**

Invoice #	Invoice Date	Defeat Device Description	Vehicle Identification #	Quantity Sold
18-0235	3/7/2018	EGR delete kit	1FDAF57P37EA86724	1
18-0324	3/30/2018	EGR delete kit	1FTSW21P55ED32024	1
18-0324	3/30/2018	Delete pipe	1FTSW21P55ED32024	1
18-0369	4/13/2018	EGR delete kit	1FTNW21P64ED14403	1
18-0392	4/23/2018	Delete Pipe for 6.7L Powerstroke (Flo Pro SS857NB)	1FT8W3DT2BEC14548	1
18-0392	4/23/2018	EGR delete kit	1FT8W3DT2BEC14548	1
18-0411	4/26/2018	Ford X4 Powerflash Race (SCT 7015R)	1FD8W3HT0BEC84135	1
18-0411	4/26/2018	EGR delete kit	1FD8W3HT0BEC84135	1
18-0411	4/26/2018	Delete Pipe for 6.7L Powerstroke (Flo Pro SS857NB)	1FD8W3HT0BEC84135	1
18-0444	5/3/2018	Delete pipe installation	1FTWW31R89EB01827	0
18-0440	5/3/2018	5" Stainless steel delete pipe	1GT125E88EF128999	1
18-0447	5/5/2018	Ford X4 Powerflash Race (SCT 7015R)	1FT7W2BT9FEA90812	1
18-0447	5/5/2018	Race Exhaust (Flo Pro SS653NB)	1FT7W2BT9FEA90812	1
18-0451	5/7/2018	Ford X4 Powerflash (SCT 7015)	1FTSX21P55EC32244	1
18-0453	5/7/2018	EGR delete kit	1FDXF47PX5C18752	1
18-0463	5/9/2018	5" Stainless steel delete pipe installation	3C6UR5DL2FG668287	0
18-0463	5/9/2018	EGR delete kit installation	3C6UR5DL2FG668287	0
18-0492	5/15/2018	5" Stainless steel delete pipe (Flo Pro SS664)	1GC4K0C82FF543157	1
18-0499	5/17/2018	Ford X4 Powerflash Race (SCT 7015R)	1FT7W2BT4BEA65732	1
18-0627	6/21/2018	EGR delete kit installation	3D3MX48A28G118082	0
18-0706	7/5/2018	Race Exhaust (Flo Pro SS653NB)	1FT7W2BTXEED83577	1
18-0706	7/5/2018	Ford X4 Powerflash Race (SCT 7015R)	1FT7W2BTXEED83577	1

6. EPA alleges that Respondent failed to comply with Section 203(a)(3)(B) of the CAA, 42 U.S.C. § 7522(a)(3)(B), and the implementing regulations found at 40 C.F.R. § 1068.101(b)(2).
7. As a result of EPA's investigation, Respondent provided information pursuant to EPA's enforcement authority under Section 208(b) of the CAA, 42 U.S.C. § 7542(b), indicating that Respondent sold the 18 defeat devices listed in Table 1 above in violation of Section 203(a)(3)(B) of the CAA, 42 U.S.C. § 7522(a)(3)(B), and the implementing regulations found at 40 C.F.R. § 1068.101(b). Between March 7, 2018 and July 5, 2018, Respondent sold and installed aftermarket parts, components or devices intended for use with, or as part of, a motor vehicle, equipment, or engine, where a principle effect of the part, component or device is to bypass, defeat, or render inoperative any device or element of design installed on or in a motor vehicle, equipment, or engine in compliance with regulations under Title II of the CAA. Respondent knew or should have known that the product was being offered for sale, or installed for such use, or put to such use. The 18 identified defeat devices in Table 1 included (1) engine control module reprogrammers (also known as "tuners") that disable emission control systems on EPA-certified motor vehicles, such as Exhaust Gas Recirculation (EGR) systems, vehicle engine active fuel management, on-board diagnostic systems, rear oxygen sensors, and/or Diesel Particulate Filter (DPF) systems; (2) EGR deletion kits or components used for the removal or bypass of EGR systems; and (3) DPF or Selective Catalytic Reduction (SCR) delete kits ("straight pipes") to remove or bypass the DPF or SCR systems.
8. Respondent certifies that it has not had the same, or closely-related violation(s), that were the subject of an enforcement action under Title II of the CAA in the past five (5) years.
9. After taking into account the statutory factors set forth in Section 205(c)(2) of the CAA, 42 U.S.C. § 7524(c)(2), EPA and Respondent agree that settlement of this matter for a penalty in the amount of **TWENTY-TWO THOUSAND, ONE HUNDRED AND SEVENTY-ONE DOLLARS (\$22,171)** is in the public interest and has been calculated pursuant to EPA's June 21, 2019 *Recommendation to Approve Expedited Settlement Agreement Pilot for Clean Air Act Vehicle and Engine Violations – Tampering/Defeat Devices* policy.
10. Respondent certifies that it has provided EPA with true and accurate documentation demonstrating completion of remedial measures to correct the violations alleged above and come into compliance with the CAA.
11. Respondent agrees that payment of the civil penalty amount, and any associated interest, administrative fees, and late payment penalties owed, shall be made in the following manner. Respondent shall submit a check made out to "United States Treasury" with the case name, address and docket number of this Agreement (CAA-03-2020-0077, for the amount specified above, to:

U.S. Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
P.O. Box 979077  
St. Louis, MO 63197-9000

Respondent shall send a copy of the payment to:

Amelie Isin (3ED21)  
 U.S. EPA, Region III  
 1650 Arch Street  
 Philadelphia, PA 19103  
 Isin.Amelie@EPA.gov

and,

Regional Hearing Clerk (3RC00)  
 U.S. EPA, Region III  
 1650 Arch Street  
 Philadelphia, PA 19103-2029  
 R3\_Hearing\_Clerk@epa.gov

Late payment of the agreed upon penalty may subject Respondent to interest, administrative costs and late payment penalties in accordance with 40 C.F.R. § 13.11.

12. Respondent shall pay the civil penalty to the United States in two installments as follows:

Installment	Due By	Payment
Payment #1	The effective date of ESA	\$11,085.50
Payment #2	Within 30 days of effective date of ESA	\$11,085.50

13. In signing this Agreement, the Respondent: admits the jurisdictional allegations set forth in this Agreement; neither admits nor denies the specific factual allegations and conclusions of law set forth in this Agreement, except as provided in the jurisdictional admission above; agrees not to contest EPA's jurisdiction with respect to the execution of this Agreement, the issuance of the attached Final Order, or the enforcement the Agreement; expressly waives its right to a hearing on any issue of law or fact set forth in this Agreement and any right to appeal the accompanying Final Order; consents to the issuance of the Agreement and agrees to comply with its terms; and bear its own costs and attorney's fees.

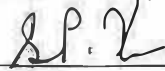
14. Respondent certifies that any information or representation it has supplied or made to EPA concerning this matter was, at the time of submission true, accurate, and complete and that there has been no material change regarding the truthfulness, accuracy or completeness of such information or representation. EPA shall have the right to institute further actions to recover appropriate relief if EPA obtains evidence that any information provided and/or representations made by Respondent to the EPA regarding matters relevant to this Agreement are false or, in any material respect, inaccurate. This right shall be in addition to all other rights and causes of action that EPA may have, civil or criminal, under law or equity in such event. Respondent and its officers, directors and agents are aware that the submission of false or misleading information to the United States government may subject a person to separate civil and/or criminal liability.

15. This Agreement and attached Final Order constitute a settlement by EPA of its claims for civil penalties for the violations alleged in this Agreement.
16. EPA reserves the right to commence action against any person, including Respondent, in response to any condition which EPA determines may present an imminent and substantial endangerment to the public health, public welfare, or the environment. In addition, this settlement is subject to all limitations on the scope of resolution and to the reservation of rights set forth in Sections 22.18(c) and 22.31(a) of the Consolidated Rules of Practice. Further, EPA reserves any rights and remedies available to it under the CAA, the regulations promulgated thereunder, and any other federal laws or regulations for which EPA has jurisdiction, to enforce the provisions of this Agreement, following its filing with the Regional Hearing Clerk.
17. This Agreement is binding on the parties signing below, and in accordance with 40 C.F.R. § 22.31(b), is effective upon filing.
18. The undersigned representative certifies that she/he is fully authorized to execute this Agreement and to legally bind Respondent.

**For Respondent:** Diesel Works, LLC

Name (print): Sean P. Loop

Title (print): Owner

Signature: 

Date 4.20.20

**For Complainant:** U.S. Environmental Protection Agency, Region III

After reviewing the Agreement and other pertinent matters, I, the undersigned Director of the Enforcement and Compliance Assurance Division of the United States Environmental Protection Agency, Region III, agree to the terms and conditions of this Agreement and recommend that the Regional Administrator, or his/her designee, the Regional Judicial Officer, issue the attached Final Order.

\_\_\_\_\_  
Date

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Karen Melvin, Director  
Enforcement and Compliance Assurance Division



In the matter of: Diesel Works, LLC

Docket No: CAA-03-2020-0077

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Date

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Joseph J. Lisa  
Regional Judicial Officer  
U.S. EPA - Region III