

DENISE LEONG
Assistant Regional Counsel
United States Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, California 94105
(415) 972-3409

SYLVIA QUAST
Regional Counsel
United States Environmental Protection Agency, Region IX

Attorneys for Complainant

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION IX
75 HAWTHORNE STREET
SAN FRANCISCO, CALIFORNIA 94105**

In the Matter of:)	Docket No. CAA-09-2021-0026
)	
Integrated Strategic Resources, Inc.,)	CONSENT AGREEMENT AND
Db a Andy’s Auto Sport)	FINAL ORDER PURSUANT TO 40 C.F.R.
)	§§ 22.13 and 22.18
)	
San Diego, California)	
)	
Respondent.)	
_____)	

I. CONSENT AGREEMENT

A. Preliminary Statement

1. This is a civil administrative penalty assessment proceeding brought under section 205(c)(1) of the Clean Air Act (“CAA” or the “Act”), 42 U.S.C. § 7524(c)(1), and sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (“Consolidated Rules”), as codified at 40 C.F.R. Part 22. In accordance with 40 C.F.R. §§ 22.13 and 22.18, entry

of this Consent Agreement and Final Order ("CAFO") simultaneously initiates and concludes this matter.

2. Complainant is the Assistant Director of the Air Waste & Toxics Branch of the Enforcement and Compliance Assurance Division, U.S. Environmental Protection Agency Region IX (the "EPA"), who has been delegated the authority to initiate and settle civil administrative penalty proceedings under section 205(c)(1) of the CAA, 42 U.S.C. § 7424 (c)(1). EPA Delegation 7-19 (January 18, 2017); EPA Region 9 Redefinition R9-7-19 (October 5, 2017); Memorandum from John W. Busterud, Regional Administrator, Region 9, to all Region 9 supervisors and employees re: EPA R9 Organizational Realignment General Redefinition of Authority (May 5, 2020).

3. Respondent is Integrated Strategic Resources, Inc. dba Andy's Auto Sport, a corporation distributing motor vehicle parts based in Monterey, California.

4. Complainant and Respondent, having agreed that settlement of this action is in the public interest, consent to the entry of this CAFO without adjudication of any issues of law or fact herein, and Respondent agrees to comply with the terms of this CAFO.

B. Governing Law

5. This proceeding arises under Part A of Title II of the CAA, CAA §§ 202-219, 42 U.S.C. §§ 7521-7554, and the regulations promulgated thereunder. These laws aim to reduce emissions from mobile sources of air pollution, including hydrocarbons and oxides of nitrogen ("NO_x").

6. Section 203(a)(3)(B) of CAA, 42 U.S.C. § 7522(a)(3)(B), prohibits any person from manufacturing, selling, offering to sell, or installing parts or components where a principal effect is to bypass, defeat, or render inoperative a motor vehicle emission control device or element of design, where the person knows or should know that the part is being offered for sale or installed for such use.

7. Violations of CAA section 203(a)(3)(B) are subject to civil penalties of up to \$4,876 per defeat device violation that occurred after November 2, 2015, where penalties are assessed on or after December 23, 2020. Section 205 of the CAA, 42 U.S.C. § 7524 and 40 C.F.R. Part 19.

8. Definitions:

a. Section 302(e) of the CAA, 42 U.S.C. § 7602(e), defines "person" as "an individual, corporation, partnership, association, State, municipality, political subdivision of a State, and any agency, department, or instrumentality of the United States and any officer, agent or employee thereof."

b. Section 216(2) of the CAA, 42 U.S.C. § 7550(2), defines "motor vehicle" as "any self-propelled vehicle designed for transporting persons or property on a street or highway."

9. The CAA requires EPA to prescribe and revise, by regulation, standards applicable to the emission of any air pollutant from new motor vehicles or new motor vehicle engines which cause or contribute to air pollution, which may reasonably be anticipated to endanger public health or welfare. CAA §§ 202(a)(1) and (3)(B), 42 U.S.C. §§ 7521(a)(1) and (3)(B).

10. Highway motor vehicles are one category of motor vehicles for which the EPA has promulgated emission standards. See 42 U.S.C. § 7521; see generally 40 C.F.R. Part 86.

11. Highway motor vehicle manufacturers employ many devices and elements of design to meet these emission standards. Certain hardware devices serve as emission control systems to manage and treat exhaust from highway motor vehicles, in order to reduce levels of regulated pollutants from being created or emitted into the ambient air. Such devices include catalytic converters.

C. Alleged Violations of Law

12. Respondent sells and distributes motor vehicle parts to various individual customers located throughout the United States.
13. On August 26, 2019, EPA sent an information request pursuant to section 208(a) of the CAA, 42 U.S.C. § 7542(a), to Respondent regarding software and hardware Respondent sold since January 1, 2018.
14. Based on Respondent's September 21, 2019 response to EPA's information request and additional information gathered during EPA's investigation, EPA alleges that Respondent sold various exhaust systems for highway motor vehicles (the "Devices") identified in Appendix A of this CAFO.
15. Prior to the installation of the Devices, one or more catalytic converters must be removed from the highway motor vehicles for which they were designed.
16. The Devices were designed and marketed for use on various highway motor vehicles, and intended to bypass, defeat, or render inoperative emission related devices or elements of design that are installed on those motor vehicles to meet the CAA emission standards.
17. Between January 1, 2018 and August 25, 2019, Respondent sold 108 Devices to individual customers located throughout the United States.
18. The manufacture, sale, offering for sale, or installation of a device that bypasses, defeats, or renders inoperative a vehicle's emission control systems is prohibited under section 203(a)(3)(B) of the CAA, 42 U.S.C. § 7522(a)(3)(B).
19. On March 5, 2020, EPA issued a Notice of Violation to Respondent for approximately 108 violations of section 203(a)(3)(B) of the CAA, 42 U.S.C. § 7522(a)(3)(B), by selling or offering for sale the Devices.

20. EPA alleges that Respondent has committed approximately 108 violations of section 203(a)(3)(B) of the CAA, 42 U.S.C. § 7522(a)(3)(B), by manufacturing, selling, or offering for sale the Devices.

D. Terms of Consent Agreement

21. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:
- a. admits that EPA has jurisdiction over the subject matter alleged in this CAFO and over Respondent;
 - b. neither admits nor denies the specific factual allegations contained in Section I.C of this CAFO;
 - c. consents to the assessment of a civil penalty under this Section, as stated below;
 - d. consents to the conditions specified in this CAFO;
 - e. waives any right to contest the allegations set forth in Section I.C of this CAFO; and
 - f. waives its rights to appeal the proposed Order contained in this CAFO.

E. Civil Penalty

22. Respondent submitted financial information to EPA which supports Respondent's claim that it is unable to pay a full penalty for the alleged violations.

23. Respondent agrees to:
- a. pay the civil penalty of FIVE THOUSAND DOLLARS (\$5,000) (“EPA Penalty”) within 30 days of the Effective Date of this CAFO; and
 - b. pay the EPA Penalty using any method, or combination of methods, provided on the website <https://www.epa.gov/financial/makepayment>, and identifying the payment with “Docket No. CAA-09-2021-0026.” Within 24 hours of payment of the EPA Penalty, send proof of payment to Scott Connolly at:

Mail Code (ENF-2-1)
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105

and at Connolly.scott@epa.gov (“proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to the EPA requirements, in the amount due, and identified with “Docket No. CAA-09-2021-0026”).

24. If Respondent does not pay timely the civil penalty, specified in Paragraph 23, then Respondent shall pay to EPA a stipulated penalty in the amount of FIVE HUNDRED DOLLARS (\$500.00) for each day the default continues plus the remaining balance of the penalty sum specified in Paragraph 23 upon written demand by EPA.

25. If Respondent fails to timely pay any portion of the penalty assessed under this CAFO, EPA may:

- a. request the Attorney General to bring a civil action in an appropriate district court to recover: the amount assessed; interest at rates established pursuant to 26 U.S.C. § 6621(a)(2); the United States’ enforcement expenses; and a 10 percent quarterly nonpayment penalty, 42 U.S.C. § 7413(d)(5);
- b. refer the debt to a credit reporting agency or a collection agency, 42 U.S.C. § 7413(d)(5), 40 C.F.R. §§ 13.13, 13.14, and 13.33;
- c. collect the debt by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to,

referral to the Internal Revenue Service for offset against income tax refunds, 40 C.F.R. Part 13, Subparts C and H; and

- d. suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, 40 C.F.R. § 13.

F. Certification of Compliance

26. Respondent certifies that it is currently in compliance with CAA § 203(a)(3). Respondent has represented to the EPA that it is no longer manufacturing, selling, or offering for sale the parts listed in Appendix A or motor vehicle parts or components which do not comply with the CAA.

27. Respondent is aware of EPA's November 23, 2020 "Tampering Policy: The EPA Enforcement Policy on Vehicle and Engine Tampering and Aftermarket Defeat Devices under the Clean Air Act."

26. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns. Respondent must give written notice and a copy of this CAFO to any successors in interest prior to any transfer of ownership or control of any portion of or interest in Respondent. Simultaneously with such notice, Respondent shall provide written notice of such transfer, assignment, or delegation to EPA. In the event of any such transfer, assignment, or delegation, Respondent shall not be released from the obligations or liabilities of this CAFO unless EPA has provided written approval of the release of said obligations or liabilities.

27. By signing this CAFO, Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information or personally identifiable information.

28. By signing this CAFO, the undersigned representative of Complainant and the undersigned representative of Respondent each certify that he or she is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party he or she represents to this CAFO.

29. By signing this CAFO, Respondent certifies that the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

30. Each party agrees to bear its own costs and attorney's fees in this action.

G. General Provisions

31. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations and facts specifically alleged above.

32. This civil penalty paid pursuant to this CAFO is not deductible for federal tax purposes.

33. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes, nor shall it restrict EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

34. This CAFO constitutes the entire agreement between the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to the subject matter hereof.

H. Effective Date

35. Respondent and Complainant agree to issuance of the attached Final Order. Upon filing, EPA will transmit a copy of the filed CAFO to the Respondent. This CAFO shall become effective after execution of the Final Order by the Regional Judicial Officer on the date of filing with the Regional Hearing Clerk.

Integrated Strategic Resources, Inc dba Andy's Auto Sport, Respondent

2-9-21

Date



Eric Ferguson, President
Integrated Strategic Resources, Inc dba
Andy's Auto Sport
798 Lighthouse Ave Ste #303
Monterey, CA 93940

United States Environmental Protection Agency, Complainant

FOR

2/12/2021

Date

Claire Trombadore
Assistant Director
Enforcement and Compliance Assurance Division
United States Environmental
Protection Agency, Region IX
75 Hawthorne Street
San Francisco, CA 94105

Consent Agreement and Final Order
In the Matter of: Integrated Strategic Resources, Inc dba Andy's Auto Sport
Docket No. CAA-09-2021-0026

II. FINAL ORDER

EPA Region IX and. Integrated Strategic Resources, Inc dba Andy's Auto Sport, having entered into the foregoing Consent Agreement,

IT IS HEREBY, ORDERED that this Consent Agreement and Final Order (Docket No. CAA-09-2021-0026), shall be entered and Respondent shall pay a civil administrative penalty in the amount of FIVE THOUSAND DOLLARS (\$5,000), and otherwise comply with the terms set forth in the CAFO. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31.

Date

Steven Jawgiel
Regional Judicial Officer
U.S. Environmental Protection Agency
Region 9

Appendix A

#	Part Number	Product Name	Quantity
1	79220	Hedman Header - Painted, Tube Size 1.75", Collector Size 3" w/o Smog Injection Or Injection Heads	1
2	83208	Doug Thorley Performance Mid Pipes with Resonators - 2 Bolt Flanges	1
3	11104FLT	Flowtech Headers - Standard, Primary Tube Collector Size 1 5/8" x 3" w/o A.I.R. Tubes, Modify Stock Exhaust to Retain Cat. Converter, Not Legal for Street Use	1
4	11504FLT	Flowtech Headers - Standard, Primary Tube Collector Size 1 5/8" x 3" w/o A.I.R. Tubes, Modify Stock Exhaust to Retain Cat. Converter, Not Legal for Street Use	1
5	12502FLT	Flowtech Headers - Standard, Primary Tube Collector Size 1.5" x 2.5" Modify Stock Exhaust to Retain Cat. Converter, Not Legal for Street Use	1
6	13500FLT	Flowtech Headers - Standard, Primary Tube Collector Size 1 5/8" x 3" Modify Stock Exhaust to Retain Cat. Converter, Not Legal for Street Use	1
7	16561HKR	Hooker Dual Competition Header Back Exhaust System Kit (Front Differential Pinion Is Above Centerline Of Axle)	1
8	16562HKR	Hooker Dual Competition Header Back Exhaust System Kit (Runs Down Right Hand Side Between Frame And Drive Shaft)	1
9	2806HKR	Hooker Super Competition Header (Black Finish) (Tube Size 1.75 x 32 O.D. in.) (Collector Size 3 O.D. in.) (Collector Length 8 in.) (Port Shape Same As Port) (Fits Angle Plug Heads)	1
10	31116FLT	Flowtech Headers - Primary Tube Collector Size 1.5" x 2.5" w/ O2 Sensor Fitting, Modify Stock Exhaust to Retain Cat. Converter, Not Legal for Street Use (Ceramic)	1
11	412-05-1900	Skunk2 Alpha Stainless Steel Race Headers	1
12	412-05-1910	Skunk2 Alpha Header	1
13	5803HKR	Hooker Super Competition Header (Black Finish) (Tube Size 1 5/8 x 33 O.D. in.) (Collector Size 3 O.D. in.) (Collector Length 10 in.) (Port Shape Same As Port)	1
14	5905HKR	Hooker Competition Header (Black Finish) (Tube Size 1.75 x 27 O.D. in.) (Collector Size 2.5 O.D. in.) (Collector Length 8 in.) (Port Shape Same As Port)	1
15	70-2223	Pacesetter Long Tube Headers	1
16	70-2258	Pacesetter Long Tube Headers	1
17	72C1078	Pacesetter ARMOR Coated Headers	1
18	83206-B	Doug Thorley Performance Mid Pipes - 2 Bolt Flanges, 16 Gauge, Stainless Steel	1
19	953-116-102	Weapon R Stainless Steel Street Header	3
20	953-116-104	Weapon R Stainless Steel Race Header	1
21	953-204-104	Weapon R Stainless Steel Race Header	1

#	Part Number	Product Name	Quantity
22	953-204-107	Weapon R Race Header - 2.5" - 3" Collector	1
23	953-204-109	Weapon R Stainless Steel Race Headers: 4-2-1 / 1Pc	3
24	953-204-112	Weapon R Race Header - Stainless Steel	1
25	953-400-103	Weapon R Racing Mid Pipe - Stainless Steel	1
26	BXEX-20101	Blox Racing 2.5" Telescopic Test Pipe	1
27	CC-ME95NT	Megan Racing Resonator/Test Pipe (2.25 Inlet)	3
28	DCC40	Pypes 2.5" Downpipes	1
29	DP-009	Rev9Power Down Pipe - Stainless Steel	1
30	DP-3000GT-3	CX Racing 3" Diameter Downpipe	1
31	DP-CIVIC	CX Racing 3" Diameter Downpipe	1
32	DP-CIVIC- DP2-5BF	CX Racing 2.5" Diameter Downpipe Flange (5 Bolt)	1
33	DP-CIVIC- DP2-5BF-300- O2	CX Racing 3" Diameter Downpipe with O2 Bung (5 Bolt)	2
34	DP-ECLIPSE- 2G-GST	CX Racing 3" Diameter Downpipe (Stainless Steel)	1
35	DP-ECLIPSE- 2G-GSX	CX Racing 3" Diameter Downpipe (Stainless Steel)	1
36	DP-FD-13B-SB	CX Racing 3" Downpipe for Single Turbo Upgrade (Non-Stock / Stainless Steel)	1
37	DP-MR2	CX Racing 3" Diameter Downpipe	1
38	HS00HS1TP2	Invidia Test-Pipe (With Celfix) (Pipe Size: 2.756")	1
39	HS05STCDPP	Invidia Down-Pipe (Pipe Size: 2.362")	1
40	HS06LGSMIP	Invidia Mid-Pipe (Pipe Size: 2.756")	1
41	HS06LISMIP	Invidia Mid-Pipe (Pipe Size: 2.756")	2
42	HS08SW1DPC	Invidia Down-Pipe With High Flow Cat. (Pipe Size: 2.992")	1
43	HS94AI1TPP	Invidia Test-Pipe (Pipe Size: 2.362")	1
44	HS96HC2TPP	Invidia Test Pipe (Pipe Size: 2.362")	4
45	MR-CC- HAV03	Megan Racing Test Pipe - Bolt-On Design	1
46	MR-CC-MM3	Megan Racing Test Pipe - 3" Pipping	2
47	MR-SSDP- HC06E	Megan Racing Stainless Steel Downpipes - 2.25" Pipe	1
48	MR-SSDP- HC12	Megan Racing Down Pipe - Stainless Steel	1
49	MR-SSDP- LSC01	Megan Racing Down Pipe - Stainless Steel	1
50	MR-SSDP- ME95GSTV2 (Megan Racing)	Megan Racing Down Pipe - Stainless Steel	1

<u>#</u>	<u>Part Number</u>	<u>Product Name</u>	<u>Quantity</u>
51	MR-SSDP-ME95GSV2	Megan Racing Down Pipe - Stainless Steel	1
52	MR-SSDP-MRX9396	Megan Racing Down Pipe - Stainless Steel	1
53	MR-SSDP-N7Z	Megan Racing Down Pipe - Stainless Steel	1
54	MR-SSDP-NS0725 (Megan Racing)	Megan Racing Down Pipe - Stainless Steel	1
55	MR-SSDP-TS86	Megan Racing Down Pipe - Stainless Steel	1
56	MR-SSDP-VWGB0318	Megan Racing Down Pipe - Stainless Steel	3
57	RX8-RP	TurboXS, Catless Race Pipe, 3 Inch	1
58	SES1900DP	Injen Exhaust System - Down-Pipe	2
59	SES1902DP	Injen Exhaust System - Down-Pipe W/ Extended O2 Sensor	1
60	THY-465-L-C	Doug Thorley Header, Long Tube	6
61	THY-560Y1-L-C	Doug Thorley Header, Tri-Y Long Tube (Race Only)	1
62	TP-038	Manzo USA Header and Downpipe - Stainless Steel	2
63	TP-059	Manzo USA Header and Downpipe - Stainless Steel	2
64	TP-072	Manzo USA Header and Downpipe - Stainless Steel	2
65	TP-092	Manzo USA Header and Downpipe - Stainless Steel	2
66	TP-103	Manzo USA Non Turbo Header and Downpipe - Stainless Steel	2
67	TP-162	Manzo USA 1.8T Stainless Steel Downpipe - 3" Inlet	1
68	TP-202	Manzo USA Header and Downpipe - Stainless Steel	2
69	TP-206	Manzo USA Stainless Steel Exhaust Test Pipe - 1.8T 3"	8
70	TR-EM1008	Tomioka Test Pipe	1
71	WS02-MP	TurboXS, Midpipe (v2)	4
72	WS-UP	TurboXS Catless Up Pipe	1
Total			108