



# Environmental Crimes Case Bulletin

U.S. Environmental Protection Agency  
Office of Criminal Enforcement, Forensics and Training

This bulletin summarizes publicized investigative activity and adjudicated cases conducted by OCEFT Criminal Investigation Division special agents, forensic specialists, and legal support staff. To subscribe to this monthly bulletin you may [sign up for email alerts](#) on our publications page. Unless otherwise noted, all photos are provided by EPA-CID.

May—June, 2022

## In This Edition:

- Paul Andrecola—Region 2
- Brian Rogers—Region 4
- Mathew Geouge—Region 4
- Ana Yorling Rugama Sanchez, Jose Carlos “Victor” Pena Lopez—Region 4
- Christopher Davis—Region 4
- Amin Ali—Region 4
- FCA US, aka Chrysler Group LLC—Region 5
- Didion Milling Inc (DMI), Derrick Clark, Shawn Mesner, Anthony Hess, Joel Niemeyer—Region 5
- Great Lakes Dredge and Dock Company—Region 6
- Kendall Kipp—Region 7
- Pro Diesel Inc, Endrizzi Diesel LLC—Region 8
- Sofia Mancera Morales—Region 9

## Quick Links

[Defendant Summary](#)

[Sentencings](#)

[Plea Agreements](#)

[Trials & Settlements](#)

[Indictments/  
Informations](#)

# Defendant Summary

Region	Defendants	Case Type/Status
2	Paul Andrecola	Plea Agreement
4	Brian Rogers	Sentencing
4	Mathew Geouge	Sentencing
4	Ana Yorling Rugama Sanchez Jose Carlos "Victor" Pena Lopez	Sentencing
4	Christopher Davis	Plea Agreement
4	Amin Ali	Plea Agreement
5	FCA US, aka Chrysler Group LLC	Plea Agreement
5	Didion Milling Inc (DMI) Derrick Clark Shawn Mesner Anthony Hess Joel Niemeyer	Indictment
6	Great Lakes Dredge and Dock Company	Sentencing
7	Kendall Kipp	Sentencing
8	Pro Diesel Inc Endrizzi Diesel LLC	Sentencing
9	Sofia Mancera Morales	Sentencing

## Environmental Services Business Owner Sentenced for Asbestos Violation – Admits Falsifying Lab Results

On June 24, 2022, the owner of Rogers Environmental, LLC, Brian Thomas Rogers, 53, of Anderson, South Carolina, was sentenced to three years of probation, including six months on an overnight curfew. Rogers was ordered to pay a \$25,500 fine and will perform 100 hours of community service after pleading guilty to Making a False Statement in a Clean Air Act Document.

Evidence presented to the Court showed that on May 1, 2018, Rogers Environmental was contracted to perform an asbestos building inspection at Pratt Hall on the campus of Anderson University, Anderson County, South Carolina. Rogers' limited survey report stated that no asbestos containing material (ACM) was found in the materials sampled. Based on the negative ACM survey, contractors commenced with demolition and renovation.

**a**fter learning of Rogers' negative asbestos report and doubting the result, the sub-contractor collected its own samples from the same room inspected by Rogers and sent the samples to the same lab for analysis.

On June 20, 2018, while removing flooring from a bathroom, the sub-contractor encountered 9x9 floor tile and black mastic under the top layer of flooring, which it suspected to contain asbestos.

On June 21, 2018, Rogers was called back to the site and collected two additional samples. Rogers later provided the contractor, by email, with a lab report that showed the two additional samples did not contain asbestos.

On June 22, 2018, after learning of Rogers' negative asbestos report and doubting the result, the sub-contractor collected its own samples from the same room inspected by Rogers and sent the samples to the same lab for analysis. The lab report indicated that asbestos was present in the two samples.

Due to the discrepancies between Rogers Environmental and the subcontractor's sampling reports, the subcontractor notified the general contractor, who in turn brought in a new building inspection company to resample the entire building.

On June 25, 2018, the new company surveyed and collected samples from the entire site, which documented approximately 29 samples had positive asbestos results. The total amount of asbestos found was approximately 3,620 square feet.

Investigators for DHEC later interviewed Rogers, who admitted changing the original lab results on one sample from 20% chrysotile (asbestos) to none detected. Rogers also admitted that he emailed the manipulated false documents to the general contractor.

United States District Judge Donald C. Coggins, Jr., ordered the sentence, recommending that Rogers perform his community service at Anderson University. Rogers will satisfy the fine in payments of \$750 per month for roughly three years.

This case was investigated by EPA's Criminal Investigative Division and the South Carolina Department of Health and Environmental Control. The case was prosecuted by DOJ.

## North Carolina Man Sentenced to Prison for Violating the Clean Air Act by Selling Thousands of Emissions Defeat Devices

### Three Co-conspirators Previously Sentenced for their Involvement in the Fraudulent Scheme

On June 23, 2022, Matthew Sidney Geouge, 35, of Hendersonville, North Carolina was sentenced to one year and one day in prison for conspiracy to violate the Clean Air Act by selling more than 14,000 illegal devices that defeat required vehicle emissions control systems (defeat devices). Geouge was also ordered to serve

**T**he EPA issued a notice of violation to

Geouge in 2015.

However, Geouge continued to sell and service illegal devices.

three years of supervised release, six months of which will be in home confinement, and to pay a civil penalty of \$1.3 million to EPA, and \$1.2 million in restitution to the IRS. In addition to the Clean Air Act violation, Geouge was also sentenced for tax evasion.

Charles Carfagno, Special Agent in Charge of the EPA's Criminal Investigation Division and Donald "Trey" Eakins, Special Agent in Charge of the Internal Revenue Service, Criminal Investigation Division (IRS-CI), Charlotte Field Office, join U.S. Attorney King in making the announcement.

Geouge's co-conspirators were previously sentenced for their roles in the scheme after pleading guilty to conspiracy to violate the Clean Air Act:

- John A. Slagel, 52, of Fairbury, Illinois, was sentenced to three years of probation, to include six months of home confinement, and was ordered to perform 100 hours of community service and to pay a \$150,000 fine.
- Joshua L. Davis, 43, of Metamora, Illinois, was sentenced to three years of probation, to include six months of home confinement, and was ordered to perform 80 hours of community service and to pay a \$50,000 fine.
- Spade Kaosu Bailly, 50, of Hendersonville, was sentenced to three years of probation, to include six months of home confinement, and was ordered to perform 100 hours of community service and to pay a \$10,000 fine.

"Tuners" are devices capable of defeating vehicles' computerized emissions controls, in violation of the Clean Air Act. In 2008, Geouge approached a company that manufactured tuners and he tailored software programs for the tuners known as "tunes," designed to maximize the engine power of particular vehicles resulting in significant increases in harmful air emissions. Beginning in 2012, Slagel worked for and eventually owned the company that manufactured the tuners. Davis and Bailly conspired with Geouge and created other companies that sold tuners manufactured by Slagel's company with Geouge's tunes installed on them. In total, the co-conspirators sold far in excess of 14,000 illegal tuners, worth millions of dollars.

The EPA issued a notice of violation to Geouge in 2015. However, Geouge continued to sell and service illegal devices. Geouge also evaded paying a penalty owed to the EPA, and taxes owed to the IRS, by having another

individual receive the income he earned from the sale of the illegal devices.

The case was investigated by EPA's Criminal Investigation Division and IRS Criminal Investigations. Prosecution was handled by DOJ.

## Asbestos Abatement Supervisor and an Asbestos Worker Trainer Sentenced for Issuing Fraudulent Asbestos Training Certifications

On May 25, 2022, a U.S. Magistrate Judge sentenced Ana Yorling Rugama Sanchez, 28, of Memphis, Tennessee, to two years of probation and a fine of \$1,500, and Jose Carlos “Victor” Pena-Lopez, 51, of Winston-Salem, North Carolina, to one year of probation and a fine of \$1,000. Sanchez and Pena-Lopez were sentenced for their roles in creating false asbestos training certifications.

EPA’s Special Agent in Charge, Charles Carfagno and U.S. Attorney Dena J. King made the announcement.

“Sanchez and Pena-Lopez failed in their duty to ensure that workers handling asbestos receive proper training on how to safely and legally dispose of this toxic substance,” said U.S. Attorney King. “We will continue to work closely with the EPA to hold accountable those who skirt our environmental laws and jeopardize public health.”

“The failure to properly train asbestos workers and then to issue them false asbestos training certificates places the worker and the general public at an increased risk of asbestos exposure. This sentencing demonstrates that anyone who intentionally violates the law and puts the public at risk will be held responsible for their actions,” said Special Agent in Charge Carfagno.

According to filed documents and court proceedings, the Toxic Substances Control Act regulates asbestos and other toxic substances, as well as the training and certification of professionals who handle such substances. Sanchez was employed with NovaCor Consulting Group, LLC (NovaCor) as an asbestos training coordinator at the company’s Concord, North Carolina location. Pena Lopez also worked for NovaCor as an asbestos abatement supervisor and an asbestos worker trainer accredited in the State of North Carolina. Court documents show that in June 2018, at Sanchez’s direction, Pena Lopez signed certificates of course completion for asbestos worker refresher training for individuals he did not instruct and that did not fulfill the required training. The certificates were submitted to regulators in obtaining asbestos worker licenses. Court documents also show that in July 2018, Sanchez also certified training for attendees at a course that did not meet the requirements for certification.

On March 14, 2022, both Pena-Lopez and Sanchez entered their guilty pleas to violations of the Toxic Substances Control Act.

The case was investigated by EPA’s Criminal Investigation Division and the North Carolina Department of Health and Human Services, Health Hazards Control Unit. Prosecution was handled by DOJ.



## Great Lakes Dredge & Dock Company Fined \$1 Million For Causing Oil Spill

Great Lakes Dredge & Dock Company, LLC (“Great Lakes”), a Texas company, was sentenced on June 14, 2022 for violating the Clean Water Act in connection with an oil spill and ordered to pay a \$1 million fine.

According to court documents, Great Lakes admitted to negligently causing the discharge of a harmful quantity of oil into a navigable water of the United States, in violation of the Clean Water Act. The spill took place on September 5, 2016, on the edge of Bay Long near the Chenier Ronquille barrier island, which is east of Grand Isle.

In the plea documents, Great Lakes admitted that in its contract with National Oceanic and Atmospheric Administration (“NOAA”), Great Lakes was responsible for locating all pipelines in the area of the project and complying with the federal Pipeline Safety Act and the “One Call” system created by the Louisiana Underground Utilities and Facilities Damage Prevention Law. Great Lakes admitted that it violated those two laws by failing to alert pipeline companies about continuing work near their pipelines for several months leading up to the oil spill.

James Tassin, the subcontractor working for Great Lakes who operated the marsh buggy that physically caused the spill, was charged in a separate criminal case, No. 21-cr-8, and he pled guilty as charged on March 18, 2021 and is awaiting sentencing. According to court documents in Tassin’s case, after Great Lakes stopped complying with One Call requirements, a Great Lakes employee instructed Tassin to use his marsh buggy



to dig near pipelines, despite that digging not being in NOAA’s approved plans, and without Great Lakes getting approval from any pipeline companies that it was safe to dig. While Tassin was in the area of that work on September 5, 2016, he struck one of the pipelines with his marsh buggy and caused the oil spill. Tassin admitted that a Great Lakes employee instructed Tassin not to tell anyone that Tassin had been digging near the site of the spill, so Tassin followed that instruction. In Great Lakes’ plea documents, Great Lakes admitted that it supervised Tassin’s work and that Great Lakes’ negligent supervision of Tassin caused the oil spill.

“The defendant in this case recklessly violated regulations designed to protect the environment and then tried to hide their actions,” said Kimberly Bahney, Special Agent in Charge, of EPA’s Criminal Enforcement Program in Louisiana. “This sentencing demonstrates that we will hold violators responsible for breaking our environmental laws.”

“This sentencing sends a strong message to those responsible for ensuring the safety and integrity of the Nation’s pipeline transportation system,” said Todd Damiani, Special Agent-in-Charge, Southern Region, Department of Transportation Office of Inspector General. “Together with our law enforcement and prosecutorial

partners, we remain steadfast in our commitment to ensuring that justice is served.”

“The Department of Commerce OIG is dedicated to working with our partners to curb fraud, waste and abuse, especially when projects receiving NOAA funding result in environmental hazards. We greatly appreciate the cooperative efforts of the United States Attorney’s Office and our law enforcement counterparts in ensuring justice is served in this matter,” said Jeffrey Lysaght, Special Agent in Charge, U.S Department of Commerce, Office of Inspector General.

Judge Greg G. Guidry ordered Great Lakes to pay a criminal fine of \$1 million and a mandatory special assessment fee of \$125. Additionally, Great Lakes previously agreed to pay the victim pipeline company \$3,166,667 in a related civil case, and Tassin’s employer also agreed in the same civil case to pay the victim an additional \$1,666,667, for a total payment to the victim of over \$4.8 million.

The case was investigated by EPA’s Criminal Investigation Division, the Department of Transportation’s Office of Inspector General, and the Department of Commerce’s Office of Inspector General. Prosecution was handled by a DOJ litigation team.



# Sentencings

## Drinking Water Operator in Yale, Iowa Sentenced for False Statements

Kendall Dean Kipp, 53, of Yale, Iowa, was sentenced on May 10, 2022 in federal court to three years of probation for making a False Statement. He was also ordered to pay a \$9,500 fine and perform 180 hours of community service over a three-year period. According to court documents, Kendall pleaded guilty to the charge on December 16, 2021. The U.S. Attorney for the Southern District of Iowa made the announcement.

Kipp submitted falsified documents to the State of Iowa concerning the quality of water produced for the residents of the City of Yale. This violated the provisions of the Safe Drinking Water Act and, in turn, the False Statement statute.

“As a certified drinking water operator, the defendant was entrusted not only with ensuring compliance with our environmental laws, but with the health and safety of the community,” said Acting Special Agent in Charge Cate Holston of EPA’s Criminal Investigation Division in Lenexa, KS. “His actions betrayed that trust, and this sentencing demonstrates that EPA will pursue and hold accountable those who intentionally violate the law.”

EPA’s Criminal Investigation Division and The Iowa Department of Natural Resources investigated the case. This case was prosecuted by the United States Attorney’s Offices for the Southern District of Iowa.

GROUNDWATER MONTHLY OPERATION REPORT  
IOWA DNR WATER SUPPLY  
Page 1 of 2

Facility Name: City of Yale PWSID Number: 39-800-40  
Treatment Plant #: \_\_\_\_\_ S/EP #: \_\_\_\_\_ Month: February Year: 2020

Day	Pumpage to system in thousands of gallons	Quantity Used lbs. or gals. (circle one)	Chlorine				Fluoride		Other		Day
			Free Chlorine (mg/L)		Total Chlorine (mg/L)		Raw (mg/L)	S/EP (mg/L)	Iron	Mang	
			At Plant	In System	At Plant	In System					
# of Tests	Avg.	# of Tests	Avg.	# of Tests	Avg.	# of Tests	Avg.				
150		132.5									
194	34.0	132.1	.94	.81	1.04	.91					1
230	46.0	131.7	.94	.82	1.03	.91					2
302	72.0	131.2	.93	.87	1.03	.90		0.6	.007		3
362	60.0	130.9	.92	.80	1.01	.88					4
422	60.0	129.9	.91	.79	1.01	.87					5
454	32.0	129.4	.91	.79	1.02	.88					6
485	37.0	129.1	.92	.80	1.02	.88					7
520	35.0	128.7	.92	.80	1.03	.88					8
555	35.0	128.3	.93	.80	1.03	.89					9
588	32.0	127.9	.92	.80	1.03	.89		0.6	.006		10
618	30.0	127.5	.92	.79	1.02	.89					11
651	33.0	127.2	.92	.79	1.02	.90					12
687	36.0	126.8	.93	.80	1.02	.90					13
718	37.0	126.4	.93	.80	1.03	.90					14
750	37.0	126.1	.93	.80	1.03	.89					15
784	34.0	125.5	.92	.79	1.03	.89					16
820	36.0	125.9	.92	.78	1.02	.89		0.6	.006		17
853	33.0	125.0	.93	.78	1.02	.88					18
884	37.0	124.7	.93	.79	1.02	.88					19

Falsified February 2020 Monthly Operation Report



## Diesel Trucking Companies Conspire to Violate Clean Air Act

The United States Attorney's Office for the District of Colorado announced on June 30, 2022, that Pro Diesel Inc. and Endrizzi Diesel, LLC were sentenced for conspiring with a Colorado-based diesel shop to tamper with the computers that monitor emissions control systems on Class 8, commercial heavy-duty diesel trucks.

Both diesel shops previously pled guilty to conspiring with a Colorado diesel shop identified as "E.D." to disable the vehicles' on-board diagnostic systems ("OBDs") software programming, in violation of Title 18, United States Code, Section 371. The diesel shops deleted emission controls on the vehicles and hired E.D. to disable the OBDs so they would no longer detect the malfunctions in the emissions control systems, allowing the vehicles to run seemingly normally. This tampering enabled the vehicle owners to avoid maintenance costs. However, as a result of removing the emission controls, the vehicles release tons of excess nitrogen oxides, carbon monoxide, non-methane hydrocarbons, and particulate matter. The excess pollutant load is particularly substantial because Class 8 vehicles are the heaviest class of vehicle and include the semi-tractor trailers that were tampered with in this case. These toxic pollutants contribute to high levels of ozone and smog and present a danger to public health.

Missouri-based Endrizzi Diesel, LLC admitted to paying E.D. more than \$149,000 to disable the OBDs on approximately 60 Class 8 heavy-duty trucks, and Iowa-based Pro Diesel Inc. admitted to paying E.D. more than \$76,000 to disable the OBDs on 34 Class 8 heavy-duty trucks. A third diesel shop, Wisconsin-based McDermid Sales & Service, Inc., pled guilty on May 26, 2022 to conspiring with E.D. to violate the Clean Air Act. McDermid admitted to paying E.D. more than \$71,000 to disable the OBDs on approximately 32 Class 8 heavy-duty trucks.



Both Endrizzi Diesel and Pro Diesel were sentenced to three-year terms of probation that include stringent monitoring, compliance, and reporting requirements to ensure that neither shop engages in further emissions tampering. Both shops also agreed to pay fines, with a portion of the penalty directed towards community service projects designed to address the environmental harms that resulted from each defendant's conduct. Endrizzi Diesel was ordered to pay \$110,000 to the Walnut Grove, Missouri school district to help purchase cleaner school buses, as well as a fine of \$55,000 to the general court fund. Pro Diesel was ordered to pay \$77,500 to the Des Moines Area Community College to develop a curriculum to teach diesel mechanic students about emission controls on diesel engines, how to detect tampering, how to restore tampered vehicles, and the legal ramifications of tampering violations. Pro Diesel was also ordered to pay a fine of \$38,750 to the general court fund.

"The primary purpose of the Clean Air Act is to protect the quality of the nation's air resources. When companies or individuals conspire to violate this federal law, they must be held accountable," said U.S. Attorney Cole Finegan.

"By deleting the emission controls from heavy duty Class 8 vehicles and overriding the on-board diagnostics

## Sentencings

system that monitors these controls, the defendants are responsible for the release of tons of excess pollutants,” said Lance Ehrig, Special Agent in Charge of the Environmental Protection Agency’s Criminal Enforcement Program, West-Central Region. “This illegal practice and the excess pollutants emitted have serious consequences for air quality and public health. These sentencings clearly demonstrate the EPA’s commitment to vigorously enforce laws designed to protect public health and the environment.”

Pro Diesel, Inc. was sentenced by Judge Daniel Domenico on June 14, 2022. Endrizzi Diesel was sentenced by Judge Regina Rodriguez on June 29, 2022. Sentencing for McDermid Sales & Service, Inc. is scheduled for August 5, 2022.

The case was investigated by EPA’s Criminal Investigation Division A DOJ litigation team is handling the prosecution.

## Pesticide Smuggling Ringleader Sentenced to 8 Months in Prison

On June 8, 2022, Sofia Mancera Morales, the ringleader of a pesticide smuggling organization, was sentenced to eight months in custody in federal court, having previously entered a guilty plea in which she acknowledged obtaining illegal pesticides in Mexico and delivering them to others to smuggle into the United States. The U.S. District Court Judge in San Diego, California also ordered Morales to pay \$7497 in restitution for the cost of disposal of the illegal pesticides.

According to sentencing documents, Morales recruited individuals on Facebook, offering to pay \$40-\$150 for each box of six 1-liter bottles delivered to the United States. Morales directed her recruits to deliver the pesticides to a self-storage facility near the border in Calexico, after which they were required to send her photographs of the pesticides in the storage unit as proof of delivery prior to payment. Morales paid recruits to lease self-storage units in their own names and instructed them to provide her with the keys. Recruits caught at the border with pesticides reported that they had seen items delivered by others in their self-storage units, including pesticides, veterinary medications and alcohol. One recruit delivered almost 1000 bottles of pesticides in a one-month period, while others advised that they had delivered pesticides 2-5 times per week.

The pesticides involved were primarily Bovitraz and Taktic, which contain the active ingredient amitraz in a concentrated form (12.5%) that renders it a cancelled and unregistered pesticide. Amitraz is an acaricide that is registered in the United States to control varroa mites in honeybee colonies at a much lower concentration (3.33%) than the smuggled product. At a permissible concentration it is also registered for use in dog flea collars. In addition to posing risks to the bee population, misuse of amitraz-containing products in beehives can result in exposures that could cause neurological effects and reproductive effects in humans from consumption of contaminated honey. Animal toxicity studies indicate that amitraz is slightly toxic by the oral and inhalation routes and moderately toxic through the skin. Reproductive effects seen in animal studies include a decline in male fertility and a reduction in live births. Moreover, signs of neurotoxicity from exposure to amitraz were seen in multiple animal species, including central nervous system depression, decrease in pulse rate, and hypothermia, and based on human studies, humans appear to be more sensitive to amitraz than



animals. Amitraz is also classified as a Group C possible human carcinogen based on rodent studies suggesting that long-term exposure could result in cancer.

Federal law prohibits the distribution and sale of cancelled or unregistered pesticides. 7 U.S.C. §136j(a)(1)(A). Only pesticides registered with the EPA may be imported or sold in the United States. 7 U.S.C. §136o(c).

“In exchange for ill-begotten profits, this cavalier smuggling operation was more than willing to risk the public’s health and the honeybee industry, which is critical to pollinating our food supply,” said U.S. Attorney Randy Grossman. “This office and our law enforcement partners will not stand idly by in the face of pesticide 3 smuggling. Perpetrators of environmental crimes will be investigated and held accountable.” Grossman commended Assistant U.S. Attorney Melanie Pierson, Special Assistant U.S. Attorney Stephen DaPonte, and

the law enforcement agents at Homeland Security Investigations and the EPA's Criminal Investigation Division who worked on this case.

"This defendant recklessly orchestrated an illegal large-scale pesticide smuggling operation. These pesticides are banned from importation into the United States because they are highly toxic to humans, wildlife, and the environment," said Chad Plantz, Special Agent in Charge of Homeland Security Investigations (HSI) San Diego. HSI, along with its partners from the Environmental Protection Agency – Criminal Investigation Division, U.S. Customs and Border Protection, the U.S. Attorney's Office, and the Department of Justice Environmental Crimes Section are committed to preventing these deadly pesticides from entering the United States."

"The pesticides involved in this case pose serious public health and environmental dangers," said Special Agent in Charge Scot Adair of EPA's Criminal Investigation Division in California. "The sentence in this case demonstrates that individuals who intentionally violate smuggling and environmental protection laws will be held responsible for their crimes."



## Owner of Multiple Georgia Businesses Pleads Guilty to Illegally Dumping Over 100 Drums of Hazardous Waste

On June 22, 2022, Amin Ali, 56, of Dalton, Georgia, pleaded guilty to a charge of disposal of hazardous waste without a permit. Ali admitted to directed the dumping of over 100 drums and other containers of chemicals, including hazardous waste.

“Ali disregarded the health and safety of citizens by trying to conceal his illegal dumping,” said U.S. Attorney Ryan K. Buchanan. “He also broke the law regarding the proper handling of hazardous materials. Our office takes protection of the environment very seriously and will continue to prosecute those who seek to destroy our precious natural resources.”

“The defendant illegally disposed of numerous drums containing hazardous waste in violation of the Resource Conservation and Recovery Act,” said Special Agent in Charge Charles Carfagno of EPA-CID’s Southeast Area Branch. “This guilty plea demonstrates that EPA will hold accountable for such criminal behavior and that EPA and DOJ will continue to vigorously prosecute those that choose to violate our environmental statutes.”

According to U.S. Attorney Buchanan, the charges and other information presented in court: The Resource Conservation and Recovery Act (RCRA) addresses the problem of hazardous waste transportation, treatment, storage, and disposal and is designed to protect human health and the environment by requiring the proper and safe manage-



ment of hazardous waste from the time it is created until the time it is disposed of properly. RCRA prohibits the treatment, storage, and disposal of hazardous waste without a permit issued under the statute. RCRA also prohibits the transportation of hazardous waste to a facility that lacks a permit to accept hazardous waste.

The defendant, Amin Ali, owned and controlled Goldstar Investment Group LLC, 7 Days Property Management Inc., and Rock Springs Farming LLC. Through these entities, he owned the property in Dalton, Georgia (a warehouse formerly owned by a chemical company), and in Rock Springs, Georgia (a farming property containing several old chicken houses).

In August 2021, Ali had over 100 drums and other containers of chemicals, including many containing hazardous waste, moved from the Goldstar property to the Rock Springs property. The drums were left in one of the old chicken houses, with some of the drums left in an open trench to be buried. Some of the contents of the drums spilled and leaked into the surrounding soil. Subsequent testing of the drums and soil revealed the presence of benzene, lead, and chromium. In addition, the contents of the drums were reactive and ignitable.

This case was investigated by EPA’s Criminal Investigation Division. Prosecution is being handled by a DOJ litigation team. Sentencing for Amin Ali, 56, of Dalton, Georgia, is scheduled for September 20, 2022.



## FCA US LLC Enters Guilty Plea to Fraud Conspiracy - Automaker to Pay Approximately \$300 Million in Criminal Penalties

FCA US LLC (FCA US), formerly Chrysler Group LLC, pleaded guilty on June 3, 2022 to one criminal felony count and has agreed to pay approximately \$300 million in criminal penalties as a result of the company's conspiracy to defraud U.S. regulators and customers by making false and misleading representations about the design, calibration, and function of the emissions control systems on more than 100,000 Model Year 2014, 2015, and 2016 Jeep Grand Cherokee and Ram 1500 diesel vehicles, and about these vehicles' emission of pollutants, fuel efficiency, and compliance with U.S. emissions standards.

FCA US entered a guilty plea to a criminal information charging the company with one count of conspiracy to defraud the United States, commit wire fraud, and violate the Clean Air Act. Pursuant to the plea agreement, FCA US has agreed to pay a criminal fine of \$96,145,784 and to forfeit \$203,572,892.

"FCA US engaged in a multi-year scheme to mislead U.S. regulators and customers," said Assistant Attorney General Kenneth A. Polite, Jr. of the Justice Department's Criminal Division. "The guilty plea demonstrates the department's dedication to prosecuting all types of corporate malfeasance and holding accountable companies that seek to place profits above candor, good corporate governance, and timely remediation."

"We expect all corporations to deal with regulators and the public openly and honestly," said U.S. Attorney Dawn N. Ison for the Eastern District of Michigan. "Unfortunately, one of our district's biggest corporations fell far short of that standard, resulting in the guilty plea. My office is committed to holding accountable anyone who engages in fraud and deceit that violates federal law, from an individual to one of the world's largest automakers."

"FCA's attempts to circumvent pollution standards undermine the laws in place to protect human health, the environment, and consumers," said Assistant Attorney General Todd Kim of the Justice Department's Environment and Natural Resources Division. "These actions reflect the Justice Department's continued and steadfast commitment to enforcing the Clean Air Act and holding individuals and companies accountable for corporate wrongdoing."

"FCA's engagement in this criminal scheme deceived both their regulators and consumers," said Assistant Director Luis Quesada of the FBI's Criminal Investigative Division. "These regulations have been put in place to protect the health and wellbeing of our citizens and environment. This guilty plea reflects the commitment of the FBI and our local, state, and federal partners to investigate and bring to justice those who engage in fraudulent and harmful practices."

"Emissions testing is an important requirement of the Clean Air Act because it protects our nation's air quality," said Acting Assistant Administrator Larry Starfield for the Environmental Protection Agency's (EPA) Office of Enforcement and Compliance Assurance. "The guilty plea demonstrates EPA's commitment to hold companies like Fiat Chrysler accountable for violating environmental regulations that protect public health and the environment."



# Plea Agreements

According to the company's admissions and court documents, beginning at least as early as 2010, FCA US developed a new 3.0-liter diesel engine for use in FCA US's Jeep Grand Cherokee and Ram 1500 vehicles (the Subject Vehicles) that would be sold in the United States. FCA US designed a specific marketing campaign to market these vehicles to U.S. customers as "clean EcoDiesel" vehicles with best-in-class fuel efficiency. However, according to court documents, FCA US installed software features in the Subject Vehicles and engaged in other deceptive and fraudulent conduct intended to avoid regulatory scrutiny and fraudulently help the Subject Vehicles meet the required emissions standards, while maintaining features that would make them more attractive to consumers, including with respect to fuel efficiency, service intervals, and performance.

Specifically, FCA US purposely calibrated the emissions control systems on the Subject Vehicles to produce less NOx emissions during the federal test procedures, or driving "cycles," than when the Subject Vehicles were being driven by FCA US's customers under normal driving conditions. FCA US then engaged in deceptive and fraudulent conduct to conceal the emissions impact and function of the emissions control systems from its U.S. regulators and U.S. customers by (a) submitting false and misleading applications to U.S. regulators to receive authorization to sell the vehicles, (b) making false and misleading representations to U.S. regulators both in person and in response to written requests for information, and (c) making false and misleading representations to consumers about the Subject Vehicles in advertisements and in window labels, including that the Subject Vehicles complied with U.S. emissions requirements, had best-in-class fuel efficiency as measured by EPA testing, and were equipped with "clean EcoDiesel engine[s]" that reduced emissions.

For example, FCA US referred to the manner in which it manipulated one method of emissions control as "cycle detection" and "cycle beating." Without the "cycle beating" use of this emissions control software, the Subject Vehicles were unable to pass the emissions portions of the federal test procedures while also receiving a fuel efficiency rating that could be marketed to FCA US's potential customers as "best-in-class," consistent with FCA US's 3.0-liter diesel program's goals, timing, and marketing strategy. Because FCA US knew that the decision to calibrate the emissions control system used on the Subject Vehicles to perform differently "on cycle" versus "off cycle" would be subjected to significant scrutiny by U.S. regulators, FCA US made false and misleading representations to regulators to ensure that it obtained regulatory approval to sell the Subject Vehicles in the United States.

Under the terms of the guilty plea, which remains subject to court approval, FCA US has agreed to continue to cooperate with the Department of Justice in any ongoing or future criminal investigations relating to this conduct. In addition, as part of the guilty plea, FCA US has also agreed to continue to implement a compliance and ethics program designed to prevent and detect fraudulent conduct throughout its operations and will report to the department regarding remediation, implementation, and testing of its compliance program and internal controls.

The government reached this agreement with FCA US based on several factors including, among others, the nature and seriousness of the offense conduct, the company's failure to voluntarily and timely disclose the conduct that triggered the investigation, and its failure to conduct sufficiently timely or appropriate remedial action. FCA US received credit for cooperation with the department's investigation and has enhanced, and committed to enhance, its compliance program and internal controls.

Sentencing was scheduled for July 18.



# Plea Agreements

In the related criminal prosecution, three FCA employees, Emanuele Palma, Sergio Pasini, and Gianluca Sab-bioni were indicted for conspiracy to defraud the United States and to violate the Clean Air Act and six counts of violating the Clean Air Act. They await trial. An indictment is merely an allegation, and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.

The FBI and EPA's Criminal Investigations Division conducted the case investigation. A DOJ Litigation team is handling the prosecution.

## Business Owner Pleads Guilty after Defrauding Over 75 Victims of More Than \$2.7 Million in Scheme to Sell Pesticides He Claimed Would Kill Coronavirus

On June 9, 2022, Paul Andrecola admitted selling \$2.7 million worth of pesticides he falsely claimed were registered with the Environmental Protection Agency as being effective against coronavirus. The announcement was made by U.S. Attorney Philip R. Sellinger and Assistant Attorney General Todd Kim of the Environment and Natural Resources Division of the U.S. Department of Justice, announced.

63-Year-old Andrecola, of Maple Shade, New Jersey, pleaded guilty before a U.S. District Court Judge in federal court to an information charging him with one count of knowingly distributing or selling an unregistered pesticide in violation of the Federal Insecticide, Fungicide and Rodenticide Act (FIFRA), one count of wire fraud, and one count of presenting false claims to the United States.

“Paul Andrecola’s scheme profited on the fears of the American people during the height of concerns about transmission of COVID-19,” U.S. Attorney Sellinger said. “Our office is dedicated to protecting public health and prosecuting to the full extent of the law those who commit such egregious criminal acts.”

“Andrecola not only cheated dozens of people out of millions of dollars, but also endangered the health of those who relied on his fraudulent virucidal products,” said Assistant Attorney General Todd Kim of the Justice Department’s Environment and Natural Resources Division. “The Department of Justice is committed to prosecuting such crimes to the fullest extent possible.”

“This announcement represents the largest pandemic fraud case related to the sale of unregistered pesticides charged nationwide,” Special Agent in Charge Tyler Amon of EPA’s Criminal Investigation Division in New Jersey said. “This case underscores EPA’s commitment with our law enforcement partners to hold violators accountable when they undercut the level playing field used by law abiding companies to ensure the integrity and safety of their products.”

"The EPA Office of Inspector General is pleased to have contributed to this investigation by focusing on falsified records purporting to have been produced by the EPA," Special Agent in Charge Nic Evans of EPA's Office of Inspector General said.

According to documents filed in this case, and statements made in court:

FIFRA regulates the distribution, sale, and use of pesticides to ensure that pesticides sold in the United States are safe, effective, and bear labeling containing true and accurate information. The EPA is responsible for regulating the manufacture, labeling, and distribution of all pesticides shipped or received in interstate commerce.

Under FIFRA, all pesticides must be registered with the EPA before the pesticide can be sold or distributed, and no person may distribute or sell a pesticide that has not been registered with the EPA. Before pesticide products can legally make claims that they can kill a particular pathogen, such as SARS-CoV-2 (coronavirus), the claim must be authorized by EPA based on a review of data. In March 2020, at the beginning of the global



# Plea Agreements

pandemic, the EPA created a list of EPA-registered products that it deemed to be effective against coronavirus, titled “List N: Disinfectants for Use Against SARS-CoV-2.” The EPA has continued to update this list since its creation.

Andrecola, who controls two companies and is employed by a third company, all based in Mount Laurel, manufactured various disinfectant products, including liquids and wipes, under the brand name “GCLEAN.” GCLEAN products were unregistered pesticides under FIFRA and none of the products were on EPA’s List N. Andrecola placed another company’s EPA registration numbers on his company’s products and falsely marketed that his products were EPA-approved to kill coronavirus by creating numerous false documents to support his claims. Andrecola, or others at his behest, would provide this falsified documentation to potential customers representing that various sanitizer and wipe products in the names GCLEAN or GC200 were EPA-registered products List N to persuade them to purchase the unregistered pesticide products.

From March 2020 through May 2021, Andrecola used these fraudulent representations to make more than 150 sales of unregistered pesticides for a profit of more than \$2.7 million. The purchasers of these unregistered pesticides included a police department in Delaware, a fire department in Virginia, a medical clinic in Georgia, a janitorial supply company in New York, a school district in Wisconsin, and numerous U.S. Government agencies, including the U.S. Marshal’s Service, Moody Air Force Base, the U.S. Department of Veterans Affairs, and the National Forest Service.

The count of illegal sale of an unregistered pesticide carries a statutory maximum prison sentence of one year, and a fine of up to \$25,000. The charge of wire fraud is punishable by a maximum potential penalty of 20 years in prison and the count of false claims against the United States is punishable by a maximum potential penalty of five years in prison. Both the charges of wire fraud and false claims against the United States are each also subject to fines of \$250,000, twice the gross profits to Andrecola, or twice the gross loss suffered by the victims, whichever is greatest. Sentencing is scheduled for Oct. 11, 2022.

As part of the plea agreement, Andrecola agreed to forfeit \$2.74 million – the proceeds from the sale of the illegal product, and to make full restitution for all losses resulting from his commission of the charged crimes.

This case was investigated by EPA’s Criminal Investigation Division, EPA’s Office of the Inspector General, Homeland Security Investigations, Defense Criminal Investigative Service, Naval Criminal Investigative Service, and the Mount Laurel Police Department. Prosecution was handled by a DOJ litigation team.



## Former Executive of Pesticide Manufacturing Company Pleads Guilty to Making and Using False Document

On May 17, 2022, Christopher James Davis, of Venice, California, pleaded guilty in federal court in Mobile, Alabama, to one count of falsifying and using a document to obtain approval from the Environmental Protection Agency (EPA) to manufacture a pesticide.

According to court documents, Davis, a product manager for a pesticide manufacturer, submitted documents supporting a pesticide's U.S. registration that he knew falsely indicated that the pesticide had been approved for manufacture and use in Canada, when in fact Davis knew it had not. Relying on the submission with this false information, the EPA approved the pesticide's U.S. application.

"The honesty of individuals applying to manufacture pesticides is vital to protecting the public's health and the environment," said Assistant Attorney General Todd Kim of the Justice Department's Environment and Natural Resources Division. "We will prosecute those who falsify records and submit them to obtain regulatory approvals."

"In order to safeguard the environment, it is essential that the Environmental Protection Agency's pesticide programs receive accurate and honest information from pesticide producers and their employees," said Special Agent in Charge Chuck Carfagno of EPA's Criminal Investigation Division. "This guilty plea sends a clear message that EPA and its law enforcement partners will continue to hold individuals fully accountable for illegal conduct that jeopardizes the environment."

The case was investigated by EPA's Criminal Investigation Division. The case was prosecuted by a DOJ litigation team.



### **Grain Milling Company Charged with OSHA Crimes for Causing Worker Deaths—Company and Employees Charged with Conspiracy to Conceal Violations; Two Employees Plead Guilty to Related Charges**

A federal grand jury in Madison, Wisconsin, returned an indictment charging a corn milling company, a company vice president, two environmental coordinators and three additional supervisors with crimes related to worker safety, fraud, air pollution and obstruction of justice, the Department of Justice announced.

Two former company supervisors previously pleaded guilty to related charges in the U.S. District Court for the Western District of Wisconsin.

According to the indictment handed down on May 11, Didion Milling Inc. (DMI) owned and operated a corn mill in Cambria, Wisconsin. Grain milling generates large amounts of grain dust, and DMI was required to regularly clean dust accumulations from inside the mill in order to prevent both food safety and quality issues and to remove accumulations that could fuel combustible dust explosions. DMI was also required to operate and maintain air pollution control devices called baghouses to reduce emissions of grain dust — a form of particulate matter pollutant — into the environment. The indictment alleges that DMI was further required to document the completion of routine cleanings inside the mill and the routine monitoring of baghouses to prevent dust emissions outside of the mill.

The indictment alleges that DMI willfully violated two federal safety standards promulgated under the Occupational Safety and Health Act (OSH Act) — by (1) by failing to develop and implement a written program to effectively prevent and remove combustible grain dust accumulations, and (2) by failing to install explosion venting or explosion suppression on a dust filter collector — thereby causing the deaths of five employees due to a combustible dust explosion at DMI's corn mill on May 31, 2017.

The indictment further alleges that DMI; its vice president of operations, Derrick Clark, 48 of Waunakee, Wisconsin; its former food safety superintendent, Shawn Mesner, 44 of Readstown, Wisconsin; its former shift superintendent, Anthony Hess, 54 of Pardeeville, Wisconsin; and its former shift superintendent, Joel Niemeyer, 39 of Baraboo, Wisconsin; conspired to commit fraud by agreeing to take deceptive measures to conceal the failure to adhere to food safety procedures at the mill, including by falsifying the cleaning logbook to conceal the fact that DMI was not following its written cleaning schedule, so that DMI could maintain its food safety certification and continue to sell its products to food and beverage manufacturers.

DMI, Clark, Mesner, Hess and Niemeyer, along with DMI's former environmental coordinators James Lenz, 65 of Deerfield, Wisconsin, and Joseph Winch, 66, of Logansport, Indiana, also were indicted for conspiracy to commit federal offenses in order to conceal violations and unsafe conditions from auditors and government agencies. The alleged conspiracy included an agreement to falsify cleaning logs and baghouse monitoring logs, submit false environmental compliance certifications, and provide false testimony on matters within the jurisdictions of the Occupational Safety and Health Administration (OSHA) and the Environmental Protection Agency (EPA).

DMI and individual defendants are further charged in the indictment with related substantive offenses. Hess, Clark and DMI are charged with obstruction of justice for providing false and misleading testimony to OSHA after the May 2017 explosion concerning their knowledge of combustible dust hazards at DMI.



Former DMI shift superintendents Michael Bright, 36, of Merrill, Wisconsin, and Nicholas Booker, 42, of Cambria, Wisconsin, previously pleaded guilty to making false entries in DMI's cleaning logbook and false entries in DMI's baghouse log, which involved matters within the jurisdiction of OSHA and EPA, respectively.

The OSH Act makes it a misdemeanor for an employer to willfully violate a safety standard, and that violation cause death to any employee. If convicted of the OSH Act offenses, DMI may be ordered to make restitution to victims as compensation for their pecuniary losses, fined, and sentenced to corporate probation with conditions. If convicted of fraud conspiracy, a defendant may be sentenced to a maximum term of incarceration of 20 years in prison, fined not more than \$1 million and ordered to forfeit assets derived from fraud. If convicted of conspiracy to commit federal offenses and other substantive offenses set forth in the indictment, a defendant may face maximum terms of incarceration ranging from five to 20 years in prison and fines up to \$1 million depending on the crime of conviction. A federal district court judge will determine any sentence after considering the U.S. Sentencing Guidelines and other statutory factors.

Assistant Attorney General Todd Kim of the Justice Department's Environment and Natural Resources Division made the announcement. EPA's Criminal Investigative Division is investigating the case.

An indictment is merely an allegation and all defendants are presumed innocent until proven guilty beyond a reasonable doubt in a court of law.