

Fiscal Year 2016 EPA Enforcement and Compliance Annual Results

**Prepared by the Office of Enforcement and Compliance Assurance
U.S. Environmental Protection Agency**

December 19, 2016

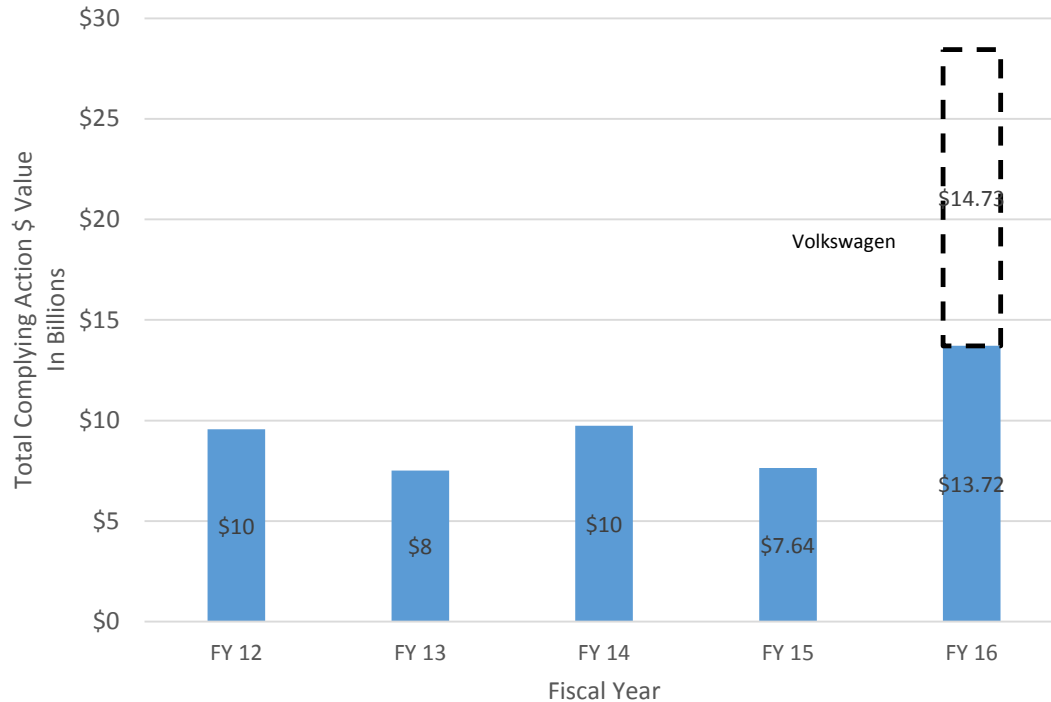
FY 2016 Enforcement and Compliance Annual Results

Table of Contents

<u>TABLE OF CONTENTS</u>	<u>PAGE</u>
Civil Enforcement Results	
Estimated Value of Administrative and Civil Judicial Complying Actions (Injunctive Relief)	3
Administrative and Civil Penalties Assessed	4
Hazardous Waste Treated, Minimized, or Properly Disposed	5
Commitments to Reduce, Treat or Eliminate Pollution	6
Criminal Enforcement Results	
Value of Fines and Restitution and Value of Court Ordered Environmental Projects	7
Environmental Crime Cases Opened, Defendants Charged, and Sentencing Results - Years of Incarceration	8
Superfund Enforcement Results	
Cleanup Commitments	9
Other Civil Enforcement Results	
Volume of Contaminated Soil and Water to be Cleaned Up	10
Federal Inspections and Evaluations	11
Civil Enforcement Case Initiations and Conclusions	12
Supplemental Environmental Projects	13
Acronyms and Descriptions for Statutes/Sections	14

FY 2016 Enforcement and Compliance Annual Results

Estimated Value of Administrative and Civil Judicial Complying Actions (Injunctive Relief) FY 2012 – FY 2016



➤ In FY 2016, EPA enforcement actions required companies to invest more than **\$13.7 billion** in actions & equipment to control pollution (injunctive relief.)

➤ Injunctive relief totals vary widely from year to year depending on the timing of resolution of the largest cases.

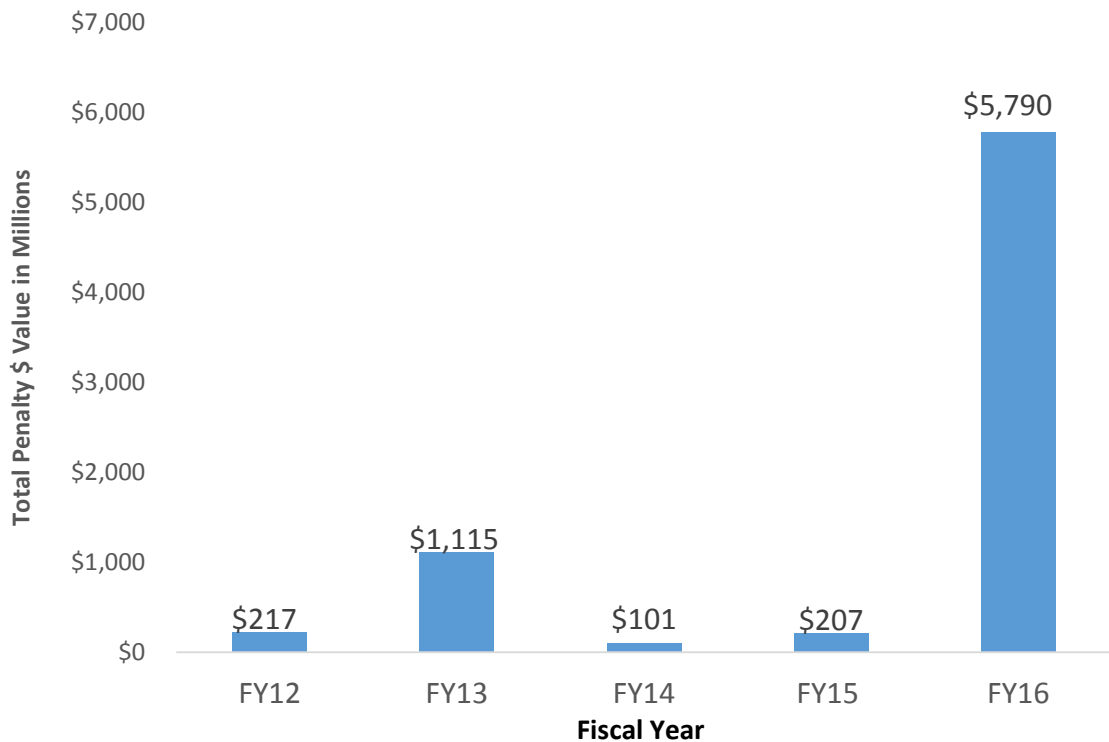
➤ A partial case settlement with Volkswagen, lodged with the court in FY 2016 and entered by the court early in FY 2017, contributed up to an additional estimated \$14.73B in injunctive relief (shown with a dashed bar since it was entered just after the end of the fiscal year).

Note: All prior FY dollar figures in this report are adjusted to reflect the current value in FY 2016 dollars based on the monthly rate of inflation/deflation as determined by the U.S. Department of Labor Consumer Price Index for All Urban Consumers.
Data Source: Integrated Compliance Information System (ICIS)
Prepared by: OC/ETDD/DSIMB
October 26, 2016

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Administrative and Civil Judicial Penalties Assessed

FY 2012 – FY 2016



- In FY 2016, EPA obtained nearly **\$5.8 billion** in federal administrative and civil judicial penalties.
- The FY 2016 results were dominated by the record setting **\$5.6 billion** Clean Water Act penalty from BP Exploration and Production Inc., in the Deepwater Horizon case
- Penalties assessed vary from year to year depending on the timing of resolution of the largest cases.

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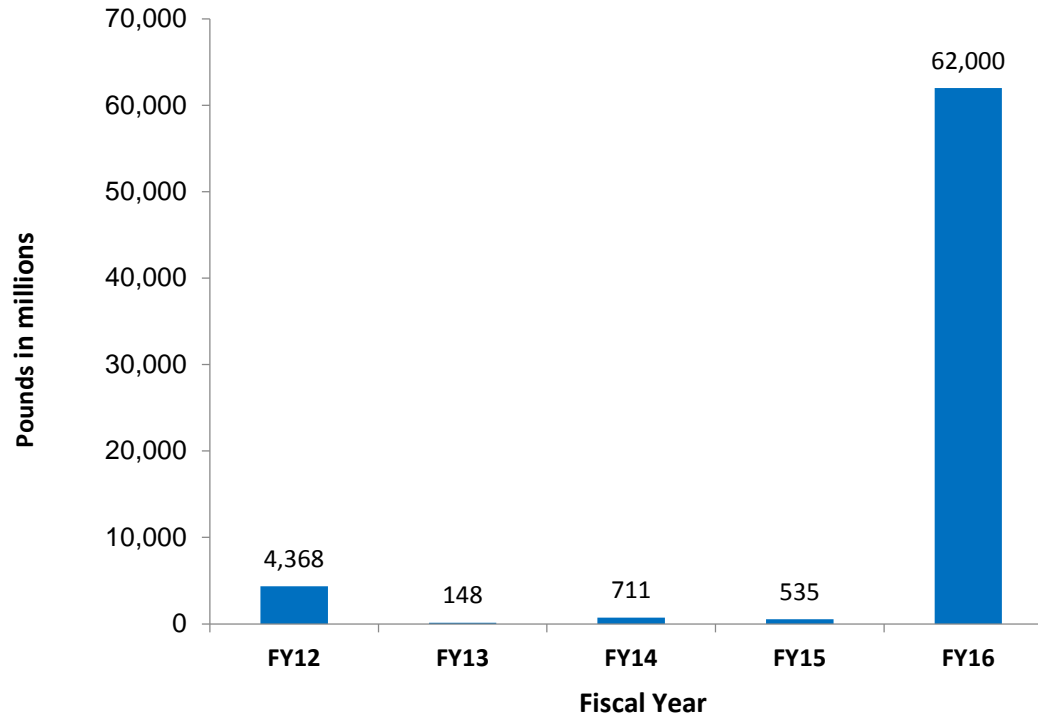
Data Source: Integrated Compliance Information System (ICIS)
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FY2016 Enforcement and Compliance Annual Results

Estimated Environmental Benefits

Hazardous Waste Treated, Minimized, or Properly Disposed FY 2012 – FY 2016



➤ In FY 2016, EPA enforcement actions required companies to commit to treat, minimize, or properly dispose of an estimated **62 billion** pounds of hazardous waste.

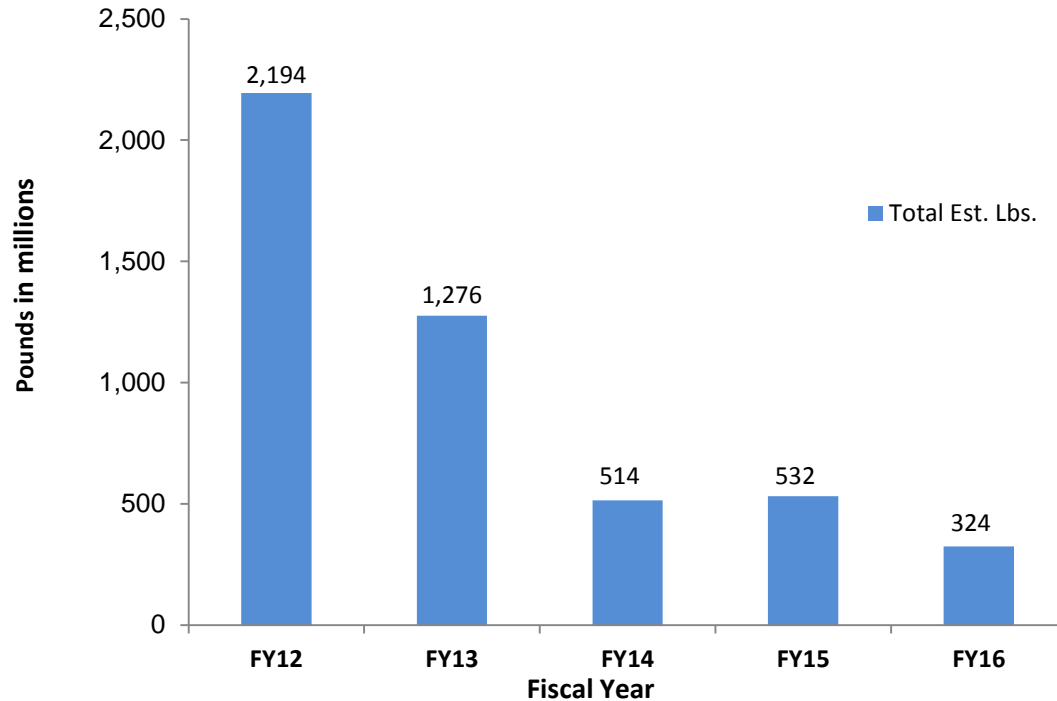
➤ In FY 2016, the IMC Phosphates Co. (Mosaic Fertilizer), a RCRA case, accounted for over 99% of the hazardous waste total of 62 billion pounds.

➤ Results vary from year to year depending on the timing of resolution of the largest cases.

Data Source: Integrated Compliance Information System.
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FY 2016 Enforcement and Compliance Annual Results

Estimated Environmental Benefits Commitments to Reduce, Treat, or Eliminate Pollution FY 2012 – FY 2016



Data Source: Integrated Compliance Information System.
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➤ In FY 2016, EPA enforcement actions required companies to commit to reduce releases of pollution by an estimated **324 million** pounds per year.

➤ The pounds of pollution reduced numbers in past years were largely conventional pollution emissions from coal fired power plants and municipal waste water systems. EPA addressed the largest of these systems first, so later cases in these sectors generally involved less pollution. In recent years we have increased our focus on toxic pollution, which involves more toxic, but smaller volume, pollution.

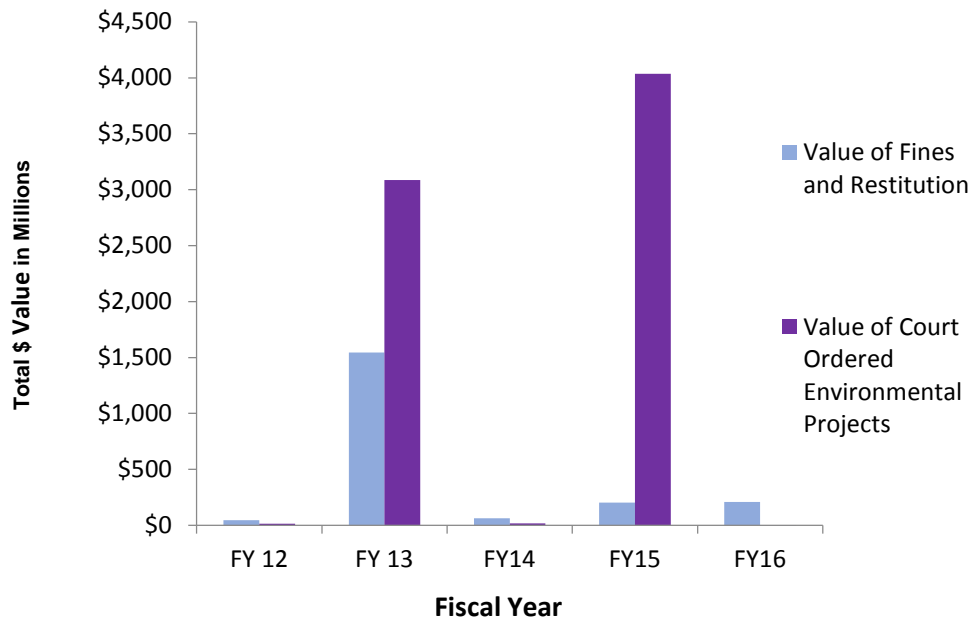
➤ Some of the largest cases, e.g., BP Deepwater and VW, do not have pollution reductions captured in this measure.

➤ Pounds of hazardous waste reduced in FY16, reflected on a different slide, was 62 billion pounds.



FY 2016 Enforcement and Compliance Annual Results

Criminal Enforcement Value of Fines and Restitution and Court Ordered Environmental Projects FY 2012 – FY 2016



➤ Criminal fines and restitution punish misconduct, deter other violators and, along with court-ordered environmental projects, help to remedy the harm caused by the criminal conduct.

➤ Criminal results in recent years have been dominated by two very large cases: BP Deepwater Horizon, resolved in 2013, and Duke Energy coal ash spill, resolved in 2015.

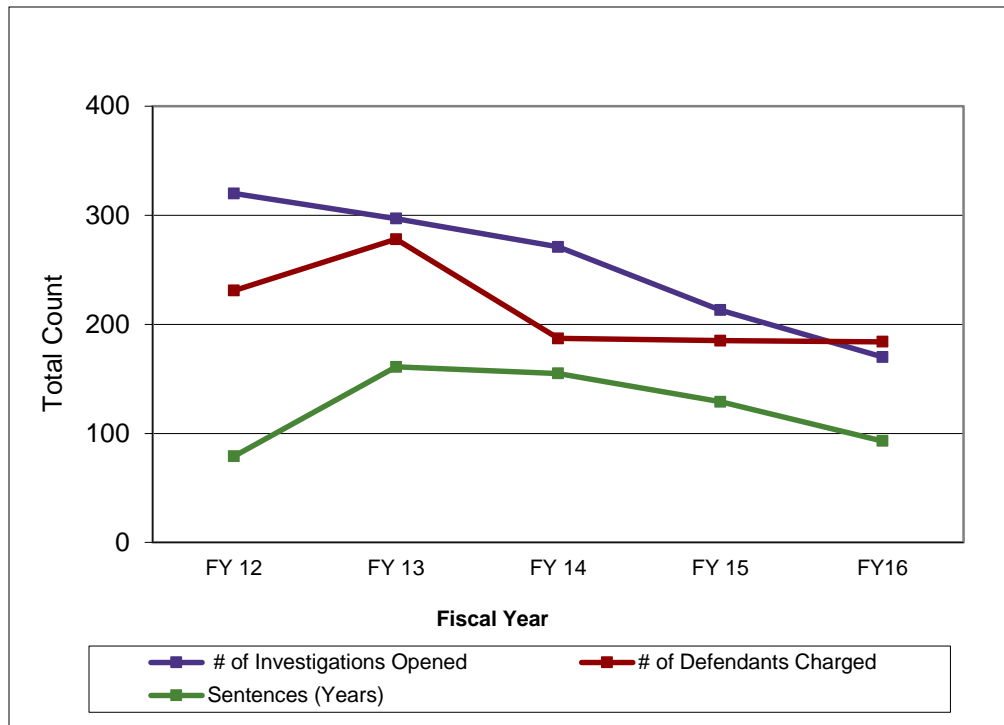
Note: All prior FY dollar figures in this report are adjusted to reflect the current value in FY 2016 dollars based on the monthly rate of inflation/deflation as determined by the U.S. Department of Labor Consumer Price Index for All Urban Consumers.

Data Source: Criminal Case Reporting System
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FY 2016 Enforcement and Compliance Annual Results

Criminal Enforcement Environmental Crime Cases Opened, Defendants Charged, and Sentencing Results – Years of Incarceration FY 2012 – FY 2016



- The criminal program continued in FY16 to focus on complex cases that involve a serious threat to human health and the environment or that undermine program integrity.
- Despite declining budgets resulting in declines in the total number of investigations opened, the number of defendants charged remained level with last year, reflecting the greater complexity of cases handled in the criminal program.

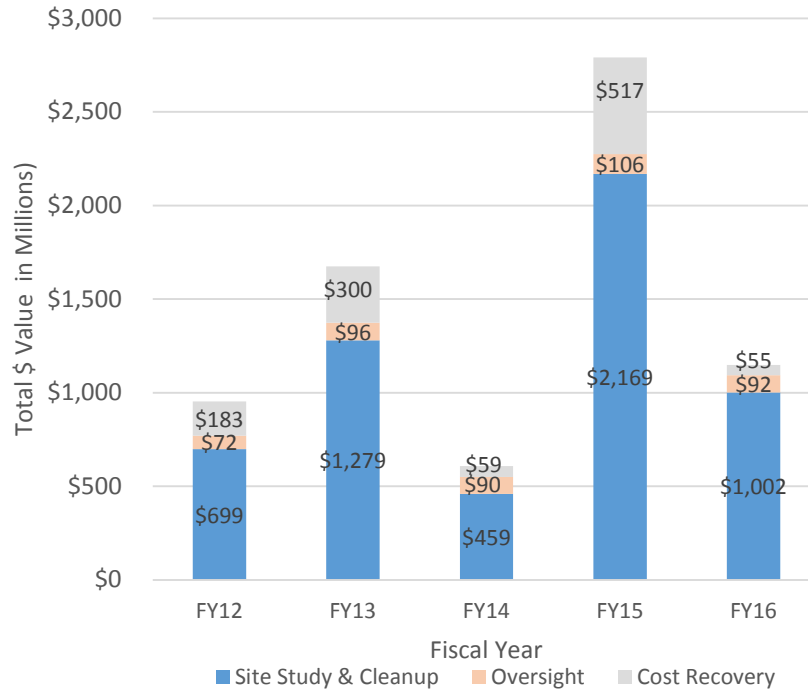
Data Source: Criminal Case Reporting System
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FY 2016 Enforcement and Compliance Annual Results

Superfund Results

FY 2012 – FY 2016



- In FY 2016, private party Superfund cleanup commitments exceeded \$1 billion. Additionally, EPA billed private parties for \$92 million in “oversight” costs, the third highest amount ever billed during a fiscal year.
- The total dollar value of cleanup commitments is driven by settlements requiring responsible parties to conduct or pay for cleanup. Cleanup commitments generally vary from year to year depending on when the largest cases are resolved.
- FY 15 was an unusual year in Superfund enforcement history, due to the record breaking Anadarko settlement.

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Data Source for Cleanup and Cost Recovery: FY16 Superfund Enterprise Management System (SEMS); FY14 & FY15 Manual Reporting; FY12 & FY13 Comprehensive Environmental Response, Compensation & Liability Information System (CERCLIS).

Data Source for Oversight: Compass Business Objects Reporting (CBOR)

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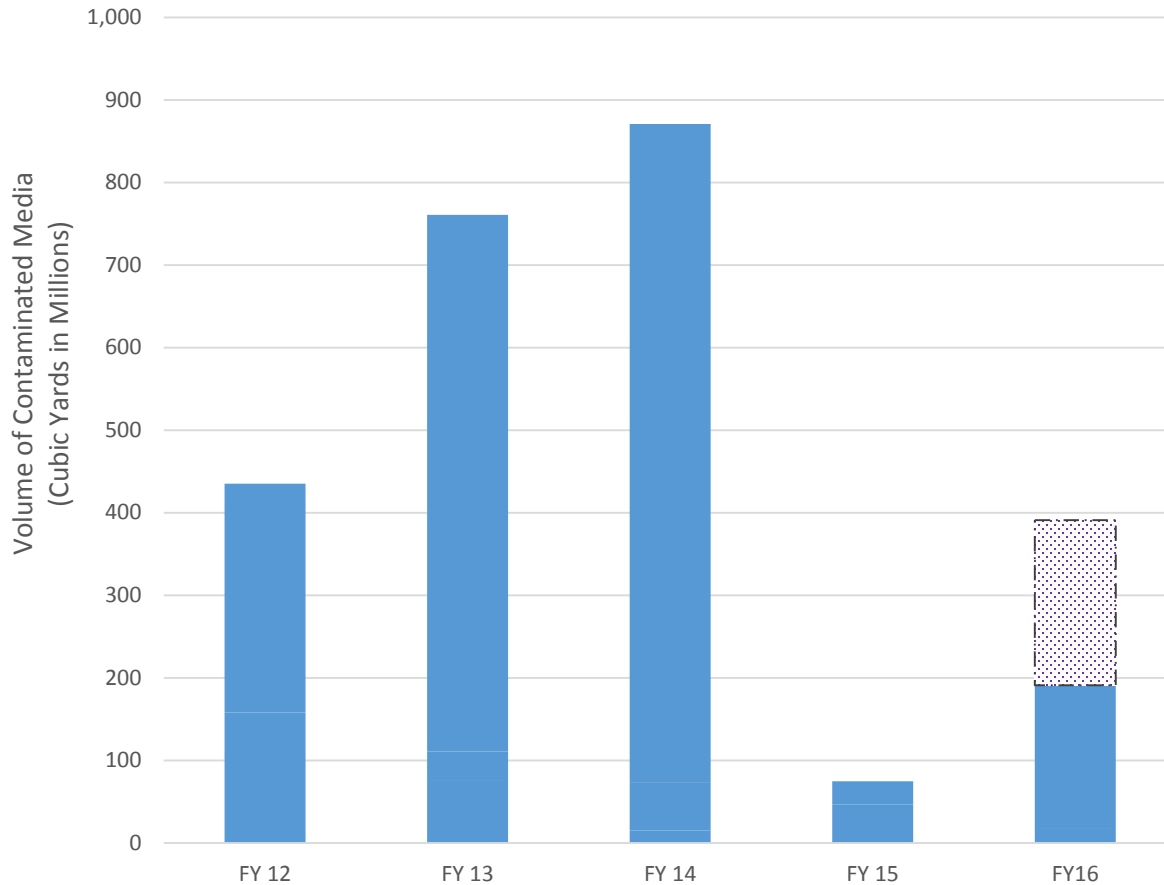
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Estimated Environmental Benefits

Volume of Contaminated Soil and Water to be Cleaned Up

FY 2012 – FY 2016



- In FY 2016, the Agency obtained commitments for remediation of an estimated **17 million** cubic yards of contaminated soil and an estimated **174 million** cubic yards of contaminated water as a result of CERCLA and RCRA corrective action enforcement.
- An additional 200 million cubic yards of contaminated water will be cleaned up by a large case that was lodged, but not entered, in FY 16 (shown in dotted bar).
- VCMA totals vary widely from year to year depending on the timing of resolution of the largest cases. Three big cases in FY 2013 and FY 2014 accounted for a vast majority of the soil and water to be cleaned up in those years.

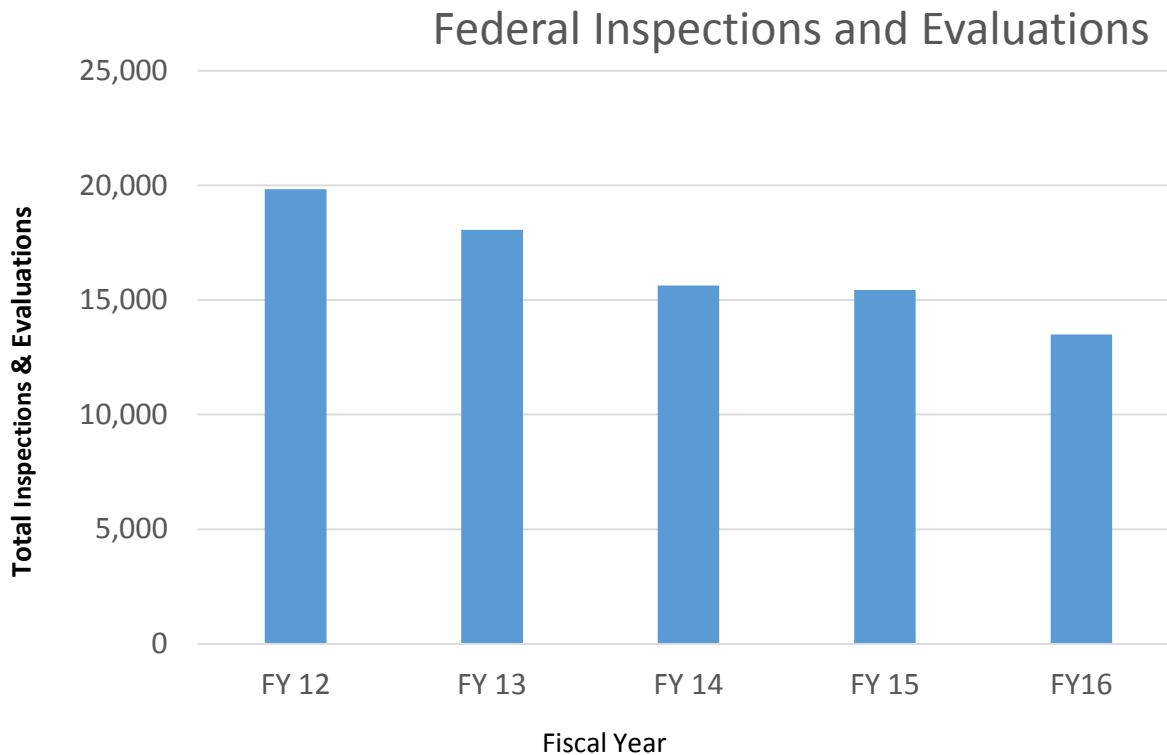
■ Contaminated Soil and Water to be Cleaned Up from FY16 Lodged Cases

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FY 2016 Enforcement and Compliance Annual Results

Federal Inspections and Evaluations (Conducted by EPA) FY 2012 – FY 2016



- In FY 2016, EPA conducted more than 13,500 inspections/ evaluations.
- As EPA's budget has declined, the total number of inspections conducted by EPA has declined as well. EPA continues to pursue additional means of gathering information about facility compliance, to supplement our on the ground inspections.

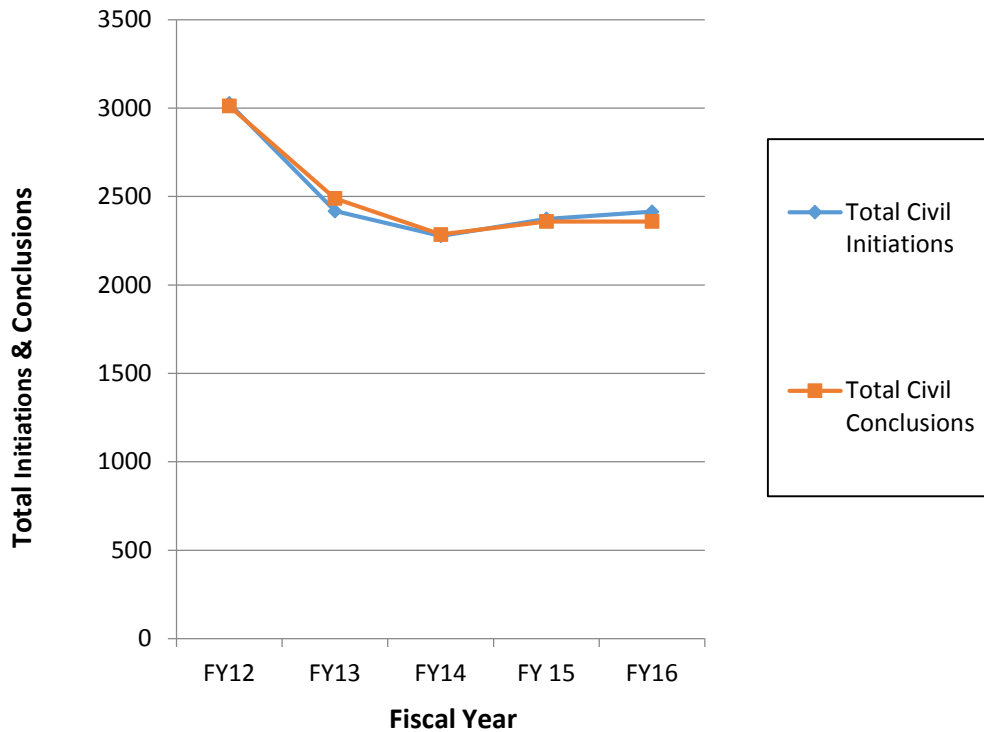
Data Source: Integrated Compliance Information System (ICIS), ICIS-NPDES, ICIS-AIR, RCRAInfo, and manual reporting.
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FY2016 Enforcement and Compliance Annual Results

Civil Enforcement Case Initiations and Conclusions

FY 2012 – FY 2016



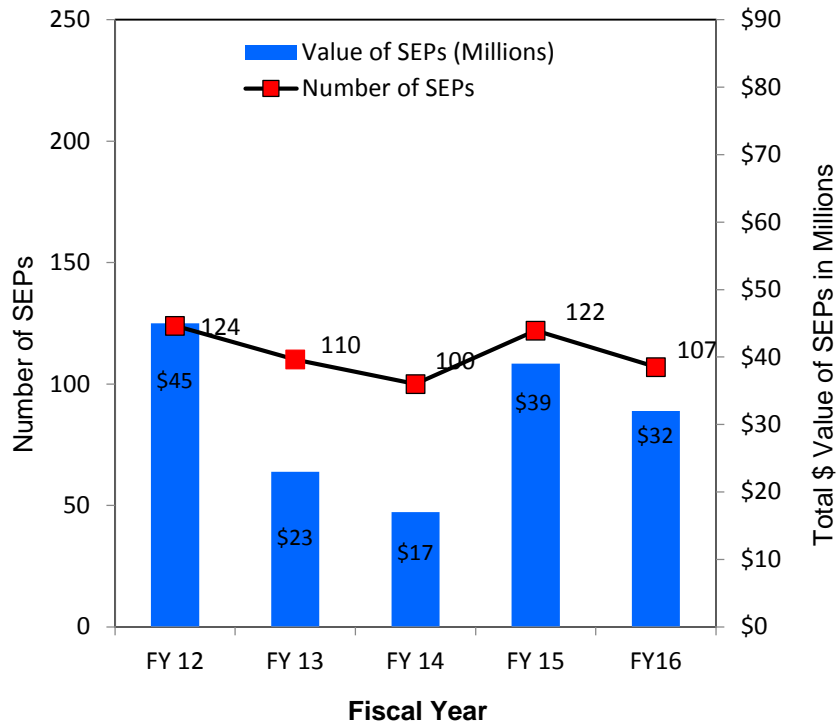
- In FY 2016, EPA initiated more than **2,400** civil judicial and administrative cases.
- In FY 2016, EPA concluded nearly **2,400** civil judicial and administrative cases

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FY 2016 Enforcement and Compliance Annual Results



Supplemental Environmental Projects FY 2012 – FY 2016



- In FY 2016, EPA enforcement settlements included voluntary agreements to undertake an estimated **\$32 million** in Supplemental Environmental Projects (SEPs).
- SEPs are projects that are not otherwise legally required that have a close nexus to the violations and that a defendant/respondent agrees to undertake to benefit the community harmed by the violations.
- EPA strongly supports SEPS that have a nexus to the violations and that benefit the community harmed by the violations.

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FY 2016 Enforcement and Compliance Annual Results

Acronyms and Descriptions for Statutes/Sections



CAA	Clean Air Act
CERCLA	Comprehensive Environmental Response, Compensation and Liability Act ("Superfund")
CWA	Clean Water Act
EPCRA	Emergency Planning & Community Right-to-Know Act
FIFRA	Federal Insecticide, Fungicide and Rodenticide Act
MPRSA	Marine Protection, Research, and Sanctuaries Act
RCRA	Resource Conservation & Recovery Act
SDWA	Safe Drinking Water Act
TSCA	Toxic Substances Control Act
Title 18	U.S. Criminal Code - Crimes and Criminal Procedure