

**BEFORE THE
UNITED STATES DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION**

IN THE MATTER OF:

**Yoder Gas Company,

(Respondent),**

PHMSA Case No. 11-0074-CCT-SW

COMPROMISE ORDER

By this Order I find that Yoder Gas Company (Respondent) committed five violations of the Hazardous Materials Regulations (HMR), 49 C.F.R. Parts 171-180. Accordingly, I assess Respondent a \$10,646 civil penalty for these violations.

I. Summary

Respondent: Yoder Gas Company
P.O. Box 223
Jet, OK 73749
Mr. Lindeen Evans, President

No. of Violations: 5
Total Payment Due: \$10,646

II. Finding


This matter comes before me after Respondent and the Pipeline and Hazardous Materials Safety Administration (PHMSA) agreed to a disposition of this civil enforcement action. I have reviewed the Compromise Agreement (Agreement) and I find the terms as outlined therein are in the best interest of justice. I find Respondent

committed the violations as described in the Agreement, which is attached as Addendum A to this Order, and I impose a civil penalty of **\$10,646**. Respondent must pay the civil penalty in accordance with the instructions contained in addendum B to this Order.

The attached Agreement, in its entirety, is incorporated into this Order. All of the terms and conditions of the Agreement shall be given the full force and effect of an Order issued pursuant to the Federal hazardous materials transportation law, 49 U.S.C. § 5101, et seq., or the Hazardous Materials Regulations, 49 C.F.R. Parts 171 – 180.

Dated: 5/20/2013

So Ordered,



Vanessa L. Allen Sutherland
Chief Counsel
for Pipeline and Hazardous Materials Safety Administration

CERTIFICATE OF SERVICES

This is to certify that on the 22nd day of May, 2013, the undersigned served in the following manner the designated copies of this Order with attached addendums to each party listed below:

Yoder Gas Company
503 Main Street
Jet, Oklahoma 73749
Attn: Mr. Lindeen Evans, President

Original Order with
Copy of Agreement
Certified Mail Return Receipt

Mr. Billy Hines, Chief
Southwest Region
Hazardous Materials Enforcement Office
8701 S. Gessner Road, Suite 900
Houston, TX 77074

One Copy (without enclosures)
Via Electronic Mail

Amelia Samaras, Attorney
Pipeline and Hazardous Materials
Safety Administration
Office of Chief Counsel

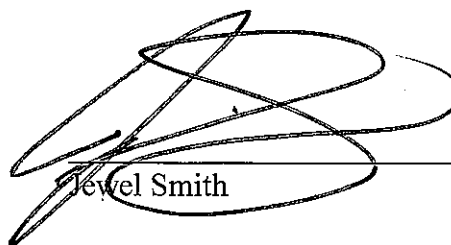
One Copy
Via Electronic Mail

Mr. Tay Rucker, Investigator
Hazardous Materials Enforcement Office
Southwest Region
8701 S. Gessner Road, Suite 900
Houston, TX 77074

One Copy
Via Electronic Mail

U.S. DOT Dockets
U.S. Department of Transportation
1200 New Jersey Ave., S.E.
East Building
Washington, D.C. 20590

One Copy
Personal Delivery



Jewel Smith

Payment Information

Yoder Gas Company (Respondent) must pay a total civil penalty of **\$10,464** in accordance with the following:

Due date

Respondent must make the first payment of \$872 within **30** days of the date of this Order. Respondent must make continuing payments of \$872 **every 30 days** (12 payments) until the entire civil penalty of \$10,464 has been paid in full.

Payment Method

Respondent must pay the civil penalty by one of the following: (1) wire transfer, (2) certified check or money order, or (3) credit card via the Internet.

(1) Wire Transfer.

Detailed instructions for sending a wire transfer through the Federal Reserve Communications System (Fedwire) to the account of the U.S. Treasury are contained in the enclosure to this Order. Please direct questions concerning wire transfers to:

Financial Operations Division
Attn: Robin Cecil
Federal Aviation Administration
Mike Monroney Aeronautical Center
AMZ-341
P.O. Box 269039
Oklahoma City, OK 73125
Telephone (405) 954-8893.

(2) Check or Money Order.

Make check or money order payable to "U.S. Department of Transportation" (include the Ref. No. of this case on the check or money order) and send to:

Chief, Financial Operations Division
Attn: Taushayna Wright
Federal Aviation Administration
Mike Monroney Aeronautical Center
AMZ-341
P.O. Box 269039
Oklahoma City, OK 73125.

(3) Credit Card.

To pay electronically using a credit card, visit the following website address and follow the instructions:

<https://www.pay.gov/paygov/>

**INSTRUCTIONS FOR ELECTRONIC FUNDS TRANSFER TO
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION,
U.S. DEPARTMENT OF TRANSPORTATION**

1. <u>RECEIVER'S ABA NO.</u> 021030004	2. <u>TYPE SUBTYPE</u> (provided by sending bank)
3. <u>SENDING BANK ARB NO.</u> (provided by sending bank)	4. <u>SENDING BANK REF NO.</u> (provided by sending bank)
5. <u>AMOUNT</u>	6. <u>SENDING BANK NAME</u> (provided by sending bank)
7. <u>RECEIVER NAME:</u> TREAS NYC	8. <u>PRODUCT CODE</u> (Normally CTR, or sending bank)
9. <u>BENEFICIAL (BNF)- AGENCY LOCATION CODE</u> BNF=/AC-69140001	10. <u>REASONS FOR PAYMENT</u> <i>Example: PHMSA Payment for Case #/Ticket</i>

INSTRUCTIONS: You, as sender of the wire transfer, must provide the sending bank with the information for Block (1), (5), (7), (9), and (10). The information provided in blocks (1), (7), and (9) are constant and remain the same for all wire transfers to the Pipeline and Hazardous Materials Safety Administration, Department of Transportation

Block #1 - RECEIVER ABA NO. - "021030004". Ensure the sending bank enters this nine digit identification number; it represents the routing symbol for the U.S. Treasury at the Federal Reserve Bank in New York.

Block #5 - AMOUNT - You as the sender provide the amount of the transfer. Please be sure the transfer amount is punctuated with commas and a decimal point. **EXAMPLE:** **\$10,000.00**

Block #7 - RECEIVER NAME- "TREAS NYC." Ensure the sending bank enters this abbreviation, which must be used for all wire transfer to the Treasury Department.

Block #9 - BENEFICIAL - AGENCY LOCATION CODE - "BNF=/AC-69140001" Ensure the sending bank enters this information. This is the Agency Location Code for Pipeline and Hazardous Materials Safety Administration, Department of Transportation

Block #10 - REASON FOR PAYMENT -- "AC-Payment for PHMSA Case#" To ensure your wire transfer is credited properly, enter the case number/ticket number or Pipeline Assessment number."

Note: - A wire transfer must comply with the format and instructions or the Department cannot accept the wire transfer. You, as the sender, can assist this process by notifying, at the time you send the wire transfer, the General Accounting Division at (405) 954-8893.

**BEFORE THE
UNITED STATES DEPARTMENT OF TRANSPORTATION
PIPELINE AND HAZARDOUS MATERIALS SAFETY ADMINISTRATION**

IN THE MATTER OF:

**Yoder Gas Company,

(Respondent)**

PHMSA Case No. 11-0074-CCT-SW

COMPROMISE AGREEMENT

I. Parties

The Parties to this Compromise Agreement (Agreement) are:

Yoder Gas Company (“Respondent”), a distributor, shipper, and carrier of hazardous materials, including the inhalation hazard anhydrous ammonia and propane, located at 503 Main Street Jet, Oklahoma 73749
and

The Pipeline and Hazardous Materials Safety Administration (“PHMSA”), a modal Administration of the United States Department of Transportation.

II. Authority/Jurisdiction

A. The Parties enter into this agreement under authority of 49 U.S.C. § 5123(e) and 49 C.F.R. § 107.327(a)(1).

B. For the Purposes of this Agreement, Respondent acknowledges:

(1) As a person who transports hazardous materials, Respondent is a regulated entity subject to the Hazardous Materials Regulations (HMR) and to the jurisdiction of (a) the Secretary of Transportation, (b) the PHMSA’s Associate Administrator for Hazardous Materials Safety, and (c) PHMSA’s Office of Chief Counsel (49 U.S.C. § 5103(b) and 49 C.F.R. § 107.301);

(2) PHMSA has sufficient proof to show, by a preponderance of the evidence, Respondent’s violation of the Federal regulations listed in Section V below; and

(3) Respondent received proper notice of PHMSA's actions in this proceeding.

III. Background

A. On March 17, 2011, an inspector from PHMSA's Office of Hazardous Materials Enforcement (OHME) conducted a routine compliance inspection at Respondent's business pursuant to 49 U.S.C. § 5121 and 49 C.F.R. § 107.305. PHMSA's inspector reported five alleged violations of the HMR. At the conclusion of the compliance inspection, PHMSA's inspector conducted an "exit briefing" during which the inspector discussed the alleged violations and the required corrective actions with Respondent's representative.

B. Upon completion of the compliance inspection, the inspector submitted a report to the chief of OHME's Southwest Region, who reviewed the report for accuracy and sufficiency of evidence. Based on that review, the Region Chief referred the matter to PHMSA's Office of Chief Counsel thereby recommending the initiation of a civil penalty action against Respondent pursuant to 49 C.F.R. § 107.311.

C. Based on a preliminary assessment of the apparent nature, circumstances, extent, and gravity of the probable violations, as set forth in the inspector's report, on January 16, 2013, an attorney from the PHMSA's Office of Chief Counsel issued a Notice of Probable Violation (Notice) alleging five violations of the HMR and proposing a \$19,0258 civil penalty.

IV. Basis of Agreement

A. Reply to Notice. On February 11, 2013, Respondent submitted a timely reply to the Notice. In its reply, Respondent did not specifically contest the alleged violations but did provide some corrective action credit and request that the civil penalty be reduced to the minimum penalty of \$250 per violation. The PHMSA attorney then followed up with requests for further corrective action documentation.

B. Corrective Action. In its March 13, 2013 follow up letter, Respondent submitted further evidence of corrective actions it had taken. The following is a summary of all of Respondent's corrective actions.

Violation Number	Respondent's Corrective action
1	Respondent provided photographs showing that all nurse tanks are now properly marked with "anhydrous ammonia" on the heads. Respondent also provided a representative photograph to demonstrate that all nurse tanks without a legible data plate have put out of service and will not operate in transportation until they are successfully tested as required in 49 C.F.R. §173.315(m)(2). Respondent also provided a representative photograph to show that loose and cracked farm wagon bolts and mountings have been tightened and repaired, respectively.

2	Respondent provided a copy of the security plan it developed after the inspection.
3	Respondent provided revised and unique emergency discharge procedures for both its two cargo tank motor vehicle that transport LPG. Both procedures state that a copy of the procedure must remain on board at all times while in transportation.
4	Respondent replaced the remote shut-off battery. Both off-truck remote shut-off devices are now operational.
5	Respondent provided an updated hose inspection form that complies with 49 C.F.R. § 180.416(d)(5).

C. Finances. Respondent requested mitigation based on finances and submitted financial documents included a Balance Sheet and a Profit and Loss Statement for PHMSA's consideration. After reviewing the financial documents, PHMSA determined that Respondent does qualify for mitigation based in finances.

D. Informal Conference. On various dates, including April 23, 2013, the Office of Chief Counsel and Respondent (parties) talked via phone about the case, corrective actions, Respondent's finances and regulatory requirements.

E. Small Business Size. Evidence in the record also substantiates that Respondent is a small business.

V. Violations and Civil Penalty

In a subsequent Order, the Chief Counsel will find that Respondent committed the following violations and will assess the following civil penalty:

Viol. No.	HMR Violation	NOPV Penalty Amount	Compromise Penalty Amount
1	Respondent offered a hazardous material, RQ, Ammonia, anhydrous, 2.2 UN 1005, for transportation in commerce in unauthorized, non-specification nurse tanks that did not have legible ASME data plates and/or were not marked as required with the proper shipping name, and/or were not properly mounted to a farm wagon, in violation of 49 C.F.R. §§ 171.2(a), (b), (e), and (f); 172.302(a)(1); 172.328(a)(2) and (b); and 173.315(m).	\$5,250	\$2,888
2	Respondent offered and transported a quantity of the hazardous material UN 1075, Liquefied petroleum gas (LPG), 2.1, that requires placarding, while failing to develop and adhere to a security plan, in violation	\$3,375	\$1,857

	of 49 C.F.R. §§ 171.2(a) and (b), 172.800(b), and 172.802.		
3	Respondent transported UN 1075, Liquefied petroleum gas (LPG), 2.1, in cargo tank motor vehicles (CTMVs) while failing to carry written emergency discharge control procedures on or within the CTMV, in violation of 49 C.F.R. §§ 171.2(a), (b), (e), and (f) and 177.840(l).	\$1,700	\$930
4	Respondent transported UN 1075, Liquefied petroleum gas (LPG), 2.1, in cargo tank motor vehicles (CTMVs) which are required to be equipped with an off-truck remote shut-off device that failed to work when activated, and failed to check the off-truck remote shut off device daily, in violation of 49 C.F.R. §§ 171.2(a), (b), (e), 173.351(n), and 177.840(o).	\$7,200	\$3,964
5	Respondent transported UN 1075, Liquefied petroleum gas (LPG), 2.1, in cargo tank motor vehicles (CTMVs) while failing to create and maintain monthly hose assembly and piping system reports, in violation of 49 C.F.R. §§ 171.2(a), (b), (c), and (f) and 180.416(d).	\$1,500	\$825
TOTAL	-----	\$19,025	\$10,464

VI. Factors Considered in Determining the Civil Penalty

In determining the amount of a civil penalty, PHMSA considered the following statutory criteria (49 U.S.C. § 5123(c)):

- (1) The nature, circumstances, extent, and gravity of the violations;
- (2) The degree of culpability and history of prior violations;
- (3) Respondent's size;
- (4) Respondent's ability to pay the penalty and its ability to continue to do business; and
- (5) Other matters as justice may require.

Documentation of Respondent's corrective actions for these violations and the fact that Respondent is a small business, justify assessing a civil penalty of \$10,464. Respondent may pay the civil penalty in **12 payments of \$872** each.

VII. Terms and Conditions

A. Respondent agrees to pay the sum of \$10,464, as full satisfaction of civil penalty proposed in the Notice.

(1) Respondent must pay \$872 within thirty days from the date of the Order, which the Chief Counsel will issue after Respondent signs and returns this agreement.

(2) Respondent must pay an additional \$872 each thirty days after making its first payment and until Respondent has paid the entire \$10,464 civil penalty.

B. By entering into this agreement, Respondent waives any right:

(1) to present further written or oral explanations, information, and arguments in this matter;

(2) to Administrative appeal; and

(3) to seek judicial review or otherwise contest or challenge the validity of this Agreement or the Notice associated with this case.

C. This Agreement resolves only the violations noted in PHMSA Case No. 11-0074-CCT-SW as referenced in Section V of this agreement and in the Notice. In the event Respondent commits any future violations of the Federal hazardous material transportation law, 49 U.S.C. § 5101 *et seq.*, the HMR, or any exemption, or order issued thereunder these violations shall constitute a prior violation under 49 U.S.C. § 5123.

D. After Respondent signs and returns this Agreement, PHMSA's representative will present the Agreement to the Chief Counsel requesting that the Chief Counsel adopt the terms of this Agreement by issuing a Compromise Order (49 C.F.R. § 107.327(a)(1)). The terms of this Agreement constitute an offer of compromise until accepted by the Chief Counsel.

E. After issuance of the Compromise Order, Respondent must pay the civil penalty in accordance with the terms of this Agreement. Upon receipt of Respondent's final payment, the Chief Counsel will close this case with prejudice to the Respondent (49 C.F.R. § 107.327(a)(1)(ii)).

VIII. Miscellaneous Provisions

A. By signing this Agreement, Respondent or its representative warrants to have read the agreement and understood its terms and conditions.

B. The individuals signing on behalf of the Respondent and PHMSA represent that they are authorized to sign and have authority to enter into this Agreement.

C. Respondent's failure to sign and return this agreement within thirty (30) days from its receipt will result in the withdrawal of the offer of compromise contained within this Agreement and the Chief Counsel will issue an Order pursuant to 49 C.F.R. § 107.317(d).

D. Respondent must return the signed Agreement to:

Amelia Samaras, Attorney
United States Department of Transportation
Pipeline and Hazardous Materials Safety Administration
Mail Stop: E26-105
1200 New Jersey Ave., SE
Washington, D.C. 20590-0001

Or

amelia.samaras@dot.gov

Respondent

Federal Tax ID #: 73-1459633¹

By: Lindeen Evans
Lindeen Evans, President

Date: 5-2-2013

Pipeline and Hazardous Materials Safety Administration

By: Amelia Samaras
Amelia Samaras, Attorney

Date: 5/10/13

¹ The Taxpayer Identifying Number is required by 31 U.S.C. § 7701(c)(3). PHMSA will use this number for purposes of collecting and reporting on any delinquent amounts arising out of this agreement.