

**BEFORE THE
PUBLIC UTILITIES COMMISSION OF OHIO**

In the Matter of Royal Gas & Oil	:	
Company, Inc. , Notice of Apparent	:	Case No. 18-0799-TR-CVF
Violation and Intent to Assess	:	(OH3238012422C)
Forfeiture.	:	

SETTLEMENT AGREEMENT

I. Introduction

Pursuant to Rule 4901:2-7-11 of the Ohio Administrative Code (O.A.C.), Royal Gas & Oil Company, Inc. (Respondent) and the Staff of the Transportation Department of the Public Utilities Commission of Ohio (Staff) enter into this settlement agreement and urge the Commission to adopt the same.

It is understood by the Respondent and the Staff that this Settlement Agreement is not binding upon the Public Utilities Commission of Ohio (Commission). This agreement however, is based on the Respondent's and the Staff's desire to arrive at a reasonable result considering the law, facts and circumstances. Accordingly, the Respondent and the Staff believe that the Commission should adopt this Settlement Agreement.

This settlement agreement is submitted on the condition that the Commission adopts the agreed upon terms. The Parties agree that if the Commission rejects all or any part of this Settlement Agreement or otherwise materially modifies its terms, either Party shall have the right, within thirty (30) business days of the Commission's order, either to file an application for rehearing or to terminate and withdraw from this agreement by filing a

notice with the Commission. If an application for rehearing is filed, and if the Commission does not, on rehearing, accept the Settlement Agreement without material modification, either Party may terminate and withdraw from this agreement by filing a notice with the Commission within ten (10) business days of the Commission's order or entry on rehearing. In such an event, a hearing shall go forward, and the Parties shall be afforded the opportunity to present evidence through witnesses, to cross-examine all witnesses, to present rebuttal testimony, and to file briefs on all issues.

II. Procedural History

- A. On January 26, 2018, a vehicle operated by Royal Gas & Oil Company, Inc. and driven by Bruce M. Benton was inspected within the State of Ohio. The inspection resulted in the discovery of two (2) violations of the federal hazardous materials regulations. The violations were: transporting a hazardous material not in accordance with Subchapter C of the regulations in violation of 49 C.F.R. §171.2(f); and failure to properly describe the hazardous material on shipping papers in violation of 49 C.F.R. §172.200(a).
- B. On April 5, 2018, Respondent was timely served with a notice of preliminary determination in accordance with Rule 4901:2-7-12, O.A.C. for Case No. OH3238012422C. The preliminary determination assessed Respondent \$0.00 for the violations.
- C. On May 4, 2018, Respondent made a timely formal request for an administrative hearing pursuant to Rule 4901:2-7-13, O.A.C.

- D. The parties have negotiated this settlement agreement which the parties believe resolves all the issues raised in the notice of preliminary determination.

III. Settlement Agreement

The parties hereto agree and recommend that the Commission find as follows:

- A. While the shipping papers at issue properly reflected the individual component materials comprising the admixture, Respondent acknowledges that its shipping papers did not reflect the respective proportions of those materials in the specific admixture once the materials were combined.
- B. Respondent has agreed to change the manner in which it prepares its shipping papers so as to accurately describe the mixture of products blended into the same compartment. Staff is satisfied that the Respondent has pledged to take appropriate corrective action.
- C. No civil forfeiture was assessed.
- D. This settlement agreement shall not become effective until adopted by an Opinion and Order of the Commission. The date of the entry of the Commission order adopting the settlement agreement shall be considered the effective date of the settlement agreement.
- E. This settlement agreement is made in settlement of all factual or legal issues in this case. It is not intended to have any effect whatsoever in any other case or proceeding.

III. Conclusion

The Signatory parties agree that this Settlement Agreement is in the best interest of all parties, and urge the Commission to adopt the same. The undersigned respectfully request that the Commission issue an entry in accordance with the terms set forth in this Settlement Agreement.

The parties have manifested their consent to the Settlement Agreement by affixing their signatures below on this 18th day of January, 2019.

On behalf of Royal Gas & Oil Company, Inc.

On behalf of the Staff of the Public
Utilities Commission of Ohio

/s/Virginia Robinson

Virginia Robinson [per authorization]
Safety Compliance Director
Royal Gas & Oil Company, Inc.
1710 Hilton Road
Ferndale, MI 48220 38194-7103

/s/Werner L. Margard III

Werner L. Margard III
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Case No(s). 18-0799-TR-CVF

Summary: Agreement Settlement electronically filed by Ms. Tonnetta Scott on behalf of PUC