



STATE OF TENNESSEE  
DEPARTMENT OF ENVIRONMENT AND CONSERVATION  
Division of Underground Storage Tanks  
Davy Crockett Tower  
500 James Robertson Parkway, 7<sup>th</sup> Floor  
Nashville, Tennessee 37243

August 7, 2024

Pilot Travel Centers, LLC  
c/o C T Corporation System, Registered Agent  
300 Montvue Road,  
Knoxville, Tennessee 37919

Served via Private Process Server

Re: Pilot No. 4599  
640 Dixie Lee Avenue  
Monteagle, Tennessee 37356  
Facility ID # 3-580060  
Case # FDA24-0045

Dear Pilot Travel Centers, LLC:

Enclosed is a Director's Order and Assessment ("Order") for violations of the Tennessee Petroleum Underground Storage Tank Act and relevant rules. This Order is issued by the State of Tennessee, Department of Environment and Conservation, Division of Underground Storage Tanks. A civil penalty of \$20,000.00 has been assessed against Petitioner Pilot based on the stated violations.

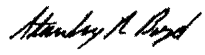
The Division reviewed the Application for Fund Eligibility for the above referenced facility and determined that this facility meets the requirements for fund eligibility for a release occurring on or after June 15, 2021. Reimbursement of the approved corrective action costs for this release is authorized. The deductible for releases which occur on or after June 15, 2021, is \$5,000.00 provided the facility meets all requirements listed in Rule 0400-18-01-.09(6). Tenn. Comp. R. & Regs. 0400-18-01-.09. Based on the information provided on the Application for Fund Eligibility and violations discovered during the most recent inspection, the deductible for the release is **\$30,000.00**.

Please read the Order carefully and pay special attention to the **Notice of Rights** section. Please note that the required due dates in the Order are based on the date the Petitioner receive the Order, not the date that it was signed by the Director. Any appeal must be made in writing and be received by the Division within thirty days after your receipt of the Order.

Because there is outstanding noncompliance from the May 10, 2024, inspection, if this Order is not appealed and becomes final, the facility will be placed on the petroleum **Delivery Prohibition List**. Red tags will be installed at the facility's fill ports. Documentation establishing the facility's return to compliance shall be submitted to the Division by the due date established in the Order.

If you have any questions about this matter, please contact Justin Evans at (865) 333-6227 or [justin.evans@tn.gov](mailto:justin.evans@tn.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Stanley R. Boyd".

Stanley R. Boyd  
Director

cc: Enforcement File  
Chattanooga Environmental Field Office

**STATE OF TENNESSEE**  
**DEPARTMENT OF ENVIRONMENT AND CONSERVATION**

<b>IN THE MATTER OF:</b>	)	
	)	<b>DIVISION OF UNDERGROUND</b>
	)	<b>STORAGE TANKS</b>
	)	
<b>PILOT TRAVEL CENTERS, LLC,</b>	)	
	)	<b>CASE NO. FDA24-0045</b>
	)	
<b>PETITIONER.</b>	)	
	)	
	)	<b>FACILITY: PILOT NO. 4599</b>
	)	

**ORDER AND ASSESSMENT**

David W. Salyers, P.E., Commissioner of the Tennessee Department of Environment and Conservation (the "Commissioner"), states:

**PARTIES**

**I.**

David W. Salyers, P.E., is the duly appointed Commissioner of the Department of Environment and Conservation ("Department") and is charged with administering and enforcing the Tennessee Petroleum Underground Storage Tank Act ("Act"), Tenn. Code Ann. §§ 68-215-101 to -204. Stanley R. Boyd is the duly appointed Director of the Division of Underground Storage Tanks ("Division"). He has received written delegation from the Commissioner to administer and enforce the Act.

**II.**

Pilot Travel Centers, LLC ("Petitioner") is a limited liability company created in Delaware and is registered to conduct business in Tennessee. The Petitioner is the property owner<sup>1</sup> and registered owner of four underground storage tank ("UST") systems located in Marion County at 640 Dixie Lee Avenue, Monteagle, Tennessee 37356. Service of process may be made on the Petitioner's Registered Agent, C T Corporation System, at 300 Montvue Road, Knoxville, Tennessee 37919.

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<sup>1</sup> PFJ Southeast merged into Pilot Travel Centers LLC, the registered tank owner of the facility

## **JURISDICTION**

### **III.**

When the Commissioner finds that the Act is being violated or that effective measures are not in place to comply with the provisions of the Act, the Commissioner may issue an order for correction to the responsible party and assess civil penalties of up to \$10,000.00 for each day a violation exists. Tenn. Code Ann. §§ 68-215-114 and -121. If this Order becomes final, the Commissioner may affix a notice of petroleum delivery prohibition (also known as a "red tag") to the facility fill ports or dispensers or give notice on the Department's website of petroleum delivery prohibition. Tenn. Code Ann. § 68-215-106(c). Rules governing underground storage tanks have been promulgated and are effective as Tenn. Comp. R. & Regs. 0400-18-01-.01 to -.17 ("Rules"). Tenn. Code Ann. § 68-215-107(f).

### **IV.**

The Petitioner is a "person," Tenn. Code Ann. § 68-215-103(11), a "responsible party," Tenn. Code Ann. § 68-215-103(17)(A) and has violated the Act.

## **FACTS**

### **V.**

On October 07, 2022, the Division received a Notification for Underground Storage Tanks form, listing the Petitioner as the owner of the four UST systems located at 640 Dixie Lee Avenue, Monteagle, Tennessee 37356 ("Facility"). The facility ID number is 3-580060.

### **VI.**

On April 30, 2024, the Division received a report of a suspected release by email from Richard Stevens, with Atlas Technical Consultants, the corrective action contractor (CAC). The email stated that 4.75 inches of fuel was observed in the Under Dispenser Containment (UDC) sump located at Dispenser 21, from a dripping filter which has been repaired.

### **VII.**

On May 3, 2024, the Division sent a Confirmation of Compliance Inspection Appointment letter to the Petitioner. The letter confirmed the inspection date of May 10, 2024.

### **VIII.**

On May 10, 2024, Division personnel performed a compliance inspection at the Facility. While the following violation has been addressed by the Petitioner, it impacts the deductible as set forth in Rule 0400-18-01-.09:

- Failure of piping installed after July 25, 2007, to be 100% double walled or to be secondarily contained with a single wall that ends in sumps in accordance with Rule 0400-18-01-.02(2)(b)1. Specifically, at the time of the inspection the UDC sump located at Dispenser 21 had failed the hydrostatic sump integrity test conducted on May 2, 2024.

### **IX.**

On May 23, 2024, the Division received an Application for Fund Eligibility from the Petitioner's CAC for the April 23, 2024, release at the Facility.

### **X.**

On June 24, 2024, the Division received an email from Jody Sailors, with Spatco, that detailed the repairs made to the UDC sump located at Dispenser 21. The email also included a new "passing" hydrostatic integrity test report for this sump that reportedly was conducted on May 3, 2024.

### **XI.**

On June 26, 2024, the Division mistakenly sent a Results of Compliance Inspection - Inspection Closed letter.

### **XII.**

After enforcement review, the Division added the following violations:

- Failure to report a suspected release to the Division within 72 hours in accordance with Rule 0400-18-01-.05(1)(a). Specifically, upon review of the records provided with the Fund Eligibility Application, several suspected releases were not reported to the Division and no documentation of the investigation or correction was provided for the incidents listed below:
  - On November 28, 2023, 11.5 inches of fuel and 1.25 inches of water were found in the UDC sump located at Dispenser 23 due to a filter leak. The Petitioner's walkthrough inspection documentation stated that these measurements were reported to Pilot FM for repairs.

- On December 28, 2023, 11.5 inches of fuel were found in the UDC sump located at Dispenser 23 and 6.5 inches of fuel were found in UDC sump located at Dispenser 21. The Petitioner's walkthrough inspection documentation stated that these measurements were reported to Pilot FM for pump out.
- On April 23, 2024, 4.75 inches of fuel were found in the UDC sump located at Dispenser 21.
- On March 15, 2024, and again on April 15, 2024, a "REG UNL ANNULAR high liquid alarm" occurred.
- Failure to conduct a system test in accordance with Rule 0400-18-01-.05(3)(a). Specifically, upon review of the records provided with the Fund Eligibility Application, the suspected releases from the March 15, 2024, and April 15, 2024, high liquid alarms and the presence of fuel found in the UDC sump located at Dispenser 23 on November 28, 2023, and December 28, 2023, were not investigated.

### **XIII.**

Division personnel reviewed the Application for Fund Eligibility along with the documentation required by Rule 0400-18-01-.09. Based upon this review, Division personnel determined that this facility did not meet the requirements for the minimum deductible for the release due to the following:

- Failure of piping installed after July 25, 2007, to be 100% double walled or to be secondarily contained with a single wall that ends in sumps in accordance with Rule 0400-18-01-.02(2)(b)1.
- Failure to report a suspected release to the Division within 72 hours in accordance with Rule 0400-18-01-.05(1)(a).

The deductible for the release is \$30,000.00.

### **VIOLATIONS**

#### **XIV.**

By failing to operate a UST in compliance with the Act, the Petitioner violated Tennessee Code Annotated section 68-215-104(2), which states:

It is unlawful to: Construct, alter or operate a petroleum underground storage tank in violation of this chapter or the rules or regulations established pursuant thereto[.]

## **XV.**

The Petitioner violated Rule 0400-18-01-.02(2)(b)1, which states:

0400-18-01-.02 UST SYSTEMS: INSTALLATION AND OPERATION.

(2) Secondary Containment.

(b) Piping.

Pressurized piping or suction piping that does not meet the requirements of subparts (2)(b)2.(i) through (iii) of Rule 0400-18-01-.04 that is required to be secondarily contained in accordance with subparagraph (1)(c) of this rule or with paragraph (6) of this rule shall comply with the following:

1. Piping shall comply with one of the following:

- (i) Piping shall be one hundred percent (100%) double-walled; or
- (ii) Piping shall be secondarily contained with single-walled piping ends that terminate in tank and dispenser sumps that meet the requirements of parts (c)1. through 3. of this paragraph.

## **XVI.**

The Petitioner violated Rule 0400-18-01-.05(1)(a), which states:

0400-18-01-.05 RELEASE REPORTING, INVESTIGATION AND CONFIRMATION.

(1) Reporting Of Suspected Releases.

(a) Owners and/or operators of UST systems shall report to the division within 72 hours and follow the procedures in paragraph (3) of Rule 0400-18-01-.05 for any of the following conditions:

- 1. The discovery by owners and/or operators or others of released petroleum at the UST site or in the surrounding area (such as the presence of free product or vapors in soils, basements, sewer and utility lines, and nearby surface water).
- 2. Unusual operating conditions observed by owners and/or operators (such as the erratic behavior of petroleum dispensing equipment, the sudden loss of petroleum from the UST system, or an unexplained presence of water in the tank, or liquid in the interstitial space of secondary contained systems), unless:
  - (i) The system equipment or component is found not to be releasing petroleum into the environment;
  - (ii) Any defective system equipment or component is immediately repaired or replaced; and

- (iii) For secondarily contained systems any liquid in the interstitial space not used as part of the interstitial monitoring method (for example, brine filled) is immediately removed.
- 3. Monitoring results, including investigation of an alarm, from a release detection method required under paragraph (2) of Rule 0400-18-01-.04 that indicate a release may have occurred unless:
  - (i) The monitoring device is found to be defective, and is immediately repaired, recalibrated or replaced, and additional monitoring within 30 days does not confirm the initial result;
  - (ii) The leak is contained in the secondary containment and conditions of subparts 2.(ii) and (iii) of this subparagraph are met;
  - (iii) The investigation determines no release has occurred; or
  - (iv) The alarm was investigated and determined to be a non-release event (for example, from a power surge caused by filling the tank during release detection testing).

## XVII.

The Petitioner violated Rule 0400-18-01-.05(3)(a), which states:

### 0400-18-01-.05 RELEASE REPORTING, INVESTIGATION AND CONFIRMATION.

#### (3) Release Investigation and Confirmation Steps.

Unless corrective action is initiated in accordance with Rule 0400-18-01-.06, owners and/or operators shall immediately investigate and confirm all suspected releases of petroleum requiring reporting under paragraph (1) of this rule within 30 days in accordance with this paragraph.

##### (a) System test.

Owners and/or operators shall conduct tests (according to the requirements for tightness testing in subparagraphs (3)(b) and (4)(b) of Rule 0400-18-01-.04 or, as appropriate, secondary containment testing described in subparagraph (7)(d) of Rule 0400-18-01-.02).



## ORDER AND ASSESSMENT

### XVIII.

Pursuant to the authority vested by sections 68-215-107, -114, and -121 of the Act, the Petitioner is issued the following Order:

1. The Application for Fund Eligibility for the April 23, 2024, release is approved with a deductible of \$30,000.00.
2. The Petitioner shall perform release investigation and remediation activities of Rule 0400-18-01-.06 within the timeframes determined by the Division.
3. If the Petitioner fails to comply with this order and/or file an appeal within the timeframes stated below, **the above referenced facility will be placed on the Delivery Prohibition List and the fill ports or dispensers will be red tagged until compliance is achieved.** Tenn. Code Ann. § 68-215-106(c).
4. **Remedial Action:** The Petitioner shall perform all actions necessary to correct the outstanding violations and to bring the facility into full compliance with regulatory requirements.
  - i. On or before the ninetieth day after receipt of this Order, the Petitioner shall complete operator retraining by choosing one of the two following options:
    - a. Complete online training (Tennessee Tank Helper) using this link:  
<https://www.tn.gov/environment/ust/operator-training/tank-helper.html>.
      - If the Petitioner does not already have an account, one shall be created and all relevant trainings for the site shall be completed.
    - b. Complete virtual training (Tennessee Tank School) by registering for the upcoming class using this link:  
<https://www.tn.gov/environment/ust/operator-training/tank-school.html>.
      - Tank school classes are held on the second Wednesday of the month. The Petitioner shall register to attend the class at least one week prior to the class and complete the pre-test. A post-class test score of 70 or above is required.
  - ii. On or before the thirty-first day after receipt of this Order, the Petitioner shall conduct a system test for Tank 9A (regular gasoline) and the UDC sump located at Dispenser 23 (according to the requirements for tightness testing in subparagraphs (3)(b) and (4)(b) of Rule 0400-18-01-.04 or, as appropriate, secondary containment testing described in subparagraph (7)(d) of Rule 0400-18-01-.02).

5. **Civil Penalty:** On or before the thirty-first day after receipt of this Order, the Petitioner shall pay a total civil penalty in the amount of \$20,000.00. This amount consists of the following:
- i. Five violations assessed at \$3,200.00 per suspected release for a total of \$16,000.00 for failing to report a suspected release to the Division within 72 hours.
  - ii. Two violations assessed at \$2,000.00 per test for a total of \$4,000.00 for failing to conduct a system test.
  - iii. All payments should be sent to the following address:

**Treasurer, State of Tennessee  
Division of Fiscal Services – Consolidated Fees Section  
Davy Crockett Tower  
500 James Robertson Parkway, 6th Floor  
Nashville, Tennessee 37243**

6. Failure to comply with any of the requirements of this Order could lead to further enforcement actions which may include additional civil penalties, assessment of damages and recovery of costs.
7. With the exception of the deadline for filing the appeal of this Order, the Department may extend the compliance dates contained within this Order for a fixed time period for good cause shown by the Petitioner. To be eligible for this time extension, the Petitioner shall submit a written request to be received in advance of the compliance date. The written request must include sufficient detail to justify such an extension and include at a minimum the anticipated length of the delay. The Department will reply to the Petitioner's request in writing, establishing a new deadline for compliance with this Order. Should the Petitioner fail to meet the requirements of this Order by the new deadline, then any associated civil penalty shall be due within thirty days after that deadline. The request for an extension of time does not change the deadline to submit an appeal. See Notice of Rights.

### **RESERVATION OF RIGHTS**

In issuing this Order, the Department does not implicitly or expressly waive any provision of the Act or the regulations promulgated thereunder or the authority to assess costs, civil penalties, or damages incurred by the State against the Petitioner. The Department expressly reserves all rights it has at law and in equity to order further corrective action, assess civil penalties or damages, and to pursue further enforcement action including, but not limited to, monetary and injunctive relief. Compliance with this Order will be considered as a mitigating factor in determining the need for future enforcement action.

### **NOTICE OF RIGHTS**

The Petitioner may appeal this Order. Tenn. Code Ann. § 68-215-119. To do so, a written petition setting forth the reasons for requesting a hearing must be received by the Commissioner within thirty days of the date the Petitioner received this Order or this Order will become final.

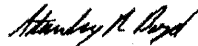
If an appeal is filed, an initial hearing of this matter will be conducted by an Administrative Judge as a contested case hearing. Tenn. Code Ann. § 68-215-119; Tenn. Code Ann. §§ 4-5-301 to -326 (the Uniform Administrative Procedures Act); and Tenn. Comp. R. & Regs. 1360-04-01 (the Department of State's Uniform Rules of Procedure for Hearing Contested Cases Before State Administrative Agencies). Such hearings are legal proceedings in the nature of a trial. Individual Petitioners may represent themselves or be represented by an attorney licensed to practice law in Tennessee. Artificial Petitioners (corporations, limited partnerships, limited liability companies, etc.) cannot engage in the practice of law and therefore may only pursue a contested case through an attorney licensed to practice law in Tennessee. Low-income individuals may be eligible for representation at reduced or no cost through a local bar association or legal aid organization.

At the conclusion of any initial hearing, the Administrative Judge has the authority to affirm, modify, or deny the Order. Furthermore, the Administrative Judge on behalf of the Board has the authority to assess additional damages incurred by the Department including, but not limited to, all docketing expenses associated with the setting of the matter for a hearing and the hourly fees incurred due to the presence of the Administrative Judge and a court reporter.

Any petition for review (appeal) must be directed to the Commissioner of the Tennessee Department of Environment and Conservation, c/o Jenny L. Howard, General Counsel, Department of Environment and Conservation, Davy Crockett Tower, 500 James Robertson Pkwy, 5th Floor, Nashville, Tennessee 37243. The petition may be mailed or delivered to this address, or it may be sent to [TDEC.Appeals@tn.gov](mailto:TDEC.Appeals@tn.gov). Payments of the civil penalty and/or damages shall be made payable to the "Treasurer, State of Tennessee" and sent to the Division of Fiscal Services – Consolidated Fees Section, Department of Environment and Conservation,

Davy Crockett Tower, 500 James Robertson Pkwy, 6th Floor, Nashville, Tennessee 37243. Technical questions and other correspondence involving compliance issues should be sent to Justin Evans, 3711 Middlebrook Pike, Knoxville TN 37921. Attorneys should contact the undersigned counsel of record. **The case number, FDA24-0045, should be written on all correspondence regarding this matter.**

Issued by the Director of the Division of Underground Storage Tanks, Tennessee Department of Environment and Conservation, on this 7th day of August, 2024.



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Stanley R. Boyd, Director  
Division of Underground Storage Tanks  
TN Department of Environment and Conservation

Reviewed by:



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George Bell (Aug 7, 2024 10:35 CDT)

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George S. Bell, III  
BPR# 19051  
Senior Associate Counsel  
Department of Environment and Conservation  
Davy Crockett Tower  
500 James Robertson Pkwy, 5th Floor  
Nashville, Tennessee 37243 (615) 741-3842  
George.Bell@tn.gov