

JUSTICE NEWS

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Biofuel Company Owners Sentenced for Conspiracy and Fraud Charges

The co-owners of an Indiana biofuel producer were sentenced today in the Northern District of Indiana by Senior Judge James T. Moody, announced the Justice Department.

Fred Witmer, 46, and Gary Jury, 58, of Triton Energy LLC and Gen2 Renewable Diesel LLC pleaded guilty to conspiracy, fraud, and false statements in October 2016. Witmer and Jury were sentenced to 57 months in prison and 30 months in prison, respectively. According to their pleas, Witmer and Jury generated over \$60 million in fraudulent tax credits and U.S. Environmental Protection Agency (EPA) renewable fuel credits (RIN credits). Witmer admitted to fraudulently claiming tax credits and RIN credits on non-qualifying renewable fuel and to deceiving the purchasers of his RIN credits. Although Witmer represented that the fuel was used as transportation fuel, he admitted selling it to be made into fire starter logs and for asphalt and cement production. Jury admitted conspiring to fraudulently claim tax credits and to providing false statements to the EPA.

"The defendants purposefully defrauded the federal government, taking illegal advantage of a program created by Congress to help our nation achieve energy, economic, and environmental goals," said Acting Assistant Attorney General Jeffrey H. Wood of the Justice Department's Environment and Natural Resources Division. "These crimes have been prosecuted to the fullest extent, and our actions here demonstrate that the Justice Department will continue to prosecute fraud in the RIN markets."

"Today's sentencing sends a strong message that there are serious consequences for activity that defrauds the economy and taxpayers," said Special Agent in Charge W. Jay Abbott of the Federal Bureau Investigation's Indianapolis Division. "I commend the excellent cooperation between the prosecutors, agents and other investigators who worked tirelessly to uncover this fraudulent scheme and expose these perpetrators who were manipulating the system for their own gains."

"Fred Witmer and Gary Jury used their company, Triton, to run a sophisticated shell game and exploit the Alternative Fuel Credit program," said Chief Don Fort of the Internal Revenue Service's Criminal Investigation. "Unfortunately for them, our special agents were able to track the movement of paperwork and uncover the deceit behind their actions. We are proud to partner with the EPA and other federal agencies in this important effort to stop those who abuse and illegally claim alternative fuel credits, a growing area of emphasis for IRS-CI."

"The defendants' massive fraud in this case undermines the competitive and fair marketplace on which law abiding renewable fuels producers depend," said Acting Assistant Administrator Larry Starfield for the Environmental Protection Agency's Office of Enforcement and Compliance Assurance. "This case shows that EPA is fully committed to working with our law enforcement partners to pursue and hold accountable entities that break the law."

The investigation was conducted by the FBI's Indianapolis Division, the IRS' Criminal Investigation Indianapolis Field Office and the EPA's Criminal Investigation Division.

The government is represented by Environmental Crimes Section Trial Attorney Adam Cullman and Senior Trial Attorney Jeremy Korzenik.

Component(s):

Environment and Natural Resources Division

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