



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

May 14, 2025

Greeneville Oil & Petroleum, Inc.
c/o E Grant Crum, Registered Agent
100 South Main Street
Greeneville, Tennessee 37743

Served via Private Process Server

737 Grace 1, LLC
c/o Atul Shukla, Registered Agent
1599 Cooks Valley Road
Kingsport, Tennessee 37664

Served via Private Process Server

Re: Quick Stop Market #31
901 West Market St.
Johnson City, Tennessee 37601
Facility ID # 1-900222
Case # FDA25-0039

Dear Respondents:

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 \$11,800.00 has been assessed against Greeneville Oil & Petroleum, Inc. 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 **\$10,000.00**.

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 Respondents 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 January 9, 2025, 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.

Sincerely,

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

Stanley R. Boyd
Director

cc: Enforcement File
Johnson City Environmental Field Office

STATE OF TENNESSEE
DEPARTMENT OF ENVIRONMENT AND CONSERVATION

IN THE MATTER OF:)	
)	DIVISION OF UNDERGROUND
)	STORAGE TANKS
GREENEVILLE OIL & PETROLEUM,)	
INC.)	
)	CASE NO. FDA25-0039
AND)	
)	
737 GRACE 1, LLC)	FACILITY: QUICK STOP MARKET
)	#31
RESPONDENTS.)	

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.

Greeneville Oil & Petroleum, Inc. ("Respondent Greeneville") is a corporation created in Tennessee and is registered to conduct business in Tennessee. Respondent Greeneville is the registered owner of three single compartment underground storage tank ("UST") systems located in Washington County at 901 West Market Street, Johnson City, Tennessee 37601. Service of process may be made on the Respondent Greeneville's Registered Agent, E Grant Crum, at 100 South Main Street, Greeneville, Tennessee 37743.

737 Grace 1, LLC ("Respondent 737") is a limited liability company created in Tennessee and is registered to conduct business in Tennessee. Respondent 737 is the property owner of the site that contains three single compartment UST systems located in Washington County at 901 West Market Street, Johnson

City, Tennessee 37601. Service of process may be made on the Respondent 737's Registered Agent, Atul Shukla, at 1599 Cooks Valley Road, Kingsport, Tennessee 37664.

Respondent Greeneville and Respondent 737 will hereinafter collectively be referred to as the "Respondents."

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 Respondents are "persons," Tenn. Code Ann. § 68-215-103(11), "responsible parties," Tenn. Code Ann. § 68-215-103(17)(A), and have violated the Act.

FACTS

V.

On March 1, 2002, the Division received a Notification for Underground Storage Tanks form, listing Respondent Greeneville as the owner of the three UST systems located at 901 West Market Street, Johnson City, Tennessee 37601 ("Facility"). The facility ID number is 1-900222.

VI.

On January 2, 2025, the Division received a complaint notifying the Division of dispensing issues and the presence of water in one of the USTs at the Facility.

VII.

On January 3, 2025, the Tennessee Department of Agriculture's Weights and Measures Division confirmed that there were four inches of water in the Facility's premium tank.

VIII.

On January 9, 2025, Division personnel performed a compliance inspection at the Facility. The inspector discovered several violations. The following violations have not been addressed:

- Failure to operate and maintain a corrosion protection system in accordance with a corrosion expert's design to provide continuous protection in accordance with Rule 0400-18-01-.02(4)(c)1. Specifically, at the time of the inspection, the June 13, 2024, corrosion protection test indicated that the rectifier output was 2.62 amps. During the inspection, the rectifier output was observed to be 0.8 amps. This is a more than 20% variance between the "as left" reading on the corrosion protection test and the onsite observed reading. This large of a variance is indicative of system issues and needs to be investigated.
- Failure to repair or replace any tanks or piping which have had a structural failure in accordance with Rule 0400-18-01-.02(7)(a). Specifically, at the time of the inspection, the inspector was informed by the Respondents that the premium tank was investigated and repaired. It was believed that water intrusion was due to an O-ring located in the Submersible Turbine Pump (STP) motor. The Division was informed onsite at the inspection that this issue was fixed, and water was removed from the premium tank. Upon further follow-up testing and investigation by the compliance contractor, it was found that the ullage section of the tank failed a tightness test on January 8, 2025, and the compliance contractor has scheduled to replace the riser and reseal the STP. The Division has not received any repair or testing documentation (i.e., work invoices, tightness testing, etc.) regarding the work done to address the water intrusion issues at the premium tank. Additionally, a tank tightness test will need to be done within 30 days to verify that the repairs have addressed the issues.
- Failure to report a change of status for a UST system within 30 days in accordance with Rule 0400-18-01-.03(1)(g). Specifically, at the time of the inspection, Washington County, Tennessee property records show that Respondent 737 became the property owner on March 2, 2022. Respondent Greeneville is the registered tank owner with the Division. At the inspection, representatives from Greeneville Oil & Petroleum, Inc. and the Compliance Contractor Don Guffey communicated to the Division that Respondent 737 was the tank owner as of March 2, 2022.

IX.

On February 12, 2025, the Division received an Application for Fund Eligibility from Respondent Greeneville's Corrective Action Contractor for the January 2, 2025, release at the Facility.

X.

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 to operate and maintain a corrosion protection system in accordance with a corrosion expert's design to provide continuous protection in accordance with Rule 0400-18-01-.02(4)(c)1.

The deductible for the release is \$10,000.00.

VIOLATIONS

XI.

By failing to operate a UST in compliance with the Act, Respondent Greeneville 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[.]

XII.

The Respondents violated Rule 0400-18-01-.02(4)(c)1, which states:

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

(4) Corrosion protection.

(c) Operation and maintenance of corrosion protection.

All owners and/or operators of metal UST systems with corrosion protection shall comply with the following requirements to ensure that releases due to corrosion are prevented until the UST system is permanently closed or undergoes a change-in-service in accordance with paragraph (4) of Rule 0400-18-01-.07:

1. All corrosion protection systems shall be operated and maintained in accordance with a corrosion expert's design to continuously provide corrosion protection to the metal components of that portion of the tank, piping and underground

ancillary equipment that routinely contains petroleum and is in contact with the ground.

XIII.

The Respondents violated Rule 0400-18-01-.02(7)(a), which states:

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

(7) Repairs.

Owners and/or operators of UST systems shall ensure that repairs will prevent releases due to structural failure or corrosion as long as the UST system is used to store petroleum. Owners and/or operators shall repair or replace any tanks or piping which have had a structural failure. The repairs shall meet the following requirements:

(a) Repairs to UST systems shall be conducted so as to effectively prevent releases for the operational life of the tank system.

XIV.

The Respondents violated Rule 0400-18-01-.03(1)(g), which states:

0400-18-01-.03 NOTIFICATION, REPORTING, AND RECORD KEEPING.

(1) Notification requirements.

(g) Any change in the status of the tanks at a petroleum UST facility shall be reported within 30 days of said change. This includes but is not limited to changes of ownership, upgrading or replacement of tanks, changes in mailing address, permanent closure of a tank compartment, and changes in service. Such reports shall be made using an amended notification form. In the case of a sale of tanks, the seller shall submit the notification form designated by the Division, completed in accordance with instructions provided by the Division, and shall also inform the buyer of the notification requirement.

ORDER AND ASSESSMENT

XV.

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

1. The Application for Fund Eligibility for the January 2, 2025, release is approved with a deductible of \$10,000.00.
2. The Respondents shall perform release investigation and remediation activities of Rule 0400-18-01-.06 within the timeframes determined by the Division.

3. If the Respondents fail 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 Respondents 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 thirty-first day after receipt of this Order, the Respondents shall investigate and if necessary, repair the corrosion protection system and submit any documentation to the Division for review. If repairs are made, a new corrosion protection test must be performed and submitted to the Division, and a tank tightness test may need to be performed three to six months following the repair.
 - ii. On or before the thirty-first day after receipt of this Order, the Respondents shall provide repair documentation regarding the work done in response to the water intrusion at the premium tank.
 - iii. On or before the thirty-first day after receipt of this Order, the Respondents shall perform tank tightness testing on the premium tank and submit documentation to the Division for review.
 - iv. On or before the thirty-first day after receipt of this Order, the Respondents shall submit an updated notification form to the Division clarifying tank ownership.
5. **Civil Penalty:** On or before the thirty-first day after receipt of this Order, the Respondents shall pay a total civil penalty in the amount of \$11,800.00. This amount consists of the following:
- i. One violation assessed at \$2,000.00 per corrosion protection system for failing to operate and maintain a corrosion protection system in accordance with a corrosion expert's design to provide continuous protection.
 - ii. One violation assessed at \$8,000.00 per event for failing to repair or replace any tanks or piping which have had a structural failure.
 - iii. Three violations assessed at \$600.00 per UST system for a total of \$1,800.00 for failing to report a change of status for a UST system within 30 days.
 - iv. Payment shall be made payable to the **"Treasurer, State of Tennessee"** and sent to the **Division of Fiscal Services - Consolidated Fees Section, Tennessee Department of Environment and Conservation, Davy Crockett Tower, 500**

James Robertson Pkwy, 6th Floor, Nashville, Tennessee 37243. The case number, **"FDA25-0039,"** must be clearly shown on the check or money order to ensure that the payment is properly credited.

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 Respondents. To be eligible for this time extension, the Respondents 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 Respondents' request in writing, establishing a new deadline for compliance with this Order. Should the Respondents 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 Respondents. 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(s).

NOTICE OF RIGHTS

The Respondents 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 Respondents 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 Respondents may represent themselves or be represented by an attorney licensed to practice law in Tennessee. Artificial Respondents (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. 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, Knoxville Environmental Field Office, 3711 Middlebrook Pike, Knoxville, Tennessee 37921. Attorneys should contact the undersigned counsel of record. **The case number, FDA25-0039, 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 14th day of May, 2025.



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

Reviewed by:



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BPR # 035258
Senior Associate Counsel
Department of Environment and Conservation
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