

FILED IN THE
UNITED STATES DISTRICT COURT
DISTRICT OF HAWAII

AUG 28 2025

at 2 o'clock and 13 min. M
Lucy H. Carrillo, Clerk

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IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF HAWAII

UNITED STATES OF AMERICA,)
)
Plaintiff,)
)
vs.)
)
JOHN FLOYD and (01))
NELSON WU, (02))
)
Defendants.)
_____)

CASE NO. **CR 25-00085 JAO**
INDICTMENT
[18 U.S.C. §§ 371, 1001, and 2(b)]

INDICTMENT

The Grand Jury charges:

General Allegations

At all times relevant to this Indictment:

1. JOHN FLOYD and NELSON WU, the defendants, were civilians employed as Fuels Department Deputy Director and Fuels Department Supervisory Engineer, respectively, of the United States Navy, Navy Supply Systems Command Fleet Logistics Center Pearl Harbor (“FLCPH”), which included the Red Hill Bulk Fuel Storage Facility (“Red Hill”). WU reported directly to FLOYD.

2. Red Hill was a Navy fuel storage facility that supplied jet fuel and marine fuel to the United States military. It was constructed in cavities of a volcanic mountain above an aquifer from approximately 1940 to 1943 and included 20 steel-lined storage tanks. Each of these cylindrical tanks was 100 feet in diameter and 250 feet tall with a storage capacity of approximately 12.5 million gallons. The storage tanks, which were numbered 1 through 20, were connected by an approximately 2.5-mile pipeline system that ran through an underground tunnel adjacent to the tanks from just uphill of Tanks 19 and 20 down to Pearl Harbor. Smaller “surge tanks” connected to the pipeline were used during fuel transfers between storage tanks.

3. The United States Environmental Protection Agency authorized the State of Hawaii, through the Hawaii Department of Health (“HDOH”), to enforce

compliance with underground storage tank requirements and standards in the State of Hawaii. As such, the HDOH was the regulator of Red Hill and oversaw the state's implementation and enforcement of the federal Resource Conservation and Recovery Act.

4. On or about May 6, 2021, couplings on the pipeline at Red Hill failed near Tanks 18 and 20 during an attempted transfer of jet fuel (JP-5) from Tank 12, through Surge Tank 2, to Tank 9. The attempted transfer was aborted after approximately 20,000 gallons of jet fuel from Tank 12 flowed into the JP-5 pipeline and then spilled into the tunnel from the breaches near Tanks 18 and 20 in the pipeline.

5. On or about June 9, 2021, the HDOH issued a Request for Information ("RFI") to the Navy about the May 6, 2021 fuel spill. The RFI sought specific categories of information, including:

- a. "RFI 1. Provide description and detail timeline of incident and actions taken by the Navy to Protect human life and the environment until emergency was stabilized."
- b. "RFI 2. Provide an explanation for the suspected cause of the pipeline failure and release."
- c. "RFI 4. Provide calculations and documentation to support fuel release and capture quantities, including but not limited to the following

documents: . . . Tank 20 (JP5) Daily Ledger Inventory Report from May 5 through May 11, 2021 [and] Red Hill Tank Daily Level logs and Control Room log for Tank 20 levels from May 5 through May 11, 2021.”

6. On or about July 12, 2021, the Navy provided a partial response to the RFI, stating in part that its investigation into the events of May 6, 2021 was ongoing. The partial response did not include information or records relating to the fuel release and capture quantities, the source tank of the fuel that spilled from the pipeline, or the movement of fuel in connection with the spill.

7. In a letter dated September 17, 2021, the HDOH directed that the “Navy shall provide the outstanding information” requested in the RFI no later than October 1, 2021.

8. On October 1, 2021, the Navy responded to the HDOH’s RFI. FLOYD and WU participated in drafting the response to the RFI for review by Navy officers and transmission to the HDOH. The Fuels Department was the main source of information for the response. When questioned about the accuracy of the May 6, 2021 spill volume data by multiple Navy officers involved in approving the response to the RFI, FLOYD and WU reiterated that only an estimated 1,618 gallons had spilled into the tunnel and that the remainder of the jet fuel put into the JP-5 pipeline during the attempted transfer from Tank 12 had remained in the pipeline.

9. Beginning no later than May 6, 2021, FLOYD and WU understood:
- a. The HDOH was the regulator of Red Hill;
 - b. The HDOH implemented and enforced federal and state laws and regulations that applied to Red Hill, including RCRA;
 - c. The HDOH would investigate the May 6, 2021 spill, including assessment of the source and volume of the spill, the amount recaptured, the travel path and destination of the spilled fuel, the potential for impact to the environment, including the aquifer and water supply systems, and whether and to what extent further remediation and precautions should potentially be implemented; and
 - d. The knowing provision by the Navy and its personnel, including FLOYD and WU, of false material information about Red Hill to the HDOH or their knowing omission of material information in response to inquiries by the HDOH about Red Hill, including any Request For Information, violated the law.

Count 1
Conspiracy
(18 U.S.C. § 371)

10. The allegations of Paragraphs 1 through 9 of this Indictment are hereby realleged and incorporated by reference.

11. From on or about May 6, 2021 to on or about October 1, 2021, in the District of Hawaii, JOHN FLOYD and NELSON WU, the defendants, did knowingly and intentionally combine, conspire, confederate, and agree with each other and others known and unknown to the Grand Jury to commit an offense against the United States, namely to willfully cause a representative of the United States Navy to make a materially false, fictitious, and fraudulent statement and representation and a material omission in a matter within the jurisdiction of the executive branch of the government of the United States, in violation of 18 U.S.C. §§ 1001 and 2(b).

Manner and Means of the Conspiracy

12. FLOYD and WU intended to cause the Navy to report to the HDOH a fuel release quantity for the May 6, 2021 jet fuel spill that severely underreported the actual figure by supplying the Navy officers responsible for issuing a response to the RFI with a draft response that contained materially inaccurate information and omitted information and records material to the questions and demands of the RFI and by reassuring the Navy officers that their fuel release and capture quantities were accurate when questioned by the Navy officers.

Overt Acts Committed in Furtherance of the Conspiracy

13. In furtherance of the conspiracy and to effect the object thereof, FLOYD and WU committed the following overt acts, among others, in the District of Hawaii:

a. FLOYD and WU knowingly and intentionally caused the response to the RFI to falsely state that the May 6, 2021 pipeline breach released an estimated 1,618 gallons of jet fuel into the tunnel, rather than approximately 20,000 gallons, as then known by FLOYD and WU to have been released;

b. FLOYD and WU knowingly and intentionally caused the response to the RFI to omit the material fact that Tank 12 was the source of the jet fuel that spilled into the tunnel on May 6, 2021, as then known by FLOYD and WU;

c. FLOYD and WU knowingly and intentionally caused the response to the RFI to omit the material fact that approximately 20,000 gallons of jet fuel flowed from Tank 12 into the JP-5 pipeline in connection with the fuel spill on May 6, 2021, as then known by FLOYD and WU;

d. FLOYD and WU knowingly and intentionally caused the response to the RFI to omit the material fact that the Navy did not locate approximately 18,000 of the 20,000 gallons of jet fuel that flowed from

Tank 12 into the JP-5 pipeline in connection with the fuel spill on May 6, 2021, as then known by FLOYD and WU;

e. Despite a specific request for “calculations and documentation to support fuel release and capture quantities” and FLOYD and WU’s knowledge that Tank 12 fuel level and flow data was responsive to the request, FLOYD and WU knowingly and intentionally caused the response to the RFI to omit that material data by redacting such data from records provided in, and by withholding responsive records from, the October 1, 2021 response;

f. FLOYD and WU knowingly and intentionally caused the response to the RFI to include an excerpt from the daily “Transfer Record” that contained data for Tank 20, but contained redactions of the material May 6, 2021 data relating to Surge Tank 2;

g. FLOYD and WU knowingly and intentionally caused the response to the RFI to include an excerpt from the daily “Tank Inventory Report by Tank” containing data for Tank 20, but omitted the corresponding material data relating to Tank 12; and

h. FLOYD and WU knowingly and intentionally caused the response to the RFI to include a document entitled “Red Hill Tank Daily

Levels Logs and Control Room Log for Red Hill Tank 20,” but omitted the corresponding material data for Tank 12.

All in violation of Title 18, United States Code, Section 371.

Count 2
False Statement
(18 U.S.C. §§ 1001 and 2(b))

14. The allegations of Paragraphs 1 through 9 of this Indictment are hereby realleged and incorporated by reference.

15. Between May 6, 2021 and October 1, 2021, in the District of Hawaii, JOHN FLOYD and NELSON WU willfully caused a representative of the United States Navy to make a materially false, fictitious, and fraudulent statement and representation and a material omission in a matter within the jurisdiction of the executive branch of the government of the United States, namely the following material false statements and material omissions in the Navy’s October 1, 2021 response to the HDOH’s RFI (“Response”):

a. The Response falsely stated that the May 6, 2021 pipeline breach released an estimated 1,618 gallons of jet fuel into the tunnel, rather than approximately 20,000 gallons, as then known by FLOYD and WU to have been released;

b. The Response knowingly and intentionally omitted the material fact that Tank 12 was the source of the jet fuel that spilled into the tunnel on May 6, 2021, as then known by FLOYD and WU;

c. The Response knowingly and intentionally omitted the material fact that approximately 20,000 gallons of jet fuel flowed from Tank 12 into the JP-5 pipeline in connection with the fuel spill on May 6, 2021, as then known by FLOYD and WU;

d. The Response knowingly and intentionally omitted the material fact that the Navy did not locate approximately 18,000 of the 20,000 gallons of jet fuel that flowed from Tank 12 into the JP-5 pipeline in connection with the fuel spill on May 6, 2021, as then known by FLOYD and WU;

e. Despite a specific request for “calculations and documentation to support fuel release and capture quantities” and FLOYD and WU’s knowledge that Tank 12 fuel level and flow data was responsive to the request, the Response omitted that material data by redacting such data from records provided in, and by withholding responsive records from, the Response;

f. The Response included an excerpt from the daily “Transfer Record” that contained data for Tank 20, but contained redactions of the material May 6, 2021 data relating to Surge Tank 2;

g. The Response included an excerpt from the daily "Tank Inventory Report by Tank" containing data for Tank 20, but knowingly and intentionally omitted the corresponding material data relating to Tank 12; and

h. The Response included a document entitled "Red Hill Tank Daily Levels Logs and Control Room Log for Red Hill Tank 20," but knowingly and intentionally omitted the corresponding material data for Tank 12.

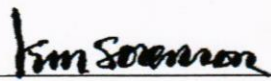
All in violation of Title 18, United States Code, Sections 1001 and 2(b).

DATED: August 28, 2025, at Honolulu, Hawaii.

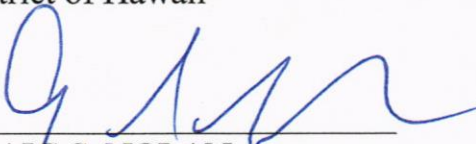
A TRUE BILL

/s/ Foreperson

FOREPERSON, GRAND JURY



KENNETH M. SORENSON
Acting United States Attorney
District of Hawaii



CRAIG S. NOLAN
Assistant U.S. Attorney

United States v. John Floyd et al.

Indictment

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