



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4  
ATLANTA FEDERAL CENTER  
61 FORSYTH STREET  
ATLANTA, GEORGIA 30303-8960

AUG 07 2018

CERTIFIED MAIL  
RETURN RECEIPT REQUESTED

Mr. Steve Setzer  
Executive Vice President  
Sinomax East, Inc.  
1740 JP Hennessey Drive  
La Vergne, Tennessee 37086

Re: Sinomax East, Inc.  
Expedited Settlement Agreement  
CAA-04-2018-8014(b)

Dear Mr. Setzer:

Enclosed, please find an executed copy of the Expedited Settlement Agreement (ESA) that resolves the Clean Air Act (CAA) matter (Docket No. CAA-04-2018-8014(b) involving Sinomax East, Inc. The ESA was filed with the Regional Hearing Clerk, as required by 40 CFR Part 22 and became effective on the date of the filing. **The penalty payment should be made within 15 days after the receipt of the signed, approved and filed ESA.**

If you need additional information in this matter, please contact Mr. Om P. Devkota at (404) 562-8963.

Sincerely,

A handwritten signature in blue ink, appearing to read "Anthony G. Toney".

Anthony G. Toney  
Chief  
Chemical Safety and Enforcement Branch

Enclosure

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4

EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO: CAA-04-2018-8014(b)

This ESA is issued to: Sinomax East, Inc.  
1740 JP Hennessy Drive  
La Vergne, Tennessee, 37086

for violating 40 C.F.R. § 68.30(b), 40 C.F.R. § 68.39(a), 40 C.F.R. § 68.39(b), 40 C.F.R. § 68.50, 40 C.F.R. § 68.52(b), and Section 112(r)(7) of the Clean Air Act.

This Expedited Settlement Agreement (ESA) is being entered into by the United States Environmental Protection Agency, Region 4, the Director of the Air, Pesticides and Toxics Management Division (Complainant), and by Sinomax East, Inc. (Respondent), pursuant to Section 113(d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(d), and pursuant to 40 C.F.R. § 22.13(b).

ALLEGED VIOLATIONS

Based on a compliance monitoring inspection conducted at the Respondent's facility located at 1740 JP Hennessy Drive, La Vergne, Tennessee, March 15, 2018, the EPA alleges that the Respondent violated the Act's Chemical Accident Prevention Program, when at the time of inspection, Respondent did not provide evidence that:

It noted in the risk management plan, the presence of institutions (schools, hospitals, prisons), parks and recreational areas, and major commercial office, and industrial buildings as required by 40 C.F.R. § 68.30 (b);

It maintained the records of the assumptions and parameters used in the offsite consequences analysis for the worst-case scenario as required by 40 C.F.R. § 68.39(a);

It maintained records of the assumptions and parameters used in the offsite consequences analysis for the alternate case scenario as required by 40 C.F.R. § 68.39(b);

It reviewed the hazards associated with the regulated substance, process and procedure. It did not display warning signs and NFPA placards related to the presence and hazards of a regulated substance, at two entrances to the chemical storage area as required by 40 C.F.R. § 68.50; and

It developed and implemented written operating procedures that provide clear instructions for initial startup, normal operations, temporary operations, emergency

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shutdown and operations, normal shutdown, startup following a normal or emergency shutdown or a major change that requires a hazard review, consequences of deviations and steps required to correct or avoid deviations, and equipment inspections manner as required by 40 C.F.R. § 68.52(b).

## SETTLEMENT

In consideration of Respondent's size, its full compliance history, its good faith efforts to comply, and other factors as justice may require, and upon consideration of the entire record the parties enter into the ESA in order to settle the violations cited above, for the total penalty amount of **\$4,200**.

This settlement is subject to the following terms and conditions: the Respondent by signing below admits the jurisdictional allegations contained herein, neither admits nor denies the specific factual allegations contained herein, and consents to the assessment of the penalty as stated above; Respondent waives its rights to a hearing afforded by Section 113(d)(2)(A) of the Act, 42 U.S.C § 7413(d)(2)(A), and to appeal this ESA or otherwise contest the allegations contained in this ESA; and each party to this action shall bear its own costs and fees, if any.

Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the Respondent has corrected the alleged violations listed in this ESA.

Within fifteen (15) days of receiving a copy of the fully executed ESA, Respondent shall pay a civil penalty in the amount of **\$4,200**. Respondent's payment shall be made by sending a cashier's check or certified check (payable to the "Treasurer, United States of America") in the amount of **\$4,200**, in payment of the full penalty amount to one of the following addresses or via wire transfer:

For payment sent via electronic transfer

For payment by wire transfer, in lieu of a cashier's check or certified check, if desired, should be directed to the Federal Reserve Bank of New York using the following information:

ABA : 021030004

Account : 68010727

SWIFT address: FRNYUS33

33 Liberty Street

New York, New York 10045

Beneficiary: "U.S. Environmental Protection Agency";

**The wire transfer instructions shall reference the Respondent's name and Docket Number of this ESA.**

For payment sent via Standard Delivery

U.S. Environmental Protection Agency

Cincinnati Finance Center Box 979077  
St. Louis, Missouri 63197-9000; or

For payment sent for Signed Receipt Confirmation (FedEx, DHL,  
UPS, USPS Certified, Registered, etc.)

U.S. Environmental Protection Agency  
Cincinnati Finance Center Box 979077  
1005 Convention Plaza  
SL-MO-C2-GL  
St. Louis, Missouri 63101  
Delivery Location Phone Number: 314- 425-1819

**The Respondent's name and the Docket Number of this ESA must be included on the check.** The Docket Number is located at the top left corner of the first page of this ESA.

At the time of payment, Respondent shall send a separate copy of the check, and a written statement that payment has been made in accordance with this ESA to:

Regional Hearing Clerk  
U.S. EPA Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303, and

Om P. Devkota  
U.S. EPA Region 4  
Chemical Management and Emergency  
Planning Section  
61 Forsyth Street S.W.  
Atlanta, Georgia 30303

The penalty specified in this ESA shall represent civil penalties assessed by the EPA and shall not be deductible for purposes of State or Federal taxes.

Respondent's full compliance with this ESA shall only resolve Respondent's liability for Federal civil penalties for the violations alleged in this ESA. The EPA does not waive any other enforcement action for any other violations of the Act or any other statute.

This ESA is binding on the parties signing below. This ESA is effective upon filing with the Regional Hearing Clerk.

FOR RESPONDENT:

  
\_\_\_\_\_

Date: 7-18-18

Name (print): STEVE SEROCK

Title (print): EXECUTIVE VICE PRESIDENT  
Sinomax East, Inc.

FOR COMPLAINANT:

  
\_\_\_\_\_

Date: 8/3/18

Beverly H. Banister  
Director  
Air, Pesticides and Toxics Management Division

I hereby ratify the ESA and incorporate it herein by reference. It is so ORDERED.

  
\_\_\_\_\_

Date: August 7, 2018

Tanya Floyd  
Regional Judicial Officer

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing Expedited Settlement Agreement (ESA), in the matter of Sinomax East, Inc., CAA-04-2018-8014(b), on the parties listed below in the manner indicated:

Om P. Devkota  
U. S. EPA, Region 4  
Air, Pesticides and Toxics  
Management Division

(Via EPA's internal mail)

Michi Kono  
U. S. EPA, Region 4  
Office of Regional Counsel

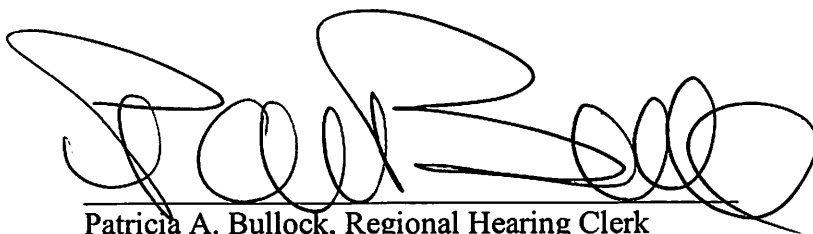
(Via EPA's internal mail)

Mr. Steve Setzer  
Executive Vice President  
Sinomax East, Inc.  
1740 JP Hennessey Drive  
La Vergne, Tennessee 37086

(Via Certified Mail - Return Receipt Requested)

Date:

8-7-18



Patricia A. Bullock, Regional Hearing Clerk  
United States Environmental  
Protection Agency, Region 4  
Atlanta Federal Center  
61 Forsyth Street, S.W.  
Atlanta, GA 30303  
(404) 562-9511