



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 7

11201 RENNER BOULEVARD  
LENEXA, KANSAS 66219

ENVIRONMENTAL PROTECTION AGENCY-REGION 7  
2017 JUN 22 AM 6:28

**EXPEDITED SETTLEMENT AGREEMENT (ESA)**

**DOCKET NO.:** CAA-07-2017-0131

**This ESA is issued to:** Landus Cooperative

**At:** 1095 T Avenue, Boone, Iowa 50036

**for violating Section 112(r)(7) of the Clean Air Act.**

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The United States Environmental Protection Agency, Region 7 (EPA) and Landus Cooperative (Respondent), have agreed to a settlement of this action before filing of a complaint, and thus this action is simultaneously commenced and concluded pursuant to Rules 22.13(b) and 22.18(b)(2) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), 40 C.F.R. §§ 22.13(b), 22.18(b)(2).

The Complainant, by delegation of the Administrator of EPA, is the Director of the Air and Waste Management Division. Respondent is Landus Cooperative, 1095 T Avenue, Boone, Iowa 50036.

This is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act (CAA). Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that cases which meet the criteria set forth in EPA's policies entitled "Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provisions, 40 C.F.R. Part 68," dated January 5, 2004, and "Changes to Restrictions on the Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provisions," dated December 20, 2013, are appropriate for administrative penalty action.

**ALLEGED VIOLATIONS**

On November 9, 2016, an authorized representative of the EPA conducted a compliance inspection of Respondent's facility located at 1095 T Avenue, Boone, Iowa, to determine compliance with the Chemical Accident Prevention Provisions, commonly known as the Risk Management Plan (RMP) regulations, promulgated at 40 C.F.R. Part 68 under Section 112(r) of the CAA. The EPA found that Respondent had violated regulations implementing Section 112(r) of the CAA by failing to comply with the regulations as noted on the enclosed Chemical Accident Prevention Provisions Inspection Findings (CAPP Inspection Findings), which is hereby incorporated by reference.

**SETTLEMENT**

In consideration of Respondent's size of business, its full compliance history, its good faith effort 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, described in the enclosed CAPP Inspection Findings, for the total penalty amount of **\$5,400**.

This settlement is subject to the following terms and conditions:

Respondent, by signing below, waives any objections that it may have regarding jurisdiction, neither admits nor denies the specific factual allegations contained herein and in the CAPP Inspection Findings, 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 CAA, 42 U.S.C. § 7413(d)(2)(A), and to appeal this ESA. Each party to this action shall bear its own costs and fees, if any. Respondent also certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that Respondent has corrected the violations listed in the enclosed CAPP Inspection Findings and has sent a cashier's check or certified check (payable to the "United States Treasury") in the amount of **\$5,400** in payment of the full penalty amount to the following address:

U.S. Environmental Protection Agency  
Fines and Penalties  
Cincinnati Finance Center  
P.O. Box 979077  
St. Louis, Missouri 63197-9000.

The Docket Number of this ESA is CAA-07-2017-0131, and must be included on the check.

This original ESA, a copy of the completed CAPP Inspection Findings, and a copy of the check must be sent by certified mail to:

Christine Hoard  
Chemical & Oil Release Prevention Branch  
U.S. Environmental Protection Agency, Region 7  
11201 Renner Boulevard  
Lenexa, Kansas 66219.

A copy of the check must also be sent to:

Kathy M. Robinson  
Regional Hearing Clerk  
U.S. Environmental Protection Agency, Region 7  
11201 Renner Boulevard  
Lenexa, Kansas 66219.

Upon Respondent's submission of the signed original ESA, EPA will take no further civil action against Respondent for the alleged violations of the CAA referenced in the CAPP Findings. The EPA does not waive any other enforcement action for any other violations of the CAA or any other statute.

If the signed original ESA with an attached copy of the check is not returned to the EPA Region 7 office at the above address in correct form by Respondent within 45 days of the date of Respondent's receipt of it (90 days if an extension is granted), the proposed ESA is withdrawn, without prejudice to EPA's ability to file an enforcement action for the violations identified herein and in the CAPP Findings.

This ESA is binding on the parties signing below.

This ESA is effective upon filing with the Regional Hearing Clerk.

FOR RESPONDENT:

\_\_\_\_\_

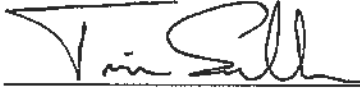
Date: \_\_\_\_\_

Name (print): \_\_\_\_\_

Title (print): \_\_\_\_\_

Landus Cooperative

FOR RESPONDENT:



Date: 6/15/17

Name (print): Tim Sullivan

Title (print): VP Safety, Quality and Environmental  
Landus Cooperative



FOR COMPLAINANT:



Becky Weber  
Director  
Air and Waste Management Division  
EPA Region 7

Date: 6/14/17



Erin Weekley  
Chemical Management Branch Chief  
Office of Regional Counsel  
EPA Region 7

Date: 6/15/17

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

Karina Borrromeo

Karina Borrromeo  
Regional Judicial Officer

Date: June 20, 2017



Chemical Accident Prevention Provisions Inspection Findings  
CAA § 112(r) Violations

Landus Cooperative – Boone  
1095 T Avenue  
Boone, Iowa 50036  
Docket No. CAA-07-2017-0131

COMPLETE THIS FORM AND RETURN IT WITH THE ESA.

**VIOLATIONS**

**PENALTY AMOUNT**

Hazard Assessment

Defining off-site impacts [40 CFR 68.30(c)]

*no penalty assessed*

The owner or operator failed to use the *most recent Census data*, or other updated information to estimate the population.

Review and Update [40 CFR 68.36(a)]

\$1,200

The owner or operator failed to review and update the off-site consequence analyses at least once every five years.

*Facility addressed this post inspection.*

Documentation [40 CFR 68.39(d)]

\$300

The owner or operator failed to identify the methodology used to determine distance to endpoint for the alternative release scenarios.

*Facility addressed this post inspection.*

Prevention Program

Safety Information [40 CFR 68.48(a)(5)]

\$300

The owner or operator failed to compile and maintain codes and standards used to design, build, and operate the process.

*Facility addressed this post inspection.*

Safety Information [40 CFR 68.48(b)]

\$1,500

The owner or operator failed to ensure the process is designed in compliance with recognized and generally accepted good engineering practices.

Completion Date for: *Anhydrous ammonia storage vessel supports*

Date: 4/20/17

Completion Date for: *12,000 gal vessels missing a data plate*

Date: 4/10/17

Prevention Program  
Hazard Review [40 CFR 68.50(a)] \$900  
The owner or operator shall conduct a review of the hazards associated with the regulated substances, process, and procedures.  
*Facility addressed this post inspection.*

Prevention Program  
Operating Procedures [40 CFR 68.52(b)(7)] \$1,200  
The owner or operator shall prepare written operating procedures that address consequences of deviation and steps required to correct or avoid deviation.  
Completion Date: 10/11/16

Prevention Program  
Compliance Audits [40 CFR 68.58(a)] *No penalty assessed*  
The owner or operator failed to certify it has evaluated compliance with the provisions of this subpart at least every three years to verify that the procedures and practices developed under the rule are adequate and are being followed.  
*Facility addressed this post inspection.*

Total Unadjusted Penalty \$5,400

Calculation of Adjusted Penalty

1<sup>st</sup> Reference the multipliers for calculating proposed penalties for violations found during RMP inspection matrix. Finding the column for 10-100 employees and the row for >10 times the threshold quantity of 10,000 pounds of anhydrous ammonia as listed in 40 C.F.R. 68.130 for the amount in a process gives a multiplier factor of 1.0. Therefore, the multiplier for Landus Cooperative - Boone = 1.0

*\*\*No adjusted penalty since multiplier is 1*

**Total Penalty \$5,400**

This section must be also completed and signed by **Landus Cooperative:**

The approximate cost to correct the above items: \$ 3,000

Compliance staff name: Art Currier

Signed: Art Currier Date: 5/8/17

IN THE MATTER Of Landus Cooperative, Respondent  
Docket No. CAA-07-2017-0131

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Order was sent this day in the following manner to the addressees:

Copy via Email to Complainant:

[weekley.erin@epa.gov](mailto:weekley.erin@epa.gov)  
[rosado-chaparro.wilfredo@epa.gov](mailto:rosado-chaparro.wilfredo@epa.gov)

Copy via First Class Mail to Respondent:

Tim Sullivan  
VP Safety, Quality and Environmental  
Landus Cooperative  
1095 T Avenue  
Boone, Iowa 50036

Dated: 6/22/17



Kathy Robinson  
Hearing Clerk, Region 7

