



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

AUG 04 2009

REPLY TO THE ATTENTION OF:  
LC-8J

CERTIFIED MAIL

Receipt No.7001 0320 0006 0189 4120

Mr. C.W. McGlocklin  
Director of Environmental Affairs  
SKF USA Inc.  
890 Forty Foot Road  
P.O. Box 332  
Kulpsville, PA. 19443-0332

Consent Agreement and Final Order, Docket No. EPCRA-05-2009-0025

Dear Mr. McGlocklin:

Enclosed is a copy of a fully executed Consent Agreement and Final Order in resolution of the above case. This document was filed on August 4, 2009, with the Regional Hearing Clerk.

The civil penalty in the amount of \$23,275 is to be paid in the manner described in paragraphs 37 and 38. Respondent must pay the penalty by sending a cashier's or certified check, payable to the "Treasurer, United States of America," please state: SKF Sealing Solutions, the docket number of this CAFO (above), and the following billing document number **BD 2750944E026**. Payment is due by September 3, 2009 (within 30 calendar days of the filing date).

Thank you for your cooperation in resolving this matter.

Sincerely,

A handwritten signature in black ink that reads "Robert Allen".

Robert Allen  
Pesticides and Toxics Compliance Section

Enclosures

RECEIVED

AUG 04 2009

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5

REGIONAL HEARING CLERK  
U.S. ENVIRONMENTAL  
PROTECTION AGENCY.

In the Matter of: ) Docket No.  
SKF Sealing Solutions, a unit of ) EPCRA-05-2009-0025  
SKF USA Inc. )  
Respondent. ) Proceeding to Assess a Civil Penalty  
Under Section 325(c) of the Emergency  
Planning and Community Right-to-Know  
Act of 1986, 42 U.S.C. § 11045(c)

**Consent Agreement and Final Order Commencing and Concluding the Proceeding**

**Preliminary Statement**

1. This is an administrative action commenced and concluded under Section 325(c) of the Emergency Planning and Community Right-to-Know Act of 1986 ("EPCRA"), 42 U.S.C. § 11045(c), and Sections 22.13(b) and 22.18(b)(2) and (3) of the *Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits* ("Consolidated Rules") as codified at 40 C.F.R. Part 22.
2. The Complainant is the Director of the Land and Chemicals Division, United States Environmental Protection Agency ("U.S. EPA"), Region 5.
3. Respondent is SKF Sealing Solutions, a unit of SKF USA Inc., a Delaware corporation doing business in the State of Illinois.
4. Where the parties agree to settle one or more causes of action before the filing of a complaint, the administrative action may be commenced and concluded simultaneously by the issuance of a consent agreement and final order ("CAFO"). 40 C.F.R. § 22.13(b).
5. The parties agree that settling this action without the filing of a complaint or the adjudication of any issue of fact or law is in their interest and in the public interest.

6. Respondent consents to the assessment of the civil penalty specified in this CAFO, and to the terms of this CAFO.

**Jurisdiction and Waiver of Right to Hearing**

7. Respondent admits the jurisdictional allegations in this CAFO and neither admits nor denies the factual allegations in this CAFO.

8. Respondent waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c), any right to contest the allegations in this CAFO, and its right to appeal this CAFO.

9. Respondent certifies that as of the effective date of this CAFO its Facility (as that term is later defined) is in compliance with Section 313 of EPCRA, 42 U.S.C. § 11023.

**Statutory and Regulatory Background**

10. Section 313 of EPCRA, 42 U.S.C. § 11023, and 40 C.F.R. §§ 372.22 and 372.30 require the owner or operator of a facility that has 10 or more full-time employees; is covered by certain Standard Industrial Classification (“SIC”) codes; meets one of the criteria set forth in 40 C.F.R. § 372.22(b)(1)-(3); and manufactured, processed, or otherwise used a toxic chemical in an amount in excess of an applicable threshold quantity of that chemical listed under Section 313(f) of EPCRA, 42 U.S.C. § 11023(f), and 40 C.F.R. § 372.25, during the calendar year, to complete and submit a toxic chemical release inventory form (“Form R”) to the Administrator of U.S. EPA and to the state in which the subject facility is located by July 1 for each toxic chemical manufactured, processed, or otherwise used in quantities exceeding the established threshold during the preceding calendar year.

11. As set forth in Section 313(f) of EPCRA, 42 U.S.C. § 11023(f), and 40 C.F.R. § 372.25, except as provided in 40 C.F.R. §§ 372.27 and 372.28, the reporting threshold amount for a toxic chemical manufactured or processed at a facility is 25,000 pounds for calendar years

including and subsequent to 1989. The reporting threshold for a toxic chemical otherwise used at a facility is 10,000 pounds for calendar years including and subsequent to 1987.

12. The Administrator of U.S. EPA may prescribe regulations as may be necessary to carry out EPCRA. 42 U.S.C. § 11048.

13. 40 C.F.R. § 372.85(b) identifies the information that an owner or operator subject to Section 313 of EPCRA must include on its Form R.

14. Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), authorizes the Administrator of U.S. EPA to assess a civil penalty of up to \$25,000 per day for each violation of Section 313 of EPCRA. The Federal Civil Penalties Inflation Adjustment Act of 1990, 28 U.S.C. § 2461 note (1990), as amended by the Debt Collection Improvement Act of 1996, 31 U.S.C. § 3701 note (1996), required federal agencies to issue regulations adjusting for inflation the maximum civil penalties that can be imposed pursuant to each agency's statutes. The U.S. EPA may assess a civil penalty of up to \$27,500 per day for each violation of Section 313 of EPCRA that occurred from January 31, 1997, through March 15, 2004, and may assess a civil penalty of up to \$32,500 per day for each violation of Section 313 of EPCRA that occurred after March 15, 2004, pursuant to Section 325(c)(1) and (3) of EPCRA, 42 U.S.C. § 11045(c)(1) and (3), and 40 C.F.R. Part 19.

#### **Factual Allegations and Alleged Violations**

15. Respondent is a "person" as that term is defined at Section 329(7) of EPCRA, 42 U.S.C. § 11049(7).

16. At all times relevant to this CAFO, Respondent was an owner or operator of the facility located at 900 North State Street, Elgin, Illinois (the "Facility").

17. At all times relevant to this CAFO, Respondent had 10 or more full-time employees,

as defined at 40 C.F.R. § 372.3, and was an employer at the Facility.

18. Respondent's Facility consists of buildings, equipment, structures, and other stationary items which are located on a single site or on contiguous or adjacent sites, and which are owned or operated by the same person.

19. Respondent's Facility is a "facility" as that term is defined at Section 329(4) of EPCRA, 42 U.S.C. § 11049(4).

20. Respondent's Facility has a SIC code of 3053, a covered SIC code as defined at Section 313 of EPCRA, 42 U.S.C. § 11023, and 40 C.F.R. § 372.22.

21. On August 15, 2007, a representative of the U.S. EPA inspected Respondent's Facility.

22. Respondent submitted to the Administrator of U.S. EPA and to the State of Illinois Form Rs for nitric acid and zinc compounds for calendar year 2005 by July 1, 2006. Respondent asserts that it attempted to comply with all requirements of Section 313 of EPCRA, 42 U.S.C. § 11023 for calendar year 2005.

#### **Count 1**

23. During calendar year 2005 Respondent's Facility otherwise used, as that term is defined at 40 C.F.R. § 372.3, nitrate compounds, a chemical category listed under 40 C.F.R. § 372.65, in the amount of 32,380 pounds, which is greater than the 25,000 pound threshold for reporting as set forth in Section 313(f) of EPCRA, 42 U.S.C. § 11023(f), and 40 C.F.R. § 372.25.

24. Respondent was required to submit to the Administrator of U.S. EPA and to the State of Illinois a Form R for nitrate compounds for calendar year 2005 by July 1, 2006.

25. Respondent did not submit to the Administrator of U.S. EPA and to the State of Illinois a Form R for nitrate compounds for calendar year 2005 by July 1, 2006.

26. Respondent submitted Form R for nitrate compounds to the Administrator of U.S. EPA and to the State of Illinois on May 1, 2009, for calendar year 2005.

27. Respondent's failure to submit timely a Form R for nitrate compounds to the Administrator of U.S. EPA and to the State of Illinois for calendar year 2005 violated Section 313 of EPCRA, 42 U.S.C. § 11023, and 40 C.F.R. § 372.30.

**Count 2**

28. During calendar year 2005 Respondent's Facility otherwise used, as that term is defined at 40 C.F.R. § 372.3, methanol, CAS No. 67-56-1, a chemical listed under 40 C.F.R. § 372.65, in the amount of 10,950 pounds, which is greater than the 10,000 pound threshold for reporting as set forth in Section 313(f) of EPCRA, 42 U.S.C. § 11023(f), and 40 C.F.R. § 372.25.

29. During 2005, Respondent treated an air stream containing methanol at the Facility in on on-site incinerator.

30. Respondent was required to submit to the Administrator of U.S. EPA and to the State of Illinois a Form R for methanol for calendar year 2005 by July 1, 2006.

31. Pursuant to 40 C.F.R. § 372.85(b)(17), a Form R must identify certain information concerning a toxic chemical treated at the Facility.

32. On June 30, 2006, Respondent filed a Form R for methanol for 2005. On this Form R, Respondent failed to identify all the information required by 40 C.F.R. § 372.85(b)(17) concerning the treatment of methanol at the Facility in 2005.

33. Respondent did not submit to the Administrator of U.S. EPA and to the State of Illinois by July 1, 2006, a Form R which identified all the information required by 40 C.F.R. § 372.85(b)(17) concerning the treatment of methanol at the Facility in 2005.

34. On October 2, 2007, Respondent submitted to the Administrator of U.S. EPA and to

the State of Illinois a Form R which identified all the information required by 40 C.F.R. § 372.85(b)(17) concerning the treatment of methanol at the Facility in 2005.

35. Respondent's failure to submit timely to the Administrator of U.S. EPA and to the State of Illinois a Form R which identified all the information required by 40 C.F.R. § 372.85(b)(17) concerning the treatment of methanol at the Facility in 2005 violated Section 313 of EPCRA, 42 U.S.C. § 11023, and 40 C.F.R. § 372.30.

**Civil Penalty**

36. Pursuant to Section 325 of EPCRA, 42 U.S.C. § 11045, Complainant determined that an appropriate civil penalty to settle this action is \$23,275.00. In determining the penalty amount, Complainant considered the nature, circumstances, extent and gravity of the violations, and with respect to Respondent, its ability to pay, prior history of violations, economic benefit or savings resulting from the violations, and any other matters as justice may require. Complainant also considered U.S. EPA's *Enforcement Response Policy for Section 313 of the Emergency Planning and Community Right-to-Know Act (1986) and Section 6607 of the Pollution Prevention Act (1990) (amended) (April 12, 2001)*.

37. Within 30 days after the effective date of this CAFO, Respondent must pay a \$23,275.00 civil penalty for the EPCRA violations. Respondent must pay the penalty by sending a cashier's or certified check, payable to the "Treasurer, United States of America," to:

For checks sent by regular U.S. Postal Service mail:

U.S. EPA  
Fines and Penalties  
Cincinnati Finance Center  
P.O. Box 979077  
St. Louis, MO 63197-9000

For checks sent by express mail:

U.S. Bank  
Government Lockbox 979077 U.S. EPA Fines and Penalties  
Contact: Natalie Pearson  
1005 Convention Plaza  
Mail Station SL-MO-C2GL  
St. Louis, MO 63101

The check must note "In the Matter of: SKF Sealing Solutions, a unit of SKF USA Inc.," the docket number of this CAFO and the billing document number.

38. A transmittal letter, stating Respondent's name, the case title ("In the Matter of SKF Sealing Solutions, a unit of SKF USA Inc."), Respondent's complete address, the case docket number and the billing document number must accompany the payment. Respondent must send a copy of the check and transmittal letter to:

Regional Hearing Clerk (E-13J)  
U.S. EPA, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

Robert Allen (LC-8J)  
Pesticides and Toxics Compliance Section  
U.S. EPA, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

Jeffrey A. Cahn (C-14J)  
Associate Regional Counsel  
Office of Regional Counsel  
U.S. EPA, Region 5  
77 West Jackson Blvd.  
Chicago, IL 60604

39. This civil penalty is not deductible for federal tax purposes.

40. If Respondent does not pay the civil penalty timely, U.S. EPA may bring an action to collect any unpaid portion of the penalty with interest, handling charges, nonpayment penalties and the United States' enforcement expenses for the collection action. The validity, amount and appropriateness of the civil penalty are not reviewable in a collection action.



41. Pursuant to 31 C.F.R. § 901.9, Respondent must pay the following on any amount overdue under this CAFO. Interest will accrue on any amount overdue from the date the payment was due at a rate established pursuant to 31 U.S.C. § 3717. Respondent must pay a \$15 handling charge each month that any portion of the penalty is more than 30 days past due. In addition, Respondent must pay a 6 percent per year penalty on any principal amount 90 days past due.

#### **General Provisions**

42. This CAFO resolves only Respondent's liability for federal civil penalties for the violations and facts alleged in the CAFO.

43. This CAFO does not affect the right of the U.S. EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law.

44. This CAFO does not affect Respondent's responsibility to comply with EPCRA and other applicable federal, state, and local laws.

45. This CAFO is a "final order" for purposes of U.S. EPA's Enforcement Response Policy for Section 313 of EPCRA.

46. The terms of this CAFO bind Respondent, its successors, and assigns.

47. Each person signing this agreement certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.

48. Each party agrees to bear its own costs and attorney's fees, in this action.

49. This CAFO constitutes the entire agreement between the parties.

**In the Matter of:**

**SKF Sealing Solutions, a unit of SKF USA Inc.  
Docket No.**

**SKF Sealing Solutions, a unit of SKF USA Inc., Respondent**

July 8, 2009  
Date

Tom F. Quatsoe  
Tom F. Quatsoe,  
Head of Manufacturing Sealing Solutions Americas  
SKF Sealing Solutions, a unit of SKF USA Inc.

**In the Matter of:**

**SKF Sealing Solutions, a unit of SKF USA Inc.  
Docket No.**

**United States Environmental Protection Agency, Complainant**

7/30/09  
Date

*Margaret M. Guerriero*  
*for* Margaret M. Guerriero, Director  
Land and Chemicals Division

**In the Matter of:**

**SKF Sealing Solutions, a unit of SKF USA Inc.**

**Docket No. EPCRA-05-2009-0025**

**Final Order**

This Consent Agreement and Final Order, as agreed to by the parties, shall become effective immediately upon filing with the Regional Hearing Clerk. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31. IT IS SO ORDERED.

7/31/09  
Date

Walter W. Karalick  
for  
Bharat Mathur  
Acting Regional Administrator  
United States Environmental Protection Agency  
Region 5

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AUG 04 2009

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U.S. ENVIRONMENTAL  
PROTECTION AGENCY**

**CERTIFICATE OF SERVICE**

I hereby certify that the original signed copy of the Consent Agreement and Final Order in resolution of the civil administrative action involving SKF Sealing Solutions, a unit of SKF USA Inc., was filed on August 4, 2009, with the Regional Hearing Clerk (E-19J), U.S. Environmental Protection Agency, Region 5, 77 West Jackson Boulevard, Chicago, Illinois 60604, and that I mailed, by Certified Mail, Receipt No. 7001 0320 0006 0189 4120, a copy of the original to the Respondents:

Mr. C.W. McGlocklin  
Director of Environmental Affairs  
SKF USA Inc.  
890 Forty Foot Road  
P.O. Box 332  
Kulpsville, PA 19443-0332

Mr. Gregory S. Narsh  
Attorney at Law  
Pepper Hamilton LLP  
100 Renaissance Suite 3600  
Detroit, MI 48243-1157

and forwarded intra-Agency copies to:

Marcy Toney, Regional Judicial Officer, ORC/C-14J  
Jeffery Cahn, Counsel for Complainant ORC/C-14J  
Eric Volck, Cincinnati Finance/MWD



Frederick Brown, PTCS (LC-8J)  
U.S. EPA - Region 5  
77 West Jackson Boulevard  
Chicago, Illinois 60604

Docket No. EPCRA-05-2009-0025

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