



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 1
5 Post Office Square, Suite 100
Boston, Massachusetts 02109-3912

Received by
 EPA Region 1
 Hearing Clerk

EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO: CAA-01-2022-0014

This ESA is issued to:

Central Maine Cold Storage Inc.
 17 High Street
 Belfast, MA 04915

for violating Section 112(r)(1) of the Clean Air Act.

This Expedited Settlement Agreement (“ESA”) is being entered into by the United States Environmental Protection Agency (“EPA”), Region 1, and by Respondent, Central Maine Cold Storage Inc. (“Respondent”), pursuant to Sections 113(a)(3) and (d) of the Clean Air Act (“CAA”), 42 U.S.C. §§ 7413(a)(3) and (d), and 40 C.F.R. § 22.13(b). EPA and the U.S. Department of Justice have jointly determined that this type of action is an appropriate administrative penalty action under Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1).

ALLEGED VIOLATIONS

Pursuant to Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), owners and operators of stationary sources producing, processing, handling, or storing substances listed pursuant to Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance, have a general duty, in the same manner and to the same extent as section 654, title 29 of the United States code, 29 U.S.C. § 654, to (a) identify hazards that may result from accidental releases of such substances, using appropriate hazard assessment techniques; (b) design and maintain a safe facility, taking such steps as are necessary to prevent releases; and (c) minimize the consequences of accidental releases that do occur. This section of the CAA is referred to as the “General Duty Clause.” Sections 113(a) and (d) of the CAA, 42 U.S.C. §§ 7413(a) and (d), provide for the assessment of civil penalties for violations of Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

The term “accidental release” is defined by Section 112(r)(2)(A) of the CAA, 42 U.S.C. § 7412(r)(2)(A), as an unanticipated emission of a regulated substance or other extremely hazardous substance into the ambient air from a stationary source. Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C), defines “stationary source” as any buildings, structures, equipment, installations, or substance-emitting stationary activities, located on one or more contiguous properties under the control of the same person, from which an accidental release may occur. The term “have a general duty in the same manner and to the same extent as section 654, title 29 of the United States code” means owners and operators must comply with the General Duty Clause in the same manner and to the same extent as employers must comply with

the Occupational Safety and Health Act administered by the Occupational Safety and Health Administration.

Respondent operated a facility with an ammonia refrigeration system (“System”) at 17 High Street in Belfast, Maine (“Facility”). The Facility was a building or structure from which an accidental release may occur and is therefore a “stationary source,” as defined at Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C). The System used anhydrous ammonia, a chemical that is listed pursuant to Section 112(r)(3), 42 U.S.C. § 7412(r)(3), as an “extremely hazardous substance” and that is subject to the General Duty Clause.

On September 13, 2021, Respondent’s response to an Information Request issued by EPA by indicated that Respondent had failed to conduct an adequate hazard review of the System using appropriate hazard assessment techniques (“Process Hazard Review”). The recommended industry practice and standard of care for identifying, analyzing, and evaluating potential hazards associated with ammonia refrigeration systems of this size is to use standard, industry-developed checklists or other methods such as a “What If” analysis. By failing to conduct an adequate hazard review of the System using appropriate hazard assessment techniques, Respondent failed to identify hazards that may result from accidental releases, in violation of the first requirement of the General Duty Clause, Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1). This ESA neither alleges nor resolves any violations of the other two requirements of the General Duty Clause.

SETTLEMENT TERMS

Respondent and EPA agree to the following terms of settlement, which include a penalty and compliance measures, as authorized by Section 113(d)(2)(B) of the CAA.

1) Decommission System

Respondent certifies that it removed the anhydrous ammonia from the System in March 2022, thereby resolving its noncompliance with the General Duty Clause.

2) Coordinate with Emergency Responders

Respondent certifies that it has updated the relevant off-site emergency responders regarding the operating status of the System.

3) File Tier II Forms

Respondent certifies that it has complied with EPCRA Section 312, 42 U.S.C. § 11022, by filing chemical inventory (“Tier II”) forms with the local fire department, Local Emergency Planning Committee, and State Emergency Response Commission.

4) Pay Civil Penalty within 30 Days of Receiving Fully Executed Copy of ESA

In consideration of the facts alleged above, the statutory penalty factors listed in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), EPA’s right to compromise penalties as provided by 42 U.S.C. § 7413(d)(2)(b), Respondent’s timely submission of its response to the Information Request, its willingness to resolve this violation quickly, its agreement to the settlement terms, and such other circumstances as justice may require, Respondent agrees to pay a total penalty amount of **\$5,000**. Respondent shall pay the penalty within 30 days of receiving a fully executed copy of this ESA, according to the enclosed “Penalty Payment Instructions,” which are hereby incorporated by reference.

This settlement is also subject to the following terms and conditions:

For purposes of this proceeding, Respondent admits that EPA has jurisdiction over the allegations contained herein, neither admits nor denies the specific factual allegations contained herein, and consents to the terms of settlement as stated above and to the assessment of the stated penalty. Respondent waives its rights to contest jurisdiction and the allegations herein, 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 and Final Order. Each party to this action shall bear its own costs and fees, if any.

Respondent understands that making a false submission to the United States Government can subject Respondent to civil and criminal penalties.

The terms, conditions, and compliance requirements of this ESA may not be modified except upon the written agreement of both parties and approval of the Regional Judicial Officer.

The signed ESA must be **sent by certified mail and email** to:

Christine M. Foot, Enforcement Counsel
U.S. Environmental Protection Agency Region 1
5 Post Office Square, Suite 100 (04-2)
Boston, MA 02109-3912
foot.christine@epa.gov

EPA will take no further civil penalty action against Respondent for the violation of the CAA alleged above, upon Respondent's submission of the signed ESA, signature by EPA, and EPA's filing of the ESA with the Regional Hearing Clerk.

Nothing in this ESA shall affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This ESA shall resolve only the violation alleged herein, and it does not waive, extinguish, or otherwise affect Respondent's obligation to comply with all applicable provisions of the Clean Air Act.

Respondent agrees to submit payment in full of the \$5,000 within 30 days of EPA's filing of a fully executed copy of this ESA with the Regional Hearing Clerk. Failure to pay the penalty when due may subject Respondent to a civil action pursuant to Section 113(d)(5) of the CAA, 42 U.S.C. § 7413(d)(5), to collect the penalty, including accrued interest, attorney's fees, collection costs, and nonpayment penalties.

This ESA is binding on the parties signing below.

The Parties each consent to the use of digital signatures on this document, and Respondent further consents to receipt of service of the ESA, once filed, by electronic mail. Respondent understands that the provided e-mail address may be publicly available when the CAFO and Certificate of Service are filed and uploaded to a searchable database.

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

FOR RESPONDENT:

Signature: Brian C. McCarthy

Date: 3/31/22

Name (print): Brian C. McCarthy

Title (print): CEO

FOR COMPLAINANT:

Karen McGuire, Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency
Region 1 – New England

Date: _____

FINAL ORDER

Pursuant to 40 C.F.R. § 22.18(b)-(c) of EPA's Consolidated Rules of Practice, the foregoing Expedited Settlement Agreement resolving *In the Matter of Central Maine Cold Storage Inc.*, Docket Number CAA-01-2022-0014 is incorporated by reference into this Final Order and is hereby ratified. Respondent is ordered to pay the civil penalty amount specified in the Expedited Settlement Agreement in the manner indicated in the attached Penalty Payment Instructions. The terms of the Expedited Settlement Agreement will become effective on the date it is filed with the Regional Hearing Clerk.

It is so ORDERED.

LeAnn Jensen
Regional Judicial Officer
U.S. EPA Region I

Date: _____