



UNITED STATES  
ENVIRONMENTAL PROTECTION  
AGENCY-REGION 7

2016 DEC 13 AM 8:01

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 7  
11201 Renner Boulevard  
Lenexa, KS 66219

### EXPEDITED SETTLEMENT AGREEMENT (ESA)

**DOCKET NO.:** CAA-07-2016-0025

**This ESA is issued to:** Equistar Chemicals, LP

**At:** 3400 Anamosa Road, Clinton, Iowa 52732

**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 Equistar Chemicals, LP (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, 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. The Respondent is Equistar Chemicals, LP located at 3400 Anamosa Road, Clinton, Iowa 52732.

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 policy entitled "Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provision, 40 C.F.R. Part 68," dated January 5, 2004, are appropriate for administrative penalty action.

#### ALLEGED VIOLATIONS

On September 1, 2015 an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located at Equistar Chemicals, LP (Equistar) located at 3400 Anamosa Road, Clinton, Iowa to determine compliance with the Risk Management Program regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the CAA. The EPA during the inspection and subsequent document review found that the Respondent had violated regulations implementing Section 112(r) of the CAA) by failing to comply with the regulations as noted on the enclosed Risk Management Program Inspection and Case Review Findings (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 CAA 112(r) violations, described in the enclosed Findings, for the total penalty amount of **\$4,600**.

This settlement is subject to the following terms and conditions:

The 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 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 the Respondent has corrected the violations listed in the enclosed Findings and has sent a cashier's check or certified check (payable to the "United States Treasury") in the amount of **\$4,600** 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-07-2016-0025, and must be included on the check.

This original ESA, a copy of the completed Findings, documentation that updated EPCRA 312 Tier II reports have been submitted, and a copy of the check must be sent by certified mail to:

Terri Blunk  
Case Review Officer  
U.S. Environmental Protection Agency, Region 7  
11201 Renner Boulevard  
Lenexa, KS 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, KS 66219

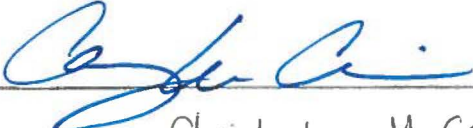
Upon Respondent's submission of the signed original ESA, EPA will take no further civil action against Respondent for the alleged violations of the CAA and EPCRA referenced in the Findings. The EPA does not waive any other enforcement action for any other violations of the CAA or any other statute.

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 the 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 Findings.

This ESA is binding on the parties signing below.

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

FOR RESPONDENT:

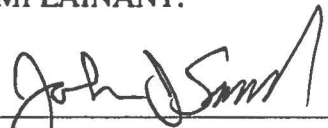
  
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Date: 11/17/2016

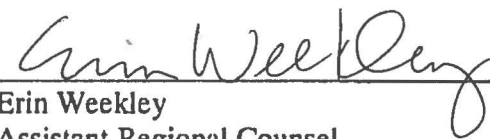
Name (print): Christopher M. CAIN

Title (print): Clinton Site Manager  
Equistar Chemicals, LP

FOR COMPLAINANT:

  
\_\_\_\_\_  
Becky Weber  
Director  
Air and Waste Management Division  
EPA Region 7

Date: 12/9/16

  
\_\_\_\_\_  
Erin Weekley  
Assistant Regional Counsel  
Office of Regional Counsel  
EPA Region 7

Date: 12/9/16

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

Karina Borrromeo  
Karina Borrromeo  
Regional Judicial Officer

Date: Dec. 12, 2016

Risk Management Program Inspection & Case Review Findings  
CAA § 112(r)(7) Violations

Equistar Chemicals, LP  
3400 Anamosa Road  
Clinton, IA 52732  
Docket No. CAA-07-2016-0025

**COMPLETE THIS FORM AND RETURN IT WITH THE ESA**

**VIOLATIONS**

**PENALTY  
AMOUNT**

Risk Management Plan [§68.160(b)(7)]

\$1,000

The owner or operator failed to have a single registration form including the name and CAS number of each regulated substance held above the threshold quantity in the process and the maximum quantity of each regulated substance or mixture in the process (in pounds) to two significant digits. Specifically: 1) Equistar failed to add the amount of material held in railcars that have been disconnected from the motive power to the maximum value reported on the Risk Management Plan (RMP); and 2) the Tier II report shows that the C4 flammable mixture includes isobutylene, Equistar failed to include this constituent of the flammable mixture on the RMP.

*How was this addressed:*

SEE RESPONSE Letter

Prevention Program  
Process Safety Information [§68.65(c)(1)(iii)]

No Penalty  
Assessed

The owner or operator failed to accurately document the maximum intended inventory. Specifically Equistar needs to include the pounds of regulated substances that may be present in railcars that have been disconnected from motive power in the documents.

*How was this addressed:*

SEE RESPONSE Letter

Risk Management Program Inspection & Case Review Findings  
CAA § 112(r)(7) Violations

**VIOLATIONS**

**PENALTY  
AMOUNT**

Hazard Assessment Review, Update, and Documentation [§ 68.30 (c)]

\$600

The owner or operator failed to use the most recent Census data for the for the November 2011 RMP resubmission. Updated census information was available starting in April 2011.  
*addressed:*

SEE response letter

Risk Management Plan  
Accident History [§ 68.195(a)]

\$2,000

The owner or operator failed to report an accident on 1/22/2011 within 6 months of the release or by the time the RMP was updated as required at 68.190.

*How was this addressed:*

A corrected RMP with accident information was submitted in November 2015. According to a letter dated 11/25/15 Equistar also added a task to the environmental management system to review all incident history on a 6 month frequency to determine if a correction to the RMP is needed.

SEE response letter



Risk Management Program Inspection & Case Review Findings  
CAA § 112(r)(7) Violations

**VIOLATIONS**

**PENALTY  
AMOUNT**

Risk Management Plan  
Emergency Contact [§ 68.195(b)]

\$1,000

The owner or operator failed to update the emergency contact information on the RMP within a month of the change. The person listed in the November 2011 RMP left Equistar in June 2014. The RMP was not corrected until August 2015.

*How was this addressed:*

A corrected RMP with updated emergency contact information was submitted in August 2015. According to a letter dated 11/25/15 Equistar also added a task to the environmental management system to review emergency contact information monthly to determine if a correction to the RMP is needed.

SEE Response Letter

**Total Unadjusted Penalty = \$4,600**

**Calculation of Adjusted Penalty**

1<sup>st</sup> Reference the multipliers for calculating proposed penalties for violations found during RMP inspection matrix. Finding the row for number of employees greater than 10 and column for 10 times the threshold quantity of 10,000 pounds of ethylene as listed in 40 C.F.R. Part 68.130 for the amount in a process gives a multiplier factor of 1.0.

Therefore, the multiplier for Equistar Chemicals, LP = 1.0

2<sup>nd</sup> Adjusted Penalty = \$4,600 (Unadjusted Penalty) X 1.0 (Size-Threshold Multiplier)  
Adjusted Penalty = \$4,600

3<sup>rd</sup> An Adjusted Penalty of \$4,600 would be assessed to Equistar Chemicals, LP for violations found during the RMP Compliance Inspection and Case Review. This amount will be found in the ESA.

**Total Adjusted Penalty = \$4,600**

**This section must be also be completed and signed by Equistar Chemicals, LP:**

The approximate cost to correct the above items: \$ 0

Compliance staff name: Emily Venters

Signed: Emily Venters Date: 11/17/16

IN THE MATTER Of Equistar Chemicals, LP, Respondent  
Docket No. CAA-07-2016-0025

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 emailed to Attorney for Complainant:

rosado-chaparro.wilfredo@epa.gov

Copy by First Class Mail to Respondent:

Emily Venters  
Senior Environmental Engineer  
Equistar Chemicals, LP  
3400 Anamosa Road  
Clinton, IA 52732

Dated: 12/13/16

  
Kathy Robinson  
Hearing Clerk, Region 7