



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 7

11201 RENNER BOULEVARD

LENEXA, KANSAS 66219

2017 MAY -8 AM 8:13

**EXPEDITED SETTLEMENT AGREEMENT (ESA)**

**DOCKET NO.:** CAA-07-2017-0007

**This ESA is issued to:** Rock County Agronomy Services

**At:** W. 1<sup>st</sup> Street, Bassett, Nebraska 68714

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

---

The United States Environmental Protection Agency, Region 7 (EPA) and Rock County Agronomy Services (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, Issuance of Compliance or Corrective Action Orders, 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. The Respondent is Rock County Agronomy Services: W. 1<sup>st</sup> Street, Bassett, Nebraska 68714.

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 November 17, 2015, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located at: W. 1<sup>st</sup> Street, Bassett, Nebraska, to determine compliance with 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 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 Findings (RMP 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 RMP Findings, for the total penalty amount of **\$8,560**.

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 RMP 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 RMP Findings and has sent a cashier's check or certified check (payable to the "United States Treasury") in the amount of **\$8,560** 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-07-2017-0007, and must be included on the check.

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

Krystal Stotts  
Chemical & Oil Release Prevention Branch  
U.S. Environmental Protection Agency, Region 7  
11201 Renner Blvd  
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, the EPA will take no further civil action against Respondent for the alleged violations of the CAA referenced in the RMP

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 RMP Findings.

This ESA is binding on the parties signing below.

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

FOR RESPONDENT:

(Sign) Bruce Hungerford

Date: 4-7-17

Name (print): BRUCE HUNGERFORD

Title (print): MANAGER  
Rock County Agronomy Services

FOR COMPLAINANT:

  
\_\_\_\_\_

Date: 4/21/17

Becky Weber  
Director  
Air and Waste Management Division  
EPA Region 7

  
\_\_\_\_\_

Date: 04/17/2017

Clarissa Howley Mills  
Office of Regional Counsel  
EPA Region 7

In the Matter of Rock County Agronomy Services  
Docket No. CAA-07-2017-0007

Pate 6 of 6

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



Kathleen Clever  
Regional Judicial Officer  
EPA Region 7

Date: 

Risk Management Program Inspection Findings  
CAA § 112(r) Violations

Rock County Agronomy Services  
W. 1<sup>st</sup> Street  
Bassett, Nebraska 68714  
Docket No. CAA-07-2017-0007

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

**VIOLATIONS**

**PENALTY AMOUNT**

Prevention Program \$300  
Safety Information [§ 68.48(a)(2)]  
The owner or operator failed to compile and maintain the maximum intended inventory of equipment in which the regulated substances are stored or processed.

*Facility addressed this post inspection See the attachment enclosed*

Prevention Program \$300  
Safety Information [§ 68.48(a)(3)]  
The owner or operator failed to compile and maintain safe upper and lower temperatures, pressures, flows, and compositions.

*Facility addressed this post inspection See the attachment enclosed*

Prevention Program \$300  
Safety Information [§ 68.48(a)(4)]  
The owner or operator failed to compile and maintain equipment specifications.

*Photos of modifications are enclosed! Skid tank that lacked 18" clearance is removed.*

*Facility addressed this post inspection Concrete barriers & Security fence is installed.  
Emergency ID sign is in place.*

Prevention Program \$1,500  
Safety Information [§ 68.48(b)]  
The owner or operator failed to ensure the process is designed in compliance with recognized and generally accepted good engineering practices.

*2014 Edition of ANSI/CGA G-2.1 is in place.  
NH3 storage tank will be painted this spring*

*Facility addressed this post inspection*

*See the attachment enclosed*

Prevention Program \$300  
Hazard Review [§ 68.50(a)(1)]  
The owner or operator failed to identify the hazards associated with the process and regulated substances in the Hazard Review.

*See the attachment enclosed*

*Facility addressed this post inspection*

Prevention Program \$300  
Hazard Review [§ 68.50(a)(2)]

The owner or operator failed to identify opportunities for equipment malfunctions or human errors that could cause an accidental release in the Hazard Review.

*Facility addressed this post inspection* See the attachment enclosed

Prevention Program \$300  
Hazard Review [§ 68.50(a)(3)]

The owner or operator failed to identify the safeguards used or needed to control the hazards or prevent equipment malfunctions or human error in the Hazard Review.

*Facility addressed this post inspection* See the attachment enclosed

Prevention Program \$600  
Hazard Review [§ 68.50(b)]

The owner or operator failed to determine by inspecting all equipment that the processes are designed, fabricated, and operated in accordance with applicable standards or rules, if designed to meet industry standards or Federal or state design rules the Hazard Review.

*Facility addressed this post inspection* See the attachment enclosed

Prevention Program \$1,200  
Operating Procedures [§ 68.52(b)(4)]

The owner or operator failed to address the emergency shutdown and operations in the Operating Procedures.

*Facility addressed this post inspection* See the attachment enclosed

Prevention Program \$1,200  
Operating Procedures [§ 68.52(b)(5)]

The owner or operator failed to address the normal shutdown in the Operating Procedures.

*Facility addressed this post inspection* See the attachment enclosed

Prevention Program \$1,200  
Operating Procedures [§ 68.52(b)(6)]

The owner or operator failed to address the startup following a normal or emergency shutdown or a major change that requires a hazard review in the Operating Procedures.

*Facility addressed this post inspection* See the attachment enclosed



Prevention Program \$1,200  
Operating Procedures [§ 68.52(b)(7)]  
The owner or operator failed to address the consequences of deviations and steps required to correct or avoid deviations in the Operating Procedures.

*Facility addressed this post inspection*      See the attachment enclosed

Risk Management Plan \$2,000  
Risk Management Plan [§ 68.190(a)]  
The owner or operator failed to review and update the RMP and submit it to the EPA.

*Facility addressed this post inspection*      See the attachment enclosed

Total Unadjusted Penalty \$10,700

#### 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 between 0-9, and column for >10 times the threshold quantity of 10,000 pounds of anhydrous ammonia as listed in 40 C.F.R. Part 68.130 for the amount in a process gives a multiplier factor of 0.8. Therefore, the multiplier for Rock County Agronomy Services = 0.8.

2<sup>nd</sup>      Adjusted Penalty = \$10,700 (Unadjusted Penalty) X 0.8 (Size-Threshold Multiplier)  
Adjusted Penalty = \$8,560.

3<sup>rd</sup>      An Adjusted Penalty of \$8,560 would be assessed to Rock County Agronomy Services for violations found during the RMP Compliance Inspection. This amount will be found in the ESA.

**Total Adjusted Penalty \$8,560**

**This section must be completed and signed by Rock County Agronomy Services:**

The approximate cost to correct the above items: \$ 5093<sup>82</sup>

Compliance staff name: BRUCE HUNGERFORD

Signed: Bruce Hungerford Date: 4-12-17

IN THE MATTER Of Rock County Agronomy Services, Respondent  
Docket No. CAA-07-2017-0007

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:

rosado-chaparro.wilfredo@epa.gov

Copy via First Class Mail to Respondent:

Bruce Hungerford, Manager  
Rock County Agronomy Services  
W. 1<sup>st</sup> Street  
Bassett, Nebraska 68714

Dated: 5/8/17



Kathy Robinson  
Hearing Clerk, Region 7