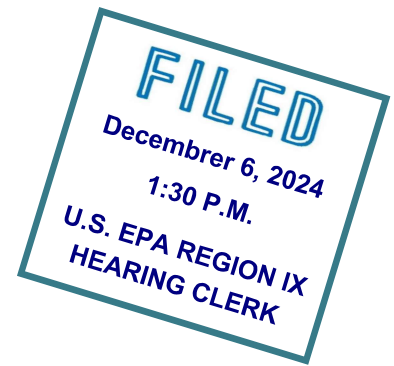


**UNITED STATES  
ENVIRONMENTAL PROTECTION AGENCY  
REGION IX**



**IN THE MATTER OF:**

Central Valley Meat Co., Inc.  
10431 8 ¾ Avenue  
Hanford, CA 93230

Respondent.

**Docket No.**

CAA (112r)-09-2024-0081  
EPCRA-09-2024-0091

**CONSENT AGREEMENT AND FINAL  
ORDER PURSUANT TO  
40 C.F.R. §§ 22.13 AND 22.18**

**CONSENT AGREEMENT**

**A. PRELIMINARY STATEMENT**

1. This is a civil administrative enforcement action instituted pursuant to Section 325 of the Emergency Planning and Community Right-to-Know Act of 1986 ("EPCRA"), 42 U.S.C. § 11045, and Sections 113(a)(3)(A) and (d) of the Clean Air Act ("CAA"), as amended, 42 U.S.C. §§ 7413(a)(3)(A), (d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation, Termination or Suspension of Permits, 40 C.F.R. Part 22.

2. Pursuant to EPCRA Section 325, 42 U.S.C. § 11045, the Administrator of EPA is authorized to take enforcement action against persons who violate EPCRA Section 312, 42 U.S.C. § 11022. The Administrator delegated this authority to the EPA Regional Administrators by Delegation 22-3A, dated May 11, 1994 (last revised July 20, 2016). The Regional Administrator of EPA Region IX, redelegated this authority to the Director of the Enforcement



Division (now the Enforcement and Compliance Assurance Division or "ECAD") by Delegation R9-22-3-B, dated February 11, 2013.

3. Pursuant to CAA Section 113(d), 42 U.S.C. § 7413(d), the Administrator of EPA is authorized to sign consent agreements memorializing settlements of enforcement actions against persons who violate CAA Section 112(r), 42 U.S.C. § 7412(r). The Administrator delegated this authority to the EPA Regional Administrators by Delegation 7-6-A, dated August 4, 1994. The Regional Administrator of EPA Region IX redelegated this authority to the Director of the Enforcement Division (now ECAD) by Delegation R9-7-6-A, dated February 11, 2013.

4. Complainant is the Director of ECAD.

5. Respondent is Central Valley Meat Co., Inc. ("Respondent"), a California corporation licensed to conduct business in California whose principal offices are located at 10431 8 ¾ Avenue Hanford, California.

6. This Consent Agreement and Final Order ("CA/FO"), which contains the elements of a complaint required by 40 C.F.R. § 22.14(a)(1)-(3), (8), simultaneously commences and concludes this penalty proceeding, as authorized by 40 C.F.R. §§ 22.13(b), 22.18(b)(2) - (3).

7. Complainant and Respondent agree that settlement of this matter is in the public interest and that entry of this CA/FO without further litigation is the most appropriate means of resolving this matter.

#### **B. GENERAL ALLEGATIONS**

8. At all times relevant to this CA/FO, Respondent is/was an incorporated company and therefore a "person" as defined in EPCRA Section 329(7), 42 U.S.C. § 11049(7) and CAA Section 302(e), 42 U.S.C. § 7602(e).



9. At all times relevant to this CA/FO, Respondent operated a facility (the “Facility”) located at 10431 8 ¾ Avenue Hanford, California, that utilizes anhydrous ammonia to provide cooling capabilities to processing, shipping, cooler areas, silos, and chillers for its beef and meat products.

10. On March 30, 2022, EPA performed an inspection of the Facility to evaluate compliance with the Comprehensive Environmental Response, Compensation and Liability Act (“CERCLA”) Section 103, 42 U.S.C. § 9603, EPCRA Sections 304-312, 42 U.S.C. §§ 11004-12, and CAA Section 112(r), 42 U.S.C. § 7412(r) (the “Inspection”). Based upon the information gathered during the Inspection and subsequent investigation, EPA determined that Respondent violated certain provisions of EPCRA and the CAA.

I. EPCRA Section 312

11. EPCRA Section 312, 42 U.S.C. § 11022, requires the owner or operator of a facility to submit an annual emergency and hazardous chemical inventory form (“inventory form”) containing information on hazardous chemicals present at the facility during the preceding calendar year above threshold levels established in 40 C.F.R. § 355, Appendices A and B.

12. The inventory form must be submitted by March 1 of each year to the State Emergency Response Commission (“SERC”), the Local Emergency Planning Committee (“LEPC”), and the fire department with jurisdiction over the facility. 40 C.F.R. §§ 370.44 and 470.45.

13. Ammonia is a “hazardous chemical” as defined in Sections 311(e) and 312(c) of EPCRA, 42 U.S.C. §§ 11021(e) and 11022(c), with a threshold planning quantity of 500 pounds. 40 C.F.R. Part 355, App. A & B. At all times relevant to this CA/FO, Respondent exceeded 500 pounds or



more of ammonia (anhydrous) in one or more processes at the Facility and is required to submit a material safety data sheet for anhydrous ammonia. 42 U.S.C. §§ 11021(a) and (e).

14. The Facility is a "facility" as defined by EPCRA Section 329(4), 42 U.S.C. § 11049(4).

II. CAA Section 112(r)

15. Pursuant to the General Duty Clause in CAA Section 112(r)(1), 42 U.S.C. § 7412(r)(1), owners and operators of stationary sources producing, processing, handling, or storing substances listed pursuant to CAA Section 112(r)(3), 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance ("EHS"), have a general duty, in the same manner and to the same extent as under Occupational Safety and Health Act ("OSHA") Section 654, 29 U.S.C. § 654, to identify hazards which may result from accidental releases of such substances using appropriate hazard assessment techniques, to design and maintain a safe facility taking such steps as necessary to prevent releases, and to minimize the consequences of accidental releases which do occur.

16. Pursuant to CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and its implementing regulations, owners and operators of stationary sources at which a regulated substance is present in more than a threshold quantity ("TQ") must prepare and implement a risk management plan ("RMP") to detect and prevent or minimize accidental release of such substances from the stationary source, and to provide a prompt emergency response to any such releases in order to protect human health and the environment.

17. CAA Sections 111(a)(3) and 112(a)(3), 42 U.S.C. §§ 7411(a)(3) and 7412(a)(3), define "stationary source" as "any building, structure, facility, or installation which emits or may emit any air pollutant."



18. CAA Section 302(g), 42 U.S.C. § 7602(g), defines “air pollutant” as “any air pollution agent or combination of such agents, including any physical, chemical, biological, radioactive (including source material, special nuclear material, and byproduct material) substance or matter which is emitted into or otherwise enters the ambient air.”
19. Ammonia (anhydrous) is a “regulated toxic substance” listed under CAA Section 112(r)(3), 42 U.S.C. § 7412(r)(3), with a TQ of 10,000 pounds. See 40 C.F.R. § 68.130, Tables 1 and 2.
20. Under CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.10(i), the owner or operator of a covered stationary source with a process in an NAICS code listed in 40 C.F.R. § 68.10(i)(1) or subject to the OSHA process safety management standard set forth in 29 C.F.R. § 1910.119 is subject to the “Program 3” requirements set forth in 40 C.F.R. § 68.12(d).
21. Under CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.12(d), facilities subject to the Program 3 requirements are required to implement the prevention requirements set forth in 40 C.F.R. §§ 68.65 through 68.87 and the emergency response program requirements set forth in 40 C.F.R. §§ 68.90 through 68.96.
22. At all times relevant to this CA/FO, Respondent has been the owner or operator of the Facility.
23. At all times relevant to this CA/FO, the real property and improvements thereto located at the Facility are a “stationary source” as defined by CAA Sections 111(a)(3) and 112(a)(3), 42 U.S.C. §§ 7411(a)(3) and 7412(a)(3).
24. At all times relevant to this CA/FO, Respondent produced, used or stored more than 10,000 pounds of ammonia (anhydrous) at the Facility.



25. At all times relevant to this CA/FO, Respondent was subject to Program 3 requirements because there are public receptors within the distance to the endpoint for the worst-case release from its Facility and was subject to the OSHA process safety management standard set forth in 29 C.F.R. § 1910.119.

**C. ALLEGED VIOLATIONS**

**COUNT I**

(Failure to Comply with Tier II Inventory Requirements)

26. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

27. Under 40 C.F.R. § 370.42(s)(6), for each hazardous chemical that an owner or operator is required to report, the owner or operator must provide an estimate (in ranges) of the maximum amount of the hazardous chemical present at its facility on any single day during the preceding calendar year.

28. Based upon the Inspection and subsequent investigation, EPA determined that Respondent failed to include its propane storage tank in its Tier II annual hazardous materials inventory form, and also failed to submit an accepted Tier II inventory.

29. Accordingly, EPA alleges that by failing to include the propane storage tank in its Tier II annual hazardous materials inventory and by failing to submit an accepted Tier II inventory, Respondent violated EPCRA § 312, 42 U.S.C. § 11022, and 40 C.F.R. § 370.42(s)(6).

**COUNT II**

(Failure to Comply with Hazard Assessment Requirements)



30. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

31. Under 40 C.F.R. § 68.25(b), the owner or operator shall analyze and report in its RMP, a worst-case release scenario in which the worst-case release quantity shall be the greater of the following: for substances in a vessel, the greatest amount held in a single vessel, taking into account administrative controls that limit the maximum quantity; or for substances in pipes, the greatest amount in a pipe, taking into account administrative controls that limit the maximum quantity.

32. Based upon the Inspection and subsequent investigation, EPA determined that Respondent failed to describe the basis for the quantity released in a worst-case release scenario for its East Refrigeration System.

33. Accordingly, EPA alleges that by failing to include a determination of the worst-case release quantity for its East Refrigeration Room, Respondent violated the hazard assessment requirements set forth at CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.25(b).

### **COUNT III**

#### **(Failure to Comply with Process Safety Information Requirements)**

34. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

35. Under 40 C.F.R. § 68.65(c)(1)(iii), the owner or operator must complete a compilation of written process safety information before conducting any process hazard analysis, including information concerning the technology of the process, including the maximum intended inventory.



36. Based upon the Inspection and subsequent investigation, EPA determined that Respondent failed to provide accurate maximum intended inventory calculations for its East Refrigeration Room, because Respondent provided multiple conflicting versions of its inventory calculation.

37. Under 40 C.F.R. § 68.65(d)(2), the owner or operator of a facility must document that equipment complies with recognized and generally accepted good engineering practices (“RAGAGEP”).

38. Based upon the Inspection and subsequent investigation, EPA determined that the Facility did not document that equipment in the East Machinery Room complies with RAGAGEP. Specifically:

- a. Although section 6.2.5 of American National Standards Institute (“ANSI”)/International Institute of All-Natural Refrigeration (“IIAR”) 2-2014 states, “[a]ir shall not flow to or from any portion of the premises that is routinely accessible to or occupied by people on a part-time or full-time basis through a machinery room unless the air is ducted and sealed to prevent ammonia leakage from entering the airstream,” the Facility’s wall penetrations and holes were not sealed.
- b. Although section 5.14.5 of ANSI/IIAR 2-2014; IIAR Bulletin 109, section 4.7.6; IIAR Bulletin 114, sections 4.1.1 through 4.1.8; and ANSI/American Society of Mechanical Engineers (“ASME”) require ammonia piping mains, headers, and branches to be identified with the contents “AMMONIA” as well as labeling that includes the physical state of the ammonia, the pressure level of ammonia being low or high, pipe, service,



and direction of flow, the Facility's piping associated with the evaporators was not labeled.

- c. Although section 13.4.2 of ANSI/IIAR 2-2014 states, "[r]efrigerant piping shall be isolated and supported to prevent damage from vibration, stress, corrosion, and physical impact," the Facility's evaporators were not protected from forklift damage.
- d. Although section 6.13.1.2 states, "[t]he detector shall activate an alarm that reports to a monitored location so that corrective action can be taken at an indicated concentration of 25 ppm or higher," the Facility's ammonia alarms in the machinery room and several associated cold rooms were set above 25 ppm.

39. For existing equipment designed and constructed in accordance with codes, standards, or practices that are no longer in general use, under 40 C.F.R. § 68.65(d)(3), the owner or operator must determine and document that the equipment is designed, maintained, inspected, tested, and operating in a safe manner.

40. Based on evidence gathered during the investigation, EPA determined that the Facility did not document that the deviations from RAGAGEP described in paragraph 38, above, were designed, maintained, inspected, tested, and operating in a safe manner.

41. Accordingly, EPA alleges that by failing to compile written process safety information, specifically the maximum intended inventory, before conducting any process hazard analysis, and by failing to comply with RAGAGEP or document that its existing equipment was safe, Respondent violated the process safety information requirements set forth at CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. §§ 68.65(c)(1)(iii), 68.65(d)(2) and 68.65(d)(3).

#### **COUNT IV**



(Failure to Comply with Process Hazard Analysis Requirements)

42. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

43. Under 40 C.F.R. § 68.67, the owner or operator of a facility must perform a process hazard analysis (“PHA”) on processes covered by CAA Section 112(r), 42 U.S.C. § 7412(r), requirements to identify, evaluate, and control the hazards involved in the process.

44. Under 40 C.F.R. § 68.67(e), the owner or operator must establish a system to promptly address the findings and recommendations of a PHA; assure that the recommendations are resolved in a timely manner and that the resolution is documented; document what actions are to be taken; complete actions as soon as possible; develop written schedule of when these actions are to be completed; and communicate the actions to operating, maintenance and other employees who may be affected by the recommendations or actions.

45. Based on evidence gathered during the investigation, EPA determined that Respondent failed to track its PHA to completion because multiple recommendation items were not updated to show whether they had been completed, and completed recommendations did not include dates on when they were completed or descriptions of what work was done to complete the recommendations.

46. Accordingly, EPA alleges that by failing to track its PHA recommendations to completion, Respondent violated the process hazard analysis requirements set forth at CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.67(e).

**COUNT V**

(Failure to Develop and Implement Adequate Operating Procedures)



47. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

48. Under 40 C.F.R. § 68.69(a), the owner or operator must develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process consistent with the process safety information, including but not limited to operating limits and the steps required to correct or avoid deviation.

49. Based on evidence gathered during the investigation, EPA determined that several consequences of deviation associated with Respondent's standard operating procedures ("SOPs") did not include adequate steps to correct or avoid deviation.

50. Under 40 C.F.R. § 68.69(b), the owner or operator must ensure that operating procedures are readily accessible to employees who work in or maintain a process.

51. Based on evidence gathered during the investigation, EPA determined that several process diagrams attached to Respondent's SOPs were illegible and not readily accessible to employees who work in or maintain a process.

52. Accordingly, EPA alleges that by failing to adequately develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process including operating limits and the steps required to correct or avoid deviation, and by failing to have process diagrams readily accessible to employees, Respondent violated the operating procedure requirements set forth at CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. §§ 68.69(a) and (b).

Count VI

(Failure to Ensure Mechanical Integrity)



53. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

54. Under 40 C.F.R. § 68.73(e), the owner or operator of a facility must correct deficiencies in covered equipment that are outside acceptable limits before further use or in a safe and timely manner when necessary means are taken to assure safe operation.

55. Based on evidence gathered during the investigation, EPA observed that the seal to the primary door to the East Machinery Room at the Facility needed to be repaired.

56. Accordingly, EPA alleges that the seal to the Facility's primary door to the East Machinery Room was outside acceptable limits, and by failing to fix the seal in a timely manner, Respondent violated the mechanical integrity requirements set forth at CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.73(e).

#### Count VII

##### (Failure to Complete Incident Investigation Requirements)

57. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

58. Under 40 C.F.R. § 68.81(d), owners and operators are required to prepare a report at the conclusion of the investigation of an incident which resulted in, or could reasonably have resulted in a catastrophic release, that includes at a minimum: the date of the incident; the date investigation began; a description of the incident; the factors that contributed to the incident; and any recommendations resulting from the investigation



59. Based on evidence gathered during the investigation, EPA determined that Respondent failed to include the date for when its investigation was initiated in its investigation report for an ammonia release on July 31, 2021.

60. Accordingly, EPA alleges that by failing to include the date in its investigation report for an ammonia release on July 31, 2021, Respondent violated the incident investigation requirements set forth at CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.81(d).

Count VIII

(Failure to Confirm Employee Participation)

61. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

62. Under 40 C.F.R. § 68.83(f), owners and operators are required to provide to employees and their representatives access to process hazard analyses.

63. Based on evidence gathered during the investigation, EPA determined that Respondent only provided employees access to process hazard analysis documents when the employees requested it from management personnel.

64. Accordingly, EPA alleges that by having its process hazard analysis accessible to its employees only upon request, Respondent violated the employee participation requirements set forth at CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.83(f).

Count IX

(Failure to Coordinate with Local Authorities for Emergency Response Coordination)

65. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.



66. Under 40 C.F.R. § 68.93(a), owners and operators of a stationary source are required to coordinate response needs with local emergency planning and response organizations at least annually, and more frequently if necessary, to address changes at the stationary source, in the stationary source's emergency response or action plan, and/or in the community emergency response plan. Under 40 C.F.R. § 68.93(b), owners and operators are required to provide the LEPC and fire departments with: the stationary source's emergency response plan if one exists; emergency action plan; updated emergency contact information; and other information necessary for developing and implementing the local emergency response plan. Additionally, under 40 C.F.R. § 68.93(c) owners and operators must document coordination with local authorities.

67. Based on evidence gathered during the investigation, EPA determined that Respondent failed to coordinate with the LEPC and fire departments for emergency response. Respondent also failed to provide the LEPC and first responders the emergency response plan.

68. Accordingly, EPA alleges that by failing to coordinate with local emergency planning and response organizations and document any coordination with such organizations, and by failing provide the information to local emergency planning and response organizations, Respondent violated the emergency response plan requirements set forth at CAA Section 112(r)(7), 42 U.S.C. § 7412(r)(7), and 40 C.F.R. § 68.93(a), (b), and (c).

Count X

(Failure to Identify Hazards Under the General Duty Clause)

69. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.



70. Pursuant to 42 U.S.C. § 7412(r)(1), owners and operators of stationary sources producing, handling, or storing any substance listed pursuant to Section 112(r)(3), or any other extremely hazardous substance, have a general duty to identify hazards which may result from releases of those extremely hazardous substances using appropriate hazard assessment techniques. An appropriate part of any hazard assessment technique includes developing and implementing an adequate system to track the progress of related recommendations.

71. Based on evidence gathered during the investigation, EPA determined that Respondent failed to address recommendations from hazard reports in a timely manner, failed to adequately list or maintain mitigative safeguards that will take place once a what-if scenario has occurred, and failed to have consistent consequence ratings for what-if scenarios that could lead to larger releases for its West Refrigeration System.

72. Accordingly, EPA alleges that by failing to comply with the general duty clause for identifying and addressing hazards which may result in a release for its West Refrigeration System, Respondent violated 42 U.S.C. § 7412(r)(1).

Count XI

(Failure to Design and Maintain a Safe Facility Under the General Duty Clause)

73. Paragraphs 1 through 25 above are incorporated herein by this reference as if they were set forth here in their entirety.

74. Pursuant to CAA Section 112(r)(1), 40 U.S.C. § 7412(r)(1), Respondent has a general duty, in the same manner and to the same extent as under OSHA Section 654, 29 U.S.C. § 654, to identify hazards which may result from accidental releases of a regulated substance or other EHS using appropriate hazard assessment techniques, design and maintain a safe facility taking



steps as are necessary to prevent releases, and minimize the consequences of accidental releases which do occur.

75. Based on evidence gathered during the investigation, EPA determined that Respondent failed to design and maintain a safe facility for its West Refrigeration System.

Specifically:

- a. Ammonia alarms in the machinery room and several associated cold rooms were set above 25 parts per million
- b. Vapor barrier damage was observed in several locations in the machinery room and associated cold rooms;
- c. The door to the machinery room had a frame that was not sealed;
- d. There were obstructions in front of the safety shower;
- e. The king valve (emergency shutoff valve) of a high-pressure receiver had a damaged label that was hard to see at any distance from the vessel;
- f. The piping associated with the condensers was not labeled;
- g. The evaporators were not protected from forklift damage; and
- h. The relief valve information was dated after EPA's onsite inspection.

76. By failing to comply with the general duty clause for designing and maintaining a safe facility for its West Refrigeration System, Respondent violated 42 U.S.C. § 7412(r)(1).

**D. CIVIL ADMINISTRATIVE PENALTY**

77. Respondent agrees to pay a civil penalty in the amount of **TWO-HUNDRED TEN THOUSAND THREE HUNDRED THIRTY-TWO DOLLARS** (\$210,332) ("Assessed Penalty") within



thirty (30) days after the date the Final Order ratifying this Agreement is filed with the Regional Hearing Clerk ("Filing Date").

- i. The EPCRA portion of the penalty totals **NINE THOUSAND EIGHT-HUNDRED SIXTY-SIX DOLLARS (\$9,866)**.
- ii. The CAA portion of the penalty totals **TWO-HUNDRED THOUSAND FOUR HUNDRED SIXTY-FIVE DOLLARS (\$200,465)**.

78. Respondent shall pay the Assessed Penalty and any interest, fees, and other charges due using any method, or combination of appropriate methods, as provided on the EPA website:

<https://www.epa.gov/financial/makepayment>. For additional instructions see:

<https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

79. When making a payment, Respondent shall:

- a. Identify every payment with Respondent's name and the docket numbers of this Agreement, CAA (112r)-09-2024-0081 and EPCRA-09-2024-0091.
- b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment to the following persons via electronic mail:

Regional Hearing Clerk  
U.S. Environmental Protection Agency, EPA Region 9  
R9HearingClerk@epa.gov

and

Bridget Johnson  
Enforcement Division  
U.S. Environmental Protection Agency - Region 9  
Johnson.Bridget@epa.gov

and



U.S. Environmental Protection Agency  
Cincinnati Finance Center  
CINWD\_AcctsReceivable@epa.gov

“Proof of payment” means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that Regional Hearing Clerk payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent’s name.

80. Interest, Charges, and Penalties on Late Payments. Pursuant to 342 U.S.C. § 7412(d)(5), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay the full amount of the Assessed Penalty per this Agreement, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately due and owing, and EPA is authorized to recover the following amounts.

- a. Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. Per 42 U.S.C. § 7524(c)(6), interest will be assessed pursuant to 26 U.S.C. § 6621(a)(2), that is the IRS standard underpayment rate, equal to the Federal short-term rate plus 3 percentage points.
- b. Handling Charges. The United States’ enforcement expenses including, but not limited to, attorneys’ fees and costs of handling collection.
- c. Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.



81. Late Penalty Actions. In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty, interest, or other charges and penalties per this Agreement, EPA may take additional actions. Such actions EPA may take include, but are not limited to, the following:

- a. Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.
- b. Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.
- c. Suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.
- d. Request that the Attorney General bring a civil action in the appropriate district court to enforce the Final Order and recover the full remaining balance of the Assessed Penalty, in addition to interest and the amounts described above, pursuant to 42 U.S.C. § 7413(d)(5). In any such action, the validity, amount, and appropriateness of the Assessed Penalty and Final Order shall not be subject to review.

82. Allocation of Payments. Pursuant to 31 C.F.R. § 901.9(f) and 40 C.F.R. § 13.11(d), a partial payment of debt will be applied first to outstanding handling charges, second to late



penalty charges, third to accrued interest, and last to the principal that is the outstanding Assessed Penalty amount.

83. Tax Treatment of Penalties. Penalties, interest, and other charges paid pursuant to this Agreement shall not be deductible for purposes of federal taxes.

84. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service (“IRS”) annually, a completed IRS Form 1098-F (“Fines, Penalties, and Other Amounts”) with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor’s violation of any law or the investigation or inquiry into the payor’s potential violation of any law, including amounts paid for “restitution or remediation of property” or to come “into compliance with a law.” EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number (“TIN”), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. In order to provide EPA with sufficient information to enable it to fulfill these obligations, EPA herein requires, and Respondent herein agrees, that:

- a. Respondent shall complete an IRS Form W-9 (“Request for Taxpayer Identification Number and Certification”), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>;



- b. Respondent shall therein certify that its completed IRS Form W-9 includes  
  
Respondent's correct TIN or that Respondent has applied and is waiting for issuance  
  
of a TIN;
- c. Respondent shall email its completed Form W-9 to EPA's Cincinnati Finance Center  
  
at [Sherrer.Dana@epa.gov](mailto:Sherrer.Dana@epa.gov), within 30 days after the Final Order ratifying this  
  
Agreement is filed, and EPA recommends encrypting IRS Form W-9 email  
  
correspondence; and
- d. In the event that Respondent has certified in its completed IRS Form W-9 that it has  
  
applied for a TIN and that TIN has not been issued to Respondent within 30 days  
  
after the Effective Date, then Respondent, using the same email address identified in  
  
the preceding sub-paragraph, shall further:
  - i. notify EPA's Cincinnati Finance Center of this fact, via email, within 30  
  
days after the 30 days after the Effective Date of this CA/FO per  
  
paragraph 91; and
  - ii. provide EPA's Cincinnati Finance Center with Respondent's TIN, via email,  
  
within five (5) days of Respondent's issuance and receipt of the TIN.

**E. COMPLIANCE TASKS**

- 85. All submissions to EPA in this section shall be submitted to Bridget Johnson at EPA at  
  
[Johnson.Bridget@epa.gov](mailto:Johnson.Bridget@epa.gov).
- 86. If Respondent is unable to complete any of the compliance tasks required in this Section  
  
within the associated schedule, Respondent shall submit a written request for a modification,  
  
including the basis for the request, to EPA. Respondent shall submit this request within seven



(7) days of identifying a need for a modification. Based on this request, EPA may in its sole discretion grant or deny, in full or in part, with or without conditions, the request for modification.

87. All certifications shall be signed by an authorized representative of Respondent. If the condition directs Respondent to certify facts to EPA, Respondent shall submit a written statement containing the following language: "The undersigned hereby certifies under penalty of law, and based on information and belief formed after reasonably inquiry, that the statements and information herein and all supporting documentation, are true, accurate, and complete.

88. After receipt of documentation supporting completion of the compliance tasks outlined in paragraph 89, EPA will notify the Respondent, in writing, regarding: (a) any deficiencies in the conditions along with a grant of fourteen (14) days for Respondent to correct any deficiencies; or (b) indicate that EPA concludes that the conditions have been completed satisfactorily.

89. Process Hazard Analysis Recommendations. Within thirty days of the Effective Date, Respondent shall submit to EPA documentation and a certification showing the completion of the remaining open recommendations from the 2014 West Refrigeration System process hazard analysis outlined above in Count X.

#### **F. RESPONDENT'S ADMISSIONS AND WAIVERS OF RIGHTS**

90. In accordance with 40 C.F.R. § 22.18(b)(2), for the purpose of this proceeding, Respondent: (i) admits that jurisdictional allegations of this CA/FO; (ii) neither admits nor denies the specific factual allegations contained in the CA/FO; (iii) consents to the assessment of any stated civil penalty, to the issuance of any specified compliance or corrective action



order, and to any conditions specified in this CA/FO; and (iv) waives, any right to contest the allegations and its right to appeal the proposed final order accompanying this consent agreement.

**G. PARTIES BOUND**

91. This CA/FO shall apply to and be binding upon Respondent, and its successors and assigns, until such time as the civil penalty required under Section D has been paid, and any delays in performance and/or stipulated penalties have been resolved. At such time as those matters are concluded, this CA/FO shall terminate and constitute full settlement of civil penalty liability for the violations alleged herein.

92. No change in ownership or legal status relating to the Facility will in any way alter Respondent's obligations and responsibilities under this CA/FO.

93. Until all requirements of this CA/FO are satisfied, Respondent shall give notice of this CA/FO to any successor in interest prior to transfer of ownership or operation of the Facility and shall notify EPA within seven (7) days prior to such transfer.

94. The undersigned representative of Respondent hereby certifies that they are fully authorized by Respondent to enter into and execute this CA/FO, and to legally bind Respondent to it.

95. The determination of whether Respondent has satisfactorily complied with the terms of this CA/FO and the determination of whether Respondent has made a good faith, timely effort to complete the tasks required by this CA/FO are within the sole discretion of the Complainant.

**H. CERTIFICATION OF COMPLIANCE**



96. In executing this CA/FO, Respondent certifies that under penalty of law to EPA, other than the work to be performed under Section E of this CA/FO, that it has taken all steps necessary to return to full compliance with EPCRA Sections 304-312, 42 U.S.C. §§ 11004-12 and CAA Section 112(r), 42 U.S.C. § 7412(r), and its implementing regulations, that formed the basis for the violations alleged in this CA/FO.

97. The signatory for Respondent certifies under penalty of law that this certification of compliance is based upon true, accurate, and complete information, which the signatory can verify personally or regarding which the signatory has inquired of the person or persons directly responsible for gathering the information.

**I. DELAY IN PERFORMANCE/STIPULATED PENALTIES**

98. In the event that Respondent fails to meet any requirement set forth in this CA/FO, Respondent shall pay stipulated penalties as follows: FIVE HUNDRED DOLLARS (\$500) per day for first to fifteenth day of delay; ONE THOUSAND DOLLARS (\$1,000) per day for the sixteenth to thirtieth day of delay; and ONE THOUSAND FIVE HUNDRED DOLLARS (\$1,500) per day for each day of delay thereafter. Compliance by Respondent shall include completion of any activity under this CA/FO in a manner acceptable to EPA and within the specified time schedules in and approved under this CA/FO.

99. Stipulated penalties shall begin to accrue on the day after performance is due and shall continue to accrue through the final day until performance is complete. Respondent shall pay stipulated penalties within thirty (30) days of receipt of a written demand by Complainant for such penalties. Payment of stipulated penalties shall be made in accordance with the procedure set forth for payment of penalties in Section D of this CA/FO.



100. If a stipulated penalty is not paid in full, interest shall begin to accrue on the unpaid balance at the end of the thirty-day period at the current rate published by the United States Treasury, as described at 40 C.F.R. §13.11. Complainant reserves the right to take any additional action, including but not limited to, the imposition of civil penalties, to enforce compliance with this CA/FO or with the CAA, and its implementing regulations.

101. The payment of stipulated penalties specified in this Section shall not be deducted by Respondent or any other person or entity for federal taxation purposes.

102. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive any portion of stipulated penalties that have accrued pursuant to this CA/FO.

**J. RESERVATION OF RIGHTS**

103. In accordance with 40 C.F.R. § 22.18(c), Respondent's full compliance with this Consent Agreement shall only resolve Respondent's liability for federal civil penalties for the violations specifically alleged herein and does not in any case affect the right of EPA to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law.

104. This CA/FO is not a permit or modification of any existing permit issued pursuant to any federal, state, or local laws or regulations. This CA/FO does not exempt, relieve, modify, or affect in any way Respondent's duty to comply with all applicable federal, state, and local laws, regulations, rules, ordinances, and permits.

**K. MISCELLANEOUS**

105. This CA/FO may be amended or modified only by written agreement executed by both EPA and Respondent.



106. The headings in this CA/FO are for convenience of reference only and shall not affect interpretation of this CA/FO.

107. By signing this CA/FO, Respondent acknowledges that this CA/FO will be available to the public and agrees that this CA/FO does not contain any confidential business information or personally identifiable information.

108. Each party to this action shall bear its own costs and attorneys' fees.

109. This CA/FO can be signed in counterparts.

110. Respondent consents to entry of this CA/FO without further notice.

**L. EFFECTIVE DATE**

111. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CA/FO shall be effective on the date that the final order contained in this CA/FO, having been approved and issued by the Regional Judicial Officer, is filed with the Regional Hearing Clerk.

IT IS SO AGREED.

FOR RESPONDENT, Central Valley Meat Co., Inc.:

9-26-2024

DATE

**Rodney M. Blaco**

Digitally signed by Rodney M. Blaco  
Date: 2024.09.26 08:44:16 -07'00'

NAME: Rodney M. Blaco

TITLE: General Counsel



FOR COMPLAINANT, EPA REGION IX:

**AMY MILLER-  
BOWEN**

Digitally signed by AMY MILLER-  
BOWEN  
Date: 2024.12.05 08:10:56 -08'00'

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Amy C. Miller-Bowen, Director  
Enforcement and Compliance Assurance Division



**FINAL ORDER**

**IT IS HEREBY ORDERED** that this Consent Agreement and Final Order (“CA/FO”) in the Matter of Central Valley Meat Co., Inc. (Docket Nos. CAA (112r)-09-2024-0081 and EPCRA-09-2024-0091) be entered, and that Respondent shall pay a civil administrative penalty in the amount of TWO HUNDRED TEN THOUSAND THREE HUNDRED THIRTY-TWO DOLLARS (\$210,332) and shall otherwise comply with all terms and conditions of this CA/FO.

**BEATRICE  
WONG**

Digitally signed by  
BEATRICE WONG  
Date: 2024.12.06  
13:09:45 -08'00'

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Beatrice Wong  
Regional Judicial Officer  
U.S. EPA, Region IX







## **CERTIFICATE OF SERVICE**

I hereby certify the attached Consent Agreement and Final Order in the matter of Central Valley Meat Co, Inc. (Docket No. CAA(112r)-09-2024-0081 and EPCRA-09-2024-0091) was filed with Regional Hearing Clerk, and that a true and correct copy was served on the parties, via electronic mail, as indicated below:

**RESPONDENT:** Mike Casey  
Vice President of Risk Management  
Central Valley Meat Company, Inc.  
10431 8 ¾ Avenue  
Hanford, CA 93230  
Mcasey@centralvalleymeat.com

**COMPLAINANT:** Ylan Nguyen  
Assistant Regional Counsel  
U.S. EPA – Region IX  
Hazardous Waste Section III (ORC-3-3)  
75 Hawthorne Street  
San Francisco, CA 94105  
Nguyen.Ylan@epa.gov

PONLY TU

Digitally signed by  
PONLY TU  
Date: 2024.12.06  
15:48:35 -08'00'

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Ponly Tu  
Regional Hearing Clerk  
U.S. EPA – Region IX