

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5**

**FILED**

July 17, 2025

1:19 PM

**U.S. EPA REGION 5  
HEARING CLERK**

<b>In the Matter of:</b>	)	<b>Docket No. CAA-05-2025-0043</b>
	)	
C3E, LLC d/b/a Chem Tech	)	<b>Proceeding to Assess a Civil Penalty</b>
Bristol, Indiana,	)	<b>Under Section 113(d) of the Clean Air Act,</b>
	)	<b>42 U.S.C. § 7413(d)</b>
<b>Respondent.</b>	)	
_____	)	

**Consent Agreement and Final Order**

**A. Preliminary Statement**

1. This is an administrative penalty assessment proceeding commenced and concluded under Section 113(d) of the Clean Air Act (the CAA), 42 U.S.C. § 7413(d), and Sections 22.1(a)(2), 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. §§ 22.1(a)(2), 22.13(b) and 22.18(b)(2) and (3).

2. Complainant is the U.S. Environmental Protection Agency (EPA). The EPA Administrator has delegated the authority to settle civil administrative penalty proceedings under Section 113(d) of the CAA to the Division Director of the Region 5 Enforcement and Compliance Assurance Division.

3. Respondent is C3E, LLC d/b/a Chem Tech ("C3E"), a corporation doing business in Indiana. Respondent is a "person," as defined in Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

4. The EPA and Respondent agree that settling this action is in the public interest and consent to the entry of this Consent Agreement and Final Order ("CAFO") without the adjudication of any issues of law or fact.

5. Respondent agrees to comply with the terms of this CAFO.

## **B. Jurisdiction**

6. The alleged violations in this CAFO are pursuant to Section 113(a)(3)(A) of the CAA.

7. The EPA and the United States Department of Justice have jointly determined that this matter, although it involves alleged violations that occurred more than one year before the initiation of this proceeding, is appropriate for an administrative penalty assessment. 42 U.S.C. § 7413(d); 40 C.F.R. § 19.4.

8. The Regional Judicial Officer of Region 5 is authorized to ratify the Consent Agreement memorializing the settlement between the EPA and Respondent and to issue the attached Final Order. 40 C.F.R. §§ 22.4(b) and 22.18(b).

## **C. Statutory and Regulatory Background**

9. Section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), identifies the objective of the regulations and programs authorized under this subsection as preventing the accidental release and minimizing the consequences of any such release of any substance listed pursuant to Section 112(r)(3), or any other extremely hazardous substance.

10. Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), requires the Administrator to promulgate, not later than 24 months after November 15, 1990, an initial list of 100 substances which, in the case of an accidental release, are known to cause or may reasonably be anticipated to cause death, injury, or serious adverse effects to human health or the environment.

11. Section 112(r)(7)(A) of the CAA, 42 U.S.C. § 7412(r)(7)(A), authorizes the Administrator to promulgate release prevention, detection, and correction requirements which may include monitoring, record-keeping, reporting, training, vapor recovery, secondary containment, and other design, equipment, work practice, and operational requirements to prevent accidental releases of regulated substances.

12. Section 112(r)(7)(B)(i) of the CAA, 42 U.S.C. § 7412(r)(7)(B)(i), requires the Administrator to promulgate reasonable regulations and appropriate guidance, within three years after November 15, 1990, to provide, to the greatest extent practicable, for the prevention and detection of accidental releases of regulated substances and for response to such releases by the owners or operators of the sources of such releases.

13. Section 112(r)(7)(B)(ii) of the CAA, 42 U.S.C. § 7412(r)(7)(B)(ii), requires that the regulations under Section 112(r) require the owner or operator of stationary sources at which a regulated substance is present in more than a threshold quantity to prepare and implement a Risk Management Plan (“RMP”) to detect and prevent or minimize accidental releases 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.

14. Pursuant to Section 112(r) of the CAA, 42 U.S.C. § 7412(r), the Administrator initially promulgated a list of regulated substances, with threshold quantities for applicability, at 59 Fed. Reg. 4493 (January 31, 1994), which is codified, as amended, at 40 C.F.R. § 68.130.

15. Pursuant to Section 112(r) of the CAA, 42 U.S.C. § 7412(r), the Administrator promulgated “Accidental Release Prevention Requirements: Risk Management Programs Under Clean Air Act Section 112(r)(7),” 61 Fed. Reg. 31668 (June 20, 1996), which is codified, as amended, at 40 C.F.R. Part 68: Chemical Accident Prevention Provisions (“CAPP”).

16. The CAPP seek to prevent accidental releases of regulated substances and minimize the consequences of those releases that do occur, by requiring owners and operators of certain stationary sources to, among other things: (1) develop and implement a management system to oversee the implementation of the RMP elements; (2) develop and implement an RMP that includes, but is not limited to, a hazard assessment, a prevention program, and an emergency

response program; and (3) submit to the EPA an RMP describing the risk management program for the source. See 40 C.F.R. Part 68, Subparts A–G, 40 C.F.R. §§ 68.1–68.195.

17. Section 112(r)(7)(E) of the CAA, 42 U.S.C. § 7412(r)(7)(E), makes it unlawful for any person to operate any stationary source in violation of any regulation or requirement promulgated pursuant to Section 112(r) of the CAA after the effective date of any such regulation or requirement.

### **Chemical Accident Prevention Provisions**

#### **Applicability**

18. Section 68.10(a) of the CAPP requires, in part, the owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process, as determined under 40 C.F.R. § 68.115, to comply with the requirements of the CAPP no later than the date on which a regulated substance is first present above a threshold quantity in a process. See 40 C.F.R. § 68.10(a)(3).

19. Section 68.3 of the CAPP defines “regulated substance” as any substance listed pursuant to Section 112(r)(3) of the CAA in 40 C.F.R. § 68.130.

20. Section 68.3 of the CAPP defines “process” as any activity involving a regulated substance including any use, storage, manufacturing, handling, or on-site movement of such substances, or combination of these activities. For the purposes of this definition, any group of vessels that are interconnected, or separate vessels that are located such that a regulated substance could be involved in a potential release, are considered a single process. 40 C.F.R. § 68.3.

21. Section 68.3 of the CAPP defines “covered process” as a process that has a regulated substance present in more than a threshold quantity as determined under § 68.115. 40 C.F.R. § 68.3.

22. Table 3 at Section 68.130(a) of the CAPP lists Butane as a regulated flammable substance with a threshold quantity of 10,000 pounds.

23. Table 3 at Section 68.130(a) of the CAPP lists Propane as a regulated flammable substance with a threshold quantity of 10,000 pounds.

24. Section 68.10(l) of the CAPP subjects a covered process to Program 3 requirements if the process does not meet the Program 1 eligibility requirements at 40 C.F.R. § 68.10(j)<sup>1</sup> and if either of the following conditions is met: (1) the process is in North American Industry Classification System (“NAICS”) code 32211, 32411, 32511, 325181, 325188, 325192, 325199, 325211, 325311, or 32532; or (2) the process is subject to the U.S. Occupational Safety and Health Administration (“OSHA”) process safety management standard, 29 C.F.R. § 1910.119.

25. Sections 68.12(a) and (d) of the CAPP identify the CAPP requirements that the owner or operator of a stationary source with a process subject to Program 3 must meet, which include, among other provisions, to develop and implement a management system as provided in § 68.15; conduct a hazard assessment as provided in §§ 68.20 through 68.42; implement the prevention requirements of §§ 68.65 through 68.87; coordinate response actions with local emergency planning and response agencies as provided in § 68.93; develop and implement an emergency response program, and conduct exercises, as provided in §§ 68.90 through 68.96; submit a single

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<sup>1</sup> The previous version of the regulations included Program 1 requirements at 40 C.F.R. § 68.10(g). The current version adds other provisions, moving Program 1 requirements to 40 C.F.R. § 68.10(j), but the cross-reference was not updated accordingly. The relevant provision is the one delineating Program 1 requirements, since a covered process which does not meet those requirements will be subject to Program 3 if other conditions are met. This document will cite to 40 C.F.R. § 68.10(j) where Program 1 requirements are relevant.

RMP, as provided in §§ 68.150 to 68.185, that includes a registration that reflects all covered processes; and submit as part of the RMP the data on prevention program elements for Program 3 processes as provided in § 68.175.

#### Process Safety Information (“PSI”)

26. Section 68.65(a) of the CAPP requires the owner or operator to complete a compilation of written process safety information before conducting any process hazard analysis required by Part 68. The compilation of written process safety information is to enable the owner or operator and the employees involved in operating the process to identify and understand the hazards posed by those processes involving regulated substances. This process safety information must include information pertaining to the hazards of the regulated substances used or produced by the process, information pertaining to the technology of the process, and information pertaining to the equipment in the process. 40 C.F.R. § 68.65(a).

27. Section 68.65(d)(1)(iii) of the CAPP requires the owner or operator to include in process safety information, among others, electrical classification as information pertaining to the equipment in the process.

28. Section 68.65(d)(1)(vi) of the CAPP requires the owner or operator to include in process safety information, among others, design codes and standards employed as information pertaining to the equipment in the process.

29. Section 68.65(d)(2) of the CAPP requires the owner or operator to ensure and document that the process is designed and maintained in compliance with Recognized and Generally Accepted Good Engineering Practices (“RAGAGEP”).

## Process Hazard Analysis ("PHA")

30. Section 68.67(a) of the CAPP requires the owner or operator to perform an initial PHA on processes covered by Part 68. The PHA must be appropriate to the complexity of the process and must identify, evaluate, and control the hazards involved in the process. The owner or operator must determine and document the priority order for conducting PHAs based on a rationale which includes such considerations as extent of the process hazards, number of potentially affected employees, age of the process, and operating history of the process. The PHA must be conducted as soon as possible, but not later than June 21, 1999. PHAs completed to comply with 29 C.F.R. § 1910.119(e) are acceptable as initial PHAs. These PHAs must be updated and revalidated, based on their completion date.

31. Section 68.67(d) of the CAPP requires that the PHA be performed by a team with expertise in engineering and process operations, and that the team include at least one employee who has experience and knowledge specific to the process being evaluated. Also, one member of the team must be knowledgeable in the specific PHA methodology being used.

32. Section 68.67(e) of the CAPP requires the owner or operator to establish a system to promptly address the team's PHA findings and recommendations; 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 a written schedule of when these actions are to be completed; and communicate the actions to operating, maintenance and other employees whose work assignments are in the process and who may be affected by the recommendations or actions.

### Operating Procedures ("OP")

33. Section 68.69(a)(3) of the CAPP requires the owner or operator to 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 and requires that the written operating procedures address at least, among other elements: safety and health considerations, which include properties of, and hazards presented by, the chemicals used in the process; precautions necessary to prevent exposure, including engineering controls, administrative controls, and personal protective equipment; control measures to be taken if physical contact or airborne exposure occurs; quality control for raw materials and control of hazardous chemical inventory levels; and any special or unique hazards.

### Training

34. Section 68.71(a)(1) of the CAPP requires that each employee presently involved in operating a process, and each employee before being involved in operating a newly assigned process, be trained in an overview of the process and in the operating procedures as specified in 40 C.F.R. § 68.69. The training must include emphasis on the specific safety and health hazards, emergency operations including shutdown, and safe work practices applicable to the employee's job tasks.

35. Section 68.71(b) of the CAPP requires that refresher training be provided at least every three years, and more often if necessary, to each employee involved in operating a process to assure that the employee understands and adheres to the current operating procedures of the process. The owner or operator, in consultation with the employees involved in operating the process, must determine the appropriate frequency of refresher training.



36. Section 68.71(c) of the CAPP requires the owner or operator to ascertain that each employee involved in operating a process has received and understood the training required by 40 C.F.R. § 68.71. The owner or operator must prepare a record which contains the identity of the employee, the date of training, and the means used to verify that the employee understood the training.

#### Mechanical Integrity (“MI”)

37. Section 68.73(c) of the CAPP requires the owner or operator to train each employee involved in maintaining the on-going integrity of process equipment in an overview of that process and its hazards and in the procedures applicable to the employee's job tasks to assure that the employee can perform the job tasks in a safe manner.

38. Section 68.73(d)(1) of the CAPP requires that inspections and tests be performed on process equipment.

39. Section 68.73(d)(2) of the CAPP requires that inspection and testing procedures follow RAGAGEP.

#### RAGAGEP

40. International Code Council § 1031.3 is a RAGAGEP that addresses means of egress and requires the “means of egress” to “be free from obstructions that would prevent its use” and adds that “[m]aintenance of safe egress conditions implies keeping exits free of storage, decorations or debris that obstruct access or visibility.”

41. National Fire Protection Association (“NFPA”) standards are a RAGAGEP that covers fire safety.

42. NFPA 25 § 5.2.1.1 states that “[s]prinklers shall be inspected from the floor level annually.”

43. NFPA 101 § 4.2.2.4 defines high hazard contents as “those that are likely to burn with extreme rapidity or from which explosions are likely.”

44. NFPA 101 § 5.2.1.7.3 requires “[r]equired panic hardware and fire exit hardware not be equipped with a locking device, set screw, or other arrangement that prevents the release of the latch when pressure is applied to the releasing device.”

45. NFPA 101 § 5.11.5 allows “[d]oors that serve high hazard contents areas with occupant loads of more than five . . . to be provided with a latch or lock only if it is panic hardware or fire exit hardware that complies with [NFPA §] 5.2.1.7.”

46. NFPA 101 § 7.11.4 requires that “[n]ot less than two means of egress [] be provided from each building or hazardous areas thereof, unless all of the following criteria are met: (1) Rooms or spaces do not exceed 200 ft<sup>2</sup> (18.6 m<sup>2</sup>); (2) Rooms or spaces have an occupant load not exceeding three persons; and (3) Rooms or spaces have a travel distance to the room door not exceeding 25 ft (7620 mm).”

#### **D. Stipulated Facts**

##### **Applicability**

47. C3E, LLC is Respondent’s official name, but Respondent also maintains the Chem Tech brand name and does business under that name.

48. Respondent owns and operates an aerosol propelled adhesive process at its manufacturing facility at 501 Bloomingdale Drive, Bristol, Indiana 46507 (the “Facility”).

49. The Respondent’s July 23, 2019 RMP submission outlines a maximum inventory of the regulated flammable substance butane at the Facility that exceeds the threshold quantity of 10,000 pounds of butane as set forth in Table 3 at 40 C.F.R. § 68.130.

50. The Respondent's July 23, 2019 RMP submission outlines a maximum inventory of the regulated flammable substance propane that exceeds the threshold quantity of 10,000 pounds of propane as set forth in Table 3 at 40 C.F.R. § 68.130.

51. At the Facility, Respondent operates a process, as defined in 40 C.F.R. § 68.3, that includes the use, storage, handling, and on-site movement of butane, which is a regulated substance.

52. At the Facility, Respondent operates a process, as defined in 40 C.F.R. § 68.3, that includes the use, storage, handling, and on-site movement of propane, which is a regulated substance.

53. Respondent's aerosol propelled adhesive process at the Facility was at the time of the Inspection, and is, a "covered process," as that term is defined at 40 C.F.R. § 68.3 because it has regulated substances (i.e., butane and propane) present in more than threshold quantities as determined under 40 C.F.R. § 68.115.

54. Respondent is subject to the requirements of the CAPP in accordance with 40 C.F.R. § 68.1, et seq.

55. Respondent's covered process at the Facility has had regulated substances present in more than threshold quantities as determined under § 68.115 since at least 2017.

56. The covered process at the Facility is subject to the OSHA process safety management standard because it contains greater than the threshold quantity of 10,000 pounds of butane and propane which are highly hazardous chemicals as defined in 29 C.F.R. § 1910.119(b).

57. Respondent's adhesive manufacturing process at the Facility does not meet the Program 1 eligibility requirements at 40 C.F.R. § 68.10(j) because Respondent's hazard assessment identified public receptors within the flammable endpoint. See Paragraph 61 *infra*.

58. Respondent is subject to Program 3 because Respondent's covered process is subject to the OSHA process safety management standard, 29 C.F.R. § 1910.119, in accordance with 40 C.F.R. § 68.10(l), and does not meet the Program 1 eligibility requirements at 40 C.F.R. § 68.10(j) or the Program 2 eligibility requirements at 40 C.F.R. § 68.10(k).

#### Facility Inspection

59. On August 31, 2022, the EPA conducted an announced inspection of the Facility (the "Inspection").

60. During the Inspection, the EPA inspectors reviewed documents provided by Respondent ("RMP Documents"). The RMP Documents included aspects of the Facility's RMP involving the management system, hazard assessment, process safety information, process hazard analysis, operating procedures, training, mechanical integrity, management of change, pre-startup safety review, compliance audits, hot work permits, employee participation, and contractors.

61. The hazard assessment in the RMP Documents demonstrated a public receptor was within the flammable endpoint.

62. From December 2022 to September 25, 2023, Respondent provided documents to EPA that demonstrated that the Respondent had completed the following actions:

- a. Inspected the fire suppression system and annually thereafter;
- b. Rearranged storage in the Facility to ensure egress points are visible and clear of obstructions;
- c. Designated an electrical classification to the process and compiled the documentation with the PSI;
- d. Compiled design codes and standards applied to the process into the PSI documentation;

- e. Established a system to ensure that PHA findings are promptly addressed by implementing a PHA tracking spreadsheet;
- f. Rewrote operating procedures to include safety and health considerations.
- g. Created a procedure for delivery of AB80; and
- h. Trained all necessary employees in initial training and documented those actions, including a confirmation that employees understood the training.

#### **E. Allegations**

63. While touring the Facility during the Inspection, the EPA inspectors made the following observations:

- a. The fire suppression system inspection tag denoted that the fire suppression system inspection was last completed in 2018.
- b. Only the Facility's main egress point had panic hardware on the doors.
- c. Finished product was staged in front of the main egress point and reduced visibility of the exit.
- d. The main production area of the Facility that contains the covered process is greater than 200 square feet.

#### **PSI**

64. The observations described in Subparagraphs 63.b and 63.c demonstrate that Respondent did not correctly certify that process equipment complies with RAGAGEP.

65. By not documenting that process equipment complies with RAGAGEP, Respondent failed to comply with the requirements of 40 C.F.R. § 68.65(d)(2).

66. Respondent did not include electrical classification information for process equipment as part of the PSI.

67. By not including electrical classification information in the information pertaining to the equipment in the process, Respondent failed to comply with the requirements of 40 C.F.R. § 68.65(d)(1)(iii).

68. Respondent did not include design codes and the standards employed information for process equipment as part of the PSI.

69. By not including design codes and the standards employed in the information pertaining to the equipment in the process, Respondent failed to comply with the requirements of 40 C.F.R. § 68.65(d)(1)(vi).

70. By failing to comply with the requirements of 40 C.F.R. § 68.65(d)(1)(iii)–(vi) and (d)(2), Respondent violated 42 U.S.C. § 7412(r)(7)(E).

#### PHA

71. The 2018 PHA included five recommendations but had no documentation at the time of the Inspection of a proposed schedule to resolve and implement recommendations from the PHA in a timely manner.

72. By not documenting a proposed schedule to resolve and implement recommendations from the PHA in a timely manner, Respondent did not establish a system to promptly address PHA findings and recommendations, assure that the recommendations are resolved in a timely manner, and complete actions as soon as possible as required by 40 C.F.R. § 68.67(e).

73. By failing to comply with the requirements of 40 C.F.R. § 68.67(e), Respondent violated 42 U.S.C. § 7412(r)(7)(E).

## OP

74. Written operating procedures for the covered process reviewed by the inspectors during the Inspection did not include safety and health considerations.

75. By not including safety and health considerations in the written operating procedures, Respondent failed to comply with the requirements of 40 C.F.R. § 68.69(a)(3).

76. By failing to comply with the requirements of 40 C.F.R. § 68.69(a)(3), Respondent violated 42 U.S.C. § 7412(r)(7)(E).

## Training

77. Respondent did not provide any documentation of initial training for employees involved in operating a process either during or following the Inspection.

78. By not training each employee presently involved in operating a process, and each employee before being involved in operating a newly assigned process, in an overview of the process and in the operating procedures as specified in § 68.69, including an emphasis on the specific safety and health hazards, emergency operations including shutdown, and safe work practices applicable to the employee's job tasks, Respondent failed to comply with the requirements of 40 C.F.R. § 68.71(a)(1).

79. By failing to comply with the requirements of 40 C.F.R. § 68.71(a)(1), Respondent violated 42 U.S.C. § 7412(r)(7)(E).

80. Respondent did not provide any documentation of refresher training provided at least every three years to each employee involved in operating a process either during or following the Inspection.

81. By not providing refresher training at least every three years to each employee involved in operating a process to assure that the employee understands and adheres to the current

operating procedures of the process, Respondent failed to comply with the requirements of 40 C.F.R. § 68.71(b).

82. By failing to comply with the requirements of 40 C.F.R. § 68.71(b), Respondent violated 42 U.S.C. § 7412(r)(7)(E).

83. By not ascertaining that each employee involved in operating a process had received and understood the required training by preparing a record containing the identity of the employee, the date of training, and the means used to verify that the employee understood the training, Respondent failed to comply with the requirements of 40 C.F.R. § 68.71(c).

84. By failing to comply with the requirements of 40 C.F.R. § 68.71(c), Respondent violated 42 U.S.C. § 7412(r)(7)(E).

#### MI

85. Respondent did not provide any documentation showing the required training for all employees involved in maintaining the on-going integrity of process equipment.

86. By not training each employee involved in maintaining the on-going integrity of process equipment in an overview of that process and its hazards and in the procedures applicable to the employee's job tasks, Respondent failed to comply with the requirements of 40 C.F.R. § 68.73(c).

87. By failing to comply with the requirements of 40 C.F.R. § 68.73(c), Respondent violated 42 U.S.C. § 7412(r)(7)(E).

88. Respondent did not inspect the fire suppression system that services the covered process at the Facility at the required interval and according to RAGAGEP.

89. By not inspecting the fire suppression system that services the covered process at the Facility at the required interval and according to RAGAGEP, Respondent failed to comply with the requirements of 40 C.F.R. § 68.73(d)(1)–(2).



90. By failing to comply with the requirements of 40 C.F.R. § 68.73(c) and (d)(1)–(2), Respondent violated 42 U.S.C. § 7412(r)(7)(E).

**F. Terms of Consent Agreement**

91. For the purposes of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

- a. admits to the jurisdictional allegations in this CAFO;
- b. neither admits nor denies the allegations stated in Section E of this CAFO;
- c. consents to the assessment of a civil penalty as stated below;
- d. consents to any conditions specified in this CAFO;
- e. waives any right to contest the allegations set forth in Section E of this CAFO; and
- f. waives its right to appeal this CAFO.

92. For the purposes of this proceeding, Respondent:

- a. agrees this CAFO states a claim upon which relief may be granted against Respondent;
- b. acknowledges this proceeding constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;
- c. waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this CAFO, including any right of judicial review under Section 307(b)(1) of the Clean Air Act, 42 U.S.C. § 7607(b)(1);
- d. waives its right to request a hearing as provided at 40 C.F.R. § 22.15(c);
- e. waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the Final Order accompanying the Consent Agreement; and
- f. waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the CAFO, and to seek an additional penalty for noncompliance, and agrees that federal law shall govern in any such civil action.

93. Based on analysis of the factors specified in Section 113(e) of the CAA, 42 U.S.C. § 7413(e), the facts of this case, and Respondent's cooperation, the EPA has determined that an appropriate civil penalty to settle this action is \$100,000.

94. Respondent agrees to pay a civil penalty in the amount of \$100,000 ("Assessed Penalty") within thirty (30) days after the date the Final Order ratifying this Consent Agreement is filed with the Regional Hearing Clerk ("Filing Date").

95. 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>.

96. When making a payment, Respondent shall:

- a. Identify every payment with Respondent's name and the docket number of this Agreement, CAA-05-2025-0043,
- b. Concurrently with any payment or within 24 hours of any payment, Respondent shall serve proof of such payment to the following person(s):

Regional Hearing Clerk (E-19J)  
U.S. Environmental Protection Agency, Region 5  
[r5hearingclerk@epa.gov](mailto:r5hearingclerk@epa.gov)

Air Enforcement and Compliance Assurance Branch  
U.S. Environmental Protection Agency, Region 5  
[R5airenforcement@epa.gov](mailto:R5airenforcement@epa.gov)

Samuel Horowitz  
Office of Regional Counsel  
U.S. Environmental Protection Agency, Region 5  
[horowitz.samuel@epa.gov](mailto:horowitz.samuel@epa.gov)

U.S. Environmental Protection Agency  
Cincinnati Finance Center  
Via electronic mail to:  
[CINWD\\_AcctsReceivable@epa.gov](mailto: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 payment has been made according to EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent’s name.

97. Interest, Charges, and Penalties on Late Payments. Pursuant to 42 U.S.C. § 7413(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 CAFO, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately owing, and the 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. § 7413(d)(5), 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 handing collection.
- c. Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.

98. 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 CAFO, the EPA may take additional actions. Such actions the 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, per 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.

99. 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.

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

101. 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 Division at [wise.milton@epa.gov](mailto:wise.milton@epa.gov), within 30 days after the Final Order ratifying this Consent 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 does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA’s Cincinnati Finance Center with Respondent’s TIN, via email, within five (5) days of Respondent’s receipt of a TIN issued by the IRS.

102. By signing this CAFO, Respondent consents to the release of any information in this CAFO to the public and agrees this CAFO does not contain business information that is entitled to confidential treatment under 40 C.F.R. Part 2.

103. By signing this CAFO, the undersigned representative of the EPA and the undersigned representative of Respondent each certify that they are fully authorized to execute and enter into the terms and conditions of this CAFO and have the legal capacity to bind the party they represent to this CAFO.

104. By signing this CAFO, Respondent certifies the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that, under 18 U.S.C. § 1001,

there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information.

105. Each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding, except in the case of a civil action brought by the Attorney General of the United States to recover unpaid penalties as described above.

**G. Effect of Consent Agreement and Attached Final Order**

106. The parties consent to service of this CAFO by e-mail at the following e-mail addresses: [horowitz.samuel@epa.gov](mailto:horowitz.samuel@epa.gov) (for the EPA), and [cam.erekson@chemtechadhesives.com](mailto:cam.erekson@chemtechadhesives.com) (for Respondent).

107. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations specifically alleged in this CAFO.

108. This CAFO constitutes the entire agreement and understanding of the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to this matter with the exception of the administrative compliance order, docket number EPA-05-25-113(a)-IN-5 issued concurrently.

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

110. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, authorized representatives, successors, and assigns.

111. Any violation of this CAFO may result in a civil judicial action for an injunction or civil penalties of up to \$124,426 per day per violation, or both, as provided in Section 113(b) of the

CAA, 42 U.S.C. § 7413(b), and 40 C.F.R. § 19.4, as well as criminal sanctions as provided in Section 113(c) of the CAA, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this CAFO in an administrative, civil judicial, or criminal action.

112. Nothing in this CAFO relieves Respondent of the duty to comply with all applicable provisions of the CAA and other federal, state, or local laws or statutes, nor does it restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor is it a ruling on, or determination of, any issue related to any federal, state, or local permit.

113. Nothing in this CAFO limits the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

114. The EPA reserves the right to revoke this CAFO and settlement penalty if and to the extent that the EPA finds, after signing this CAFO, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to the EPA, and to assess and collect any civil penalties permitted by statute for any violation described herein. The EPA will give Respondent written notice of its intent to revoke this CAFO, which will not be effective until received by Respondent.

#### **H. Effective Date**

115. This CAFO will be effective on the date of filing with the Regional Hearing Clerk. Upon filing, the EPA will transmit a copy of the filed CAFO to Respondent.

C3E, LLC d/b/a Chem Tech, Respondent

30 June 2028

Date



Cam Erikson  
General Manager



**United States Environmental Protection Agency, Complainant**

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Michael D. Harris  
Division Director  
U.S. EPA Region 5 Enforcement and Compliance Assurance Division

**Consent Agreement and Final Order**  
**In the Matter of: C3E, LLC d/b/a Chem Tech**  
**Docket No. CAA-05-2025-0043**

**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.

\_\_\_\_\_  
Date

\_\_\_\_\_  
Ann L. Coyle  
Regional Judicial Officer  
U.S. Environmental Protection Agency  
Region 5