



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 7

901 NORTH 5TH STREET
KANSAS CITY, KANSAS 66101

10 OCT 27 AM 11:11
ENVIRONMENTAL PROTECTION
AGENCY-REGION VII
REGIONAL HEARING CLERK

EXPEDITED SETTLEMENT AGREEMENT (ESA)

DOCKET NO.: CAA-07-2010-0036

This ESA is issued to: Agri Producers, Inc.

At: 502 6th Street, Lincolville, Kansas 66858

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

The United States Environmental Protection Agency, Region 7 (EPA) and Agri Producers, Inc., 502 6th Street, Lincolville, Kansas 66858 (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 Agri Producers, Inc., 502 6th Street, Lincolville, Kansas 66858.

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 March 4, 2010, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located at 502 6th Street, Lincolville, Kansas 66858, 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 **\$495**.

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 **\$495** 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-07-2010-0036, 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:

Deanna Smith
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 7
901 North 5th Street
Kansas City, Kansas 66101.

A copy of the check must also be sent to:

Kathy M. Robinson
Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 7
901 North 5th Street
Kansas City, Kansas 66101.

Upon Respondent's submission of the signed original ESA, EPA will take no further civil action against Respondent for the alleged violations of the CAA referenced in the RMP Findings.

In the Matter of Agri Producers, Inc.
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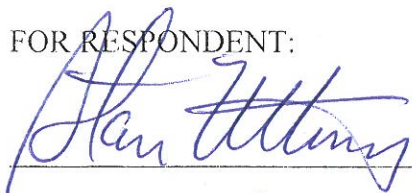
The EPA does not waive any other enforcement action for any other violations of the CAA or any other statute.

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:

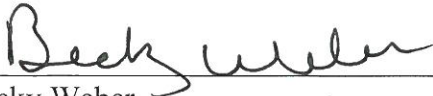


Date: 9-22-12

Name (print): STAN UTTING

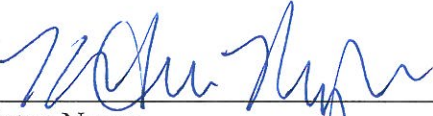
Title (print): MANAGER
Agri Producers, Inc.

FOR COMPLAINANT:



Becky Weber
Director
Air and Waste Management Division
EPA Region 7

Date: 10-25-10



Kristen Nazar
Assistant Regional Counsel
Office of Regional Counsel
EPA Region 7

Date: 9/29/2010

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

Karina Borromeo
Karina Borromeo
Regional Judicial Officer

Date: Oct. 27, 2010

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

Agri Producers, Inc.
502 6th Street
Lincolnvillle, Kansas 66858
Docket No. CAA-07-2010-0036

COMPLETE THIS FORM AND RETURN IT WITH THE ESA.

VIOLATIONS

PENALTY AMOUNT

Hazard Assessment \$750
Five-Year Accident History [§68.42(a)]
The owner or operator failed to include all accidental releases from covered processes that resulted in deaths, injuries, or significant property damage onsite, or known offsite deaths, injuries, evacuations, sheltering in place, property damaged, or environmental damage.

How was this addressed:

The Five-Year Accident History has been updated reflecting missing accident history.

Prevention Program \$300
Compliance Audits [§ 68.58(a)]
The owner or operator failed to conduct compliance audits at least once every three years. (Failed to conduct compliance audit 2002-2008.)

How was this addressed:

The missing compliance audit in question cannot be created as the 2006 audit date has passed. Agri Producers, Inc has and will continue conducting these audits as required. Current audits are in RMP file.

Prevention Program
Incident Investigation [§ 68.60(d)] \$600
The owner or operator failed to promptly address and resolve the incident investigation findings and recommendations, and/or to document the resolutions and corrective actions.

VIOLATIONS

PENALTY AMOUNT

How was this addressed:

Agri Producers, Inc., Lincolnville, has resolved this issue by completing the appropriate documentation addressing the incident findings and corrective actions taken surrounding the investigation. Report is in RMP file.

Total Unadjusted Penalty \$1,650

Calculation of Adjusted Penalty

- 1st Reference the multipliers for calculating proposed penalties for violations found during RMP inspection matrix. Finding the row for number of employees 1-5 and column for greater than 10 times the threshold quantity of 10,000 pounds of a listed chemical in 40 C.F.R. Part 68.130 for the amount in a process gives a multiplier factor of 0.3. Therefore, the multiplier for Agri Producers, Inc. = 0.3
- 2nd Adjusted Penalty = \$1,650 (Unadjusted Penalty) X 0.3 (Size-Threshold Multiplier)
Adjusted Penalty = \$495.
- 3rd An Adjusted Penalty of \$495 would be assessed to Agri Producers, Inc., for violations found during the RMP Compliance Inspection. This amount will be found in the Expedited Settlement Agreement.

Total Adjusted Penalty \$495

The approximate cost to correct the above items: \$ 0.00

Compliance staff name: Randy Massey

Signed: Randy Massey Date: 9-22-10

IN THE MATTER OF Agri Producers, Inc., Respondent
Docket No. CAA-07-2010-0036

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Expedited Settlement Agreement (ESA) was sent this day in the following manner to the addressees:

Copy hand delivered to
Attorney for Complainant:

Kristen Nazar
Assistant Regional Counsel
Region 7
United States Environmental Protection Agency
901 N. 5th Street
Kansas City, Kansas 66101

Copy by Certified Mail Return Receipt to:

Stan Utting, Manager
Agri Producers, Inc.
502 6th Street
Lincolnvile, Kansas 66858

Dated: 10/28/10



Kathy Robinson
Hearing Clerk, Region 7