

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 4 ATLANTA FEDERAL CENTER

ATLANIA FEDERAL CENTER 61 FORSYTH STREET ATLANTA, GEORGIA 30303-8960

DEC 15 2015

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Tim Silliman, Esq. Dentons US LLP 303 Peachtree Street, NE Suite 5300 Atlanta, Georgia 30308

> Re: SSC Industries Consent Agreement and Final Order Docket Number: EPCRA-04-2015-2041(b)

Dear Mr. Silliman:

Enclosed is a copy of the ratified Consent Agreement and Final Order (CAFO) in the above-referenced matter. The original CAFO has been filed with the Regional Hearing Clerk and served on the parties as directed in Section 22.6 of the Consolidated Rules of Practice, 40 C.F.R. Part 22. To ensure proper processing, the Respondent's Name and Docket Number for this case, identified above and in the CAFO, should be noted on any cashier's or certified check submitted in payment of the penalty.

Also enclosed is a copy of a document entitled "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts your client on notice of its potential duty to disclose to the Securities and Exchange Commission any environmental enforcement actions taken by the U. S. Environmental Protection Agency Region 4. Where used in the document "SEC" refers to the Securities and Exchange Commission.

Should you or your client have any questions about this matter, or your client's compliance status in the future, please contact Ms. Lucia Mendez of the EPA Region 4 staff at (404) 562-9637.

Sincereb Anthony G. Toney Chief

Chemical Safety and Enforcement Branch

Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION 4 IN THE MATTER OF: SSC Industries Respondent.

CONSENT AGREEMENT AND FINAL ORDER

I. Nature of the Action

1. This is a civil penalty proceeding pursuant to Section 325 of the Emergency Planning and Community Right-to-Know Act (EPCRA), 42 U.S.C. § 11045, and pursuant to the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits (Consolidated Rules), codified at 40 C.F.R. Part 22. Complainant is the Director of the Air, Pesticides and Toxics Management Division, Region 4, United States Environmental Protection Agency (EPA). Respondent is SSC Industries.

2. The authority to take action under Section 325 of EPCRA, 42 U.S.C. § 11045, is vested in the Administrator of EPA. The Administrator of EPA has delegated this authority under EPCRA to the Regional Administrators by EPA Delegation 22-3-A, dated May 11, 1994. The Regional Administrator, Region 4, has redelegated this authority to the Director, Air, Pesticides and Toxics Management Division, by EPA Region 4 Delegation 22-3-A, dated November 8, 1994. Pursuant to that delegation, the Director of the Air, Pesticides and Toxics Management Division has the authority to commence an enforcement action as the Complainant in this matter.

3. Complainant and Respondent have conferred for the purpose of settlement pursuant to 40 C.F.R. § 22.18 and desire to resolve this matter and settle the allegations described herein without a formal hearing. Therefore, without the taking of any evidence or testimony, the making of any argument, or the adjudication of any issue in this matter, and in accordance with 40 C.F.R. § 22.13(b) and 22.18(b), this Consent Agreement and Final Order (CAFO) will simultaneously commence and conclude this matter.

II. Preliminary Statements

4. Respondent is SSC Industries, a corporation doing business in the State of Georgia.

5. Respondent is a "person" and is the owner and operator of a "facility" as those terms are defined in Section 329(7) of EPCRA, 42 U.S.C. § 11049(7), and Section 329(4) of EPCRA, 42 U.S.C. § 11049(4), respectively.

6. Respondent's facility is located at 1550 East Taylor Avenue, East Point, Georgia, 30344.

III. EPA's Allegations of Violations

7. Section 312 of EPCRA, 42 U.S.C. § 11022, and the regulations found at 40 C.F.R. Part 370, provide that the owner or operator of a facility that is required to prepare or have available a Material Safety Data Sheet (MSDS) for hazardous chemicals under the Occupational Safety and Health Act of 1970 (OSHA) and regulations promulgated under that Act, shall submit to the Local Emergency Planning Committee (LEPC), the State Emergency Response Commission (SERC), and the fire department with jurisdiction over the facility, on or before March 1 annually, a completed emergency and hazardous chemical inventory form (Tier I or Tier II) as described in 40 C.F.R. Part 370, containing the information required by that part for hazardous chemicals present at the facility at any one time in the calendar year in amounts equal to or greater than 10,000 pounds and containing the information required by that part for extremely hazardous substances (EHS) present at the facility at any one time in amounts equal to or greater than the threshold planning quantity (TPQ) or 500 pounds, whichever is less.

8. At some time during calendar year 2013, formaldehyde was present at the facility in an amount equal to or greater than 500 pounds.

9. Formaldehyde is a "hazardous chemical" as defined by Section 329(5) of EPCRA, 42 U.S.C. § 11049(5), for which Respondent is required to prepare or have available an MSDS under OSHA at its facility.

10. Formaldehyde is an "extremely hazardous substance" as defined under Section 329(3) of EPCRA, 42 U.S.C. § 11049(3), and 40 C.F.R. § 355.61, and is also listed as extremely hazardous substances in 40 C.F.R. Part 355, Appendices A and B.

11. Respondent failed to submit a completed Emergency and Hazardous Chemical Inventory Form for formaldehyde to the SERC, the LEPC, and fire department with jurisdiction over the facility for calendar year 2013 by March 1 of the following year.

12. EPA alleges that Respondent violated the reporting requirements of Section 312 of EPCRA, 42 U.S.C. § 11022, at its facility for calendar year 2013 and is therefore subject to the assessment of civil penalties under Section 325 of EPCRA, 42 U.S.C. § 11045.

13. Pursuant to Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), and 40 C.F.R. Part 19, EPA may assess a civil penalty of not more than \$37,500 for each violation of Section 312 that occurred after December 6, 2013. Each day a violation of Section 312 continues constitutes a separate violation. Civil penalties under Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), may be assessed by Administrative Order.

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IV. Consent Agreement

14. For the purposes of this CAFO, Respondent admits the jurisdictional allegations set out above but neither admits nor denies the factual allegations set out above.

15. Respondent waives any right to contest the allegations and its right to appeal the proposed Final Order accompanying the Consent Agreement.

16. Respondent consents to the assessment of and agrees to pay the civil penalty as set forth in this CAFO.

17. Respondent agrees to undertake and complete the Supplemental Environmental Project (SEP) in accordance with Section VI of this CAFO.

18. Respondent certifies that as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of EPCRA at the facility.

19. Compliance with this CAFO shall resolve the allegations of violations contained herein. In accordance with 40 C.F.R. § 22.18(c), compliance with this CAFO only resolves Respondent's liability for federal civil penalties for the allegations in Section III of this CAFO and does not affect the right of the EPA or U.S. to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violation of law. This CAFO does not waive, extinguish or otherwise affect Respondent's obligation to comply with all applicable provisions of EPCRA, CERCLA or other applicable laws and regulations.

20. Complainant and Respondent agree to settle this matter by their execution of this CAFO. The parties agree that the settlement of this matter is in the public interest and that this CAFO is consistent with the applicable requirements of EPCRA.

V. Final Order

21. Respondent shall pay a civil penalty of **THREE THOUSAND SIX HUNDRED AND FIFTY EIGHT DOLLARS (\$3,658)**, for the EPCRA violation alleged in Section III. Payment shall be paid within thirty (30) days of the effective date of this CAFO.

22. Respondent shall pay the penalty by forwarding a cashier's or certified check, payable to "Treasurer, United States of America," to one of the following addresses:

BY MAIL

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U.S. Environmental Protection Agency Fines and Penalties Cincinnati Finance Center P.O. Box 979077 St. Louis, MO 63197-9000

BY OVERNIGHT

U.S. Bank Government Lockbox 979077 U.S. EPA Fines & Penalties 1005 Convention Plaza SL-MO-C2-GL St. Louis, MO 63101 (314) 418-1818 The check shall reference on its face the name and the Docket Number of the CAFO.

23. At the time of payment, Respondent shall send a separate copy of the check, and a written statement that payment has been made in accordance with this CAFO, to the following persons at the following addresses:

Regional Hearing Clerk U.S. EPA, Region 4 61 Forsyth Street, S.W. Atlanta, Georgia 30303

Erika White U.S. EPA, Region 4 Chemical Management and Emergency Planning Section 61 Forsyth Street, S.W. Atlanta, Georgia 30303

Saundi Wilson U.S. EPA, Region 4 Office of Regional Counsel 61 Forsyth Street, S.W. Atlanta, Georgia 30303

24. For the purposes of state and federal income taxes, Respondent shall not be entitled, and agrees not to attempt, to claim a deduction for any civil penalty payment made pursuant to this CAFO. Any attempt by Respondent to deduct any such payments shall constitute a violation of this CAFO.

VI. Supplemental Environmental Project

25. Respondent shall undertake and complete the following Emergency Planning and Preparedness project within 45 days of the effective date of this CAFO. Respondent shall expend no less than **FIFTEEN THOUSAND NINE HUNDRED NINETY TWO DOLLARS** (**\$15,992**) for the purchase of the following equipment and donation to the East Point Fire Department:

<u>Quantity</u>	Description
15	American Safety and Fire face piece with microphone
1	Thermal Imager
1	Generator
2	14' Combination Ladder
1	ICS Board
1	Water Thief
2	Lantern
1	Mannequin

This CAFO shall not be construed to constitute EPA's endorsement of the equipment or technology to be purchased by Respondent in connection with the SEP undertaken pursuant to this Agreement.

26. Respondent certifies that:

a. all cost information provided to the EPA in connection with the EPA's approval of the SEP described in paragraph 25 is complete and accurate and that Respondent in good faith estimates that the cost to implement the SEP is \$15,992.

b. the SEP is not a project that Respondent was planning or intending to construct, perform, or implement other than in settlement of the claims resolved in this CAFO.

27. Respondent also certifies that:

a. It is not a party to any open federal financial assistance transaction that is funding or could fund the same activity as the SEP described in paragraph 25; and

b. It has inquired whether the East Point Fire Department is a party to an open federal financial assistance transaction that is funding or could fund the same activity as the SEP and has been informed by the East Point Fire Department that it is not a party to such a transaction.

28. Respondent further certifies that, as of the date this CAFO is signed, it is not required to perform or develop any part of the SEP by any federal, state or local law, regulation, permit or order, or by any agreement or grant, or as injunctive relief awarded in any other action in any forum. Respondent further certifies that, as of this date, it has not received and is not negotiating to receive, credit for any part of the SEP in any other enforcement action of any kind, and Respondent will not receive reimbursement for any portion of this SEP from another person or entity.

29. Respondent agrees that in order to receive credit for the SEP, it must fully and timely complete the SEP in accordance with Paragraph 25.

30. If Respondent fails to timely and fully complete any part of the SEP, including failure to spend the minimum amount of **FIFTEEN THOUSAND NINE HUNDRED NINETY TWO DOLLARS (\$15,992)**, Respondent shall pay to the United States a stipulated penalty of the difference between \$15,992 and the actual amount expended on the SEP.

31. For purposes of Paragraphs 29 and 30, the determination as to whether Respondent has fully and timely completed the SEP shall be the sole discretion of EPA.

32. Any public statement, oral or written, by Respondent making any reference to the SEP shall include the following language:

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"This project was undertaken in connection with the settlement of an enforcement action taken by the U.S. Environmental Protection Agency for violation of Section 312 of the Emergency Planning and Community Right-to-Know Act (EPCRA).

33. No later than sixty (60) calendar days after the effective date of this CAFO, Respondent shall submit to EPA a SEP Completion Report. The Report shall be sent to the EPCRA Enforcement Section, to the attention of Erika White at the address provided above. The Report shall include the following:

- (a) an affidavit from an authorizing company official, attesting that the SEP has been completed or explaining in detail any failure to complete it; and
- (b) copies of appropriate documentation, including invoice receipts, showing a total expenditure of no less than **\$15,992**, was spent on the Emergency Planning and Preparedness SEP described in Paragraph 25; and
- (c) documentation proving that the equipment was donated to and received by the East Point Fire Department.

Respondent shall send EPA any additional documentation requested by EPA.

34. If Respondent fails to timely submit a SEP Completion Report as required by this CAFO, Respondent shall pay to the United States a stipulated penalty of **\$100** for each calendar day that the report is late.

35. Respondent shall pay any stipulated penalties that accrue under this CAFO within fifteen (15) calendar days of the receipt by Respondent of written demand from EPA for such penalties. Such penalties shall be paid in accordance with the procedures set forth above for the payment of the civil penalty.

36. For Federal Income Tax purposes, Respondent agrees that it will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEP.

37. Pursuant to 31 U.S.C. § 3717, EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the cost of processing and handling a delinquent claim. Interest will therefore begin to accrue on the civil penalty from the effective date of this CAFO if the penalty is not paid by the date required. Interest will be assessed at the rate established by the Secretary of Treasury pursuant to 31 U.S.C. § 3717. A charge will be assessed to cover the costs of debt collection, including processing and handling costs and attorney fees. In addition, a penalty charge will be assessed on any portion of the debt that remains delinquent more than ninety (90) days after payment is due.

38. Complainant and Respondent shall bear their own costs and attorney fees in this matter.

39. This CAFO shall be binding upon the Respondent, its successors and assigns.

40. The following individual is authorized to receive service for EPA in this proceeding:

Robert W. Bookman U.S. EPA, Region 4 Chemical Management and Emergency Planning Section 61 Forsyth Street, S.W. Atlanta, Georgia 30303 (404) 562-8988

41. Each undersigned representative of the parties to this CAFO certifies that he or she is fully authorized by the party represented to enter into this CAFO and legally bind that party to it.

THIS SECTION INTENTIONALLY LEFT BLANK

VII. Effective Date

42. The effective date of this CAFO shall be the date upon which the CAFO is filed with the Regional Hearing Clerk.

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AGREED AND CONSENTED TO:

SSC Industries Date: <u>9-11-15</u> By:

Tim Spence Chief Operating Officer

U.S. Environmental Protection Agency

Date: 9.17.15 (Karean By: Beverly H. Banister

Director Air, Pesticides and Toxics Management Division

APPROVED AND SO ORDERED this _____

Tanya Floyd Regional Judicial Officer

day of December 2015.

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing

Consent Agreement and Final Order, In the Matter of SSC Industries, Docket Number: EPCRA-

04-2015-2041(b), on the parties listed below in the manner indicated:

Robert W. Bookman(Via EPA's internal mail)U.S. EPA, Region 4Chemical Management and Emergency Planning Section61 Forsyth StreetAtlanta, Georgia 30303

(Via EPA's internal mail)

Lucia Mendez Attorney U.S. EPA, Region 4 Office of Regional Counsel 61 Forsyth Street Atlanta, Georgia 30303

Robert Caplan Senior Attorney U.S. EPA, Region 4 Office of Regional Counsel 61 Forsyth Street Atlanta, Georgia 30303 (Via EPA's internal mail

(Via Certified Mail—Return Receipt Requested)

Tim Silliman Dentons US LLP 303 Peachtree Street, NE Suite 5300 Atlanta, Georgia 30308

Date: 15-15-15

Patricia A. Bullock, Regional Hearing Clerk United States Environmental Protection Agency, Region 4 Atlanta Federal Center 61 Forsyth Street, S.W. Atlanta, GA 30303 (404) 562-9511