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Jul 16, 2024

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U.S. EPA REGION 4
HEARING CLERK

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4

In the Matter of:

BAE Systems Ordnance Systems Inc.
4509 West Stone Drive
Kingsport, Tennessee 37660

EPA ID No.: **TN5210020421**

Respondent.

Docket No. **RCRA-04-2024-4002(b)**

Proceeding Under Section 3008(a) of the
Resource Conservation and Recovery Act,
42 U.S.C. § 6928(a)

CONSENT AGREEMENT

I. NATURE OF ACTION

1. This is an administrative penalty assessment proceeding brought under Section 3008(a) of the Resource Conservation and Recovery Act (RCRA or the Act), 42 U.S.C. § 6928(a), and Sections 22.13(b) and 22.18 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 Title 40 of the Code of Federal Regulations (C.F.R.), Part 22.
2. This Consent Agreement and the attached Final Order shall collectively be referred to as the CAFO.
3. Having found that settlement is consistent with the provisions and objectives of the Act and applicable regulations, the Parties have agreed to settle this action pursuant to 40 C.F.R. § 22.18 and consent to the entry of this CAFO without the Respondent's admission of violation or adjudication of any issues of law or fact herein.

II. PARTIES

4. Complainant is the Chief of the Chemical Safety and Land Enforcement Branch, Enforcement and Compliance Assurance Division, United States Environmental Protection Agency (EPA) Region 4, who has been delegated the authority on behalf of the Administrator of the EPA to enter into this CAFO pursuant to 40 C.F.R. Part 22 and Section 3008(a) of the Act.
5. The Respondent is **BAE Systems Ordnance Systems Inc.**, a for-profit corporation, doing business in Kingsport, Tennessee. This proceeding pertains to the Holston Army Ammunition

Plant, a government owned, contractor operated facility located at **4509 West Stone Drive, Kingsport, Tennessee 37660** (Facility), which is operated by the Respondent.

III. GOVERNING LAW

6. Pursuant to Section 3006(b) of RCRA, 42 U.S.C. § 6926(b), the State of Tennessee (State) has received final authorization to carry out a hazardous waste program in lieu of the federal program set forth in RCRA. The requirements of the authorized State program are found in the Tennessee Hazardous Waste Management Act, Tenn. Code Ann. §§ 68-212-101 et seq., and the Tennessee Hazardous Waste Regulations, Tenn. Comp. R. & Regs. 0400-12-01-.01 through 0400-12-01-.12.
7. Pursuant to Section 3006(g) of RCRA, 42 U.S.C. § 6926(g), the requirements established by the Hazardous and Solid Waste Amendments of 1984 (HSWA), Pub. L. 98-616, are immediately effective in all states regardless of their authorization status and are implemented by the EPA until a state is granted final authorization with respect to those requirements. The State has received final authorization for certain portions of HSWA, including those recited herein.
8. Although the EPA has granted the State authority to enforce its own hazardous waste program, the EPA retains jurisdiction and authority to initiate an independent enforcement action pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a). This authority is exercised by the EPA in the manner set forth in the Memorandum of Agreement between the EPA and the State.
9. As the State's authorized hazardous waste program operates in lieu of the federal RCRA program, the citations for the violations of those authorized provisions alleged herein will be to the authorized State program; however, for ease of reference, the federal citations will follow in brackets.
10. Pursuant to Section 3008(a)(2) of RCRA, 42 U.S.C. § 6928(a)(2), Complainant has given notice of this action to the State before issuance of this CAFO.
11. Tenn. Code Ann. § 68-212-107(d) [Section 3002(a) of RCRA, 42 U.S.C. § 6922(a)], requires the promulgation of standards applicable to generators of hazardous waste. The implementing regulations for these standards are found at Tenn. Comp. R. & Regs. 0400-12-01-.03 [40 C.F.R. Part 262].
12. Tenn. Code Ann. § 68-212-108 [Section 3005 of RCRA, 42 U.S.C. § 6925], sets forth the requirement that a facility treating, storing, or disposing of hazardous waste must have a permit or interim status. The implementing regulations for this requirement are found at Tenn. Comp. R. & Regs. 0400-12-01-.06 (permitted) [40 C.F.R. Part 264] and Tenn. Comp. R. & Regs. 0400-12-01-.05 (interim status) [40 C.F.R. Part 265].
13. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(1)(b) [40 C.F.R. § 261.2], a "solid waste" is any discarded material that is not otherwise excluded from the regulations. A discarded material includes any material that is abandoned by being stored in lieu of being disposed.

14. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(1)(c) [40 C.F.R. § 261.3], a solid waste is a “hazardous waste” if it meets any of the criteria set forth in Tenn. Comp. R. & Regs. 0400-12-01-.02(1)(c)1.(ii) [40 C.F.R. § 261.3(a)(2)] and is not otherwise excluded from regulation as a hazardous waste by Tenn. Comp. R. & Regs. 0400-12-01-.02(1)(d)2. [40 C.F.R. § 261.4(b)].
15. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(1)(c)1.(ii)(I) and 0400-12-01-.02(3)(a) [40 C.F.R. §§ 261.3(a)(2)(i) and 261.20], solid wastes that exhibit any of the characteristics identified in Tenn. Comp. R. & Regs. 0400-12-01-.02(3)(b)–(e) [40 C.F.R. §§ 261.21-24] are characteristic hazardous wastes and are provided with the EPA Hazardous Waste Numbers D001 through D043.
16. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(3)(a) and 0400-12-01-.02(3)(c) [40 C.F.R. §§ 261.20 and 261.22], a solid waste that exhibits the characteristic of corrosivity is a hazardous waste and is identified with the EPA Hazardous Waste Number D002.
17. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(3)(a) and 0400-12-01-.02(3)(d) [40 C.F.R. §§ 261.20 and 261.23], a solid waste that exhibits the characteristic of reactivity is a hazardous waste and is identified with the EPA Hazardous Waste Number D003.
18. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(3)(a) and 0400-12-01-.02(3)(e) [40 C.F.R. §§ 261.20 and 261.24], a solid waste that exhibits the characteristic of toxicity is a hazardous waste and is identified with the EPA Hazardous Waste Number associated with the toxic contaminant causing it to be hazardous.
19. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(3)(e) [40 C.F.R. § 261.24], a solid waste that exhibits the characteristic of toxicity for chromium is identified with the EPA Hazardous Waste Number D007.
20. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(3)(e) [40 C.F.R. § 261.24], a solid waste that exhibits the characteristic of toxicity for mercury is identified with the EPA Hazardous Waste Number D009.
21. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(3)(e) [40 C.F.R. § 261.24], a solid waste that exhibits the characteristic of toxicity for silver is identified with the EPA Hazardous Waste Number D011.
22. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.02(1)(c)1.(ii)(II) and 0400-12-01-.02(4)(a) [40 C.F.R. §§ 261.3(a)(2)(ii) and 261.30], a solid waste is a listed “hazardous waste” if it is listed in Tenn. Comp. R. & Regs. 0400-12-01-.02(4) [40 C.F.R. Part 261, Subpart D].
23. Listed hazardous wastes include the F-Listed wastes from nonspecific sources identified in Tenn. Comp. R. & Regs. 0400-12-01-.02(4)(b) [40 C.F.R. § 261.31].
24. Listed hazardous wastes include the K-Listed wastes from specific sources identified in Tenn. Comp. R. & Regs. 0400-12-01-.02(4)(c) [40 C.F.R. § 261.32].

25. Listed hazardous wastes include the P- and U-Listed wastes identified in Tenn. Comp. R. & Regs. 0400-12-01-.02(4)(d) [40 C.F.R. § 261.33].
26. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], a “generator” is defined as any person, by site, whose act or process produces hazardous waste identified or listed in Tenn. Comp. R. & Regs. 0400-12-01-.02 [40 C.F.R. Part 261], or whose act first causes a hazardous waste to become subject to regulation.
27. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], a Large Quantity Generator (LQG) is a generator who generates greater than or equal to 1,000 kilograms (2,200 pounds) of non-acute hazardous waste in a calendar month.
28. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.03(1)(h) [40 C.F.R. § 262.17], an LQG may accumulate hazardous waste on-site for 90 days or less without a permit or interim status, and without complying with the requirements of Tenn. Comp. R. & Regs. 0400-12-01-.05 through 0400-12-01-.07 [40 C.F.R. Parts 264, 265, and 270], and 0400-12-01-.09 [40 C.F.R. Part 266], including the notification requirements, provided the generator complies with all of the conditions listed in Tenn. Comp. R. & Regs. 0400-12-01-.03(1)(h) [40 C.F.R. § 262.17] (hereinafter referred to as the “LQG Permit Exemption”).
29. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], a “facility” includes all contiguous land, and structures, other appurtenances, and improvements on the land, used for treating, storing, or disposing of hazardous waste, or for managing hazardous secondary materials prior to reclamation. A facility may consist of several treatment, storage, or disposal operational units (e.g., one or more landfills, surface impoundments, or combinations of them).
30. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], a “person” includes a corporation.
31. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], an “operator” is “the person responsible for the overall operation of a facility.”
32. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], “storage” means the holding of a hazardous waste for a temporary period, at the end of which the hazardous waste is treated, disposed of, or stored elsewhere.
33. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], a “tank system” is defined as a hazardous waste storage or treatment tank and its associated ancillary equipment and containment system.
34. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], “ancillary equipment” is defined as any device including, but not limited to, such devices as piping, fittings, flanges, valves, and pumps, that is used to distribute, meter, or control the flow of hazardous waste from its point of generation to a storage or treatment tank(s), between

hazardous waste storage and treatment tanks to a point of disposal onsite, or to a point of shipment for disposal off-site.

35. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.03(1)(h)1.(v)(I)II. [40 C.F.R. § 262.17(a)(5)(i)(B)], which is a condition of the LQG Permit Exemption, a generator must mark or label its containers with the following: an indication of the hazards of the contents clearly visible for inspection on each container.
36. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.03(1)(h)1.(ii)(I) [40 C.F.R. § 262.17(a)(2)], which incorporates Tenn. Comp. R. & Regs. 0400-12-01-.05(10)(d)5.(i)(III) [40 C.F.R. § 265.193(e)(iii)], and is a condition of the LQG Permit Exemption, generators storing hazardous waste in tanks with secondary containment must ensure the secondary containment remains free of cracks or gaps.
37. Pursuant to Tenn. Comp. R. & Regs. 0400-12-01-.03(1)(h)1.(ii)(I) [40 C.F.R. § 262.17(a)(2)], which incorporates Tenn. Comp. R. & Regs. 0400-12-01-.05(29)(e)1.(i) [40 C.F.R. § 265.1084(a)] and is a condition of the LQG Permit Exemption, a generator shall determine the average volatile organic concentration of hazardous waste at the point of waste origination.

IV. FINDINGS OF FACTS

38. The Respondent manufactures explosives at the Facility.
39. The Respondent generates hazardous waste from its manufacturing process and from its research and development, analytical, explosive, and environmental laboratories.
40. The Respondent utilizes toluene, methyl ethyl ketone, acetone, cyclohexanone, n-octane, and ethyl acetate as solvents during its manufacturing process.
41. The Respondent uses several tank systems to store hazardous wastes that it generates in its manufacturing process. Tank 14 is used to accumulate spent "mother liquor" from the recrystallization of nitroguanidine, which is D002 hazardous waste. Tank ET-14 is used to accumulate spent nitric acid from the Agile Facility NTO production process, which is a D002 hazardous waste. Tank 20 is used to accumulate waste ammonium nitrate solution generated from the distillation of nitric acid, which is D007 hazardous waste.
42. On February 23, 2023, the Respondent notified TDEC as a LQG of hazardous waste. Since that time, the Respondent has maintained its LQG status.
43. On September 12-13, 2023, the EPA along with the TDEC, conducted a RCRA Compliance Evaluation Inspection (CEI) at the Facility. The EPA's findings during the CEI were documented in a Report transmitted to the Respondent via email, dated December 14, 2023.
44. At the time of the CEI, the inspectors observed one 25-gallon container of Chemical Oxygen Demand (COD) test vials (which were identified with the EPA Hazardous Waste Numbers D002, D007, D009, and D011) that was not marked with the indication of the hazards of the contents.

45. At the time of the CEI, the inspectors observed cracks in both concrete secondary containments around Tank 14 and Tank ET-14.
46. At the time of the CEI, the Respondent had not determined the average volatile organic concentration of D007 hazardous waste stored in Tank 20 that was generated from the distillation of nitric acid.

V. ALLEGED VIOLATIONS

47. The Respondent is a "person" as defined in Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10].
48. The Respondent is the "operator" of a "facility" as those terms are defined in Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10].
49. The Respondent is a "generator" of "solid waste" and "hazardous waste" as those terms are defined in Tenn. Comp. R. & Regs. 0400-12-01-.01(2)(a) [40 C.F.R. § 260.10], Tenn. Comp. R. & Regs. 0400-12-01-.02(1)(b) [40 C.F.R. § 261.2], and Tenn. Comp. R. & Regs. 0400-12-01-.02(1)(c) [40 C.F.R. § 261.3].
50. The Respondent failed to mark one 25-gallon container of hazardous waste COD test vials with the indication of the hazards of the contents. The EPA therefore alleges that the Respondent violated Tenn. Code Ann. § 68-212-108 [Section 3005 of RCRA, 42 U.S.C. § 6925], by storing hazardous waste without a permit or interim status, because the Respondent failed to mark its container with an indication of the hazards of the contents in accordance with the Tenn. Comp. R. & Regs. 0400-12-01-.03(1)(h)1.(v)(I)II.[40 C.F.R. § 262.17(a)(5)(i)(B)], which is a condition of the LQG Permit Exemption.
51. The Respondent failed to keep the secondary containments around Tank 14 and Tank ET 14 free of cracks or gaps. The EPA therefore alleges that the Respondent violated Tenn. Code Ann. § 68-212-108 [Section 3005 of RCRA, 42 U.S.C. § 6925], by storing hazardous waste without a permit or interim status, because the Respondent stored hazardous waste in tanks with secondary containments that were not free of cracks or gaps as required by Tenn. Comp. R. & Regs. 0400-12-01-.03(1)(h)1.(ii)(I) [40 C.F.R. § 262.17(a)(2)], which incorporates Tenn. Comp. R. & Regs. 0400-12-01-.05(10)(d)5.(i)(III) [40 C.F.R. § 265.193(e)(iii)] and is a condition of the LQG Permit Exemption.
52. The Respondent failed to determine the average volatile organic concentration of the D007 hazardous waste stored in Tank 20 that was generated from the distillation of nitric acid at the point of waste origination. The EPA therefore alleges that the Respondent violated Tenn. Code Ann. § 68-212-108 [Section 3005 of RCRA, 42 U.S.C. § 6925], by storing hazardous waste without a permit or interim status, because the Respondent did not determine the average volatile organic concentration of hazardous waste at the point of waste origination as required by Tenn. Comp. R. & Regs. 0400-12-01-.03(1)(h)1.(ii)(I) [40 C.F.R. § 262.17(a)(2)], which incorporates Tenn. Comp. R. & Regs. 0400-12-01-.05(29)(e)1.(i) [40 C.F.R. § 265.1084(a)] and is a condition of the LQG Permit Exemption.

VI. STIPULATIONS

53. The issuance of this CAFO simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

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

- a. admits that the EPA has jurisdiction over the subject matter alleged in this CAFO;
- b. neither admits nor denies the factual allegations set forth in Section IV (Findings of Facts) of this CAFO;
- c. consents to the assessment of a civil penalty as stated below;
- d. consents to the conditions specified in this CAFO;
- e. waives any right to contest the allegations set forth in Section V (Alleged Violations) of this CAFO; and
- f. waives its rights to appeal the Final Order accompanying this CAFO.

55. For the purpose of this proceeding, the Respondent:

- a. agrees that this CAFO states a claim upon which relief may be granted against the Respondent;
- b. acknowledges that this CAFO constitutes an enforcement action for purposes of considering the 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 the Respondent may have with respect to any issue of fact or law set forth in this CAFO, including any right of judicial review under Chapter 7 of the Administrative Procedure Act, 5 U.S.C. §§ 701-706;
- d. 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 such noncompliance, and agrees that federal law shall govern in any such civil action;
- e. waives any right it may have pursuant to 40 C.F.R. § 22.8 to be present during any discussions with, or to be served with and reply to, any memorandum or communication addressed to EPA officials where the purpose of such discussion, memorandum, or communication is to persuade such official to accept and issue this CAFO; and

- f. waives any right to confer with the EPA Administrator under Section 6001(b)(2) of RCRA, 42 U.S.C. § 6961(b)(2), on any issue of fact or law set forth in this CAFO; and
- g. agrees to comply with the terms of this CAFO.

56. By executing this CAFO, the Respondent certifies to the best of its knowledge that the Respondent is currently in compliance with all relevant requirements of the authorized State program, the Act, and its implementing regulations, and that all violations alleged herein, which are neither admitted nor denied, have been corrected.
57. In accordance with 40 C.F.R. § 22.5, the individuals named in the Certificate of Service are authorized to receive service related to this proceeding and the Parties agree to receive service by electronic means.

VII. TERMS OF PAYMENT

58. The Respondent consents to the payment of a civil penalty, which was calculated in accordance with the Act, in the amount of **TWENTY-THOUSAND NINE HUNDRED DOLLARS (\$20,900.00)**, which is to be paid within 30 days of the Effective Date of this CAFO.

59. Payment(s) shall be made by cashier's check, certified check, by electronic funds transfer (EFT), or by Automated Clearing House (ACH) (also known as REX or remittance express). If paying by check, the check shall be payable to: Treasurer, United States of America, and the Facility name and docket number for this matter shall be referenced on the face of the check.

- a. If the Respondent sends payment by standard U.S. Postal Service delivery, the payment shall be addressed to:

U.S. Environmental Protection Agency
P.O. Box 979078
St. Louis, MO 63197-9000

- b. If the Respondent sends payment by non-standard mail delivery (e.g., FedEx, DHL, UPS, USPS certified, registered, etc.), the payment shall be sent to:

U.S. Environmental Protection Agency
Government Lockbox 979078
3180 Rider Trail S.
Earth City, MO 63045

- c. If paying by EFT, the Respondent shall transfer the payment to:

Federal Reserve Bank of New York
ABA: 021030004
Account Number: 68010727
SWIFT address: FRNYUS33
33 Liberty Street

New York, NY 10045
Beneficiary: Environmental Protection Agency

d. If paying by ACH, the Respondent shall remit payment to:

US Treasury REX / Cashlink ACH Receiver
ABA: 051036706
Account Number: 310006, Environmental Protection Agency
CTX Format Transaction Code 22 – checking
Physical location of US Treasury facility:
5700 Rivertech Court
Riverdale, MD 20737
Remittance Express (REX): 1-866-234-5681

60. The Respondent shall send proof of payment, within 24 hours of payment of the civil penalty, to:

Regional Hearing Clerk
R4_Regional_Hearing_Clerk@epa.gov

and

Alan Newman
Enforcement and Compliance Assurance Division
Chemical Safety and Land Enforcement Branch
Newman.Alan@epa.gov

61. "Proof of payment" means, as applicable, a copy of the check, confirmation of credit card or debit card payment, 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 Facility name and Docket No. **RCRA-04-2024-4002(b)**.

62. Pursuant to 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if the Respondent fails to remit the civil penalty as agreed to herein, the EPA is entitled to assess interest and penalties on debts owed to the United States and a charge to cover the costs of processing and handling the delinquent claim. Accordingly, the EPA may require the Respondent to pay the following amounts on any amount overdue:

- a. Interest. Interest will begin to accrue on the civil penalty from the Effective Date of this CAFO. If the civil penalty is paid within 30 days of the Effective Date of this CAFO, interest is waived. However, if the civil penalty is not paid in full within 30 days, interest will continue to accrue on any unpaid portion until the unpaid portion of the civil penalty and accrued interest are paid. Interest will be assessed at the rate of the United States Treasury tax and loan rate, as established by the Secretary of the Treasury, in accordance with 31 U.S.C. § 3717(a)(1), 31 C.F.R. § 901.9(b)(2), and 40 C.F.R. § 13.11(a).

- b. Non-Payment Penalty. On any portion of a civil penalty or a stipulated penalty more than 90 days past due, the Respondent must pay a non-payment penalty of not more than six percent (6%) per annum, which will accrue from the date the penalty payment became due and is not paid, as provided in 31 U.S.C. § 3717(e)(2) and 31 C.F.R. § 901.9(d). This non-payment penalty is in addition to charges which accrue or may accrue under subparagraphs (a) and (c) and will be assessed monthly. 40 C.F.R. § 13.11(c).
- c. Monthly Handling Charge. Respondent must pay a late payment handling charge to cover the administrative costs of processing and handling the delinquent claim, based on either actual or average cost incurred. 31 C.F.R. § 901.9(c) and 40 C.F.R. § 13.11(b). Administrative costs will be assessed monthly throughout the period the debt is overdue except as provided by 40 C.F.R. § 13.12.

63. In addition to what is stated in the prior Paragraph, if the Respondent fails to timely pay any portion of the penalty assessed under this CAFO, the EPA may:

- a. refer the debt to a credit reporting agency or a collection agency (see 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 to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds (see 40 C.F.R. Part 13, Subparts C and H);
- c. suspend or revoke the Respondent's licenses or other privileges, or suspend or disqualify the Respondent from doing business with the EPA or engaging in programs the EPA sponsors or funds (see 40 C.F.R. § 13.17); and/or
- d. refer the debt to the Department of Justice as provided in 40 C.F.R. § 13.33. In any such judicial action, the validity, amount, and appropriateness of the penalty and of this CAFO shall not be subject to review.

64. Penalties paid pursuant to this CAFO shall not be deductible for purposes of federal taxes.

VIII. EFFECT OF CAFO

65. In accordance with 40 C.F.R. § 22.18(c), the Respondent's full compliance with this CAFO shall only resolve the Respondent's liability for federal civil penalties for the violations and facts specifically alleged above.

66. Full payment of the civil penalty, as provided in Section VII (Terms of Payment) shall satisfy the requirements of this CAFO; but, shall not in any case affect the right of the EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. 40 C.F.R. § 22.18(c).

67. Any violation of this CAFO may result in a civil penalty for each day of continued noncompliance with the CAFO and/or the suspension or revocation of any federal or state permit issued to the violator, as provided in Section 3008(c) of the Act, 42 U.S.C § 6928(c).
68. Nothing in this CAFO shall relieve the Respondent of the duty to comply with all applicable provisions of the Act and other federal, state, or local laws or statutes, nor shall it restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit, except as expressly provided herein.
69. Nothing herein shall be construed to limit the power of the EPA to undertake any action against the Respondent or any person in response to conditions that may present an imminent and substantial endangerment as provided under the Act.
70. 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.
71. The provisions of this CAFO shall apply to and be binding upon the Respondent and its successors and assigns. The Respondent shall direct its officers, directors, employees, agents, trustees, and authorized representatives to comply with the provisions of this CAFO, as appropriate.
72. Any change in the legal status of the Respondent, or change in ownership, partnership, corporate or legal status relating to the Facility, will not in any way alter the Respondent's obligations and responsibilities under this CAFO.
73. By signing this Consent Agreement, the Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information or personally identifiable information.
74. By signing this Consent Agreement, the Complainant and the undersigned representative of the Respondent each certify that each person is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the Party represented by that person to this CAFO.
75. By signing this Consent Agreement, both Parties agree that each Party's obligations under this CAFO constitute sufficient consideration for the other Party's obligations.
76. By signing this Consent Agreement, the Respondent certifies that the information it has supplied concerning this matter was at the time of submission, and continues to be, true, accurate, and complete for each such submission, response, and statement. The Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

77. The EPA also 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 the Respondent was materially false or inaccurate at the time such information was provided to the EPA. If such false or inaccurate material was provided, the EPA reserves the right to assess and collect any and all civil penalties for any violation described herein. The EPA shall give the Respondent notice of its intent to revoke, which shall not be effective until received by the Respondent in writing.
78. Unless specifically stated otherwise in this CAFO, each Party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.
79. It is the intent of the Parties that the provisions of this CAFO are severable. If any provision or authority of this CAFO or the application of this CAFO to any Party or circumstances is held by any judicial or administrative authority to be invalid or unenforceable, the application of such provisions to other Parties or circumstances and the remainder of the CAFO shall remain in force and shall not be affected thereby.

IX. EFFECTIVE DATE

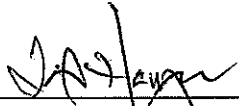
80. This CAFO shall become effective after execution of the Final Order by the Regional Judicial Officer, on the date of filing with the Regional Hearing Clerk.

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Complainant and the Respondent will Each Sign on Separate Pages.]

The foregoing Consent Agreement, In the Matter of **BAE Systems Ordnance Systems Inc.**, Docket No. **RCRA-04-2024-4002(b)**, is Hereby Stipulated, Agreed, and Approved for Entry.

FOR THE RESPONDENT:


Signature _____ Date 13 June 2024
Printed Name: Todd D. Hayes
Title: General Manager
Address: 4509 West Stone Drive Kingsport TN 37660

The foregoing Consent Agreement, In the Matter of **BAE Systems Ordnance Systems Inc.**, Docket No. **RCRA-04-2024-4002(b)**, is Hereby Stipulated, Agreed, and Approved for Entry.

FOR COMPLAINANT:

Araceli B. Chavez, Acting Chief
Chemical Safety and Land Enforcement Branch
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 4

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4

In the Matter of:

**BAE Systems Ordnance Systems Inc.
4509 West Stone Drive
Kingsport, Tennessee 37660**

EPA ID No.: **TN5210020421**

Respondent.

Docket No. **RCRA-04-2024-4002(b)**

Proceeding Under Section 3008(a) of the
Resource Conservation and Recovery Act,
42 U.S.C. § 6928(a)

The Regional Judicial Officer is authorized to ratify this Consent Agreement which memorializes a settlement between Complainant and the Respondent. 40 C.F.R. §§ 22.4(b) and 22.18(b)(3). The foregoing Consent Agreement is, therefore, hereby approved, ratified, and incorporated by reference into this Final Order in accordance with 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.

The Respondent is hereby ORDERED to comply with all of the terms of the foregoing Consent Agreement effective immediately upon filing of this Consent Agreement and Final Order with the Regional Hearing Clerk. This Final Order disposes of this matter pursuant to 40 C.F.R. §§ 22.18 and 22.31.

BEING AGREED, IT IS SO ORDERED.

Tanya Floyd
Regional Judicial Officer

CERTIFICATE OF SERVICE

I certify that the foregoing Consent Agreement and Final Order, In the Matter of **BAE Systems Ordnance Systems Inc.**, Docket No. **RCRA-04-2024-4002(b)**, was filed and copies of the same were emailed to the Parties as indicated below.

Via email to all Parties at the following email addresses:

The Respondent: Todd Hayes
 Holston Army Ammunition Plant General Manager
 BAE Systems Ordnance Systems Inc.
 todd.hayes@baesystems.us
 (423) 578-6369

EPA: Alan Newman
 Environmental Engineer
 newman.alan@epa.gov
 (404) 562-8569

 Kate Forrest
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 William Kappler
 Environmental Scientist
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 (404) 562-8498

Shannon L. Richardson, Regional Hearing Clerk
R4_Regional_Hearing_Clerk@epa.gov