



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 7
901 NORTH FIFTH STREET
KANSAS CITY, KANSAS 66101
**EXPEDITED SETTLEMENT
AGREEMENT(ESA)**

06 JUN 22 PM 2:57
ENVIRONMENTAL PROTECTION
AGENCY-REGION VII
REGIONAL HEARING CLERK

DOCKET NO: CAA-07-2006-0183

This ESA is issued to: United Suppliers, Inc.

At: 5780 East J Street, Hastings, Nebraska 68901

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

The United States Environmental Protection Agency, Region 7 (EPA) and United Suppliers, Inc., 5780 East J Street, Hastings, Nebraska 68901 (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, RCRA and Toxics Division. The Respondent is United Suppliers, Inc., 5780 East J Street, Hastings, Nebraska.

This is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act. Pursuant to Section 113(d) of the Clean Air Act, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that this matter, where the total penalty exceeds \$270,000 or where the first alleged date of violation occurred more than 12 months prior to the initiation of the administrative action, was appropriate for administrative penalty action.

ALLEGED VIOLATIONS

On January 10, 2006, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located at 5780 East J Street, Hastings, Nebraska, to determine compliance with the Risk Management Plan (RMP) regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the Clean Air Act. EPA found that the Respondent had violated regulations implementing Section 112(r) of the Clean Air Act by failing to comply with the regulations as noted on the enclosed Risk Management Program Inspection Findings, Alleged Violations and Proposed Penalty Sheet (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 **\$405.00**.

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 in 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 Clean Air Act, 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 "Treasurer, United States of America") in the amount of **\$405.00** in payment of the full penalty amount to the following address:

Mellon Bank
U.S. EPA Region 7
P.O. Box 371099M
Pittsburgh, Pennsylvania 15251.

The Docket Number of this ESA is CAA-07-2006-0183, 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:

Sarah Thibos
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 7
901 North Fifth 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 Fifth 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 Clean Air Act referenced in the RMP Findings. EPA does not waive any other enforcement action for any other violations of the Clean Air Act 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:

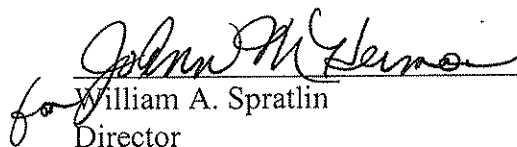
 _____

Date: 6-12-06

Name (print): MICHAEL R BROWN

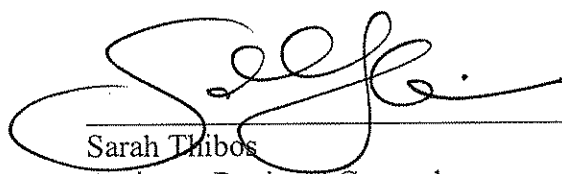
Title (print): PLANT MANAGER
United Suppliers Inc.

FOR COMPLAINANT:

 _____

Date: 6/20/06

William A. Spratlin
Director
Air, RCRA and Toxics Division
EPA Region 7

 _____

Date: 6/19/06

Sarah Thibos
Assistant Regional Counsel
EPA Region 7

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

Karina Borromeo

Karina Borromeo
Regional Judicial Officer
U.S. Environmental Protection Agency
Region VII

June 22, 2006

Date

Risk Management Program Inspection Findings

United Suppliers Inc.
Hastings, NE

PLEASE COMPLETE AND COPY THIS FORM AND RETURN IT WITH THE ESA

VIOLATIONS

PENALTY AMOUNT

68.69(a) – Owner or operator shall 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 shall address at least the following elements.

(1) Steps for each operating phase:

(iii) Temporary operations.

\$600.00

(vii) Startup following a turnaround, or after an emergency shutdown.

How was this addressed: WRITTEN OPERATING PROCEDURES HAVE ^{BEEN} IMPLEMENTED REGARDING SAFE CONDUCT IN TEMPORARY OPERATIONS AND STARTUP FOLLOWING A TURNAROUND OR EMERGENCY SHUTDOWN.

68.67(c) (1) – Failure to include underground piping in the Process Hazard Analysis (PHA).

\$750.00

68.73(b) – The owner or operator shall establish and implement written procedures to maintain the ongoing integrity of process equipment (including piping systems).

How was this addressed: THE UNDERGROUND NH₃ LINES WERE TESTED AND NECESSARY PARTS AND VALVES WERE INSTALLED FOR FUTURE TESTING TO MAINTAIN SYSTEM INTEGRITY

68.87(c) (3) – The contract owner or operator shall document that each contract employee has received and understood the training required by this section. The contract owner or operator shall prepare a record which contains the identity of the contract employee, the date of training, and the means used to verify that the employee understood the training.

How was this addressed: CONTRACTORS AND CONTRACT EMPLOYEES WILL BE REQUIRED TO PRODUCE RECORDS OF EMPLOYEE TRAINING DATES, AND EMPLOYEE KNOWLEDGE OF TRAINING INFORMATION TO BE KEPT AT THE LOCATION BEFORE WORK MAY BE STARTED. CONTRACTOR ORIENTATION FORMS HAVE BE IMPLEMENTED.

Calculation of Adjusted Penalty

- 1st Reference the Multipliers for calculating proposed penalties for violations found during RMP inspection matrix. Finding the column for 1-5 employees and the row for >10 times the threshold quantity amount gives a multiplier factor of 0.3. Therefore, the multiplier for United Suppliers = 0.3.
- 2nd Adjusted Penalty = \$1350 (Unadjusted Penalty) X 0.3 (Size-Threshold Multiplier)
Adjusted Penalty = \$405
- 3rd An Adjusted Penalty of \$405 would be assessed to United Suppliers for Violations found during the RMP Compliance Inspection. This amount will be found in the Expedited Settlement Agreement (ESA)

TOTAL **\$405.00**

Please provide the cost to the facility to correct these violations.

Cost: \$1635⁰⁰

IN THE MATTER OF United Suppliers, Inc., Respondent
Docket No. CAA-07-2006-0183

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:

Sarah Thibos
Assistant Regional Counsel
901 N. 5th Street
Kansas City, Kansas 66101

Copy by Certified Mail Return Receipt to:

Michael R. Brown
Plant Manager
United Suppliers, Inc.
5780 East J Street
Hastings, Nebraska 68901\

6/22/06
Dated

Kathy R. Jensen
Regional Hearing Clerk