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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

APR 0 9 2013

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

Mr. Richard E. Glaze, Jr. Balch & Bingham LLP 30 Ivan Allen, Jr. Boulevard, NW Suite 700 Atlanta, Georgia 30308-3036

Re:

Foam Packaging, Inc.

Consent Agreement and Final Order

Docket Number EPCRA-04-2013-2027(b)

Dear Mr. Glaze:

Enclosed please find an executed copy of the Consent Agreement and Final Order (CAFO) that resolves the Emergency Planning and Community Right-to-Know Act of 1986 matter (Docket No. EPCRA-04-2013-2027(b)) involving your client, Foam Packaging, Inc. The CAFO was filed with the Regional Hearing Clerk, as required by 40 C.F.R. Part 22 and became effective on the date of the filing.

Also enclosed, please find a copy of the "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 Security and Exchange Commission (SEC) any environmental enforcement actions taken by the U.S. Environmental Protection Agency. If you or your client has any questions with regards to the SEC's environmental disclosure requirements, please refer to the contact phone number at the bottom of the SEC Notice

If you have any questions, please call Mr. Eddie Chow at (404) 562-8989.

Sincerely,

Caron B. Falconer

Chief

EPCRA Enforcement Section

Enclosures

UNITED STATES ENVI	RONMENTAL PROTECTION AGENCY REGION 4	HEA	2013 AF	EF
IN THE MATTER OF:		RING	9- A	A RECE
Foam Packaging, Inc.	Docket Number: EPCRA-04-2013-2027(b)	CLER	PM 4	NOUS UNITED
Respondent.)			8	7

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 Foam Packaging, Inc.
- 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 Foam Packaging, Inc., a corporation doing business in the State of Mississippi.
- 5. Respondent is a "person" as defined in Section 329(7) of EPCRA, 42 U.S.C. § 11049(7).

- 6. Respondent owns and operates a "facility" as that term is defined by Section 329(4) of EPCRA, 42 U.S.C. § 11049(4).
 - 7. Respondent's facility is located at 35 Stennis Road, Vicksburg, Mississippi.

III. EPA's Allegations of Violations

Violations of EPCRA Section 313

- 8. Section 313 of EPCRA, 42 U.S.C. § 11023, and 40 C.F.R. §§ 372.22 and 372.30, require the owner or operator of a facility that: (a) has 10 or more full-time employees; (b) is in a Standard Industrial Classification (SIC) major group or industry listed in 40 C.F.R. § 372.23(a) for which the corresponding North American Industry Classification System (NAICS) subsector and industry codes are listed in 40 C.F.R. §§ 372.23(b) and 372.23(c); and (c) manufactured, processed, or otherwise used a toxic chemical listed in Section 313(c) and 40 C.F.R. § 372.65, in excess of an applicable threshold quantity established under EPCRA Section 313(f) and set forth in 40 C.F.R. § 372.25, during the calendar year, to complete and submit a toxic chemical release inventory reporting Form R (EPA Form 9350-1) to the Administrator of EPA and to the State in which the facility is located, by July 1 for the preceding calendar year for each toxic chemical known by the owner or operator to be manufactured, processed, or otherwise used in quantities exceeding the established threshold quantity during the preceding calendar year.
- 9. As set forth at EPCRA Section 313(f) and 40 C.F.R. § 372.25, the reporting threshold amount for a toxic chemical manufactured or processed at a facility is 25,000 pounds per calendar year. The reporting threshold for a toxic chemical otherwise used at a facility is 10,000 pounds.
- 10. Respondent has 10 or more full-time employees, as defined at 40 C.F.R. § 372.3 at its facility.
- 11. Respondent's facility is classified under SIC code 3086 and the NAICS code 326140.
- 12. Respondent's facility is classified in a covered SIC code as described at 40 C.F.R. § 372.22 and in a covered NAICS code as described at 40 C.F.R. § 372.23.
- 13. Methylene chloride is a toxic chemical listed under EPCRA Section 313(c) and 40 C.F.R. § 372.65.
- 14. Respondent's facility processed methylene chloride, a toxic chemical listed under EPCRA Section 313(c) and 40 C.F.R. § 372.65, in excess of the 25,000 pound threshold quantity established under EPCRA Section 313(f) and 40 C.F.R. § 372.25, during calendar years 2010, 2009, and 2008.

- 15. Respondent failed to submit a Form R for methylene chloride to the Administrator of EPA and to the official designated by the Governor of the State of Mississippi by July 1 of the required reporting years.
- 16. Respondent violated the reporting requirements of Section 313 of EPCRA, 42 U.S.C. § 11023, at its facility for calendar years 2010, 2009, and 2008, and is therefore subject to the assessment of penalties under Section 325 of EPCRA, 42 U.S.C. § 11045.
- 17. 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 313 that occurred after January 12, 2009. Each day a violation of Section 313 continues constitutes a separate violation. Civil penalties under Section 325(c) of EPCRA, 42 U.S.C. § 11045(c), may be assessed by an Administrative Order.

Violations of EPCRA Section 312

- 18. 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 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.
- 19. At some time during the calendar years of 2010, 2009, and 2008, methylene chloride was present at the facility in amounts equal to or greater than 10,000 pounds.
- 20. Methylene chloride 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.
- 21. Respondent failed to submit a completed Emergency and Hazardous Chemical Inventory Form for methylene chloride to the SERC, the LEPC, and fire department with jurisdiction over the facility for calendar years 2010, 2009, and 2008 by March 1 of the following year.
- 22. Respondent violated the reporting requirements of Section 312 of EPCRA, 42 U.S.C. § 11022, at its facility for calendar years 2010, 2009, and 2008, and is therefore subject to the assessment of civil penalties under Section 325 of EPCRA, 42 U.S.C. § 11045.
- 23. 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 January 12, 2009. 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.

IV. Consent Agreement

- 24. 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.
- 25. Respondent waives any right to contest the allegations and its right to appeal the proposed Final Order accompanying the Consent Agreement.
- 26. Respondent consents to the assessment of and agrees to pay the civil penalty as set forth in this CAFO.
- 27. Respondent certifies that to the best of Respondent's knowledge as of the date of its execution of this CAFO, it is in compliance with all relevant requirements of EPCRA at the facility.
- 28. Compliance with the CAFO shall resolve the allegations of violations contained herein. This CAFO shall not otherwise affect any liability of Respondent to the United States other than as expressed herein. Complainant does not waive any right to bring an enforcement action against Respondent for violation of any federal or state statute, regulation or permit, to initiate an action for imminent and substantial endangerment, or to pursue criminal enforcement.
- 29. 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

30. Respondent shall pay a civil penalty of FIFTY FIVE THOUSAND FOUR HUNDRED FIVE DOLLARS (\$55,405) (plus \$350.20 interest) in the total amount of \$55,735.20, for the violations alleged in Section III. Payments shall be made in four (4) quarterly payments as set forth below with the first payment of \$13,938.80 due within 30 days of the ratified CAFO.

Payment	Payment Amount	Principal	Interest
1	\$13,938.80	\$13,798.75	\$140.05
2	\$13,938.80	\$13,832.47	\$106.33
3	\$13,938.80	\$13,867.82	\$70.98
4	\$13,938.80	\$13,905.96	\$32.84
Total	\$55,755.20	\$55,405.00	\$350.20

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

U.S. Bank Government Lockbox 979077

U.S. EPA Fines & Penalties 1005 Convention Plaza SL-MO-C2-GL

St. Louis, MO 63101

BY OVERNIGHT

(314) 418-1028

The check shall reference on its face the name and the Docket Number of the CAFO.

At the time of each 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

Eddie Chow U.S. EPA, Region 4 Air, Pesticides & Toxics Management Division 61 Forsyth Street, S.W. Atlanta, Georgia 30303

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

- For the purposes of state and federal income taxes, Respondent shall not be 33. 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
- 34. 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.

- 35. Complainant and Respondent shall bear their own costs and attorney fees in this matter.
 - This CAFO shall be binding upon the Respondent, its successors and assigns.
- 37. The following individual is authorized to receive service for EPA in this proceeding:

Caron B. Falconer U.S. EPA, Region 4 Air, Pesticides & Toxic Management Division 61 Forsyth Street, S.W. Atlanta, Georgia 30303 (404) 562-8451

38. 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

VI. Effective Date

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

AGREED AND CONSENTED TO:

Foam Packaging, Inc.	
By: Ray B. English Name: Ray B. English	Date: 328-13 (Typed or Printed)
Title: President	(Typed or Printed)
Beverly H. Banister, Director Air, Pesticides & Toxics Management Division	Date: 4-8-13
APPROVED AND SO ORDERED this $\underline{\hspace{1cm}}$	day of April 2013
Susan R	and Schub

Regional Judicial Officer

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 Foam Packaging, Inc., Docket Number:

EPCRA-04-2013-2027(b), on the parties listed below in the manner indicated:

Caron B. Falconer

(Via EPA's internal mail)

U.S. EPA, Region 4

Air, Pesticides & Toxics Management Division

61 Forsyth Street

Atlanta, GA 30303

Robert Caplan

(Via EPA's internal mail)

U.S. EPA, Region 4

Office of Environmental Accountability

61 Forsyth Street

Atlanta, GA 30303

Marlene Tucker

(Via EPA's internal mail)

U.S. EPA, Region 4

Office of Environmental Accountability

61 Forsyth Street

Atlanta, GA 30303

Mr. Richard E. Glaze, Jr. Balch & Bingham LLP

(Via Certified Mail - Return Receipt

Requested)

30 Ivan Allen, Jr. Boulevard, Northwest

Suite 700

Atlanta, Georgia 30308-3036

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

8