



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

Region 6

1445 Ross Avenue, Suite 1200
Dallas, Texas 75202 - 2733

JUL 20 2015

CERTIFIED MAIL - RETURN RECEIPT REQUESTED: 7014 0150 0000 2454 4722

Mark Salih
Environmental Lead, Shreveport Facility
UOP LLC
8725 Old Mooringsport Road
Shreveport, LA 71107

Re: *In the Matter of UOP LLC*, Docket No. CAA-06-2015-3343

Dear Mr. Salih:

Enclosed is a fully executed Consent Agreement and Final Order (CAFO) in the matter referenced above for UOP LLC.

As provided in the CAFO, UOP LLC will have thirty (30) days from the effective date of the CAFO to pay the civil penalty of \$30,000.00.

If you have any questions regarding this CAFO, please contact Jeffrey Clay, Assistant Regional Counsel, at (214) 665-7297.

Sincerely,

A handwritten signature in black ink, appearing to read "John Blevins".

John Blevins
Director
Compliance Assurance and
Enforcement Division

Enclosure

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TEXAS

FILED

2015 JUL 22 PM 1:17

REGIONAL HEARING CLERK
EPA REGION VI

IN THE MATTER OF:)

EPA DOCKET NO. CAA-06-2015-3343

UOP LLC)

Respondent)

CONSENT AGREEMENT AND
FINAL ORDER

Shreveport, Louisiana)

CONSENT AGREEMENT AND FINAL ORDER

The Director, Compliance Assurance and Enforcement Division, United States Environmental Protection Agency, Region 6 ("EPA") ("Complainant"), and UOP LLC ("Respondent" or "UOP") in the above referenced action, have agreed to simultaneously commence and resolve this matter, through issuance of this Consent Agreement and Final Order ("CAFO").

I. PRELIMINARY STATEMENT

1. This proceeding for the assessment of civil penalties pursuant to Section 113(d) of the Clean Air Act, as amended (CAA or the Act), 42 U.S.C. § 7413(d), is simultaneously commenced and concluded by the issuance of this CAFO pursuant to 40 C.F.R. §§ 22.13(b), 22.18(b)(2), 22.18(b)(3), and 22.34.

2. This CAFO serves as notice pursuant to Section 113(d)(2)(A) of the Act, 42 U.S.C. § 7413(d)(2)(A).

3. For purposes of this proceeding, Respondent admits the jurisdictional allegations of this CAFO; however, Respondent neither admits nor denies the specific factual allegations contained in this CAFO.

4. Respondent waives any right to contest the allegations in the CAFO and its right to appeal the Final Order set forth herein, and waives all defenses which have been raised or could have been raised to the claims set forth in the CAFO.

5. Respondent does not waive any rights or defenses which have been raised or could be raised in any state law proceeding. This CAFO may not be used in any federal or state proceeding except proceedings by EPA to enforce this CAFO.

6. Compliance with all the terms and conditions of this CAFO shall only resolve Respondent's liability for Federal civil monetary penalties for the violations and facts alleged in the CAFO.

7. Respondent consents to the issuance of this CAFO, and consents to the assessment and payment of the stated Federal civil monetary penalty in the amount and by the method set out in this CAFO.

8. Respondent shall not assert, and may not maintain, any defense or claim based upon the principles of waiver, res judicata, collateral estoppel, issue preclusion, or claim-splitting for violations not alleged in this CAFO.

9. Except as specifically set forth herein, nothing in this CAFO shall be construed to prevent or limit EPA's civil, injunctive, and criminal authorities, or that of other Federal, state, or local agencies or departments to obtain penalties or injunctive relief under Federal, state, or local laws or regulations.

10. Respondent represents that the undersigned representative is fully authorized by the Party whom he or she represents to enter into the terms and conditions of this CAFO, to execute this CAFO, and to legally bind the Respondent to the terms and conditions of this CAFO.

11. Respondent agrees that the provisions of this CAFO shall be binding on its officers,

directors, employees, agents, servants, authorized representatives, successors, and assigns.

II. FINDINGS OF FACT AND CONCLUSIONS OF LAW

12. Respondent is a limited liability company authorized to do business in the state of Louisiana. UOP LLC is incorporated in the State of Delaware.

13. Respondent is a "person" as that term is defined in Section 302(e) of the Act, 42 U.S.C. 7602(e), and within the meaning of Section 113(d) of the Act, 42 U.S.C.7413(d).

14. At all times relevant to this CAFO, Respondent owned and operated a chemical manufacturing facility located at 8725 Old Mooringsport Road in Shreveport, LA 71107 ("Facility").

15. At the Facility, the Respondent produces, processes, stores, and/or handles extremely hazardous substances, including hydrochloric acid (36%).

16. Hydrochloric acid (36%) is an extremely hazardous substance within the meaning of Section 112(r)(1) of the Act, 42 U.S.C. 7412(r)(1), due to its toxic and corrosive characteristics and propensity to volatilize in ambient air.

17. Reserved.

18. On July 25, 2014, there was a release of hydrochloric acid (36%) at UOP's Shreveport, Louisiana Facility.

19. An operator, while on his normal rounds gauging the Boiler House Sump, noticed an abnormal vapor cloud coming from behind Warehouse #2. The operator immediately notified a Shift Leader, who identified the vapor cloud as hydrochloric acid (36%), and immediately shut down the pumping of hydrochloric acid (36%) from Line 3 through the pipe rack behind the warehouse.

20. UOP later determined that the release was caused by a breach of a flange connection on a 2" pipe. The pipe consists of two components: a carbon steel outer structure that bears pressure and a Teflon liner that protects the carbon steel outer pipe from the hydrochloric acid traveling through the pipe.

21. The carbon steel pipe had been severely corroded by hydrochloric acid that had permeated the Teflon inner liner. Once the outer carbon steel pipe lost its structural integrity the Teflon inner shell was unable to contain the pressure and failed at the flange connection.

22. 3,280 pounds of hydrochloric acid (36%) were released during the incident.

23. Pursuant to section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1), an owner/operator of a stationary source producing, processing, handling or storing substances listed pursuant to section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), or any other extremely hazardous substance, has a general duty to: (1) identify hazards which may result from accidental releases of such substances using appropriate hazard assessment techniques; (2) design and maintain a safe facility, taking such steps as are necessary to prevent releases; and (3) minimize the consequences of accidental releases that do occur.

24. Respondent is a "person" as that term is defined by section 302(e) of the CAA, 42 U.S.C. § 7602(e).

25. The Facility is a "stationary source" as that term is defined by section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C).

26. Respondent is the "owner or operator" of a stationary source.

27. At the Facility, Respondent produces, processes, handles, or stores substances listed

in, or pursuant to, CAA § 112(r)(3) or other extremely hazardous substances identified as such due to toxicity, reactivity, flammability, volatility, or corrosivity.

28. The release of hydrochloric acid (36%) at the Facility on July 25, 2014, constituted an “accidental release” as that term is defined by section 112(r)(2)(A) of the CAA; 42 U.S.C. § 7412(r)(2)(A).

29. Respondent failed to design and maintain a safe facility and did not take such necessary steps to prevent accidental releases by not ensuring the piping was maintained sufficiently to prevent releases.

30. Respondent’s failure constitutes a violation of the general duty clause in section 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1).

31. Respondent is therefore subject to the assessment of penalties pursuant to sections 113(a)(3) and 113(d)(1)(B) of the CAA, 42 U.S.C. §§ 7413(a)(3) and 7413(d)(1)(B), for at least one day of violation of the general duty clause of section 112(r)(1) of the CAA, 42 U.S.C. §7412(r)(1).

III. VIOLATION

32. On July 25, 2014, Respondent failed to maintain piping conveying hydrochloric acid (36%) in such a way to prevent pipe failure and a release of an extremely hazardous substance. Respondent failed to design and maintain a safe facility taking such steps as are necessary to prevent releases in violation of 112(r)(1) of the CAA, 42 U.S.C. § 7412(r)(1).

IV. CIVIL PENALTY AND TERMS OF SETTLEMENT

33. For the reasons set forth above, Respondent has agreed to pay a civil penalty which has been determined in accordance with Section 113(b)(2) of the Act, 42 U.S.C. § 7413(b)(2),

which authorizes EPA to assess a civil penalty of up to twenty-five thousand dollars (\$25,000) per day for each violation of the CAA.¹

34. Upon consideration of the entire record herein and upon consideration of the size of the business, the economic impact of the penalty on the business, the violator's full compliance history and good faith efforts to comply, the duration of the violation, payment by the violator of penalties previously assessed for the same violation, the economic benefit of noncompliance, the seriousness of the violation, specific facts and equities, litigation risks, and other factors as justice may require, the parties agree that \$30,000 is an appropriate penalty to resolve this matter.

35. Within thirty (30) days of this fully executed CAFO, Respondent shall pay \$30,000 by cashier's check, certified check, or wire transfer made payable to "Treasurer, United States of America, EPA - Region 6." Payment shall be remitted in one of five (5) ways: regular U.S. Postal Service mail, to include certified mail; overnight mail; wire transfer; Automated Clearinghouse for receiving US currency; or On Line Payment. For regular U.S. Postal Service mail, U.S. Postal Service certified mail, or U.S. Postal Service express mail, the check(s) should be remitted to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077

¹ The Civil Penalty Inflation Adjustment Act of 1990, 28 U.S.C. § 246f, as amended by 31 U.S.C. § 3701 provides for increases in the statutory penalty provisions (\$25,000) cited in the Clean Air Act Stationary Source Civil Penalty Policy dated October 25, 1991 (CAA Penalty Policy). It provides for up to \$25,000 per day of violation for violations occurring on or before January 30, 1997; up to \$27,500 per day for each violation occurring after January 30, 1997 through March 15, 2004; up to \$32,500 per day for each violation occurring after March 15, 2004 through January 12, 2009; and up to \$37,500 per day for each such violation occurring after January 12, 2009.

IN THE MATTER OF UOP LLC
EPA DOCKET NUMBER EPA DOCKET NO. CAA-06-2015-3343

St. Louis, MO 63197-9000

For overnight mail (non-U.S. Postal Service, e.g. FedEx), the check(s) should be remitted to:

U.S. Bank
Government Lockbox 979077
U.S. EPA Fines & Penalties
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101

Contact: Natalie Pearson
314-418-4087

For wire transfer, the payment should be remitted to:

Federal Reserve Bank of New York
ABA: 021030004
Account Number: 68010727
SWIFT address: FRNYUS33
33 Liberty Street
New York, NY 10045

Field Tag 4200 of the Fedwire message should read:
"D 68010727 Environmental Protection Agency"

For Automated Clearinghouse (also known as REX or remittance express):

U.S. Treasury REX / Cashlink ACH Receiver
ABA: 051036706
Account Number: 310006, Environmental Protection Agency
CTX Format Transaction Code 22 -- checking
Physical location of U.S. Treasury facility:
5700 Rivertech Court
Riverdale, MD 20737

Contact -- Jesse White (301) 887-6548

For On Line Payment:

WWW.PAY.GOV
Enter sfo 1.1 in search field
Open form and complete required fields.

IN THE MATTER OF UOP LLC
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PLEASE

NOTE: The Docket Number CAA-06-2015-3343 shall be clearly typed on the check to ensure proper credit. The payment shall also be accompanied by a transmittal letter and shall reference Respondent's name and address, the case name, and docket number of the administrative complaint and CAFO. Respondent's adherence to this request will ensure proper credit is given when penalties are received for the Region. Respondent shall also send a simultaneous notice of such payment, including a copy of the money order, or check, and the transmittal letter to the following:

Joaquin "Jake" Medellin Jr.
Enforcement Officer (6EN-ASH)
Compliance Assurance and Enforcement Division
U.S. EPA, Region 6
1445 Ross Avenue Suite 1200
Dallas, Texas 75202-2733

Lorena Vaughn
Region 6 Hearing Clerk (6RC-D)
U.S. EPA Region 6
1445 Ross Avenue, Suite 1200
Dallas, TX 75202-2733

36. Respondent agrees not to claim, or attempt to claim, a federal income tax deduction or credit covering all or any part of the civil penalty paid to the United States Treasurer.

37. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, unless otherwise prohibited by law, EPA will assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the costs of processing and handling a delinquent claim. Interest on the civil penalty assessed in this CAFO will begin to accrue thirty (30) days after the effective date of the CAFO and will be recovered by EPA on any amount of the civil penalty that is not paid by the respective due date. Interest will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a). Moreover, the costs of the Agency's administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. See 40 C.F.R. § 13.11(b).

38. EPA will also assess a fifteen dollar (\$15.00) administrative handling charge for

administrative costs on unpaid penalties for the first thirty (30) day period after the payment is due and an additional fifteen dollars (\$15.00) for each subsequent thirty (30) day period that the penalty remains unpaid. In addition, a penalty charge of up to six percent per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. See 40 C.F.R. § 13.11(c). Should a penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. See 31 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.

39. Pursuant to Section 113(d)(5) of the Act, 42 U.S.C. § 7413(d)(5), any person who fails to pay on a timely basis, a civil penalty ordered or assessed under this section shall be required to pay, in addition to such penalty and interest, the United States enforcement expenses, including but not limited to, attorney's fees and costs incurred by the United States for collection proceedings, and a quarterly nonpayment penalty for each quarter during which such failure to pay persists. Such nonpayment penalty shall be ten (10) percent of the aggregate amount of such person's outstanding penalties and nonpayment penalties accrued as of the beginning of each quarter.

40. This CAFO shall not relieve the Respondent of its obligation to comply with all applicable provisions of federal, state or local law, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state or local permit, nor shall it be construed to constitute EPA approval of any equipment or technology installed by the Respondent in connection with any additional settlement terms undertaken pursuant to this CAFO. Nothing in this CAFO shall be construed to prohibit or prevent the federal, state, or local government from developing, implementing, and enforcing more stringent standards through rulemaking, the permit process, or as otherwise authorized or required.

41. This document constitutes a “Final Order” as that term is defined in the CAA Penalty Policy for the purpose of demonstrating a history of “prior such violations.”

V. RETENTION OF ENFORCEMENT RIGHTS

42. EPA does not waive any rights or remedies available to EPA for any violations by the Respondent of Federal or State laws, regulations, statutes, or permitting programs.

43. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the CAA.

44. Nothing in this CAFO shall limit the power and authority of EPA or the United States to take, direct, or order all actions to protect public health, welfare, or the environment, or prevent, abate, or minimize an actual or threatened release of hazardous substances, pollutants, contaminants, or regulated or other extremely hazardous substances at, on, or from the Respondent’s facility. Furthermore, except as specifically set forth herein, nothing in this CAFO shall be construed to prevent or limit EPA’s civil, injunctive, or criminal authorities, or that of other Federal, State, or local agencies or departments to obtain penalties or injunctive relief under other Federal, State, or local laws, regulations, or subparts thereof.

VI. COSTS

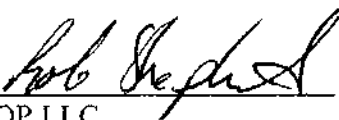
45. Each party shall bear its own costs and attorney’s fees.

IN THE MATTER OF UOP LLC
EPA DOCKET NUMBER EPA DOCKET NO. CAA-06-2015-3343

IT IS SO AGREED:

FOR THE RESPONDENT:

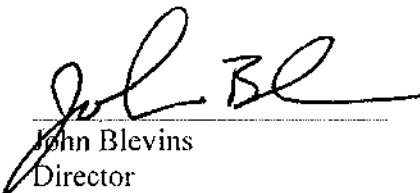
Date: 7/16/15



UOP LLC

FOR THE COMPLAINANT:

Date: 7.20.15

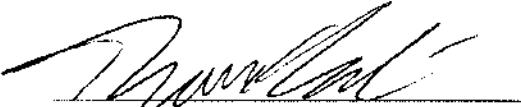


John Blevins
Director
Compliance Assurance and
Enforcement Division

FINAL ORDER

Pursuant to Section 113(d) of the Clean Air Act (Act), 42 U.S.C. § 7413(d), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 C.F.R. Part 22, the foregoing Consent Agreement is hereby ratified. This Final Order shall not in any case affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order shall resolve only those causes of action alleged in this CAFO. Nothing in this Final Order shall be construed to waive, extinguish, or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action. The Respondent is ordered to comply with the terms of settlement as set forth in the Consent Agreement, including the assessment of civil penalties. In accordance with 40 C.F.R. Part 22.31(b), this Final Order shall become effective upon filing with the Regional Hearing Clerk.

Dated 7-22-2015



Thomas Rucki
U.S. EPA, Region 6

CERTIFICATE OF SERVICE

I hereby certify that on the 22nd day of July, 2015, the original and one copy of the foregoing Consent Agreement and Final Order ("CAFO") was hand delivered to the Regional Hearing Clerk, U.S. EPA - Region 6, 1445 Ross Avenue, Suite 1200, Dallas, Texas 75202-2733, and a true and correct copy was delivered to the following individual(s) by the method indicated below:

CERTIFIED MAIL - RETURN RECEIPT REQUESTED and ELECTRONIC COPY

7014 0150 0000 2454 4722

Dwayne Johnson, Esquire
Partner
Kean Miller LLP
Post Office Box 3513
Baton Rouge, Louisiana 70821-3513
dwayne.johnson@keanmiller.com

On behalf of UOP LLC

Sandra Hardy
Paralegal
U.S. EPA Region 6, Dallas, Texas