



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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

SEP 24 2015

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Ms. Heather Beam
Controller
Koch Foods, Inc.
1826 Cappella Street
Chattanooga, Tennessee 37408

Re: Koch Foods, Inc.
Expedited Settlement Agreement
CAA-04-2015-8000(b)

Dear Ms. Beam:

Enclosed please find an executed copy of the Expedited Settlement Agreement (ESA) that resolves the Clean Air Act (CAA) matter (Docket No. CAA-04-2015-8000(b)) involving Koch Foods, Inc. The ESA was filed with the Regional Hearing Clerk, as required by 40 CFR Part 22 and became effective on the date of the filing.

As required by the ESA, within fifteen days of receipt of this letter, payment to the Treasurer, United States of America in the amount of \$4,200 should be submitted as follows:

For payment sent via electronic transfer
Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045
Field Tag 4200 of the Fedwire message should read:
"D 68010727 Environmental Protection Agency";

For payment sent via U.S. Postal Service
U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
PO Box 979077
St. Louis, Missouri 63197-9000; or

For payment sent via overnight mail service (FedEx, UPS)
U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2-GL
St. Louis, Missouri 63101
314-418-4087.

Also, a written statement that payment has been made in accordance with the ESA should be sent to the following individuals:

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

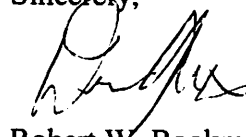
Deanne Grant
Chemical Management and Emergency Planning Section
U.S. EPA, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303; and

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

Also enclosed, please find a copy of the "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts Koch Foods, Inc. on notice of its potential duty to disclose to the Securities and Exchange Commission (SEC) any environmental enforcement actions taken by the U. S. Environmental Protection Agency, Region 4. If you have any questions with regard to the SEC's environmental disclosure requirements, please refer to the contact phone number at the bottom of the SEC Notice.

If you need additional information in this matter, please call Deanne Grant at (404) 562-9291.

Sincerely,



^{for} Robert W. Bookman
Chief
Chemical Management and
Emergency Planning Section

Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4

EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO: CAA-04-2015-8000(b)

This ESA is issued to: Koch Foods, Inc.
1826 Cappella Street
Chattanooga, Tennessee 37408

for violating 40 CFR § 68.65, 40 CFR § 68.75, 40 CFR § 68.79, 40 CFR § 68.81, and Section 112(r)(7) of the Clean Air Act.

This Expedited Settlement Agreement (ESA) is being entered into by the United States Environmental Protection Agency (EPA), Region 4, the Director of the Air, Pesticides and Toxics Management Division (Complainant), and by Koch Foods, Inc. (Respondent), pursuant to Section 113(d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(d), and pursuant to 40 CFR § 22.13(b).

ALLEGED VIOLATIONS

Based on a compliance monitoring inspection conducted at the Respondent's facility located at 1826 Cappella Street, Chattanooga, Tennessee, 37408, on May 6, 2014, EPA alleges that the Respondent violated the Act's Chemical Accident Prevention Program, when at the time of inspection, Respondent did not provide evidence that:

It documented that equipment complies with recognized and generally accepted good engineering practices as required by 40 CFR § 68.65(d)(2);

It assured procedures for authorization requirements for the proposed change were addressed prior to a change as required by 40 CFR § 68.75(b)(5);

It certified that it evaluated compliance with the provision of the prevention program at least every three years as required by 40 CFR § 68.79(a);

It established a system to address and resolve the report findings and recommendations, and documented the resolutions and corrective actions as required by 40 CFR § 68.81(e).

SETTLEMENT

In consideration of Respondent's size, 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

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EPA REGION 4

parties enter into the ESA in order to settle the violations cited above, for the total penalty amount of **\$4,200**.

This settlement is subject to the following terms and conditions: the Respondent by signing below admits the jurisdictional allegations contained herein, neither admits nor denies the specific factual allegations contained herein, 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 Act, 42 U.S.C § 7413(d)(2)(A), and to appeal this ESA or otherwise contest the allegations contained in this ESA; and each party to this action shall bear its own costs and fees, if any.

Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that the Respondent has corrected the alleged violations listed in this ESA.

Within fifteen (15) days of receiving a copy of the fully executed ESA, Respondent shall pay a civil penalty in the amount of **\$4,200**. Respondent's payment shall be made by sending a cashier's check or certified check (payable to the "Treasurer, United States of America") in the amount of **\$4,200**, in payment of the full penalty amount to one of the following addresses:

For payment sent via U.S. Postal Service

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

For payment sent via overnight mail service (FedEx, UPS)

U.S. Environmental Protection Agency
Government Lockbox 979077
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101
(314) 418-1818

The Respondent's name and the Docket Number of this ESA must be included on the check. The Docket Number is located at the top left corner of the first page of this ESA.

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 ESA to:

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

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

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

The penalty specified in this ESA shall represent civil penalties assessed by EPA and shall not be deductible for purposes of State or Federal taxes.

Upon Respondent's payment of the penalty, EPA will take no further civil action against Respondent for the alleged violations of the Act referenced in this ESA. EPA does not waive any other enforcement action for any other violations of the Act or any other statute.

The following individual represents EPA in this matter and is authorized to receive service for EPA in this proceeding:

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

THIS SECTION INTENTIONALLY LEFT BLANK

This ESA is binding on the parties signing below. This ESA is effective upon filing with the Regional Hearing Clerk.

FOR RESPONDENT:

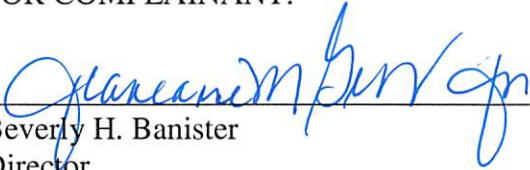


Date: 7/30/15

Name (print): DON DAVIS

Title (print): Complex Manager
Koch Foods, Inc.

FOR COMPLAINANT:



Beverly H. Banister
Director
Air, Pesticides and Toxics Management Division

Date: 9/11/15

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



Tanya Floyd
Regional Judicial Officer

Date: September 23, 2015

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing Expedited Settlement Agreement, in the matter of Koch Foods, Inc., CAA-04-2015-8000(b), on the parties listed below in the manner indicated:

Verne George
U. S. EPA, Region 4
Air, Pesticides and Toxics
Management Division
61 Forsyth Street
Atlanta, GA 30303

(Via EPA's internal mail)

Ellen Rouch
U. S. EPA, Region 4
Office of Environmental Accountability
61 Forsyth Street
Atlanta, GA 30303

(Via EPA's internal mail)

James Miller
Koch Foods, Inc.
1826 Cappella Street
Chattanooga, Tennessee 37408

(Via Certified Mail -
Return Receipt Requested)

Date: 9-24-15



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