



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 7  
11201 RENNER BOULEVARD  
LENEXA, KANSAS 66219

UNITED STATES  
ENVIRONMENTAL PROTECTION  
AGENCY-REGION 7  
2016 MAY 10 PM 12:35

**EXPEDITED SETTLEMENT AGREEMENT (ESA)**

**DOCKET NO.:** CAA-07-2016-0019

**This ESA is issued to:** Agriland FS, Inc.

**At:** 108 Jackson Road, Orient, Iowa 50858

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

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The United States Environmental Protection Agency, Region 7 (EPA) and Agriland FS, Inc. (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 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 the EPA, is the Director of the Air and Waste Management Division. The Respondent is Agriland FS, Inc., 108 Jackson Road, Orient, Iowa 50858.

This is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act (CAA). Pursuant to Section 113(d) of the CAA, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that cases which meet the criteria set forth in EPA's policy entitled "Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provision, 40 C.F.R. Part 68," dated January 5, 2004, are appropriate for administrative penalty action.

**ALLEGED VIOLATIONS**

On June 2, 2015, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located at 108 Jackson Road, Orient, Iowa, to determine compliance with the Risk Management Plan (RMP) regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the CAA. The EPA found that the Respondent had violated regulations implementing Section 112(r) of the CAA by failing to comply with the regulations as noted on the enclosed Risk Management Program Inspection Findings (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 **\$3,000**.

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 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 CAA, 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 "United States Treasury") in the amount of **\$3,000** in payment of the full penalty amount to the following address:

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

The Docket Number of this ESA is CAA-07-2016-0019, 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:

Christine Hoard  
Chemical Risk Information Branch  
U.S. Environmental Protection Agency, Region 7  
11201 Renner Boulevard  
Lenexa, Kansas 66219.

A copy of the check must also be sent to:

Kathy M. Robinson  
Regional Hearing Clerk  
U.S. Environmental Protection Agency, Region 7  
11201 Renner Boulevard  
Lenexa, Kansas 66219.

Upon Respondent's submission of the signed original ESA, the EPA will take no further civil action against Respondent for the alleged violations of the CAA referenced in the RMP

Findings. The EPA does not waive any other enforcement action for any other violations of the CAA 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.

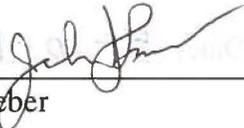
This ESA is binding on the parties signing below.

This ESA is effective upon filing with the Regional Hearing Clerk.

FOR RESPONDENT:

Brett Haf Date: 4/20/14  
Name (print): Brett Hafner  
Title (print): Environmental, Health & Safety Mgr  
Agriland FS, Inc.

FOR COMPLAINANT:

  
\_\_\_\_\_  
Becky Weber  
Director  
Air and Waste Management Division  
EPA Region 7

Date: 4/27/16

  
\_\_\_\_\_  
Erin Weekley  
Assistant Regional Counsel  
Office of Regional Counsel  
EPA Region 7

Date: 5/6/16

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

Karina Borromeo

Date: 5-10-16

Karina Borromeo  
Regional Judicial Officer

Risk Management Program Inspection Findings  
CAA § 112(r) Violations

Agriland FS, Inc.  
108 Jackson Road  
Orient, Iowa 50858  
Docket No. CAA-07-2016-0019

COMPLETE THIS FORM AND RETURN IT WITH THE ESA.

**VIOLATIONS**

**PENALTY AMOUNT**

Prevention Program  
Safety Information [40 CFR 68.48(b)] \$1,500  
The owner or operator failed to ensure the process is designed in compliance with recognized and generally accepted and good engineering practices.  
*Facility addressed this post inspection.*

Prevention Program  
Maintenance [40 CFR 68.56(a)] \$1,200  
The owner or operator failed to prepare and implement procedures to maintain the on-going mechanical integrity of the process equipment.  
*Facility addressed this post inspection.*

Prevention Program  
Compliance Audits [40 CFR 68.58(d)] \$300  
The owner or operator failed to promptly determine and document an appropriate response to each of the findings of the audit and documented that deficiencies had been corrected.  
*Facility addressed this post inspection.*

Total Unadjusted Penalty \$3,000

Calculation of Adjusted Penalty

1<sup>st</sup> Reference the Multipliers for calculating proposed penalties for violations found during RMP inspection matrix. Finding the column for 10-100 employees and the row for >10 times the threshold quantity of 10,000 pounds of anhydrous ammonia as listed in 40 C. F. R. Part 68.130 for the amount in a process gives a multiplier factor of 1.0. Therefore, the multiplier for Agriland FS, Inc. = 1.0

*\*\*No adjusted penalty since multiplier is 1*

**Total Penalty** **\$3,000**

This section must be also completed and signed by **Agriland FS, Inc.:**

The approximate cost to correct the above items: \$ 3,000

Compliance staff name: Brett Hafner

Signed: Brett Hafner Date: 4/20/16

IN THE MATTER Of Agriland FS, Inc., Respondent  
Docket No. CAA-07-2016-0019

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Order was sent this day in the following manner to the addressees:

Copy emailed to Complainant:

hoard.christine@epa.gov

Copy by First Class Mail to Respondent:

Brett Hafner  
Environmental Health & Safety Manager  
Agriland FS, Inc.  
108 Jackson Road  
Orient, Iowa 50858

Dated: 5/10/16



Kathy Robinson  
Hearing Clerk, Region 7

