

EPA ENFORCEMENT ACCOUNTS RECEIVABLE CONTROL NUMBER FORM FOR ADMINISTRATIVE ACTIONS

This form was originated by Wanda I. Santiago for Len Wallace 3/6/15  
Name of Case Attorney Date

in the ORC (RAA) at 918-1113  
Office & Mail Code Phone number

Case Docket Number CAA-01-2015-0006

Site-specific Superfund (SF) Acct. Number \_\_\_\_\_

This is an original debt  This is a modification

Name and address of Person and/or Company/Municipality making the payment:

Scott Chisholm  
Chemiplastria, Inc.  
238 Nonotuck Street  
Florence, MA 01062

Total Dollar Amount of Receivable \$ 10,960 Due Date: 3/2/15

SEP due? Yes \_\_\_\_\_ No  Date Due \_\_\_\_\_

Installment Method (if applicable)

- INSTALLMENTS OF:
- 1<sup>st</sup> \$ \_\_\_\_\_ on \_\_\_\_\_
  - 2<sup>nd</sup> \$ \_\_\_\_\_ on \_\_\_\_\_
  - 3<sup>rd</sup> \$ \_\_\_\_\_ on \_\_\_\_\_
  - 4<sup>th</sup> \$ \_\_\_\_\_ on \_\_\_\_\_
  - 5<sup>th</sup> \$ \_\_\_\_\_ on \_\_\_\_\_

For RHC Tracking Purposes:

Copy of Check Received by RHC \_\_\_\_\_ Notice Sent to Finance \_\_\_\_\_

**TO BE FILLED OUT BY LOCAL FINANCIAL MANAGEMENT OFFICE:**

IFMS Accounts Receivable Control Number \_\_\_\_\_

If you have any questions call: \_\_\_\_\_  
in the Financial Management Office Phone Number \_\_\_\_\_



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION I

5 Post Office Square, Suite 100  
Boston, Massachusetts 02109-3912

March 5, 2015

**VIA HAND DELIVERY**

Ms. Wanda Santiago  
Regional Hearing Clerk  
U.S. Environmental Protection Agency  
Region I  
5 Post Office Square, Suite 100 (ORA 18-1)  
Boston, MA 02109



Re: In the Matter of Chemiplastica, Inc., 238 Nonotuck Street,  
Florence, Massachusetts, Docket Number CAA-01-2015-0006

Dear Ms. Santiago:

Enclosed for filing please find the original and one copy of an Expedited Settlement Agreement resolving the above referenced matter and a certificate of service.

Sincerely,

A handwritten signature in blue ink that reads "L. B. Wallace" with a small mark at the end.

Len Wallace  
Environmental Scientist  
U.S. Environmental Protection Agency  
Region I  
EPCRA, RCRA and Federal Programs Unit

Enclosures: Expedited Settlement Agreement  
Certificate of Service

cc: Scott Chisholm, Chemiplastica, Inc.

**In the Matter of Chemiplastica, Inc.**  
**Docket No. CAA-01-2015-0006**

**CERTIFICATE OF SERVICE**

I certify that the foregoing Expedited Settlement Agreement (ESA) was sent to the following persons, in the manner specified, on the date below:

Original and one copy  
hand-delivered:

Wanda Santiago  
Regional Hearing Clerk  
U.S. EPA, Region 1  
5 Post Office Square (ORA 18-1)  
Boston, MA 02109-3912

Copies of ESA and letters  
to Regional Judicial Officer  
and Regional Hearing Clerk  
by mail:

Scott Chisholm, Site Manager  
Chemiplastica, Inc.  
238 Nonotuck Street  
Florence, MA 01062

Dated: \_\_\_\_\_

3/5/2015



Len Wallace  
U.S. Environmental Protection Agency, Region 1  
Office of Environmental Stewardship  
EPCRA, RCRA and Federal Programs Unit  
5 Post Office Square, Suite 100 (OES05-1)  
Boston, MA 02109-3912  
Tel: (617) 918-1835  
Fax: (617) 918-0835  
Email: wallace.len@epa.gov



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 1**

**5 Post Office Square, Suite 100  
Boston, Massachusetts 02109-3912**

**RECEIVED**

**MAR 05 2015**

**EPA ORC  
Office of Regional Hearing Clerk**

**EXPEDITED SETTLEMENT AGREEMENT**

**DOCKET NO:** CAA-01-2015-0006

**This ESA is issued to:** Chemiplastica, Inc., 238 Nonotuck Street, Florence, MA 01062  
**for violating Section 112(r)(7) of the Clean Air Act.**

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This Expedited Settlement Agreement (“ESA”) is being entered into by the United States Environmental Protection Agency (EPA), Region 1, by its duly delegated official, Susan Studlien, Director, Office of Environmental Stewardship, and by Respondent, Chemiplastica, Inc., pursuant to Section 113(a)(3) and (d) of the Clean Air Act (“Act”), 42 U.S.C. § 7413(a)(3) and (d), and by 40 C.F.R. § 22.13(b). On October 18, 2013, EPA obtained the concurrence of the U.S. Department of Justice, pursuant to Section 113(d)(1) of the Act, 42 U.S.C. § 7413(d)(1), to pursue this administrative enforcement action.

**ALLEGED VIOLATIONS**

On May 24, 2012, authorized representatives of the EPA conducted a compliance inspection of Respondent’s facility located at 238 Nonotuck Street, Florence, Massachusetts to determine compliance with the Risk Management Program (“RMP”) regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the Act. EPA found that the Respondent had violated regulations implementing Section 112(r) of the Act by failing to comply with the regulations as noted on the attached “Risk Management Program Inspection Findings, Alleged Violations And Proposed Penalty Form” (“Form”), 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 violation, described in the attached Form, for the total penalty amount of \$10,960.

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 Form, 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. 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 attached Form. Respondent agrees to submit payment of the \$10,960 penalty within 20 days of receiving a fully executed copy of this Settlement Agreement. Respondent may pay the penalty by cashier’s check, certified check, or wire transfer.

If payment is made by check, make payable to "Treasurer, United States of America," include Docket Number CAA-01-2015-0006, and send to:

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

If payment is made by wire transfer, include the Docket Number CAA-01-2015-0006 in Field Tag 6000 and "D 68010727 Environmental Protection Agency" in Field Tag 4200. The wire transfer account is:

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

Respondent must also send a copy of the check or wire transfer receipt to:

Len Wallace  
Environmental Protection Specialist  
Office of Environmental Stewardship (OES 05-1)  
U.S. Environmental Protection Agency Region 1  
5 Post Office Square, Suite 100  
Boston, MA 02109-3912

and

Wanda I. Santiago  
Regional Hearing Clerk (ORA 18-1)  
U.S. Environmental Protection Agency, Region 1  
5 Post Office Square, Suite 100  
Boston, MA 02109-3912

Upon Respondent's submission of the signed original ESA, EPA will take no further civil penalty action against Respondent for the violations of the Act alleged above and in the Form. This ESA shall not be construed as a covenant not to sue, a release, waiver, or limitation of any rights, remedies, powers, or authorities, civil or criminal that EPA has under the Act or any other statutory, regulatory, or common law enforcement authority of the United States, except as stated above.

If the signed ESA is not returned to the EPA Region 1 office at the above address by the Respondent within 30 days of the date of receipt, the proposed ESA is withdrawn, without prejudice to EPA's ability to file an enforcement action for the cited violations. If you do not sign and return the ESA and pay the penalty on time, EPA may pursue more formal enforcement

measures, including seeking civil penalties of up to \$37,500 per day for each violation. This ESA is binding on the parties signing below.

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

FOR RESPONDENT:

Scott Chisholm

Date: FEB 5 2015

Name (print): SCOTT Chisholm

Title (print): SITE MANAGER

FOR COMPLAINANT:

Susan Studlien

Date: 02/27/15

Susan Studlien, Director  
Office of Environmental Stewardship  
U.S. EPA Region 1

I hereby ratify the ESA resolving *In the Matter of Chemiplastica, Inc.* No. CAA-01-2015-0006 and incorporate it herein by reference. It is so ORDERED.

LeAnn Jensen

Date: 3/3/15

LeAnn Jensen  
Acting Regional Judicial Officer  
U.S. EPA Region I



**U.S. ENVIRONMENTAL PROTECTION AGENCY**  
**RISK MANAGEMENT PROGRAM INSPECTION FINDINGS,**  
**ALLEGED VIOLATIONS AND PROPOSED PENALTY FORM**

**REASON FOR INSPECTION:** This inspection is for the purpose of determining compliance with the accidental release prevention requirements of Section 112(r)(7) of the Clean Air Act (Act), 42 U.S.C. § 7412(r)(7), and the regulations set forth at 40 C.F.R. Part 68. The scope of this inspection may include, but is not limited to: reviewing and obtaining copies of documents and records; interviews and taking of statements; reviewing chemical storage, handling, processing, and use; taking samples and photographs; and any other inspection activities necessary to determine compliance with the Act.

<b>FACILITY NAME:</b> Chemiplastica, Inc.	<input checked="" type="checkbox"/> PRIVATE <input type="checkbox"/> GOVERNMENTAL/MUNICIPAL # of EMPLOYEES: 25
<b>FACILITY ADDRESS:</b> 238 Nonotuck Street Florence, MA 01062	<b>INSPECTION START DATE AND TIME:</b> 5/24/2012  <b>INSPECTION END DATE AND TIME :</b> 5/24/2012
<b>RESPONSIBLE OFFICIAL, TITLE, PHONE NUMBER:</b> Scott Chisolm, Site Manager (413) 584-2472	<b>EPA FACILITY ID#:</b> 1000 0011 1657
<b>FACILITY REPRESENTATIVE(S), TITLE(S), PHONE NUMBER(S):</b> Scott Chisolm, Site Manager (413) 584-2472	<b>INSPECTOR NAME(S), TITLE(S):</b> Leonard B. Wallace IV, EPA Kelly J. Patten, OTIE (contractor)

**INSPECTION FINDINGS**

IS FACILITY SUBJECT TO RMP REGULATION (40 CFR Part 68)?                       YES                       NO

DID FACILITY SUBMIT AN RMP AS PROVIDED IN 68.150 TO 68.185 AND UPDATE THE RMP AS PROVIDED IN 68.190 TO 69.195?  
 YES                      NO

DATE RMP INITIALLY FILED WITH EPA: 6/21/1999                      DATE OF RMP UPDATE: 2/25/2010

1) PROCESS/NAICS CODE: 325211  REGULATED SUBSTANCE: Formaldehyde (solution)	PROGRAM LEVEL: 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/>  MAX. QUANTITY IN PROCESS: 140,000 lbs
2) PROCESS/NAICS CODE: _____  REGULATED SUBSTANCE: _____	PROGRAM LEVEL: 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/>  MAX. QUANTITY IN PROCESS: _____ (lbs)

DID FACILITY CORRECTLY ASSIGN PROGRAM LEVELS TO PROCESSES?                       YES                       NO

ATTACHED CHECKLIST(S):  
 PROGRAM LEVEL 1 PROCESS CHECKLIST     PROGRAM LEVEL 2 PROCESS CHECKLIST     PROGRAM LEVEL 3 PROCESS CHECKLIST

OTHER ATTACHMENTS: \_\_\_\_\_

INSPECTION SYMBOL KEY: Y - YES, N - NO, N/A - NOT APPLICABLE, S - SATISFACTORY, M - MARGINAL, U - UNSATISFACTORY

**U. S. ENVIRONMENTAL PROTECTION AGENCY  
REGION I  
5 POST OFFICE SQUARE  
BOSTON, MA 02109-3912**

Process Checklist (Findings) and Alleged Violations and Proposed Penalty Form:  
Chemiplastica, Inc., Florence, Massachusetts

**1. Program Level 3 Alleged Violations and Unadjusted Penalties**

**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Process Safety Information:</u> Has the owner or operator documented that equipment complies with recognized and generally accepted good engineering practices [68.65(d)(2)]?          – At the time of the inspection, the pipes on the bulk formaldehyde storage tank and the pipes to and from the formaldehyde pump house and the recirculation pump were not adequately labeled. See, e.g., ANSI/ASME A13.1 - 2007.</p>	<p>\$ 1,500.00</p>
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Process Safety Information:</u> Has the owner or operator documented that equipment complies with recognized and generally accepted good engineering practices [68.65(d)(2)]?          – At the time of the inspection, there was no infrastructure for grounding the tanker truck that delivers formaldehyde to the bulk storage tank. See, e.g., NFPA 30 (2008) § 6.5.4; and NFPA 400 (2010) 6.1.10.2.</p>	<p>\$ 1,500.00</p>
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Process Safety Information:</u> Has the owner or operator determined and documented that existing equipment, designed and constructed in accordance with codes, standards, or practices that are no longer in general use, is designed, maintained, inspected, tested, and operating in a safe manner? [68.65(d)(3)]          --At the time of the inspection, there was no determination or documentation in the company's Process Safety Information materials that older pieces of equipment, such as tanks, were designed, maintained, inspected, tested and operated in a safe manner.</p>	<p>\$ 1,500.00</p>
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Process Hazard Analysis:</u> Has the owner or operator established a system to promptly address the team’s findings and recommendations; assured that the recommendations are resolved in a timely manner and that the resolution is documented; documented what actions are to be taken; completed actions as soon as possible; developed a written schedule of when these actions are to be completed; and communicated the actions to operating, maintenance, and other employees whose work assignments are in the process and who may be affected by the recommendations or actions [68.67(e)]?</p> <p>– At the time of the inspection, the action items from the most recent process hazard analysis were not responded to promptly. Examples include testing and maintaining hoses and labeling pipes and valves.</p>	\$ 1,500.00
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Operating Procedures:</u> Has the owner or operator developed and implemented safe work practices to provide for the control of hazards during specific operations, such as lockout/tagout; confined space entry; opening process equipment or piping; and control over entrance into a stationary source... [68.69(d)]?</p> <p>– At the time of the inspection, the hatchway on the bulk formaldehyde storage tank had no confined space warning.</p>	\$ 900.00
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Operating Procedures:</u> Has the owner or operator developed and implemented safe work practices to provide for the control of hazards during specific operations, such as lockout/tagout confined space entry; opening process equipment or piping; and control over entrance into a stationary source... [68.69(d)]?</p> <p>– At the time of the inspection, there was no process or procedure to make sure that a spill from the tanker truck that delivers formaldehyde to the bulk storage tank does not enter the adjacent storm drain grate. E.g., NFPA 30 (2008) § 22.11</p>	\$ 900.00
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Mechanical Integrity:</u> Has the owner or operator corrected deficiencies in equipment that were outside acceptable limits defined by the process safety information before further use or in a safe and timely manner when necessary means were taken to assure safe operation [68.73(e)]?</p> <p>– At the time of the inspection, the level sensor for the formaldehyde tank was broken. This issue was also identified in the 2010 process hazard analysis.</p>	\$ 900.00
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Mechanical Integrity:</u> Has the owner or operator corrected deficiencies in equipment that were outside acceptable limits defined by the process safety information before further use or in a safe and timely manner when necessary means were taken to assure safe operation [68.73(e)]?</p> <p>– At the time of the inspection, the grounding strap on the bulk formaldehyde storage tank was frayed and may not be functioning as designed.</p>	\$ 900.00
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Mechanical Integrity:</u> Has the owner or operator corrected deficiencies in equipment that were outside acceptable limits defined by the process safety information before further use or in a safe and timely manner when necessary means were taken to assure safe operation [68.73(e)]?</p> <p>– At the time of the inspection, the integrity of the bulk formaldehyde storage secondary containment area had not been well maintained (e.g., peeling coating, cracks). There was an apparent gap between the concrete pad and the dike walls, and the area needed to be refurbished. A vertical open pipe penetrating the concrete pad may also have compromised the integrity of the secondary containment area.</p>	\$ 900.00
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Mechanical Integrity:</u> Has the owner or operator corrected deficiencies in equipment that were outside acceptable limits defined by the process safety information before further use or in a safe and timely manner when necessary means were taken to assure safe operation [68.73(e)]?</p> <p>– At the time of the inspection, a hose used in the formaldehyde delivery process appeared faded from environmental exposure, and the attached metal pipe was corroded. Facility personnel could not provide the inspectors with a preventative maintenance schedule for this equipment.</p>	\$ 900.00
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**Section C – Prevention Program [68.65 - 68.87]**

<p><u>Compliance Audits:</u> Has the owner or operator promptly determined and documented an appropriate response to each of the findings of the audit and documented that deficiencies had been corrected? [68.79(d)]</p> <p>– At the time of the 2012 inspection, several items that had been identified in the most recent compliance audit (2011) had not been corrected. Examples include marking piping, testing hoses, and resurfacing the secondary containment area.</p>	\$ 300.00
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**Section H – Risk Management Plan [68.150 - 68.195]**

Has the owner or operator reviewed and updated the RMP and submitted it to EPA at least once every five years [68.190(b)(1)]? – Chemiplastica, Inc. was required to submit a five-year update to its RMP by June 1, 2009, but the updated plan was not submitted until February 25, 2010, approximately 9 months late.	\$ 2,000.00
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**Total unadjusted penalty: \$13,700**

**2. Size-Threshold Quantity Multiplier**

The Size-Threshold Quantity multiplier is a factor that considers the size of the facility and the amount of regulated chemicals at the facility.

**Expedited Settlement Penalty Matrix: Private Industries**

# of Employees	1 – 5*	>5 – 10*	> 10*
0 – 9	0.4	0.6	0.8
10 – 100	0.6	0.8	1.0
> 100	1.0	1.0	1.0

\* Largest Multiple of Threshold Quantity of any Regulated Chemical(s) on Site.

Size/Threshold Quantity multiplier from Expedited Settlement Penalty Matrix: **0.8**

**3. Proposed Penalty**

The Proposed Penalty is the amount of the non-negotiable penalty that is calculated by multiplying the Total Penalty and the Size/Threshold Quantity multiplier.

Proposed Penalty = \$13,700 (Unadjusted Penalty)  
x 0.8 (Size/Threshold Quantity Multiplier)  
= **\$10,960**

**In the Matter of Chemiplastica, Inc.**  
**Docket No. CAA-01-2015-0006**

**CERTIFICATE OF SERVICE**

I certify that the foregoing Expedited Settlement Agreement (ESA) was sent to the following persons, in the manner specified, on the date below:

Original and one copy  
hand-delivered:

Wanda Santiago  
Regional Hearing Clerk  
U.S. EPA, Region 1  
5 Post Office Square (ORA 18-1)  
Boston, MA 02109-3912

Copies of ESA and letters  
to Regional Judicial Officer  
and Regional Hearing Clerk  
by mail:

Scott Chisholm, Site Manager  
Chemiplastica, Inc.  
238 Nonotuck Street  
Florence, MA 01062

Dated:

3/5/2015



Len Wallace  
U.S. Environmental Protection Agency, Region 1  
Office of Environmental Stewardship  
EPCRA, RCRA and Federal Programs Unit  
5 Post Office Square, Suite 100 (OES05-1)  
Boston, MA 02109-3912  
Tel: (617) 918-1835  
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