

FILED

Aug 22, 2024

8:15 am

**U.S. EPA REGION 4
HEARING CLERK**

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4**

EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO: CAA-04-2024-0314(b)

This Expedited Settlement Agreement is issued to:

**Sanderson Farms, LLC
2535 Sanderson Drive
Laurel, Mississippi 39441**

For alleged violations of 40 C.F.R. Part 68 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, Region 4, Director of the Enforcement and Compliance Assurance Division (Complainant), and by Sanderson Farms, LLC (Respondent), pursuant to Section 113(d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(d), and pursuant to 40 C.F.R. §§ 22.13(b) and 22.18.

ALLEGED VIOLATIONS

Based on a compliance monitoring inspection conducted at the Respondent's facility located at 2535 Sanderson Drive, Laurel, Mississippi, on September 14, 2023, the EPA alleges that the Respondent violated the Act's Section 112(r)(7) Chemical Accident Prevention Provisions, 42 U.S.C. § 7412(r)(7), 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 C.F.R. § 68.65(d)(2), because:

- i. Some insulation on ammonia pipes associated with the outdoor equipment was torn, exposing the pipes and vessels underneath to moisture, specifically vessel V-3. There was also torn insulation on pipes associated with compressors C-5, C-11, and C-13 in the engine room. American National Standards Institute/International Institute of Ammonia Refrigeration (ANSI/IIAR) 2 Section 5.10.1 states, "*Piping and equipment surfaces not intended for heat exchange shall be insulated, treated, or otherwise protected to mitigate condensation and excessive frost buildup.*" ANSI/IIAR 9 Section 7.2.6.1 states, "*Piping and equipment surfaces not intended for heat exchange shall be insulated, treated, or otherwise protected to mitigate condensation and excessive frost buildup where the surface temperature is below the dew point of the surrounding air during*

normal operation and in an area where condensation and frost could develop and become a hazard to occupants or cause damage to the structure, electrical equipment, or refrigeration system;”

- ii. Corrosion, rust, and pitting were observed on piping and valve groups associated with the outdoor ammonia equipment. ANSI/IIAR 6 (2019) Section 11.1.1 states, *“Where pitting, surface damage, general corrosion, or a combination thereof, is visually observed on a metal surface of the piping, deficient areas shall be further evaluated per Sections 11.1.1.1 - 11.1.1.3.”* ANSI/IIAR 6 (2019) Section 11.1.1.1 states, *“Where pitting, surface damage, general corrosion, or a combination thereof, has materially reduced the remaining pipe wall thickness, the piping remaining wall thickness shall be measured using appropriate techniques.”* ANSI/IIAR 6 (2019) Section 11.1.1.2 states, *“Where pitting, surface damage, general corrosion, or a combination thereof, has not materially reduced the remaining pipe wall thickness, the piping metal surface shall be cleaned and recoated to arrest further deterioration.”* ANSI/IIAR 6 (2019) Section 11.1.1.3 states, *“Where pitting, surface damage, general corrosion, or a combination thereof, has materially reduced the remaining pipe wall thickness beyond the owner's established acceptance criteria, the piping shall be evaluated to determine suitability for continued operation;”*
- iii. Two ammonia pumps with exposed motors were observed on-site. The guarding that was present on one of the motors was not affixed to any part of the system and could be easily knocked over or moved. ANSI/IIAR 2 Section 5.16.1 states, *“Exposed moving parts shall be protected with screens or guards in accordance with Occupational Safety and Health Administration (OSHA) 29 C.F.R. 1910.212 and 29 C.F.R. 1910.219.”* OSHA 29 C.F.R. 1910.212(a)(2) states, *“Guards shall be affixed to the machine where possible and secured elsewhere if for any reason attachment to the machine is not possible. The guard shall be such that it does not offer an accident hazard in itself;”* and
- iv. A door leading to the engine room was open and was not self-closing. ANSI/IIAR 2 Section 6.10.2 states, *“Machinery room doors shall be self-closing and tight-fitting...;”*

and

The frequency of inspections and tests of process equipment are consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience, as required by 40 C.F.R. § 68.73(d)(3), because it is industry practice to calibrate ammonia detectors every six months; however, Respondent failed to calibrate its detectors before the end of August 2022, within six months of the prior calibration that took place in February of

2022. Respondent operated for a year in between calibrations.

SETTLEMENT

In consideration of such factors as Respondent's size, its full compliance history, its good faith efforts to comply, the duration and seriousness of the violation, and other factors as justice may require, the parties enter into this ESA to settle the violation(s) cited above, for the total penalty amount of **\$2,400**.

Within thirty (30) calendar days of receiving a copy of the fully executed ESA, Respondent shall: (1) pay the penalty and (2) send proof of payment as described below.

1. Pay Penalty

Pay using any method, or combination of appropriate methods, as provided on the EPA website: <https://www.epa.gov/financial/makepayment>. For additional instructions see: <https://www.epa.gov/financial/additional-instructions-making-payments-epa>.

When making a payment, Respondent shall identify every payment with Respondent's name and the docket number of this ESA, **CAA-04-2024-0314(b)**.

2. Send Proof of Payment

Concurrently with any payment or within 24 hours of any payment, Respondent shall **send proof of such payment** to the following persons:

Regional Hearing Clerk
R4_Regional_Hearing_Clerk@epa.gov,

and

Jordan Noles, Case Development Officer
noles.jordan@epa.gov

and

U.S. Environmental Protection Agency
Cincinnati Finance Center
CINWD_AcctsReceivable@epa.gov

"Proof of payment" means, as applicable, a copy of the check, confirmation of credit card or debit card payment, or confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to

EPA requirements, in the amount due, and identified with the appropriate docket number and Respondent's name.

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

This settlement is subject to the following terms and conditions: the Respondent by signing below admits that EPA has jurisdiction over the subject matter alleged in this ESA, 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 and Final Order 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 as of the date of its execution of this ESA, it is in compliance with all relevant requirements of Section 112(r)(7) of the Act and 40 C.F.R. Part 68.

Respondent's full compliance with this ESA shall only resolve Respondent's liability for federal civil penalties for the violation(s) alleged in this ESA. This ESA, the Final Order, and Respondent's full payment of the civil penalty set forth herein, do not affect the right of EPA to pursue appropriate injunctive, other equitable relief, or criminal sanctions for any violations of law. The EPA also does not waive any other enforcement action for any other violations of the Act or any other statute.

Late payment of the penalty may subject Respondent to interest, administrative costs, and late payment penalties in accordance with 40 C.F.R. § 13.11.

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

In accordance with 40 C.F.R. § 22.5, the individuals named in the certificate of service are authorized to receive service related to this proceeding and the parties agree to receive service by electronic means.

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CERTIFICATE OF SERVICE

I certify that the foregoing Expedited Settlement Agreement and Final Order in the Matter of Sanderson Farms, LLC Docket No. CAA-04-2024-0314(b), were filed and copies of the same were emailed to the parties as indicated below.

Via email to all parties at the following email addresses:

To Respondent: Joseph Evans, Complex Manager
Sanderson Farms, LLC
2535 Sanderson Drive
Laurel, Mississippi 39441
joseph.evans@waynesanderson.com
(601) 428-5261

To EPA: Jordan Noles, Case Development Officer
noles.jordan@epa.gov
(404) 562-9105

Marirose Pratt
Associate Regional Counsel
pratt.marirose@epa.gov
(404) 562-9023

Shannon L. Richardson, Regional Hearing Clerk
U.S. EPA Region 4
r4_regional_hearing_clerk@epa.gov