



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

2017 MAY 31 AM 8:13

EXPEDITED SETTLEMENT AGREEMENT (ESA)

DOCKET NO.: CAA-07-2017-0119

This ESA is issued to: GFG Ag Services

At: 175 Byers Street, Rea, Missouri 64480

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

The United States Environmental Protection Agency, Region 7 (EPA) and GFG Ag Services (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 EPA, is the Director of the Air, and Waste Management Division. The Respondent is GFG Ag Services: 175 Byers Street, Rea, Missouri 64480.

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 Provisions, 40 C.F.R. Part 68," dated January 5, 2004, are appropriate for administrative penalty action.

ALLEGED VIOLATIONS

On September 1, 2016, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located at: 175 Byers Street, Rea, Missouri, to determine compliance with the Chemical Accident Prevention Provisions (CAPP) 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 Chemical Accident Prevention Provisions Inspection Findings (CAPP 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 CAPP Findings, for the total penalty amount of **\$10,080**.

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 CAPP 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 CAPP Findings and has sent a cashier's check or certified check (payable to the "United States Treasury") in the amount of **\$10,080** 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-07-2017-0119, and must be included on the check.

This original ESA, a copy of the completed CAPP Findings, and a copy of the check must be sent by certified mail to:

Krystal Stotts
Chemical & Oil Release Prevention Branch
U.S. Environmental Protection Agency, Region 7
11201 Renner Blvd
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 CAPP

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 CAPP Findings.

This ESA is binding on the parties signing below.

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

FOR RESPONDENT:

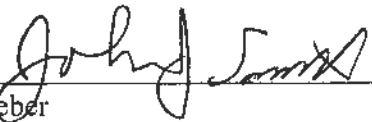
(Sign) Lee L. Blank

Date: MAY 19 2017

Name (print): LEE L. BLANK

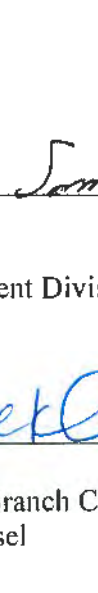
Title (print): CEO
GFG Ag Services

FOR COMPLAINANT:



Becky Weber
Director
Air and Waste Management Division
EPA Region 7

Date: 5/31/17



Erin Weekley
Chemical Management Branch Chief
Office of Regional Counsel
EPA Region 7

Date: 5/30/17

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

Karina Borrromeo

Karina Borrromeo
Regional Judicial Officer
EPA Region 7

Date: May 30, 2017

Chemical Accident Prevention Provisions (CAPP) Inspection Findings
CAA § 112(r) Violations

GFG Ag Services
175 Byers Street
P.O. Box 68
Rea, Missouri 64480
Docket No. CAA-07-2017-0119

COMPLETE THIS FORM AND RETURN IT WITH THE ESA.

VIOLATIONS

PENALTY AMOUNT

Hazard Assessment

No Penalty Assessed

Defining off-site impacts - Population [§ 68.30(a)]

The owner or operator failed to estimate the population that would be included in the distance to endpoint in the Risk Management Plan based on a circle with the point of release at the center.

Facility addressed this post inspection

Hazard Assessment

\$1,200

Review and Update [§ 68.36(a)]

The owner or operator failed review and update the off-site consequence analyses at least every 5 years.

Facility addressed this post inspection

Hazard Assessment

\$600

Documentation [§ 68.39(a)]

The owner or operator failed to document, for the worst case scenario, a description of the vessel and substance selected, assumptions and parameters used, the rationale for selection, and anticipated effect of the administrative controls and passive mitigation on the release quantity and rate.

Facility addressed this post inspection

Hazard Assessment

\$600

Documentation [§ 68.39(b)]

The owner or operator failed to document, for the alternative case scenario, a description of the vessel and substance selected, assumptions and parameters used, the rationale for selection, and anticipated effect of the administrative controls and passive mitigation on the release quantity and rate.

Facility addressed this post inspection

Prevention Program \$300
Safety Information [§ 68.48(a)(1)]
The owner or operator failed to compile and maintain the Safety Data Sheets (SDS) that meet the requirements of the OSHA Hazard Communication Standard [29 C.F.R. 1910.1200(g)].

Facility addressed this post inspection

Prevention Program \$300
Safety Information [§ 68.48(a)(3)]
The owner or operator failed to compile and maintain safe upper and lower temperatures, pressures, flows, and compositions.

Facility addressed this post inspection

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

Facility addressed this post inspection

Prevention Program \$900
Hazard Review [§ 68.50(a)]
The owner or operator failed to conduct a review of the hazards associated with the regulated substances, processes, and procedures.

Facility addressed this post inspection

Prevention Program \$1,200
Operating Procedures [§ 68.52(b)(7)]
The owner or operator failed to address the consequences of deviations and steps required to correct or avoid deviations in the Operating Procedures.

Facility addressed this post inspection

Prevention Program \$1,200
Operating Procedures [§ 68.52(b)(8)]
The owner or operator failed to address equipment inspections in the Operating Procedures.

Facility addressed this post inspection

Prevention Program \$1,200
Maintenance [§ 68.56(d)]
The owner or operator failed to perform or cause to be performed inspections and tests on process equipment following recognized and generally accepted good engineering practices at a

frequency consistent with applicable manufacturers' recommendations, industry standard or codes, good engineering practices, and prior operating experience.

How was this addressed:

Equipment inspections using inspection checklists from maintenance manual have been documented on plant equipment. These inspection records have been shared with Krystal Stotts of EPA.

Prevention Program \$1,200

Compliance Audits [§ 68.58(a)]

The owner or operator failed to certify that compliance audits are conducted at least every three years to verify that the procedures and practices are adequate and are being followed.

Facility addressed this post inspection

Prevention Program *No Penalty Assessed*

Incident Investigation [§ 68.60(c)]

The owner or operator failed to prepare a summary at the conclusion of the investigation, which included, the date of incident, date investigation began, a description of incident, the factors that contributed to the incident, and any recommendations resulting from the investigation.

Facility addressed this post inspection

Risk Management Plan \$2,000

Risk Management Plan [§ 68.190(b)(1)]

The owner or operator failed to review and update the Risk Management Plan and submit it to the EPA (five-year update).

Facility addressed this post inspection

Risk Management Plan \$1,000

Risk Management Plan [§ 68.195(b)]

The owner or operator failed to submit corrected emergency contact information within thirty days of the change.

Facility addressed this post inspection

Total Unadjusted Penalty \$12,600

Calculation of Adjusted Penalty

^{1st} Reference the multipliers for calculating proposed penalties for violations found during CAPP inspection. Finding the row for number of employees between 0-9, and column

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 0.8. Therefore, the multiplier for GFG Ag Services = 0.8.

2nd Adjusted Penalty = \$12,600 (Unadjusted Penalty) X 0.8 (Size-Threshold Multiplier)
Adjusted Penalty = \$10,080.

3rd An Adjusted Penalty of \$10,080 would be assessed to GFG Ag Services for violations found during the CAPP Compliance Inspection. This amount will be found in the ESA.

Total Adjusted Penalty **\$10,080**

This section must be completed and signed by GFG Ag Services:

The approximate cost to correct the above items: \$ 6000.00

Compliance staff name: Lee L. Blank

Signed: [Signature] Date: 5/19/17

IN THE MATTER Of GFG Ag Services, Respondent
Docket No. CAA-07-2017-0119

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:

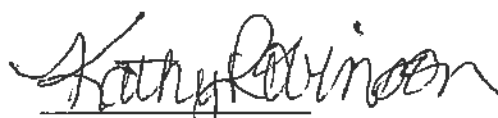
Copy via Email to Complainant:

rosado-chaparro.wilfredo@epa.gov

Copy via First Class Mail to Respondent:

Lee L. Blank, CEO
GFG Ag Services
175 Byers Street
Rea, Missouri 64480

Dated: 5/31/17



Kathy Robinson
Hearing Clerk, Region 7