



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

SC-5J

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. William K. Cooper
Director, Operation Risk Management
Illinois American Water
727 Craig Road
St. Louis, MO 63141

RE: Illinois American Water, Champaign, Illinois
Expedited Settlement Agreement
ESA Docket No. RMP-12-ESA-002
Docket No. **CAA-05-2012-0010**

BD **2751203A011**

Dear Mr. Cooper:

Enclosed please find a copy of the fully executed Expedited Settlement Agreement (ESA) in resolution of the above case. The ESA is binding on the United States Environmental Protection Agency and Illinois American Water. EPA will take no further action against Respondent for the violations cited in the ESA. The ESA requires no further action on your part.

Please feel free to contact Silvia Palomo at (312)353-2172 if you have any questions regarding the enclosed document or if you have any other question about the program. Thank you for your assistance in resolving this matter.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael E. Hans", followed by a horizontal line.

Michael E. Hans, Chief
Chemical Emergency
Preparedness & Prevention Section

Enclosure

RECEIVED

FEB 01 2012



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5

77 WEST JACKSON BOULEVARD
CHICAGO, ILLINOIS 60604-3590

REGIONAL HEARING CLERK
USEPA
REGION 5

CAA-05-2012-0010

DOCKET NO: RMP-12-ESA-002

This ESA is issued to: Illinois American Water – Champaign West Plant
at: 1609 N. Mattis Ave., Champaign, Illinois 61821
for violations of Section 112(r)(7) of the Clean Air Act.

BD# 2751203A011

EXPEDITED SETTLEMENT AGREEMENT

The United States Environmental Protection Agency, Region 5, and Illinois American Water (“Respondent”), have agreed to the settlement of this action before the filing of a Complaint. EPA and Respondent (jointly “the Parties”) have agreed that settling this action without the filing of a complaint, or the adjudication of any issue of fact or law, is in their interest and in the public interest. This action is thus simultaneously commenced and concluded by this Expedited Settlement Agreement (“ESA”) and Final Order. See 40 C.F.R. §§ 22.13(b) and 22.18(b)(2)-(3).

This is an administrative action for the assessment of civil penalties instituted pursuant to EPA’s authority under Sections 113(a)(3) and (d) of the Clean Air Act (“Act”), 42 U.S.C. § 7413(a)(3) and (d). The Director of the Superfund Division, Region 5, EPA (“Complainant”) has been delegated the authority to issue an administrative complaint seeking the assessment of civil penalties for violations of Section 112(r) of the Act, 42 U.S.C. § 7412(r). The Regional Administrator for Region 5 of EPA is authorized by Sections 113(a)(3) and (d)(1) of the Act, 42 U.S.C. §§ 7413(a)(3), and (d)(1), to issue a Final Order ratifying this ESA.

ALLEGED VIOLATIONS

On September 3, 2009, an authorized EPA representative conducted a compliance inspection of the Illinois American Water – Champaign West Plant at 1609 N. Mattis Ave., Champaign, Illinois (“Facility”) to determine its compliance with the Risk Management Plan (“RMP”) regulations promulgated pursuant to Section 112(r) of the Act, and set forth at 40 C.F.R. Part 68. Based on the September 3, 2009 Inspection and documents submitted by Respondent, EPA has determined that Respondent violated the following regulations:

1. 40 C.F.R. § 68.67(e)-Respondent failed to establish a system to promptly address the findings and recommendations from the process hazard analysis.
2. 40 C.F.R. § 68.67(f)-Respondent failed to update and revalidate the process hazard analysis at least every five (5) years.

3. 40 C.F.R. § 68.69(c)-Respondent failed to certify annually that the operating procedures are current and accurate.
4. 40 C.F.R. § 68.71(b)-Respondent failed to provide refresher training to the operators on the operating procedures.
5. 40 C.F.R. § 68.79(a)-Respondent failed to timely certify that the facility has evaluated compliance with the provisions of the prevention program at least every three years.

SETTLEMENT

In consideration of the municipal budget of Respondent, its full compliance history, its good faith efforts to comply, other factors as justice may require, and upon consideration of the entire record, the parties enter into this ESA in order to resolve any civil penalties for these alleged violations for the total penalty amount of **\$2,205.00**

This settlement is subject to the following terms and conditions:

By signing below, Respondent consents to, and is bound by, the terms and conditions of this ESA, including the assessment of the civil penalty set forth above. Respondent admits the jurisdictional allegations in the ESA, and waives any objections that it may have regarding jurisdiction. Respondent waives its right to contest the specific factual allegations contained herein, and neither admits nor denies these specific factual allegations. Respondent acknowledges that pursuant to 40 C.F.R. § 22.15(c), and Section 113(d)(2)(A) of the Act, 42 U.S.C § 7413(d)(2)(A), it has the right to request a hearing on any material fact, or on the appropriateness of the penalty, but Respondent waives its rights to such a hearing. Respondent also waives its right to appeal this ESA and the accompanying Final Order.

Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that Respondent has corrected the violations set forth in this ESA, and has sent a cashier's check or certified check (payable to the "Treasurer, United States of America") in the amount of **\$2,205.00** in payment of the full penalty amount to the following address:

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

The Docket Number of this ESA must be included on the check. (The Docket Number is RMP-12-ESA-002.)

This signed original ESA and a copy of the check must be sent by certified mail to:

Silvia Palomo
Chemical Emergency
Preparedness and Prevention Section (SC-5J)
U.S. Environmental Protection Agency
77 West Jackson Boulevard
Chicago, Illinois 60604-3590

Upon Respondent's submission of the signed original ESA, and the issuance of the Final Order, Respondent's liability is resolved only for any federal civil penalties due as a result of the facts and violations 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. EPA also does not waive any enforcement authority for any other violation of the Act or any other statute. The issuance of the Final Order does not waive, extinguish, or otherwise affect Respondent's duty to comply with the Act, the regulations promulgated thereunder, or any other applicable law or requirement.

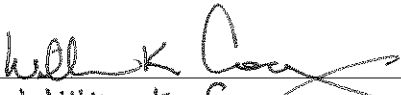
If the signed original ESA **with an attached copy of the check** is not returned to the **EPA Region 5 office** at the above address in correct form by Respondent within 45 days of the date of Respondent's receipt of this ESA (90 days if an extension is granted), the proposed ESA is withdrawn, without prejudice to EPA's ability to file an enforcement action for the violations identified in this ESA.

This ESA is binding on the Parties signing below.

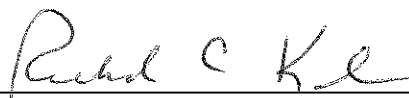
Each Party to this action shall bear its own costs and fees, if any.

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

FOR RESPONDENT:

Signature:  Date: 1/10/12
Name (print): William K. Cooper
Title (print): Central Division ORM Director

FOR COMPLAINANT:

 Date: 1-26-12
Richard C. Karl, Director
Superfund Division

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REGIONAL HEARING CLERK
USEPA
REGION 5

FINAL ORDER

The foregoing Expedited Settlement Agreement is hereby ratified and incorporated by reference into this Final Order. Respondent is hereby ORDERED to comply with all of the terms of the foregoing Expedited Settlement Agreement, which upon its filing with the Regional Hearing Clerk shall become immediately effective. This Final Order concludes this proceeding pursuant to 40 C.F.R. §§ 22.18 and 22.31.

IT IS SO ORDERED.

J. Hedman

Date: 1-31-12

Susan Hedman
Regional Administrator

American Water

PO Box 5600
Cherry Hill, NJ 08034

A/P Phone 1-866-777-8426 (Opt. 2,0,1,2)

Check No. - 59165057

Check Date - 01/05/12

Stub 1 of 1

INVOICE NO.
00242183 010512

COMPANY NO./NAME
9 Illinois AWW

REMARKS

RMP-12-ESA-002

INVOICE AMOUNT

2,205.00

2,205.00

RECEIVED

FEB 01 2012

REGIONAL HEARING CLERK
USEPA
REGION 5

50546715 United States Treasury

CAA-05-2012-0010

BD# 2751203A011

CHECK CONTAINS A VOID PANTOGRAPH, MICROPRINT BORDER, CHEMICAL REACTANTS AND A WATERMARK ON BACK - HOLD AT AN ANGLE TO VIEW

American Water

PO Box 5600
Cherry Hill, NJ 08034

PNC BANK, NA
NEW JERSEY

55-277
312

NO. 59165057

DATE 01/05/12

TWO THOUSAND TWO HUNDRED FIVE AND 00/100 *****

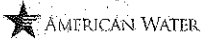
\$*****2,205.00

VOID AFTER 90 DAYS

PAY TO THE
ORDER OF :

United States Treasury
EPA Fines & Penalties
Cincinnati Finance Center
PO Box 979077
St Louis MO 63197

Ellen C Wolf
AUTHORIZED SIGNATURE



⑈ 59165057 ⑈ ⑆ 031202770 ⑆ 8013584806 ⑈

See Reverse Side For Easy Opening Instructions

American Water

PO Box 5600
Cherry Hill, NJ 08034



United States Treasury
EPA Fines & Penalties
Cincinnati Finance Center
PO Box 979077
St Louis MO 63197

Acry-Seal Patent 5,785,242 - 5,829,670

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