



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

JAN 10 2017

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Lyle Bergman
Plant Manager
Saputo Dairy Foods USA, LLC
100 East Chestnut Street
Murray, Kentucky 42071

Re: Saputo Dairy Foods USA, LLC
Expedited Settlement Agreement
CAA-04-2016-8020(b)

Dear Mr. Bergman,

Enclosed please find an executed copy of the Expedited Settlement Agreement (ESA) that resolves the Clean Air Act (CAA) matter (Docket No. CAA-04-2016-8020(b)) involving Saputo Dairy Foods USA, LLC. The ESA was filed with the Regional Hearing Clerk, as required by 40 CFR Part 22 and became effective on the date of the filing.

As required by the ESA, within fifteen days of receipt of this letter, payment to the Treasurer, United States of America in the amount of \$4,500 should be submitted as follows:

For payment sent via electronic transfer
Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, New York 10045
Beneficiary: "U. S. Environmental Protection Agency";

For payment sent via Standard Delivery
U. S. Environmental Protection Agency
Cincinnati Finance Center
PO Box 979077
St. Louis, Missouri 63197-9000; or

For payment sent for Signed Receipt Confirmation (FedEx, DSL, UPS, USPS Certified, Registered, etc.)

U. S. Environmental Protection Agency
Government Lockbox 979077
1005 Convention Plaza
SL-MO-C2GL
St. Louis, Missouri 63101
Delivery Location Phone Number: 314-425-1819.

Also, a written statement that payment has been made in accordance with the ESA should be sent to the following individuals:

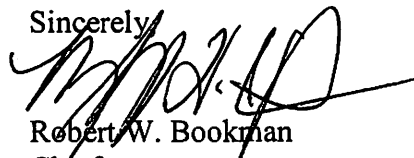
Regional Hearing Clerk
U.S. EPA, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

Jordan Noles
Chemical Management and Emergency
Planning Section
U.S. EPA, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303; and

Saundi Wilson
Office of Regional Counsel
U.S. EPA, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303.

Also enclosed, please find a copy of the "Notice of Securities and Exchange Commission Registrants' Duty to Disclose Environmental Legal Proceedings." This document puts you on notice of your potential duty to disclose to the Security and Exchange Commission (SEC) any environmental enforcement actions taken by the EPA. If you have any questions with regards to the SEC's environmental disclosure requirements, you may refer to the contact phone number at the bottom of the SEC Notice. If you need additional information in this matter, please call Jordan Noles at (404) 562-9105.

Sincerely,



Robert W. Bookman
Chief
Chemical Management and Emergency
Planning Section

Enclosures

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4

EXPEDITED SETTLEMENT AGREEMENT

DOCKET NO: CAA-04-2016-8020(b)

This ESA is issued to: Saputo Dairy Foods USA, LLC
100 East Chestnut Street
Murray, Kentucky 42071

for violating 40 C.F.R. § 68.67(e), 40 C.F.R. § 68.69(c), 40 C.F.R. § 68.71(c), 40 C.F.R. § 68.73(d)(4), 40 C.F.R. § 68.79(d) 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 (EPA), Region 4, the Director of the Air, Pesticides and Toxics Management Division (Complainant), and by Saputo Dairy Foods USA, 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).

ALLEGED VIOLATIONS

Based on a compliance monitoring inspection conducted at the Respondent's facility located at 100 East Chestnut Street, Murray, Kentucky 42071, on March 1, 2016, EPA alleges that the Respondent violated the Act's Chemical Accident Prevention Program, when at the time of inspection, Respondent did not provide evidence that:

It assured that the recommendations of the PHA were resolved in a timely manner and were documented as required by 40 C.F.R. § 68.67(e);

It certified annually that the operating procedures were current and accurate as required by 40 C.F.R. § 68.69(c);

It prepared a record which contains the identity of the employee, the date of training, and the means used to verify that the employee understood the training as required by 40 C.F.R. § 68.71(c);

It documented each inspection and test that had been performed on process equipment as required by 40 C.F.R. § 68.73(d)(4); and

It promptly determined and documented an appropriate response to each of the findings of the compliance audit, and documented that deficiencies had been corrected as required by 40 C.F.R. § 68.79(d).

HEARING CLERK
2017 JAN 10 AM 7:51
OFFICE OF REGIONAL
ADMINISTRATION

SETTLEMENT

In consideration of Respondent's size, its full compliance history, its good faith efforts 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 cited above, for the total penalty amount of **\$4,500**.

This settlement is subject to the following terms and conditions: the Respondent by signing below admits the jurisdictional allegations contained herein, 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 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 the Respondent has corrected the alleged violations listed in this ESA.

Within fifteen (15) days of receiving a copy of the fully executed ESA, Respondent shall pay a civil penalty in the amount of **\$4,500**. Respondent's payment shall be made by electronic transfer or sending a cashier's check or certified check (payable to the "Treasurer, United States of America") in the amount of **\$4,500**, in payment of the full penalty amount to one of the following addresses or via wire transfer:

For payment sent via electronic transfer

For payment by wire transfer, in lieu of a cashier's check or certified check, if desired, should be directed to the Federal Reserve Bank of New York using the following information:

ABA : 021030004

Account : 68010727

SWIFT address : FRNYUS33

33 Liberty Street

New York, New York 10045

Beneficiary: "U.S. Environmental Protection Agency";

The wire transfer instructions shall reference the Respondent's name and Docket Number of this ESA.

For payment sent via Standard Delivery

U.S. Environmental Protection Agency

Cincinnati Finance Center

PO Box 979077

St. Louis, MO 63197-9000; or

For payment sent for Signed Receipt Confirmation (FedEx, DHL, UPS, USPS Certified, Registered, etc.)
U.S. Environmental Protection Agency
Government Lockbox 979077
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101
Delivery Location Phone Number: 314- 425-1819

The Respondent's name and the Docket Number of this ESA must be included on the check. The Docket Number is located at the top left corner of the first page of this ESA.

At the time of payment, Respondent shall send a separate copy of the check, and a written statement that payment has been made in accordance with this ESA to:

Saundi Wilson
U.S. EPA, Region 4
Office of Regional Counsel
61 Forsyth Street S.W.
Atlanta, Georgia 30303, and

Regional Hearing Clerk
U.S. EPA, Region 4
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

Jordan Noles
U.S. EPA, Region 4
Chemical Management and Emergency
Planning Section
61 Forsyth Street S.W.
Atlanta, Georgia 30303.

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

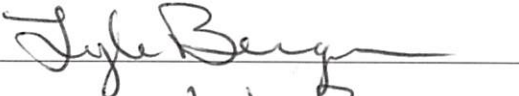
Upon Respondent's payment of the penalty, EPA will take no further civil action against Respondent for the alleged violations of the Act referenced in this ESA. EPA does not waive any other enforcement action for any other violations of the Act or any other statute.

The following individual represents EPA in this matter and is authorized to receive service for EPA in this proceeding:

Robert W. Bookman
U.S. EPA, Region 4
Chemical Management and Emergency
Planning Section
61 Forsyth Street S.W.
Atlanta, Georgia 30303
(404) 562-9169.


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

FOR RESPONDENT:


Name (print): Lyle Bergman
Title (print): Plant Manager
Saputo Dairy Foods USA, LLC

Date: 9-9-16

FOR COMPLAINANT:


Jeaneanne M. Gettle
Acting Director
Air, Pesticides and Toxics Management Division

Date: 10/5/16

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


Tanya Floyd
Regional Judicial Officer

Date: January 9, 2017

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing Expedited Settlement Agreement (ESA), in the matter of Saputo Dairy Foods USA, LLC, CAA-04-2016-8020(b), on the parties listed below in the manner indicated:

Robert W. Bookman
U. S. EPA, Region 4
Air, Pesticides and Toxics
Management Division
61 Forsyth Street
Atlanta, GA 30303

(Via EPA's internal mail)

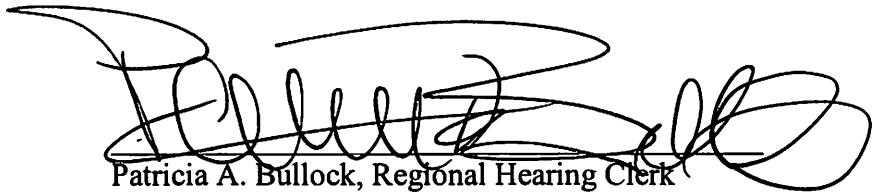
Michi Kono
U. S. EPA, Region 4
Office of Regional Counsel
61 Forsyth Street
Atlanta, GA 30303

(Via EPA's internal mail)

Mr. Lyle Bergman
Saputo Dairy Foods USA, LLC
100 East Chestnut Street
Murray, Kentucky, 42071

(Via Certified Mail -
Return Receipt Requested)

Date: 1-10-17



Patricia A. Bullock, Regional Hearing Clerk
United States Environmental
Protection Agency, Region 4
Atlanta Federal Center
61 Forsyth Street, S.W.
Atlanta, GA 30303
(404) 562-9511