UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 1

In the Matter of: Guida-Seibert Dairy Company Respondent. Proceeding under Section 113(d) of the Clean Air Act	Docket No. CAA-01-2026-0010 **CONSENT AGREEMENT AND FINAL ORDER**

A. PRELIMINARY STATEMENT

1. The issuance of this Consent Agreement ("Consent Agreement") and attached Final Order ("Final Order"), in accordance with 40 C.F.R. § 22.13(b), simultaneously commences and concludes an administrative penalty assessment proceeding brought under Section 113(d) of the Clean Air Act ("CAA"), 42 U.S.C. § 7413(d), and Sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits ("Consolidated Rules"), as codified at 40 C.F.R. Part 22.

2. Complainant is the United States Environmental Protection Agency, Region 1 ("EPA").

3. Respondent is Guida-Seibert Dairy Company ("Respondent").

4. Complainant and Respondent, having agreed that settlement of this action is in the public interest, consent to the entry of this consent agreement and the attached final order

without adjudication of any issues of law or fact herein, and Respondent agrees to comply with the terms of this Consent Agreement and Final Order ("CAFO").

B. JURISDICTION

5. This Consent Agreement is entered into under Sections 113(a)(3)(A) and (d) of the CAA, as amended, 42 U.S.C. §§ 7413(a)(3)(A) and (d), and the Consolidated Rules, 40 C.F.R. Part 22.

6. EPA and the United States Department of Justice jointly determined that this matter, although it involves alleged violations that occurred more than one year before the initiation of this proceeding, is appropriate for an administrative penalty assessment in accordance with 42 U.S.C. § 7413(d) and 40 C.F.R. § 19.4 (containing the inflation adjustment for the administrative penalty cap set out in 42 U.S.C. § 7413(d)(1)).

7. The Regional Judicial Officer is authorized to ratify this CAFO, which memorializes a settlement between Complainant and Respondent. 40 C.F.R. §§ 22.4(b) and 22.18(b).

C. STATUTORY AND REGULATORY AUTHORITY

8. Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), authorizes EPA to promulgate regulations and programs to prevent and minimize the consequences of accidental releases of certain regulated substances. The promulgated regulations are found at 40 C.F.R. Part 68 and are generally known as the "RMP Rules."

9. The RMP Rules list the regulated substances ("RMP chemicals") at 40 C.F.R. § 68.130.

10. A "process" is defined by 40 C.F.R. § 68.3 as any activity involving a regulated substance, including any use, storage, manufacturing, handling, or on-site movement of such substances, or combination of these activities.

11. Pursuant to 40 C.F.R. § 68.10, each process in which a regulated substance is present in more than a threshold quantity ("covered process") is subject to one of three risk management programs. A covered process is subject to Program 3 if the process does not meet the eligibility requirements for Program 1 and is either in a specified NAICS code or subject to the Occupational Safety and Health Administration ("OSHA") process safety management ("PSM") standard at 29 C.F.R. § 1910.119.

12. Pursuant to 40 C.F.R. § 68.12(a) and (d), the owner or operator of a stationary source with a process subject to Program 3 requirements must, among other tasks, submit a Risk Management Plan ("RMP"), develop a management system to implement the risk management program, and implement the release prevention requirements of 40 C.F.R. §§ 68.65-87.

13. Under 40 C.F.R. § 68.10, an owner or operator of a stationary source that has more than a threshold quantity of a regulated substance in a process must comply with the requirements of Part 68 by no later than the latest of the following dates: (a) June 21, 1999; (b) three years after the date on which a regulated substance is first listed under 40 C.F.R. § 68.130; (c) the date on which a regulated substance is first present above a threshold quantity in a process; or (d) for any revision to Part 68, the effective date of the final rule that revises Part 68.

14. Sections 113(a) and (d) of the CAA, 42 U.S.C. §§ 7413(a) and (d), allow EPA to assess civil penalties for violations of CAA and regulations promulgated thereunder, including CAA Section 112(r)(1) and the RMP Rules at 40 C.F.R. Part 68. Forty C.F.R. Part 19 sets out the maximum statutory penalties, as adjusted for inflation.

D. GENERAL ALLEGATIONS

15. The Respondent Guida-Seibert Dairy Company is a corporation incorporated under the laws of Connecticut and owns a milk production facility located at 433 Park Street, New Britain, Connecticut ("the Facility").

16. According to U.S. Census data, more than one thousand people live near the Facility.

17. Respondent is a "person" within the meaning of Section 302(e) of the Act, 42 U.S.C. § 7602(e), against whom an administrative order assessing a civil penalty may be issued under Section 113(d)(1) of the CAA, 42 U.S.C. § 7413(d)(1).

18. The Facility has been in use as a dairy since 1886, and at the time of EPA's inspections, included a milk production site, office space, chemical storage, warehousing, and production areas. The last major upgrade to the Facility's ammonia system was completed in 2024.

19. The Facility includes an ammonia refrigeration system for cooling milk, orange juice, and other products.

20. On August 27, 2014, EPA inspectors visited the Facility and performed an inspection ("the 2014 Inspection") to assess Respondent's compliance with Section 112(r) of the CAA.

21. At the 2014 Inspection, EPA identified several violations of the RMP Rules.

22. On January 29, 2018, EPA settled an administrative case with Respondent to resolve four violations of the RMP Rules and one violation of Section 103 of the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, as amended ("CERCLA"), 42 U.S.C. § 9603(a) and 40 C.F.R. § 302.6(a).

23. On October 31, 2024, EPA inspectors visited the Facility again and performed an inspection ("the 2024 Inspection") to assess Respondent's compliance with Section 112(r) of the CAA.

24. At all times relevant to the violations alleged herein, Respondent was the "owner or operator" of the Facility.

25. At the time of the 2024 Inspection, Respondent used anhydrous ammonia in a refrigeration process ("the Process"), as defined by 40 C.F.R. § 68.3.

26. Respondent conducted a Process Hazard Analysis ("PHA") Revalidation for the Facility on January 21-22, 2020. In the 2020 PHA, Respondent reported that the Facility uses approximately 10,500 pounds of anhydrous ammonia as a refrigerant. Respondent conducted another PHA Revalidation on January 21-22, 2025.

27. On November 21, 2019, Respondent submitted an RMP submission for the Facility ("the 2019 RMP"). In the 2019 RMP, Respondent reported that the Facility used 11,500 pounds of anhydrous ammonia in a Program Level 3 process. The company's 2024 RMP reports 11,000 lbs.

28. The Facility is a building or structure from which an accidental release may occur and is therefore a "stationary source" as that term is defined at Section 112(r)(2)(C) of the CAA, 42 U.S.C. § 7412(r)(2)(C) and 40 C.F.R. § 68.3.

29. Anhydrous ammonia is a regulated substance listed under 40 C.F.R. § 68.130, having a threshold quantity of 10,000 pounds.

30. Anhydrous ammonia is "used," "stored," and "handled" in the Facility's Refrigeration System in an amount greater than the threshold amount under 40 C.F.R. § 68.130. Thus, the Refrigeration System is a "covered process," as defined in 40 C.F.R. § 68.3.

31. The endpoint for a worst-case release of this amount of anhydrous ammonia at the Facility is greater than the distance to a public receptor.

32. Anhydrous ammonia in an amount over the threshold quantity of 10,000 pounds is subject to OSHA's PSM requirements at 29 C.F.R. § 1910.119.

33. As the owner or operator of a stationary source that has more than the threshold amount of a regulated substance in a covered process, Respondent is subject to 40 C.F.R. Part 68. In accordance with 40 C.F.R. § 68.10, Respondent's use, storage, and handling of anhydrous ammonia at the Facility is subject to the requirements of RMP Program 3. The covered process is subject to Program 3 because (1) the distance to a toxic or flammable endpoint for a worst-case release of anhydrous ammonia is more than the distance to a public receptor, making the process ineligible for Program 1; and (2) the process is subject to OSHA's PSM regulations.

34. Due to the dangers associated with anhydrous ammonia, the ammonia refrigeration industry has developed industry standards ("Industry Standards of Care") to control the risks associated with the use of ammonia. In collaboration with the American National Standards Institute ("ANSI"), the International Institute of Ammonia Refrigeration ("IIAR") has issued (and updates) Standard 9: Standard for Minimum System Safety Requirements for Existing Closed-Circuit Ammonia Refrigeration Systems ("ANSI/IIAR 9"),

Standard 2: American National Standard for Safe Design of Closed-Circuit Ammonia Mechanical Refrigeration Systems ("ANSI/IIAR 2"), Standard 4: Installation of Closed-Circuit Ammonia Mechanical Refrigeration Systems ("ANSI/IIAR 4"), and Standard 6: Standard for Testing, Inspection, and Maintenance of Closed-Circuit Ammonia Refrigeration Systems ("ANSI/IIAR 6"), among others, along with other applicable standards and guidance. Bulletins and guidance include, without limitation, IIAR Bulletin No. 109, Guidelines for IIAR Minimum Safety Criteria for a Safe Ammonia Refrigeration System (1997, and in effect until 2019 when ANSI/IIAR 6 replaced it) ("IIAR Bull. 109"); IIAR Bulletin No. 110, Guidelines for Start-Up, Inspection, and Maintenance of Ammonia Mechanical Refrigerating Systems (1993, most recently updated in 2007, and in effect until 2019 when ANSI/IIAR 6 replaced it) ("IIAR Bull. 110"); and IIAR Bulletin No. 114, Guidelines for Identification of Ammonia Refrigeration Piping and Components (1991, updated in 2018, and in effect until 2021 when the entirety of Bulletin No. 114 was incorporated as informative Appendix Q of ANSI/IIAR 2) ("IIAR Bull. 114"). These standards and bulletins are examples of "recognized and generally accepted engineering practices" ("RAGAGEP"), are consistently relied upon by refrigeration experts, and are sometimes incorporated by reference into state building and mechanical codes.

35. The 2024 Inspection and EPA's review of information provided by Respondent revealed several potentially dangerous conditions relating to Respondent's refrigeration system. These were explained in EPA's out-brief meeting with the Facility operator at the conclusion of the Inspection and detailed in EPA's Inspection Report.

36. The potentially dangerous conditions regarding the use of anhydrous ammonia at the Facility are further described in Attachment A, which is incorporated by reference into this CAFO.

37. On August 13, 2025, EPA issued Respondent a Notice of Violation and Administrative Order on Consent pursuant to the Clean Air Act ("the Order"). In accordance with the Order, Respondent certified that it implemented or will implement the actions described in the Order to come into compliance with 40 C.F.R. Part 68.

E. ALLEGED VIOLATIONS

Count 1: Failure to Comply with Process Safety Information Requirements, Including Documenting Compliance with Recognized and Generally Accepted Good Engineering Practices (40 C.F.R. § 68.65)

38. Complainant realleges and incorporates by reference Paragraphs 1 through 37 of this document.

39. Pursuant to 40 C.F.R. § 68.65(a), the owner or operator of a Program 3 process is required, among other things, to compile written process safety information before completing the Process Hazard Analysis. This includes documenting information pertaining to the hazards of the RMP chemical in the process and information pertaining to the technology and equipment of the process. Pursuant to 40 C.F.R. §§ 68.65(d)(2) and (3), the owner or operator must also document that the equipment complies with recognized and generally accepted good engineering practices and document that any equipment that was designed according to codes, standards, or practices that are no longer in general use is designed, maintained, inspected, tested, and operated in a safe manner.

40. As further described in Attachment A, which is incorporated by reference into

this CAFO, EPA alleges that Respondent failed to document that the Process complied with recognized and generally accepted good engineering practices ("RAGAGEP") and that equipment designed according to outdated standards was designed, maintained, inspected, tested, and operated in a safe manner.

41. Accordingly, by failing to document that the Process complied with recognized and generally accepted good engineering practices and that any equipment that was designed according to outdated standards is designed, maintained, inspected, tested, and operated in a safe manner, Respondent violated 40 C.F.R. § 68.65 and Section 112(r)(7)(E) of the CAA, 42 U.S.C. § 7412(r)(7)(E).

Count 2: Failure to Comply with Mechanical Integrity Procedures (40 C.F.R. § 68.73)

42. Complainant realleges and incorporates by reference Paragraphs 1 through 41 of this document.

43. Pursuant to 40 C.F.R. § 68.73(b), the owner or operator of a Program 3 process shall establish and implement written procedures to maintain the on-going integrity of process equipment. Under § 68.73(a), the mechanical integrity provisions of §§ 68.73(b)-(f) apply to pressure vessels and storage tanks, piping systems, relief and vent systems and devices, emergency shutdown systems, controls (including monitoring devices and sensors, alarms, and interlocks), and pumps. Pursuant to § 68.73(d)(1)-(3), the owner or operator shall perform inspections and tests on process equipment, following RAGAGEP. The frequency of inspections and tests of process equipment must be consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience. Pursuant to

§ 68.73(d)(4), the owner or operator shall document each inspection and test that has been performed on process equipment. Pursuant to § 68.73(e), the owner or operator shall correct deficiencies in equipment that are outside acceptable limits (defined by the process safety information in § 68.65) before further use or in a safe and timely manner when necessary means are taken to assure safe operation.

44. As further described in Attachment A, Respondent had not maintained the mechanical integrity of the Process equipment by correcting deficiencies that are outside of acceptable limits (as defined by the process safety information in 40 C.F.R. § 68.65) before continuing to use the equipment, or in a safe and timely manner when necessary means are taken to ensure safe operation.

45. By failing to comply with the Program 3 mechanical integrity requirements, Respondent violated 40 C.F.R. § 68.73 and Section 112(r)(7)(E) of the CAA, 42 U.S.C. § 7412(r)(7)(E), for the Process.

F. TERMS OF CONSENT AGREEMENT

46. For the purpose of this proceeding, as required by 40 C.F.R. § 22.18(b)(2), Respondent:

(a) admits that EPA has jurisdiction over the subject matter alleged in this CAFO;

(b) neither admits nor denies the specific factual allegations contained in this CAFO;

(c) consents to the assessment of a civil penalty as stated below;

(d) consents to the issuance of any specified compliance or corrective action order;

(e) consents to the conditions specified in this CAFO;

(f) consents to any stated Permit Action;

(g) waives any right to contest the alleged violations of law set forth in Section D of this CAFO; and

(h) waives its rights to appeal the Final Order accompanying this Consent Agreement.

47. For the purpose of this proceeding, Respondent further:

(a) agrees that this CAFO states a claim upon which relief may be granted against Respondent;

(b) acknowledges that this CAFO constitutes an enforcement action for purposes of considering Respondent's compliance history in any subsequent enforcement actions;

(c) waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this CAFO, including any right of judicial review under Section 307(b)(1) of the Clean Air Act, 42 U.S.C. § 7607(b)(1);

(d) consents to personal jurisdiction in any action to enforce this Consent Agreement or Final Order, or both, in the United States District Court for the District of Connecticut;

(e) waives any rights it may possess at law or in equity to challenge the authority of the EPA to bring a civil action in a United States District Court to compel compliance with the Consent Agreement or Final Order, or both, and to seek an additional penalty for such noncompliance, and agrees that federal law shall govern in any such civil action; and

(f) waives any rights or defenses that Respondent has or may have for this matter to be resolved in federal court, including but not limited to any right to a jury trial, and waives any right to challenge the lawfulness of the final order accompanying the consent agreement.

48. Except for those violations that Respondent is still correcting pursuant to the Order referenced in paragraph 37, Respondent certifies that it has corrected the violations alleged in this CAFO and is currently in compliance with 40 C.F.R. Part 68 at the Facility.

49. Pursuant to Sections 113(d)(2)(B) and (e) of the CAA, 42 U.S.C. § 7413(d)(2)(B) and (e), and taking into account the relevant statutory penalty criteria, the applicable penalty policy, and Respondent's cooperation in agreeing to perform the non-penalty obligations in this CAFO, EPA has determined that it is fair and proper to assess a civil penalty of $104,221 for the violations alleged in this matter. Respondent consents to the issuance of this CAFO and consents for purposes of settlement to pay the civil penalty cited in Paragraph 50, below.

G. Penalty Payment

50. Respondent agrees to:

(a) pay the civil penalty of $104,221 ("Assessed Penalty") within 30 calendar days of the Effective Date of this CAFO;

(b) pay the Assessed Penalty and any interest, fees, and other charges due 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, and identifying every payment with "Docket No. CAA-01-2026-

0010." However, for any payments made after September 30, 2025, and in accordance with the March 25, 2025 Executive Order on Modernizing Payments To and From America's Bank Account, Respondent shall pay using one of the electronic payments methods listed on *EPA's How to Make a Payment website* and will not pay with a paper check. **Do not pay the penalty until receiving a copy of the fully executed CAFO.**

(c) Within 24 hours of payment of the Assessed Penalty, send proof of payment to EPA by email at the following addresses. "Proof of payment" means, as applicable, confirmation of credit card or debit card payment, confirmation of wire or automated clearinghouse transfer, and any other information required to demonstrate that payment has been made according to the EPA requirements, in the amount due, and identified with "Docket No. CAA-01-2026-0010").

i. Maximilian Boal, Esq. at boal.maximilian@epa.gov

ii. Regional Hearing Clerk at R1_Hearing_Clerk_Filings@epa.gov, and

iii. EPA's finance office at CINWD_AcctsReceivable@epa.gov.

51. **Interest, Charges, and Penalties on Late Payments.** Pursuant to 42 U.S.C. § 7413(d)(5), 31 U.S.C. § 3717, 31 C.F.R. § 901.9, and 40 C.F.R. § 13.11, if Respondent fails to timely pay any portion of the Assessed Penalty per this Agreement, the entire unpaid balance of the Assessed Penalty and all accrued interest shall become immediately due and owing, and EPA is authorized to recover the following amounts.

(a) Interest. Interest begins to accrue from the Filing Date. If the Assessed Penalty is paid in full within thirty (30) days, interest accrued is waived. If the Assessed

Penalty is not paid in full within thirty (30) days, interest will continue to accrue until any unpaid portion of the Assessed Penalty as well as any interest, penalties, and other charges are paid in full. Per 42 U.S.C. § 7524(c)(6), interest will be assessed pursuant to 26 U.S.C. § 6621(a)(2), that is the IRS standard underpayment rate, equal to the Federal short-term rate plus 3 percentage points.

(b) Handling Charges. The United States' enforcement expenses including, but not limited to, attorneys' fees and costs of handling collection.

(c) Late Payment Penalty. A ten percent (10%) quarterly non-payment penalty.

52. **Late Penalty Actions.** In addition to the amounts described in the prior Paragraph, if Respondent fails to timely pay any portion of the Assessed Penalty per this Agreement, EPA may take additional actions. Such actions EPA may take include, but are not limited to, the following.

(a) Refer the debt to a credit reporting agency or a collection agency, per 40 C.F.R. §§ 13.13 and 13.14.

(b) Collect the debt by administrative offset (i.e., the withholding of money payable by the United States government to, or held by the United States government for, a person to satisfy the debt the person owes the United States government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, per 40 C.F.R. Part 13, Subparts C and H.

(c) Suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with EPA or engaging in programs EPA sponsors or funds, per 40 C.F.R. § 13.17.

(d) Request that the Attorney General bring a civil action in the appropriate district court to enforce the Final Order and recover the full remaining balance of the Assessed Penalty, in addition to interest and the amounts described above, pursuant to 42 U.S.C. § 7413(d)(5). In any such action, the validity, amount, and appropriateness of the Assessed Penalty and Final Order shall not be subject to review.

H. ADDITIONAL PROVISIONS

53. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to IRS annually, a completed IRS Form 1098-F ("Fines, Penalties, and Other Amounts") with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, $50,000 for the payor's violation of any law or the investigation or inquiry into the payor's potential violation of any law, including amounts paid for "restitution or remediation of property" or to come "into compliance with a law." EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number ("TIN"), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. To provide EPA with sufficient

information to enable it to fulfill these obligations, Respondent shall complete the following actions as applicable.

a. Respondent shall complete an IRS Form W-9 ("Request for Taxpayer Identification Number and Certification"), which is available at https://www.irs.gov/pub/irs-pdf/fw9.pdf;

b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent's correct TIN or that Respondent has applied and is waiting for issuance of a TIN;

c. Respondent shall email its completed Form W-9 to EPA's Cincinnati Finance Division at chalifoux.jessica@epa.gov, on or before the date that Respondent's penalty payment is due, pursuant to paragraph 50. EPA recommends encrypting IRS Form W-9 in email correspondence.

d. In the event that Respondent has certified in its completed IRS Form W-9s that it does not yet have a TIN but has applied for a TIN, Respondent shall provide EPA's Cincinnati Finance Center with Respondent's TIN, via email, within five (5) days of Respondent's receipt of a TIN issued by the IRS.

54. The terms, conditions, and compliance requirements of this CAFO may not be modified or amended except upon the written agreement of both parties, and approval of the Regional Judicial Officer.

55. The provisions of this CAFO shall apply to and be binding upon Respondent and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and assigns.

56. By signing this CAFO, Respondent acknowledges that this CAFO will be available to the public and agrees that this CAFO does not contain any confidential business information or personally identifiable information.

57. By signing this CAFO, the undersigned representative of Complainant and the undersigned representative of Respondent certifies that he or she is fully authorized to execute and enter into the terms and conditions of this CAFO and has the legal capacity to bind the party he or she represents.

58. By signing this CAFO, all parties agree that each party's obligations under this CAFO and EPA's compromise of statutory maximum penalties constitute sufficient consideration for the other party's obligations.

59. By signing this CAFO, Respondent certifies that the information it has supplied concerning this matter was at the time of submission true, accurate, and complete for each such submission, response, and statement. Respondent acknowledges that there are significant penalties for submitting false or misleading information, including the possibility of fines and imprisonment for knowing submission of such information, under 18 U.S.C. § 1001.

60. Complainant and Respondent, by entering into this CAFO, each consent to accept digital signatures hereupon. Respondent further consents to accept electronic service of the fully executed CAFO, by email, to its counsel, Jill Lombard, at jill.lombard@dfamilk.com. Respondent understands that this email address may be made public when the CAFO and Certificate of Service are filed and uploaded to a searchable database.

61. Complainant has provided Respondent with a copy of the EPA Region 1 Regional Judicial Officer's Authorization of EPA Region 1 Part 22 Electronic Filing System for Electronic

Filing and Service of Documents Standing Order, dated June 19, 2020. Electronic signatures shall comply with and be maintained in accordance with that Order.

I. EFFECT OF CONSENT AGREEMENT AND ATTACHED FINAL ORDER

62. In accordance with 40 C.F.R. § 22.18(c), completion of the terms of this CAFO resolves only Respondent's liability for federal civil penalties for the violations specifically alleged above.

63. This CAFO constitutes a settlement by EPA of all claims for civil penalties pursuant to Section 113(d) of the CAA for the violations alleged herein. Compliance with this CAFO shall not be a defense to any other actions subsequently commenced pursuant to federal laws and regulations administered by EPA for matters not addressed in this CAFO, and it is the responsibility of Respondent to comply with all applicable provisions of federal, state, or local law.

64. The civil penalty under this CAFO, and any interest, nonpayment penalties, and charges described in or paid pursuant to any penalty collection action arising from this CAFO, shall represent penalties assessed by EPA within the meaning of 26 U.S.C. § 162(f) and are not tax deductible for purposes of federal, state or local taxes. Accordingly, Respondent agrees to treat all payments made pursuant to this CAFO as penalties within the meaning of 26 C.F.R. § 1.162-21, and further agrees not to use these payments in any way as, or in furtherance of, a tax deduction under federal, state, or local law.

65. This CAFO constitutes the entire agreement and understanding of the parties and supersedes any prior agreements or understandings, whether written or oral, among the parties with respect to the subject matter hereof.

66. Nothing in this CAFO shall relieve Respondent of the duty to comply with all applicable provisions of the CAA and other federal, state, or local laws or statutes. Nor shall it restrict EPA's authority to seek compliance with any applicable laws or regulations, or be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.

67. EPA reserves the right to revoke this CAFO and settlement penalty if and to the extent that EPA finds, after signing this CAFO, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to EPA, and EPA reserves the right to assess and collect any and all civil penalties for any violation described herein. EPA shall give Respondent notice of its intent to revoke, which shall not be effective until received by Respondent in writing.

68. This CAFO in no way relieves Respondent or its employees of any criminal liability, and EPA reserves all its other criminal and civil enforcement authorities, including the authority to seek injunctive relief and the authority to undertake any action against Respondent in response to conditions which may present an imminent and substantial endangerment to the public health, welfare, or the environment.

69. Each party shall bear its own costs and fees in this proceeding including attorney's fees. Respondent specifically waives any right to recover such costs from EPA pursuant to the Equal Access to Justice Act, 5 U.S.C. § 504, or other applicable laws.

J. EFFECTIVE DATE

70. Respondent and Complainant agree to issuance of the attached Final Order. Upon filing, EPA will transmit a copy of the filed CAFO to Respondent. This CAFO shall become

effective after execution of the Final Order by the Regional Judicial Officer on the date of filing with the Regional Hearing Clerk.

FOR RESPONDENT:

Signed by:
Theresa Nadeau
B3332A231582422...

Theresa Nadeau, General Manager
Guida-Seibert Dairy Company

November 19, 2025
Date

FOR COMPLAINANT:

JAMES CHOW

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Date: 2025.11.24 13:25:11 -05'00'

James Chow, Director
Enforcement and Compliance Assurance Division
U.S. Environmental Protection Agency, Region 1

FINAL ORDER

Pursuant to 40 C.F.R. §§ 22.18(b) and (c) of EPA's Consolidated Rules of Practice and Sections 113(d)(1) and (d)(2)(B) of the Clean Air Act, 42 U.S.C. §§ 7413(d)(1) and (d)(2)(B), the foregoing Consent Agreement resolving this matter is incorporated by reference into this Final Order and is hereby ratified. Respondent is ordered to pay the civil penalty amount specified in the Consent Agreement, in the manner indicated. The terms of the Consent Agreement will become effective on the date it is filed with the Regional Hearing Clerk.

MICHAEL KNAPP

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Date: 2025.12.01 10:21:32 -05'00'

Michael J. Knapp
Regional Judicial Officer

ATTACHMENT A

Recognized and Generally Accepted Good Engineering Practices

In collaboration with the American National Standards Institute, the International Institute of Ammonia Refrigeration ("IIAR") has issued (and updates) Standard 9: *Standard for Minimum System Safety Requirements for Existing Closed-Circuit Ammonia Refrigeration Systems* (hereinafter "IIAR 9-2020"), Standard 2, Standard for Safe Design of Closed-Circuit Ammonia Refrigeration Systems, [hereinafter "IIAR 2-2014" with Addendum A published in July 2019, hereinafter "IIAR 2-2014 Add. A"][1]*;* Standard 4: *Installation of Closed-Circuit Ammonia Mechanical Refrigeration Systems* ("ANSI/IIAR 4"), Standard 6: *Standard for Testing, Inspection, and Maintenance of Closed-Circuit Ammonia Refrigeration Systems* ("ANSI/IIAR 6"), and Standard 7: *Developing Operating Procedures for Closed-Circuit Ammonia Mechanical Refrigerating Systems* ("ANSI/IIAR 7"), *inter alia*, along with other applicable standards and guidance. Bulletins and guidance include, without limitation, IIAR Bulletin No. 109, *Guidelines for IIAR Minimum Safety Criteria for a Safe Ammonia Refrigeration System* (1997, and in effect until 2019 when ANSI/IIAR 6 replaced it) ("IIAR Bull. 109"); IIAR Bulletin No. 110, *Guidelines for Start-Up, Inspection, and Maintenance of Ammonia Mechanical Refrigerating Systems* (1993, most recently updated in 2007, and in effect until 2019 when ANSI/IIAR 6 replaced it) ("IIAR Bull. 110"); IIAR Bulletin No. 114, *Guidelines for Identification of Ammonia Refrigeration Piping and Components* (1991, most recently updated in 2018) ("IIAR Bull. 114"); IIAR Bulletin No. 116, *Guidelines for Avoiding Component Failure in Industrial Refrigeration Systems Caused by Abnormal Pressure or Shock* (1992) ("IIAR Bull. 116"); and the Ammonia Refrigeration Management Program (2005, most recently updated in 2019) ("IIAR ARM Program"), which is intended to provide streamlined guidance to facilities that have less than 10,000 pounds of ammonia. Also in collaboration with the American National Standards Institute, the American Society of Heating, Refrigerating and Air-Conditioning Engineers ("ASHRAE") has issued (and updates) "Standard 15: Safety Standard for Refrigeration Systems." These standards are consistently relied upon by refrigeration experts and are often incorporated into state building and mechanical codes.

In general, the standards of care cited below are those that were in effect in January 2020 when Respondent completed its latest Process Hazard Analysis prior to EPA's Inspection, except for ANSI/IIAR 9-2020, which was approved by ANSI for publication on March 3, 2020. ANSI/IIAR 9-2020 is cited for informational purposes as it is IIAR's latest pronouncement on minimum safety standards for ammonia refrigeration systems, regardless of size or age.

In the chart, the column entitled "Issue" refers to the issue numbers listed on pages 10-13 of EPA's inspection report.

[1] Note that this standard most recently has been updated in 2021 as IIAR 2-2021, but this CAFO cites to the 2014 version, as updated by App. A in 2019, as the company's PHA was last updated before IIAR-2021 was issued.

Issue:	Count:	EPA-Alleged Condition:	Examples of RAGAGEP:
1	1	While Facility entry points were documented as featuring "Restricted Area" signage during the Inspection, multiple locations, including the raw silo area, outside of loading docks, outside the waste storage area, near the 4,000-gallon fuel oil tank, and cylinder storage outside of the ammonia machinery room did not have required NFPA signage indicating the presence of chemical hazards.	The standard industry practice is for buildings and facilities with refrigeration systems to include placards in accordance with NFPA 704, and include signage to indicate that only authorized personnel are permitted entry. *See e.g.*, IIAR 2-2014, §§ 6.15 and 7.2.2; IIAR 2-2014 Add. A, §§ 6.15 and 7.2.2; and, IIAR 9-2020, § 7.2.91; and NFPA 704, Section 4.3 (2017).
2	1	The outdoors silo area has some ammonia pipes and is accessed by a gate. The access gate for the raw silo area was locked with a combination lock and did not have panic hardware to allow for egress from the raw silo area in the case of an emergency within the fenceline.	IIAR RAGAGEP does not address Respondent's exact setup. However, multiple provisions in IIAR and NFPA standards address the concern that people are not trapped in areas with ammonia vapors. For example, the standard industry practice is for doors that are part of the means of egress to be equipped with panic hardware and be side hinged to swing in the direction of egress for occupants leaving the machinery room. IIAR 9-2020, §§ 7.3.9.2 and 7.3.3. Equipment installed in machinery rooms to be located in such a manner as to allow egress from any part of the room in the event of an emergency and to provide clearances required for maintenance, operation, and inspection according to manufacturers' instructions. IIAR 2-2014, § 6.3.1 and IIAR 2-2014 Add. A, § 6.3.1. Other examples include equipment enclosure egress requirements in IIAR 2-2014, § 5.16.2; general safety

			requirements requiring means of egress to comply with the Building Code in IIAR 2-2014, § 5.17.7; and multiple safe egress requirements in the fire code, including, among others NFPA 1-2012, § 14.4.1 (General. Means of egress shall be continuously maintained free of all obstructions or impediments to full instant use in the case of fire or other emergency).
3 and 13	2	There were problems with corrosion and the insulation on piping in multiple locations at the Facility, including: areas of localized corrosion were observed on ammonia piping throughout the ammonia machinery room (AMR); inspectors observed areas of localized corrosion and metal-on-metal interfaces in association with ammonia piping, supports, and equipment located in the raw silo area and on the roof of the Facility building; inspectors observed signs of condensation or ice buildup were present on ammonia piping indicating a failure of the insulation vapor barrier—specifically, in the AMR and the Stanley Street loading area.	The standard industry practice is for piping and equipment surfaces not intended for heat exchange to 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. *See e.g.*, IIAR 9-2020, § 7.2.6.1; IIAR 2-2014, § 5.10.1; and IIAR 2-2014 Add. A, § 5.10.1. In addition, the standard industry practice is to check piping for signs of corrosion and to treat corroded piping with rust preventative paint and to replace badly corroded pipe. *See e.g.*, IIAR Bull. 109, §§ 4.7.4 and 4.7.5. It is standard industry practice to evaluate piping where pitting, surface damage, general corrosion, or a combination thereof is observed on a metal surface of the piping. IIAR 6-2019, § 11.1.1. IIAR 6-2019, § 7.2.6.1 (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.); IIAR 6-2019, §§ 5.6.8 (Equipment and piping shall be kept free from excessive ice buildup), 11.1.2 (For insulated piping, where insulation is removed, partly or completely, for visual inspection or remaining wall thickness measurement(s), a protective coating shall be applied to the exposed metal surface and insulation shall be replaced in accordance with the manufacturer's installation instructions after arresting any identified exposed piping metal surface corrosion), Table 11.1 (piping), Inspection items (a), (b), (c), and (j) and Testing item (c) (calling for regular inspection of uninsulated piping for corrosion and paint degradation and measuring wall thickness where merited under 11.1.1 and, for insulated piping, regular inspection of insulation and vapor barrier and testing underneath areas of observed degraded insulation), and Table 11.1.6 (valves), Inspection items (a), (b), (c), and (f) and Testing items (a) and (b) (same).
4 and 8	1	Inspectors observed issues with the labeling of visual alarms at the Facility, including: a lack of information about the meaning of	The standard industry practice is for the meaning of each alarm to be clearly marked by signage near the visual and audible alarms. IIAR 9-

		an alarm located above doorway (which was for indicating wastewater levels); and the signage describing the visual alarms outside of the primary and secondary AMR entrances were difficult to see from a distance.	2020, § 7.2.9.1; IIAR 2-2014, § 17.6, and IIAR 2-2014 Add. A, § 17.6.
11	1	Inspectors observed what appeared to be an air intake vent above the door adjacent to the rolling door. The vent's placement above ground-level (i.e., above where compressors and other equipment might have an ammonia release) raises a concern that air inflow may not adequately sweep ammonia vapors out of the AMR.	Short-circuit risk: It is standard industry practice for make-up air supply locations in the machinery room to be located to prevent short-circuiting of the make-up air directly to the exhaust. *See e.g.,* IIAR 9-2020, § 7.3.14.2; IIAR 2-2014, § 6.14.5.2; and IIAR 2-2014 Add. A, § 6.14.5.2 . It is standard industry practice for air intakes for make-up air to draw only uncontaminated outdoor air. *See e.g.,* IIAR 9-2020, § 7.3.14.3; IIAR 2-2014, § 6.14.5.4 and IIAR 2-2014 Add. A, § 6.14.5.4.
12	1	Inspectors observed that Door #3 was not tight fitting along the floor. Also, Inspectors observed an open overhead door (with secondary roll-down mesh screen) adjacent to the secondary entrance to the AMR. The presence of the "open" overhead door indicates that the AMR is not adequately sealed.	It is standard industry practice for the ammonia machinery room to be separated from the remainder of the building by tight-fitting construction with a one-hour fire resistance rating. *See e.g.,* IIAR 2-2014, § 6.2.1; IIAR 2-2014 Add. A, § 6.2.1; IIAR 9-2020, §§ 7.3.2.1, 7.3.2.5, and 7.3.9.2. Specifically, it is standard industry practice for the doors to the ammonia machinery room to be self-closing and tight fitting. *See e.g.,* IIAR 2-2014, §§ 6.2.1, 6.10.2, and 7.2.1; IIAR 2-2014 Add. A, §§ 6.2.1, 6.10.2, and 7.2.1; IIAR 9-2020, §§ 7.3.2.5 and 7.3.9.2, and ASHRAE 15-2013, §§ 8.11.2 and 8.12(b).
14	1	Inspectors observed a lack of proper pipe labeling including a lack of adequate labeling on process lines	The standard industry practice is for piping mains, headers, and branches to be identified as containing

		no longer being used as "out-of-service." Specifically, inspectors observed a lack of pipe labeling within the AMR and on the roof of the Facility.	ammonia and as to the physical state of the refrigerant (that is, vapor or liquid, etc.), the relative pressure level of the refrigerant, and the direction of flow. *See e.g.,* IIAR 9-2020 § 7.2.9.4; IIAR 2-2014, § 5.14.5, IIAR 2-2014 Add. A, § 5.14.6; IIAR Bull. 109, § 4.7.6; and IIAR Bull. 114, § 4.2.1.
15 and 16	1	Inspectors observed ammonia process piping supporting a drain pan, a ladder, and other ammonia piping inside the AMR and on the roof of the Facility; and, missing pipe support or supports built of questionable integrity used as supporting structures for ammonia piping within the raw silo area and on the roof of the Facility.	The standard industry practice is for ammonia piping to have adequate support to carry the weight of the piping system provide sway bracing to minimize vibration, to prevent movement of equipment and to prevent excessive vibration. IIAR 9-2020, §§ 7.3.2.2, 7.3.2.3, and 7.3.2.4 and IIAR 2-2014 Add. A, § 5.11.
17	1	Inspectors observed lack of bump protection on ground level high pressure ammonia piping, including at valve 760.	The standard industry practice is for ammonia piping to be inspected throughout a facility to determine that no piping is exposed to possible physical damage through traffic hazards, for example, forklifts. *See e.g.*, IIAR Bull. 109, §§ 4.42 and 4.7.3. It is standard industry practice for equipment to be protected where there is a risk of physical damage. For example, where equipment containing ammonia is located in an area with heavy vehicular traffic during normal operations and a risk of impact exists, it is standard industry practice to provide vehicle barriers or alternative protection. *See e.g.,* IIAR 2-2014, §§ 5.17.1 and 7.2.4; IIAR 2-2014 Add. A, §§ 5.17.1 and 7.2.4; IIAR 9-2020, §§ 7.2.11.1 and 7.2.12.1 (protection from physical damage) and §§ 7.2.7.1

			(adequate support) and 7.3.2.2 (piping support).
18		Inspectors observed miscellaneous flammable items stored within the AMR including extra parts, floor buffing machines, oil containers, and a storage bin containing oily rags.	The standard industry practice is for combustible materials not to be stored in ammonia machinery rooms outside of approved fire-rated storage containers. IIAR 9-2020, § 7.3.4 and IIAR 2-2014, § 6.4 and IIAR 2-2014 Add. A, § 6.4.
19, 20, and 21	1	Inspectors observed electrical issues at the Facility, including: condensation from an overhead ammonia pipe was actively dripping on an electrical box immediately below/adjacent to the boiler; and an extension cord was actively being used as a power source for a permanent overhead light fixture; and the control room at the Facility is a designated area within the AMR containing alarm readouts and controls on "high voltage" electrical boxes.	It is standard industry practice for electrical equipment and connections to not be damaged in such a way that may adversely affect safe operation or mechanical strength of the equipment such as parts that are broken; bent; cut; or deteriorated by corrosion, chemical action, or overheating. *See e.g.*, NFPA 70-2014, Section 110.12(B). It is standard industry practice for that extension cords should not be used as substitutes for permanent wiring. *See e.g.,* NFPA 1 – 2012, Section 11.1.7.6. IIAR 2-2014 Add. A, § 5.17.10 (general ammonia refrigeration system design requirement stating that electrical equipment and wiring shall be installed in accordance with the Electrical Code). It is standard industry practice to make sure that work practices protect personnel by reducing exposure to major electrical hazards. NFPA 70E.
22	1	The main shutoff value ("king valve"), located on the roof of the building, is accessible by a permanent platform. Inspectors observed that piping above the permanent platform created a	It is standard industry practice for the emergency shut-off valve to be directly operable from the floor or chain operated from a permanent work surface. *See e.g.,* IIAR 9-2020, § 7.3.3.3; IIAR 2-2014, §§ 6.3.3.1, 6.3.3.2, and 13.3.7; IIAR 2-2014 Add.

		difficult path to the king valve and could be inaccessible to someone wearing emergency response-level personal protective equipment (PPE).	A, §§ 6.3.3.1, 6.3.3.2, 13.3.7, and ASHRAE 15-2013, §§ 9.12.6 and 11.2.2a.
23	1	Inspectors observed an abandoned Pressure Relief Valve (PRV) pipe behind the HPR, which was capped with duct tape.	The standard industry practice is for pressure vessels to be provided with relief devices built, tested, and marked in accordance with ASME B&PVC, Section VIII. IIAR 9-2020, § 7.4.1.
24	1	Inspectors observed compressed insulation with visible footprints on ammonia piping from people using piping to get over piping on the roof.	The standard industry practice is for refrigerant piping not to obstruct a means of egress. IIAR 9-2020, § 7.4.6.1 and IIAR 2-2014, § 13.5.2 and IIAR 2-2014 Add. A, § 13.5.2.
25	1	There was inadequate physical barrier protection of overhead ammonia piping from potential contact with forklifts stored or operated in the forklift charging area. EPA acknowledges that at the time of the Inspection, the Facility had hanging signage warning forklift operators about the overhead ammonia piping. EPA also acknowledges that the Facility indicated that it has trained personnel and contractors not to operate or repair hydraulic components of forklifts in the areas surrounding overhead ammonia piping.	The standard industry practice is for ammonia piping to be inspected throughout a facility to determine that no piping is exposed to possible physical damage through traffic hazards, for example, forklifts. *See e.g.*, IIAR Bull. 109, §§ 4.4.2 and 4.7.3. It is standard industry practice for equipment to be protected where there is a risk of physical damage. For example, where equipment containing ammonia is located in an area with heavy vehicular traffic during normal operations and a risk of impact exists, it is standard industry practice to provide vehicle barriers or alternative protection in accordance with the fire code. *See e.g.,* IIAR 2-2014, §§ 5.17.1 and 7.2.4; IIAR 2-2014 Add. A, § 5.17.1 and 7.2.4; IIAR 9-2020, §§ 7.2.11.1 and 7.2.12.1 (protection from physical damage) and §§ 7.2.7.1 (adequate support) and 7.3.2.2 (piping support).