



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 7
901 NORTH FIFTH STREET
KANSAS CITY, KANSAS 66101
**EXPEDITED SETTLEMENT
AGREEMENT(ESA)**

06 MAR -9 AM 9:27

ENVIRONMENTAL PROTECTION
AGENCY-REGION VII
REGIONAL HEARING CLERK

DOCKET NO: CAA-07-2006-0074

**This ESA is issued to: Cropland Coop Hugoton Plant
At: 1580 West 10th Street, Hugoton, Kansas 67951
for violating Section 112(r)(7) of the Clean Air Act.**

The United States Environmental Protection Agency, Region 7 (EPA) and Cropland Coop Hugoton Plant, 1580 West 10th Street, Hugoton, Kansas (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, Issuance of Compliance or Corrective Action Orders, 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, RCRA and Toxics Division. The Respondent is Cropland Coop Hugoton Plant, 1580 West 10th Street, Hugoton, Kansas.

This is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act. Pursuant to Section 113(d) of the Clean Air Act, 42 U.S.C. § 7413(d), the Administrator and the Attorney General jointly determined that this matter, where the total penalty exceeds \$270,000 or where the first alleged date of violation occurred more than 12 months prior to the initiation of the administrative action, was appropriate for administrative penalty action.

ALLEGED VIOLATIONS

On September 28, 2005, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located at 1580 West 10th Street, Hugoton, Kansas, to determine compliance with the Risk Management Plan (RMP) regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the Clean Air Act. EPA found that the Respondent had violated regulations implementing Section 112(r) of the Clean Air Act by failing to comply with the regulations as noted on the attached Risk Management Program Inspection Findings, Alleged Violations and Proposed Penalty Sheet (RMP 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 attached RMP Findings for the total penalty amount of \$ 540.00.

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 in herein and in the RMP 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 Clean Air Act, 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 attached RMP Findings and has sent a cashier's check or certified check (payable to the "Treasurer, United States of America") in the amount of \$ 540.00 in payment of the full penalty amount to the following address:

Mellon Bank
U.S. EPA Region 7
P.O. Box 371099M
Pittsburgh, Pennsylvania 15251.

The DOCKET NUMBER OF THIS ESA, is CAA-07-2006-0074, and must be included on the check.

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

Julie M. Van Horn
Office of Regional Counsel
U.S. Environmental Protection Agency, Region 7
901 North Fifth Street
Kansas City, Kansas 66101.


Upon Respondent's submission of the signed original ESA, EPA will take no further civil action against Respondent for the alleged violations of the Clean Air Act referenced in the RMP Findings. EPA does not waive any other enforcement action for any other violations of the Clean Air Act 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 RMP Findings.

This ESA is binding on the parties signing below.

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

FOR RESPONDENT:

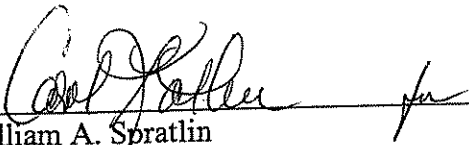


Date: 2/24/06

Name (print): DON WISEMAN

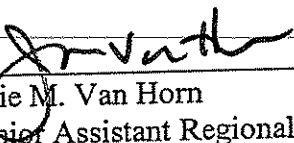
Title (print): Gen Mgr
Cropland Coop Hugoton Plant.

FOR COMPLAINANT:



William A. Spratlin
Director
Air, RCRA, and Toxics Division
EPA Region 7

Date: 3/10/04



Julie M. Van Horn
Senior Assistant Regional Counsel
EPA Region 7

Date: 8 March 2006

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

Karina Borromeo
Karina Borromeo
Regional Judicial Officer

Date: March 9, 2006

Risk Management Program Inspection Findings

Cropland Coop Hugoton Plant
1580 West 10th Street
Hugoton, KS

PLEASE COMPLETE AND COPY THIS FORM AND RETURN IT WITH THE ESA

VIOLATIONS

PENALTY AMOUNT

Hazard Review

68.50(a) -- The owner or operator shall conduct a review of the hazards associated with the regulated substances, process, and procedures. \$750.00

68.50(a)(1) – the hazards associated with the process and regulated substances;

68.50(a)(2) – opportunities for equipment malfunctions or human errors that could cause an accidental release;

68.50(a)(3) -- the safeguards used or needed to control the hazards or prevent equipment malfunction or human error; and

68.50(a)(4) -- any steps used or needed to detect or monitor releases.

68.50(b) - The owner or operator shall determine by inspecting all equipment that the processes are designed, fabricated and operated in accordance with applicable standards or rules, if designed to meet industry standards or Federal or state design rules.

68.50(c) - The owner or operator shall document the results of the review and ensure that problems identified are resolved in a timely manner.

68.50(d) -- The review shall be updated at least once every five years. The owner or operator shall also conduct reviews whenever a major change in the process occurs; all issues identified in the review shall be resolved before startup of the change process.

How were these addressed: This plant was taken out of service & dismantled. It will no longer be used.

Maintenance

68.56(a) - The owner or operator shall prepare and implement procedures to maintain the on-going mechanical integrity of the process equipment. The owner or operator may use procedures or instructions provided by covered process equipment vendors or procedures in Federal or state regulations or industry codes as the basis for stationary source maintenance procedures. \$600.00

68.56(b) - The owner or operator shall train or cause to be trained each employee involved in maintaining the on-going mechanical integrity of the process. To ensure that the employee can perform the job tasks in a safe manner, each such employee shall be trained in the hazards of the process, in how to avoid or correct unsafe conditions, and in the procedures applicable to the employee's job tasks.

68.56(c) - Any maintenance contractor shall ensure that each contract maintenance employee is trained to perform the maintenance procedures developed.

68.56(d) - The owner or operator shall perform or cause to be performed inspections and test on process equipment. Inspection and testing procedures shall follow recognized and generally accepted good engineering practices. \$300.00

How were these addressed: This plant was taken out of service & dismantled. It will no longer be used.

Compliance Audits

68.58(c) - The owner or operator shall develop a report of the audit findings. \$150.00

68.58(d) - The owner or operator shall promptly determine and document an appropriate response to each of the findings of the compliance audit and document that deficiencies have been corrected.

How were these addressed: This plant was taken out of service & dismantled. It will no longer be used.

TOTAL \$1,800

Calculation of Adjusted Penalty

- 1st Reference the Multipliers for calculating proposed penalties for violations found during RMP inspection matrix. Finding the column for 1-5 employees and the row for >10 times the threshold quantity amount gives a multiplier factor of 0.3. Therefore, the multiplier for Cropland Coop Hugoton Plant = 0.3.
- 2nd Adjusted Penalty = \$1,800 (Unadjusted Penalty) X 0.3 (Size-Threshold Multiplier)
Adjusted Penalty = \$540.00
- 3rd An Adjusted Penalty of \$540.00 would be assessed to Cropland Coop Hugoton Plant for Violations found during the RMP Compliance Inspection. This amount will be found in the Expedited Settlement Agreement (ESA)

TOTAL **\$540.00**

PLEASE PROVIDE THE COST TO THE FACILITY TO CORRECT THE VIOLATIONS

\$ 0

These violations must also be corrected; no penalties assessed

Operating Procedures

68.52(a) - The owner or operator shall prepare written operating procedures that provide clear instructions or steps for safely conducting activities associated with each covered process consistent with the safety information for that process.

68.52(b)(3) - Procedures shall address temporary operations.

How was this addressed: This Plant was taken out of service & dismantled. It will no longer be used.

3/1/2006

RMP Reporting Center
P.O. Box 1515
Lanham-Seabrook, Maryland 20703-1515
Attention: RMP De-registration

Re: De-registration of EPA Facility ID#: **1000 0003 4955**

Reason for De-registration: **Source terminated operations**

Hugoton Plant
1580 West 10th Street
Hugoton, KS 67951

Stevens County (189)

Effective date of De-registration: 07/01/2005

I certify the above stationary source as of the above effective date is no longer covered by the Risk Management Plan, 40 CFR Part 68.

Signature

Title

Date

IN THE MATTER OF Cropland Coop Hugoton Plant, Respondent
Docket No. CAA-07-2006-0074

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Expedited Settlement Agreement (ESA) was sent this day in the following manner to the addressees:

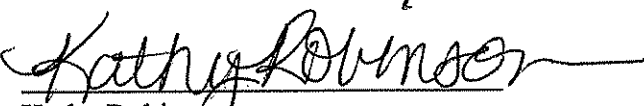
Copy hand delivered to
Attorney for Complainant:

Julie M. Van Horn
Senior Assistant Regional Counsel
Region VII
United States Environmental Protection Agency
901 N. 5th Street
Kansas City, Kansas 66101

Copy by Certified Mail/Return Receipt to:

Dan Widder
United Prairie Ag
1125 West Oklahoma
Post Office Box 947
Ulysses, Kansas 67880-0947

3/9/06
Dated


Kathy Robinson
Regional Hearing Clerk