

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 4**

**EXPEDITED SETTLEMENT AGREEMENT**

**DOCKET NO: CAA-04-2021-0211(b)**

**This ESA is issued to: CITCO Water  
740 Enterprise Drive  
Lexington, Kentucky 40510**

**for violating 40 C.F.R. § 68.65(d)(2), 40 C.F.R. § 68.160(b)(7) 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, Region 4, Director of the Enforcement and Compliance Assurance Division (Complainant), and by CITCO Water (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) and 22.18(b)(2).

**ALLEGED VIOLATIONS**

Based on a compliance monitoring inspection conducted at the Respondent's facility located at 740 Enterprise Drive, Lexington, Kentucky, on May 11, 2021, the EPA alleges that the Respondent violated the Act's Section 112(r)(7), Chemical Accident Prevention Provisions, 42 U.S.C. § 7412(r)(7), when at the time of inspection, Respondent did not provide evidence that:

It included in its registration, for each covered process, the name and CAS number of each regulated substance held above the threshold quantity in the process, the maximum quantity of each regulated substance or mixture in the process (in pounds) to two significant digits, the five or six-digit NAICS code that most closely corresponds to the process, and the Program level of the process as required by 40 C.F.R. § 68.160(b)(7); and

It documented that equipment complies with recognized and generally accepted good engineering practices as required by 40 C.F.R. § 68.65(d)(2).

- At the time of inspection, EPA inspectors observed no protection from rolling to the one-ton cylinders of chlorine and sulfur dioxide (SO<sub>2</sub>) stored outside the warehouse. According to Cl Pamphlet 17 section 2.6.7, ton containers, which weigh between 1,300 lb. (590 kg) and 1,650 lb. (750 kg) when empty, are always stored in the horizontal position, above the ground or floor, on steel, concrete or other suitable supports. Individual ton containers or the ton containers at each end of a row of ton containers should be chocked to prevent rolling.

- The one-ton chlorine/SO<sub>2</sub> cylinders were not protected from vehicular traffic or other physical damage. NFPA 55, Section 7.1.9.3.2 requires the compressed gas cylinders to be protected from vehicular traffic.
- Full and empty chlorine and SO<sub>2</sub> cylinders stored in an aisle of the warehouse and outside were not labeled. Labeling the cylinder as “Empty Cylinders” or “Full Cylinders” would avoid confusion during an emergency response. Further, the Chlorine Institute’s Pamphlet 91, “Checklist for Chlorine Packaging Plants, Chlorine Distributors, and Tank Car Users of Chlorine,” used as an industry standard by the Respondent, includes the following question: “Are the cylinders and containers properly identified? (signage, placards, labels, marked, etc.)”

### 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 **\$5,200**.

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 and Final Order 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 **\$5,200**. Respondent’s payment shall be made by sending a cashier’s check or certified check (payable to the “Treasurer, United States of America”) in the amount of **\$5,200** 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 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  
Cincinnati Finance Center Box 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:

Regional Hearing Clerk  
U.S. EPA Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303  
R4\_Regional\_Hearing\_Clerk@epa.gov, and

Jordan Noles  
U.S. EPA Region 4  
North Air Enforcement Section  
Air Enforcement Branch  
61 Forsyth Street S.W.  
Atlanta, Georgia 30303  
noles.jordan@epa.gov

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

Respondent's full compliance with this ESA shall only resolve Respondent's liability for Federal civil penalties for the violations alleged in this ESA. The EPA does not waive any other enforcement action for any other violations of the Act or any other statute.

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

In accordance with 40 C.F.R. § 22.5, the individuals named in the certificate of service are authorized to receive service related to this proceeding and the parties agree to receive service by electronic means.

FOR RESPONDENT:

Rich Parks

Date: 8/10/2021

Name (print): RICK PARKS

Title (print): DIRECTOR OF SAFETY & COMPLIANCE  
CITCO Water

FOR COMPLAINANT:

Carol L. Kemker  
Director  
Enforcement and Compliance Assurance Division

**FINAL ORDER**

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

Tanya Floyd  
Regional Judicial Officer

## CERTIFICATE OF SERVICE

I certify that the foregoing Expedited Settlement Agreement and Final Order in the Matter of CITCO Water Docket No. CAA-04-2021-0211(b), were filed and copies of the same were emailed to the parties as indicated below.

**Via email to all parties at the following email addresses:**

**To Respondent:** Mr. Rick Parks, Director of Operations  
CITCO Water  
Email: rick.parks@citcowater.com  
Phone number: (859) 308-8776  
740 Enterprise Drive  
Lexington, Kentucky 40510

**To EPA:** Jordan Noles, Case Development Officer  
Noles.Jordan@epa.gov  
Phone number: (404) 562-9105

Marirose Pratt, Associate Regional Counsel  
Pratt.Marirose@epa.gov  
Phone Number: (404) 562-9023

U.S EPA Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303-8960

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Shannon L. Richardson, Regional Hearing Clerk  
U.S. EPA Region 4  
61 Forsyth Street, S.W.  
Atlanta, Georgia 30303-8960