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October 30, 2008

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### Via Federal Express

Ms. Karen Maples Regional Hearing Clerk U.S. Environmental Protection Agency, Region 2 290 Broadway, 16<sup>th</sup> Floor New York, NY 10007-1866

Re:

Ronson Consumer Products Corporation

Docket No. CAA-02-2008-1215

Dear Ms. Maples:

This firm represents Ronson Consumer Products Corporation ("Ronson") in the referenced matter. On behalf of my client, I am enclosing an original and one copy of the Answer to the Administrative Complaint which was received by Ronson on October 3, 2008. Please note that we are asserting a business confidentiality privilege, and therefore I also enclose an original and one copy of a redacted Answer.

Very truly yours,

SZAFERMAN, LAKIND, BLUMSTEIN & BLADER, P.C.

JANINE G. BAUER

JGB:scj Enclosures

c/enc. Damaris Cristiano, Esq., USEPA, Region 2

Ronson Consumer Products Corporation

### **CERTIFIATION OF SERVICE**

I, Janine G. Bauer, certify that I have served a copy of Ronson Consumer Products

Corporation's Answer to Plaintiff's Complaint by Federal Express on this date to the following:

Damaris Cristiano, Esq, U.S. Environmental Protection Agency, Region 2 290 Broadway, 16<sup>th</sup> Floor New York, NY 10007-1866

JANINE G. BAUER

DATED: October 30, 2008

### In the

### United States Environmental Protection Agency Region II

# In the Matter of Ronson Consumer Products Corporation

Docket No. CAA-02-2008-1215

# PROTECTION AGENCY-REG.I 2000 NOV -4 AM 10: 29 REGIONAL HEARING

# MATERIAL ASSERTED TO BE BUSINESS CONFIDENTIAL INFORMATION HAS BEEN REDACTED FROM THIS DOCUMENT

### ANSWER TO ADMINISTRATIVE COMPLAINT

- 2. Respondent is without knowledge of any determination between the U.S. Environmental Protection Agency ("EPA") and the U.S. Dept. of Justice ("DOJ") as to enforcement actions.
- 3. Admitted.

1. Jurisdiction admitted.

- 4. Admitted.
- 5. Admitted.
- 6. Admitted.
- 7. Admitted.
- 8. Admitted.
- 9. Admitted.
- 10. Admitted.
- 11. Admitted.
- 12. Admitted.
- 13. Admitted.
- 14. Admitted.
- 15. Admitted.

- 16. Admitted.
- 17. Admitted.
- 18. Admitted.
- 19. Admitted.
- 20. Admitted.
- 21. Admitted.
- 22. Admitted.
- 23. Admitted.
- 24. Admitted.
- 25. Admitted.
- 26. Admitted in part and denied in part. Ronson Consumer Products Corporation had hired a consultant, Industrial Waste Management, Inc., to prepare a Risk Management Plan (RMP), which was prepared in 2004, and to otherwise ensure compliance with statutory and regulatory obligations under the Clean Air Act. Ronson was not on notice that its consultant's work failed to accomplish the parties' contractual aims. Ronson paid this consultant over \$11,000 over the last several years. Ronson subsequently hired EORM, Inc., which is conducting its compliance activities. John Levine is presently listed as the facility manager in the RMP, and he is the responsible party for compliance, as noted in Ronson's July 8, 2008 letter to USEPA regarding the results of the March 24, 2008 inspection and June 16, 2006 EPA report.
- 27. Admitted. Ronson quickly implemented a compliant coding scheme based on ANSI A13.1-1981 Scheme for Identification of Piping Systems.
- 28. Admitted. Ronson has prepared a process hazard analysis for its isobutane system.
- 29. Denied. There is no difference between Ronson's emergency shutdown procedure and Ronson's standard shutdown procedure, which Ronson had in place throughout. Ronson has created an emergency shutdown procedure as a separate document.
- 30. Admitted that such procedures, although they were in place, were not readily accessible. Ronson has corrected this deficiency.

- 31. Admitted. Ronson now has in place a SOP to annually review its written operating procedures for isobutane.
- 32. Admitted in part, denied in part. Ronson had in place training procedures for its employees, however, the training procedures were not well-documented. A formal training procedure has been implemented and documented.
- 33. Admitted in part, denied in part. Ronson had a significant prevention plan. Daily visual inspections and twice yearly shutdown checks are performed and documented. A purchase order is in place for integrity testing of tanks, and integrity testing will be accomplished soon by the contractor, Mott Tank Inspections, Inc. Before the next scheduled shutdown procedure in December, detailed standard operating procedures for integrity testing will be in place, with a target of December 19, 2008.
- 34. Admitted. Ronson has since established and implemented a management of change procedure.
- 35. Admitted. Ronson has developed and implemented a pre- start up review procedure.
- 36. Admitted. Ronson has developed and implemented an internal compliance audit procedure.
- 37. Admitted in part, denied in part. Ronson investigates all incidents and instances of non-compliance. However, a formal SOP has been developed and implemented, and Root Cause Analysis training has been given to the investigation team.
- 38. Admitted. Ronson now has a written employee participation plan.
- 39. Admitted. Ronson now issues a hot work permit for hot work operators.
- 40. Admitted in part, denied in part. Ronson briefs all on-site contractors on safety procedures. Now it now has implemented a SOP for contractors as well as training for the facility manager, supervisors and maintenance workers regarding contractor safety.
- 41. Admitted that process safety information documents were not available during inspection, however such documentation has been located and will be produced.
- 42. Admitted, however Ronson has obtained letters from its engineer and electrical contractor stating that it follows generally accepted and good engineering practices (attached hereto) and that it is code compliant. See also Attachment to Ronson July 8, 2008 letter to EPA, at #1.

43. Admitted in part, denied in part. See above.

#### **DEFENSES**

- 1. Ronson Consumer Products Corporation did not fail to comply with Risk Management Plan obligations, or if it did fail to comply, such failure was unintentional, *de minimis*, and posed no risk to the public or the environment at any time.
- 2. Ronson Consumer Products Corporation gained no economic benefit from any alleged failure to comply with Risk Management Plan obligations or any other regulations under the Clean Air Act, and in fact, suffered economic harm. Specifically, Ronson hired and paid a firm to comply with such regulations and statute for more than ten years. Essentially, Ronson is now paying twice to comply with these regulations by having hired another firm to correct alleged violations and come into compliance with documentation regulations.

### [ REDACTED]

- 4. The Penalty amount is not commensurate with the EPA Penalty Policy as applied to the evidence in this case in several ways.
- 5. The gravity of the alleged violations is not Major, but was Moderate, at worst, requiring a recalculation of the Penalty.
- 6. Ronson Consumer Product Corporation's operations, size, net worth and revenue were overstated in EPA's determination of the Penalty amount.
- 7. Ronson Consumer Products Corporation has a long history of Clean Air Act risk management compliance including no releases to the environment and no compromises of public health, which was not taken into account.
- 8. Ronson Consumer Products Corporation cooperated with EPA's inspection and promptly rectified nearly all of the required procedures that were lacking in documentation, many of which were being performed already, and is deserving of the maximum adjustment for these factors.
- 9. Ronson's ability to prevent or respond to a release was "affected" but it was not "undermined" by any lack of written documentation of procedures that were in place for the most part.
- 10. The duration of any alleged violations was short and violations were promptly rectified.

- 11. Ronson hereby specifically preserves and does not waive any other reason, excuse, defense or argument that may be suggested by the facts of this matter but which is not specifically identified herein.
- 12. Many of the alleged violations consist of failure to document what were ongoing safety and risk prevention practices, which contributes to the classification of the alleged violations as Moderate, not Major.
- 13. The Penalty reflects a risk of an incident occurring at the facility; however, the area was undeveloped at the time the facility was built and began operations in 1959-1960. Population and urban development encroached on Ronson. Ronson should not be made to suffer the consequences through a Penalty assessment of risk that was created by others through proximate land uses, not of Ronson's making, particularly where Ronson's operational history is unblemished.
- 14. Ronson did not willfully or negligently violate any statute or regulation and is not culpable.

### RESPONDENT REQUESTS A HEARING

Ronson Consumer Products Corporation hereby formally requests a Hearing in the above-captioned matter.

### **DESIGNATION OF HEARING COUNSEL**

Ronson Consumer Products Corporation hereby designates Janine G. Bauer. Esq., as its hearing counsel.

Respectfully submitted,

Janine G. Bauer, Esq.

Attorney for Respondent

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Dated: October 31, 2008