



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

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

JUL 26 2018

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Mr. Greg Robbins
President
Gas Processors, Inc.
21 Wesley Road
Columbia, Mississippi 39429

Re: Gas Processors, Inc.
Consent Agreement and Final Order
CAA-04-2017-8011(b)

Dear Mr. Robbins:

Enclosed, please find an executed copy of the Consent Agreement and Final Order (CAFO) that resolves the Clean Air Act (CAA) matter (Docket No. CAA-04-2017-8011(b)) involving Gas Processors, Inc. The CAFO was filed with the Regional Hearing Clerk, as required by 40 CFR Part 22 and became effective on the date of the filing.

If you have any questions, please contact Ms. Marlene Tucker at (404) 562-9536.

Sincerely,

A handwritten signature in blue ink, appearing to read "A. Toney".

Anthony G. Toney
Chief

Chemical Safety and Enforcement Branch

Enclosure

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
BEFORE THE ADMINISTRATOR**

2019 JUL 26 AM 11:01
HEARING CLERK

IN THE MATTER OF:)
)
Gas Processors, Inc.)
)
)
Respondent.)
_____)

Docket No.
CAA-04-2017-8011(b)

CONSENT AGREEMENT

A. PRELIMINARY STATEMENT

1. This is an administrative penalty assessment proceeding brought under Section 113(d) of the Clean Air Act (the "Act"), 42 U.S.C. § 7413(d), and Sections 22.13 and 22.18 of the Consolidated Rules of Practice Governing 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 4 (the "EPA"). The Director of the Air, Pesticides and Toxics Management Division, EPA Region 4, is delegated the authority to settle civil administrative penalty proceedings under Section 113(d) of the Act.
3. Respondent is Gas Processors, Inc., a company doing business in the State of Alabama. Respondent is a "person" as defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e).
4. Complainant and Respondent, having agreed that settlement of this action is in the public interest, consent to the entry of this consent agreement ("Consent Agreement" or "Agreement") and the attached final order ("Final Order" or "Order") without adjudication of any issue of law or fact herein, and Respondent agrees to comply with the terms of this Consent Agreement and Final Order.

B. JURISDICTION

5. This Consent Agreement is entered into under Section 113(d) of the Act, as amended, 42 U.S.C. § 7413(d), and the Consolidated Rules, 40 C.F.R. Part 22. The alleged violations in this Consent Agreement are pursuant to Section 113(a)(3)(A).
6. The 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 initiation of this proceeding, is appropriate for an administrative penalty assessment. 42 U.S.C. § 7413(d); 40 C.F.R. § 19.4.

7. On September 9, 2015, the EPA issued to Respondent a Notice of Potential Violation (“NOPV”), providing notice that the EPA found that Respondent potentially committed the alleged violations described in Section E of this Agreement and providing Respondent an opportunity to confer with the EPA. On October 28, 2015, May 11, 2016 and May 19, 2016, representatives of Respondent and the EPA discussed the September 9, 2015, NOPV.

8. The Regional Judicial Officer is authorized to ratify this Consent Agreement which memorializes settlement between Complainant and Respondent. 40 C.F.R. §§ 22.4(b) and 22.18(b).

9. The issuance of this Consent Agreement and attached Final Order simultaneously commences and concludes this proceeding. 40 C.F.R. § 22.13(b).

C. GOVERNING LAW

10. Section 112(r) of the Act, 42 U.S.C. § 7412(r), addresses the prevention of releases of substances listed pursuant to Section 112(r)(3) of the Act, 42 U.S.C. § 7412(r)(3). The purpose of this section is to prevent the accidental release of extremely hazardous substances and to minimize the consequences of such releases. Pursuant to Section 112(r)(7) of the Act, 42 U.S.C. § 7412(r)(7), the EPA is authorized to promulgate regulations for accidental release prevention.

11. Pursuant to Sections 112(r)(3) and 112(r)(7) of the Act, 42 U.S.C. §§ 7412(r)(3) and 7412(r)(7), the EPA promulgated rules codified at 40 C.F.R. Part 68, Chemical Accident Prevention Provisions. These regulations are collectively referred to as the “Risk Management Program” (RMProgram) and apply to an owner or operator of a stationary source that has a threshold quantity of a regulated substance in a process. Pursuant to Sections 112(r)(3) and 112(r)(5) of the Act, 42 U.S.C. §§ 7412(r)(3) and 7412(r)(5), the list of regulated substances and threshold levels are codified at 40 C.F.R. § 68.130.

12. Pursuant to Section 112(r)(7)(B)(iii) of the Act, 42 U.S.C. § 7412(r)(7)(B)(iii), and 40 C.F.R. §§ 68.10 and 68.150, the owner or operator of a stationary source that has a regulated substance in an amount equal to or in excess of the applicable RMProgram threshold in a “process” as defined in 40 C.F.R. § 68.3, must develop an RMProgram accidental release prevention program, and submit and register a single Risk Management Plan (RMPlan) to the EPA.

D. FACTUAL ALLEGATIONS

13. Respondent operates a “stationary source” as that term is defined by Section 302(z) of the Act, 42 U.S.C. § 7602(z). The Respondent’s stationary source is located at the corner of Ross Road and Haus Nursery Road, Atmore, Alabama 36502 (stationary source).

14. Respondent has submitted and registered an RMPlan to the EPA for its stationary source and has developed an RMProgram accidental release prevention program for the stationary source.

15. For the purpose of this Agreement

(a) At its stationary source, the Respondent operates an unmanned gas processing plant.

- (b) At its stationary source, the Respondent has on-site for storage, 154,110 pounds of flammable mixture.
- (c) At its stationary source, the Respondent has one RMProgram level 2 covered process, which stores or otherwise uses a flammable mixture in an amount exceeding its applicable threshold of 10,000 pounds.
- (d) On April 23, 2014, the EPA contractor conducted an on-site inspection of the RMProgram related records and equipment for the purpose of assessing the Respondent's compliance with the RMProgram requirements and the implemented recognized and generally accepted good engineering practices (RAGAGEP) for its covered process at its stationary source.
- (e) At the time of the inspection, the Respondent could not provide any documentation demonstrating that the facility had a formal RMProgram management system or documentation identifying the employees' responsible for implementing the program at this facility.
- (f) At the time of the inspection, the Respondent could not provide facility-specific documentation of equipment specifications.
- (g) At the time of inspection, the Respondent could not provide documentation listing codes and standards used to design and build the process.
- (h) At the time of the inspection, the Respondent provided a copy of the *State Oil and Gas Board of Alabama Operator's Certificate of Compliance for Operations Involving Hydrogen Sulfide* which was issued as part of the facility's change in ownership but did not have any information to demonstrate that the process was designed in compliance with RAGAGEP.
- (i) At the time of the inspection, there was no documentation demonstrating that the facility had procedures to address initial startup, normal operations, temporary operations, emergency shut down and operations, normal shutdown, or startup following a normal or emergency shutdown for the RMProgram process at this facility.
- (j) At the time of the inspection, the Respondent did not provide documentation to certify that each employee operating the process had been trained or tested competent in the operating procedures that pertain to their duties. These operators for the facility are onsite approximately 1 to 1.5 hours per day to check on the system (as this is an unmanned facility).
- (k) At the time of the inspection, the Respondent could not provide documentation to demonstrate that employees involved in maintaining the on-going mechanical integrity of the process were trained in the hazards of the process.
- (l) At the time of the inspection, the Respondent did not provide information that documented testing or the replacement of pressure relief valves and testing on storage tank thickness to ensure mechanical integrity.
- (m) At the time of the inspection, the Respondent indicated that they had no knowledge about whether the previous owner had coordinated response actions with the local fire department or whether the facility was included in the community emergency response plan. The Respondent had no information to demonstrate that they had coordinated a response action at the facility with the local fire department.

- (n) At the time of the inspection, the Respondent had not updated the facility's RMPlan with the new emergency contact information within 30 days of the date (January 4, 2014) that the Respondent became the new owner of the facility.

E. ALLEGED VIOLATIONS OF LAW

16. Based on EPA's compliance monitoring investigation, the EPA alleges that the Respondent violated the codified rules governing the Act's Chemical Accident Prevention Provisions, because Respondent did not adequately implement provisions of 40 C.F.R. Part 68 when it:

Failed to document other persons responsible for implementing individual requirements of the risk management program and define the lines of authority through an organization chart or similar document, as required by 40 C.F.R. § 68.15(c);

Failed to compile and maintain up-to-date equipment specifications in the safety information, as required by 40 C.F.R. § 68.48(a)(4);

Failed to compile and maintain up-to-date codes and standards used to design, build, and operate the process, as required by 40 C.F.R. § 68.48(a)(5);

Failed to ensure the process is designed in compliance with recognized and generally accepted good engineering practices, as required by 40 C.F.R. § 68.48(b);

Failed to 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, as required by 40 C.F.R. § 68.52(a);

Failed to certify that each employee presently operating a process is trained in the operating procedures, as required by 40 C.F.R. § 68.54(a);

Failed to train each employee involved in maintaining the ongoing mechanical integrity of the process, as required by 40 C.F.R. § 68.56(b);

Failed to perform inspections and tests on process equipment that follow recognized and generally accepted good engineering practices, as required by 40 C.F.R. § 68.56(d);

Failed to coordinate response actions with the local fire department, as required by 40 C.F.R. § 68.90(b)(2); and

Failed to submit correct emergency contact information within thirty days of the change in ownership, as required by 40 C.F.R. § 68.195(b).

F. TERMS OF CONSENT AGREEMENT

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

- (a) admits that the EPA has jurisdiction over the subject matter alleged in this Agreement;
- (b) neither admits nor denies the factual allegations stated above;
- (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 Agreement;
- (f) waives any rights to contest the alleged violations of law set forth in Section E of this Consent Agreement; and
- (g) waives its rights to appeal the Order accompanying this Agreement.

18. For the purpose of this Agreement:

- (a) agrees that this Agreement states a claim upon which relief may be granted against Respondent;
- (b) acknowledges that this Agreement 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 Order, including any right of judicial review under Section 307(b)(1) of the Act, 42 U.S.C. § 7607(b)(1);
- (d) consents to personal jurisdiction in any action to enforce this Agreement or Order, or both, in the United States District Court for the Southern District of Alabama.
- (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 Agreement or 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) certifies that as of its execution of this Agreement, it is in compliance with all relevant requirements of 40 C.F.R. Part 68.

19. Penalty Payment. Respondent agrees to:

- (a) pay the civil penalty of **TWENTY-NINE THOUSAND EIGHT HUNDRED THIRTEEN DOLLARS (\$29,813)** ("EPA Penalty") in addition to interest payment in the amount of **One Hundred Sixty-One Dollars and Seventy Two Cents (\$161.72)**, in accordance with the installment payment schedule included in this section. Payments shall be made in twelve (12) monthly payments as set forth in the table below, with the first payment of **Two Thousand Four Hundred Ninety-Seven Dollars and Eighty-Nine Cents (\$2,497.89)** due within 30 days of the effective date of this CAFO.

Payment Date	Payment	Principal	Interest	Total Interest	Balance of Principal
					\$ 29,813.00
Initial Payment	2,497.89	2,473.05	24.84	-	27,339.95
1st 30 Days	2,497.89	2,475.11	22.78	47.62	24,864.84
2nd 30 Days	2,497.89	2,477.17	20.72	68.34	22,387.66
3rd 30 Days	2,497.90	2,479.24	18.66	87.00	19,908.43
4th 30 Days	2,497.89	2,481.30	16.59	103.59	17,427.12
5th 30 Days	2,497.89	2,483.37	14.52	118.11	14,943.75
6th 30 Days	2,497.89	2,485.44	12.45	130.56	12,458.31
7th 30 Days	2,497.89	2,487.51	10.38	140.94	9,970.80
8th 30 Days	2,497.90	2,489.59	8.31	149.25	7,481.21
9th 30 Days	2,497.89	2,491.66	6.23	155.48	4,989.55
10th 30 Days	2,497.90	2,493.74	4.16	159.64	2,495.81
11th 30 Days	2,497.89	2,495.81	2.08	161.72	-

Total (Principal (\$29,813) and Interest (\$161.72)) = \$29,974.72

- (b) pay the EPA Penalty by forwarding a cashier's or certified check payable to the "Treasurer, United States of America," or by electronic transfer to one of the following addresses:

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 Box 979077

St. Louis, MO 63197-9000; or

For payment sent for signed receipt confirmation (FedEx, DSL, UPS, USPS Certified)

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 check shall reference on its face the name and the Docket Number of the CAFO.

Within 24 hours of payment of the EPA Penalty, send a separate copy of the check or confirmation of electronic transfer, and a written statement that payment has been made in accordance with this Agreement, to the following persons at the following addresses:

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

20. If Respondent fails to timely pay any portion of the penalty assessed under this Agreement, the EPA may:

- (a) request the Attorney General to bring a civil action in an appropriate district court to recover: the amount assessed; interest at rates established pursuant to 26 U.S.C. § 6621(a)(2); the United States' enforcement expenses; and a 10 percent quarterly nonpayment penalty, 42 U.S.C. § 7413(d)(5);
- (b) refer the debt to a credit reporting agency or a collection agency, 42 U.S.C. § 7413(d)(5), 40 C.F.R. §§ 13.13, 13.14, and 13.33;
- (c) collect the debt by administrative offset (i.e., the withholding of money payable by the United States to, or held by the United States for, a person to satisfy the debt the person owes the Government), which includes, but is not limited to, referral to the Internal Revenue Service for offset against income tax refunds, 40 C.F.R. Part 13, Subparts C and H; and
- (d) suspend or revoke Respondent's licenses or other privileges, or suspend or disqualify Respondent from doing business with the EPA or engaging in programs the EPA sponsors or funds, 40 C.F.R. § 13.17.

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

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

23. By signing this Agreement, both parties agree that each party's obligations under this Consent Agreement and attached Final Order constitute sufficient consideration for the other party's obligations.

24. By signing this Agreement, 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.

25. Except as qualified by Paragraph 20, each party shall bear its own attorney's fees, costs, and disbursements incurred in this proceeding.

G. EFFECT OF CONSENT AGREEMENT AND ATTACHED FINAL ORDER

26. In accordance with 40 C.F.R. § 22.18(c), Respondent's full compliance with this Consent Agreement and Final Order shall only resolve Respondent's liability for federal civil penalties for the violations and facts specifically alleged above.

27. Penalties paid pursuant to this Agreement shall not be deductible for purposes of federal taxes.

28. This Agreement 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.

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

30. Any violation of this Order may result in a civil judicial action for an injunction or civil penalties as provided in Section 113(b)(2) of the Act, 42 U.S.C. § 7413(b)(2), and pursuant to 40 CFR Part 19, as well as criminal sanctions as provided in Section 113(c) of the Act, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this Order in an administrative, civil judicial, or criminal action.

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

32. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.

33. The EPA reserves the right to revoke this Agreement and settlement penalty if and to the extent that the EPA finds, after signing this Agreement, that any information provided by Respondent was materially false or inaccurate at the time such information was provided to the

EPA, and the EPA reserves the right to assess and collect any and all civil penalties for any violation described herein. The EPA shall give Respondent notice of its intent to revoke, which shall not be effective until received by Respondent in writing.

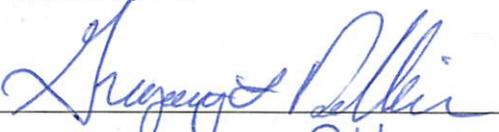
H. EFFECTIVE DATE

34. Respondent and Complainant agree to issuance of the attached Final Order. Upon filing, the EPA will transmit a copy of the filed Consent Agreement to the Respondent. This Consent Agreement and attached Final Order shall become effective after execution of the Final Order by the Regional Judicial Officer, on the date of filing with the Regional Hearing Clerk.

The foregoing Consent Agreement in the Matter of Gas Processors, Inc., Docket No. CAA-04-2017-8011(b), is Hereby Stipulated, Agreed, and Approved for Entry.

FOR RESPONDENT:

Gas Processors, Inc.

By:  Date: 6-14-2018
Name: Gregory L. Robbins (Typed or Printed)
Title: President (Typed or Printed)

FOR COMPLAINANT:

U.S. Environmental Protection Agency

By:  Date: 7/6/18
Beverly H. Banister
Director
Air, Pesticides and Toxics Management Division

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
BEFORE THE ADMINISTRATOR**

IN THE MATTER OF:

Gas Processors, Inc.

Respondent.

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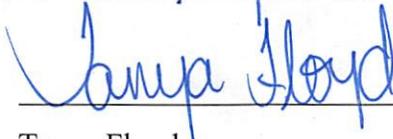
Docket No.
CAA-04-2017-8011(b)

FINAL ORDER

Pursuant to 40 C.F.R. § 22.18(b) of the EPA's Consolidated Rules of Practice and section 113(d) of the Clean Air Act, 42 U.S.C. § 7413(d), the attached Consent Agreement resolving this matter is incorporated by reference into this Final Order and is hereby ratified.

The Respondent is ORDERED to comply with all terms of the Consent Agreement, effective on the date that the Consent Agreement and Final Order are filed by the Regional Hearing Clerk.

SO ORDERED this 26th day of July, 2018.



Tanya Floyd
Regional Judicial Officer

CERTIFICATE OF SERVICE

I hereby certify that I have this day served a true and correct copy of the foregoing Consent Agreement and Final Order, in the matter of Gas Processors, Inc., CAA-04-2017-8011(b), on the parties listed below in the manner indicated:

Greg Robbins
President
Gas Processors, Inc.
21 Wesley Road
Columbia, Mississippi 39429

(Via Certified Mail -
Return Receipt Requested)

Jordan Noles
U. S. EPA, Region 4
Air, Pesticides and Toxics
Management Division
61 Forsyth Street
Atlanta, GA 30303

(Via EPA's internal mail)

Robert Caplan
Senior Attorney
U.S. EPA, Region 4
Office of Regional Counsel
61 Forsyth Street
Atlanta, Georgia 30303

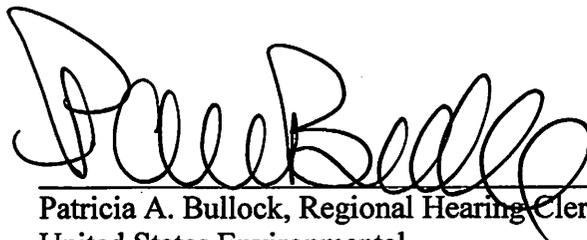
(Via EPA's internal mail)

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

(Via EPA's internal mail)

Date:

7-26-18



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

Michael J. [unclear]

2/28/07