



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 7
11201 RENNER BOULEVARD
LENEXA, KANSAS 66219

UNITED STATES
ENVIRONMENTAL PROTECTION
AGENCY-REGION 7
2015 JAN 13 AM 10:42

EXPEDITED SETTLEMENT AGREEMENT (ESA)

DOCKET NO.: CAA-07-2015-0001

This ESA is issued to: CORN, LP

At: 1303 Highway 3 East, Goldfield, Iowa 50542

for violating Section 112(r)(7) of the Clean Air Act.

The United States Environmental Protection Agency, Region 7 (EPA) and CORN, LP (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 the EPA, is the Director of the Air and Waste Management Division. The Respondent is CORN, LP, 1303 Highway 3 East, Goldfield, Iowa 50542.

This is an administrative action for the assessment of civil penalties instituted pursuant to Section 113(d) of the Clean Air Act (CAA). Pursuant to Section 113(d) of the CAA, 42 U.S.C. §7413(d), the Administrator and the Attorney General jointly determined that cases which meet the criteria set forth in EPA's policy entitled "Use of Expedited Settlements in Addressing Violations of the Clean Air Act Chemical Accident Prevention Provision, 40 C.F.R. Part 68," dated January 5, 2004, are appropriate for administrative penalty action.

ALLEGED VIOLATIONS

On February 14 and 15, 2012, an authorized representative of the EPA conducted a compliance inspection of the Respondent's facility located at 1303 Highway 3 East, Goldfield, Iowa, to determine compliance with the Risk Management Plan (RMP) regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the CAA. The EPA found that the Respondent had violated regulations implementing Section 112(r) of the CAA by failing to comply with the regulations as noted on the enclosed Risk Management Program Inspection Findings (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 enclosed RMP Findings, for the total penalty amount of **\$5,100**.

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 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 CAA, 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 enclosed RMP Findings and has sent a cashier's check or certified check (payable to the "United States Treasury") in the amount of **\$5,100** in payment of the full penalty amount to the following address:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, Missouri 63197-9000

The Docket Number of this ESA is CAA-07-2015-0001, 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:

Amber Whisnant
Chemical Risk Information Branch
U.S. Environmental Protection Agency, Region 7
11201 Renner Boulevard
Lenexa, Kansas 66219.

A copy of the check must also be sent to:

Kathy M. Robinson
Regional Hearing Clerk
U.S. Environmental Protection Agency, Region 7
11201 Renner Boulevard
Lenexa, Kansas 66219.

Upon Respondent's submission of the signed original ESA, the EPA will take no further civil action against Respondent for the alleged violations of the CAA referenced in the RMP

Findings. The EPA does not waive any other enforcement action for any other violations of the CAA 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:


ASW.

Date: 11/22/14

Name (print): Andrew S. Miller


Title (print): Plant Manager
CORN, LP

FOR COMPLAINANT:



Becky Weber
Director
Air and Waste Management Division
EPA Region 7

Date: 12/17/14



Kent Johnson
Assistant Regional Counsel
Office of Regional Counsel
EPA Region 7

Date: 12/17/14

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

Karina Borromeo
Karina Borromeo
Regional Judicial Officer

Date: 1-13-2015

Risk Management Program Inspection Findings
CAA § 112(r) Violations

CORN LP
1303 Highway 3 East
Goldfield, IA 50542
Docket No. CAA-07-2015-0001

COMPLETE THIS FORM AND RETURN IT WITH THE ESA.

VIOLATIONS

PENALTY AMOUNT

Hazard Assessment

\$1,200

Review and Update [§ 68.36(a)]

The owner or operator failed to review and update the off-site consequence analyses at least once every five years. Specifically, the discrepancies in the amount of anhydrous ammonia and natural gasoline used in the OCA and the differences in the composition of the natural gasoline in the MSDS and that submitted in the RMP, demonstrated that the facility did not review and update the offsite consequence analysis at least once every five years.

How was this addressed:

The offsite consequence analyses were performed and corrected information was submitted to the EPA via RMP e-submittal on May 24, 2012. Further, an external consultant will be utilized to perform the review in addition to CORN, LP resources for the next review.

Prevention Program

\$1,200

Operating Procedures [§ 68.69(a)(3)(iv)]

The owner or operator failed to address the element of quality control for raw materials. Specifically, the MSDS for the natural gasoline had a flammability rating of 4 but the NFPA diamond on the bulk tank listed it as a 3.

How was this addressed:

Per pictures from the EPA audit in 2012, the error was corrected immediately following the audit. It was determined the SDS for natural gasoline was incorrect by delivery company. Therefore, a SDS from the source supplier for all companies supplying transport of natural gasoline to CORN, LP, was obtained and, indeed, has the highest flammability rating of "4". This source SDS is accurate for the natural gasoline + will remain in our plan. Further, an outside audit will be performed for RMP by an external company to ensure procedures are in place to prevent this mistake from happening again.

VIOLATIONS

PENALTY AMOUNT

Prevention Program

\$1200

Operating Procedures [§ 68.69(c)]

The owner or operator failed to review operating procedures as often as necessary to assure that they reflect current operating practice, including changes that result from changes in process chemicals, technology, and equipment, and changes to stationary sources. Specifically, the ammonia unloading procedures on page nine of the attachment indicated that the anhydrous ammonia tank was 32' in diameter and 48' long with a water capacity of 18,000 gallons. The PSI P&ID information indicated the tank had a capacity of 30,000 gallons, was 9' in diameter and 66' in length. A review of the operating procedures to assure that they reflect current operating practices including equipment would have found this deficiency.

How was this addressed:

This error was corrected immediately during the RMP audit. An external auditor will perform the next RMP audit with CORN, L.P. to avoid in the discovery of this type of mistake - A copy of the SOP page with the tank dimensions is included. (Exhibit 1)

Prevention Program

\$900

Mechanical Integrity [§ 68.73(d)(4)]

The owner or operator failed to document each inspection and test that had been performed on anhydrous ammonia vessel, which identifies the date of the inspection or test, the name of the person who performed the inspection or test, the serial number or other identifier of the equipment on which the inspection or test was performed, a description of the inspection or test performed, and the results of the inspection or test.

How was this addressed:

Examinations are prepared on a daily basis by area operators of the ammonia system. A checklist was developed and is filed out documenting this activity. A copy has been included of the inspection checklist. (Exhibit #2)

Prevention Program

\$300

Compliance Audit [§ 68.79(c)]

The owner or operator failed to develop a report of the findings of the compliance audit.

How was this addressed:

Report was developed immediately and is included in this report. It has been decided to perform an audit using an external audit company. (Exhibit #3)

VIOLATIONS

PENALTY AMOUNT

Prevention Program

\$300

Compliance Audit [§ 68.79(d)]

The owner or operator failed to promptly determine an document an appropriate response to each of the findings of the compliance audit, and document that deficiencies have been corrected.

How was this addressed:

Report completed documenting the action items + corrective actions. This is included in this report. It has been decided to perform an audit using an external audit company. (Exhibit #3)

Risk Management Plan

Emergency Response Program [§ 68.180]

The owner or operator failed to submit an RMP that correctly included the information required regarding the emergency response program. Specifically, the facility is a non-responding facility to an accidental release of anhydrous ammonia. The first question in the written community emergency response plan was left blank. The facility is included in the plan. The remaining questions indicated that the facility is a responding facility and their employees would respond, the facility had procedures for informing the public and local agencies, and had information on emergency health care. Actually, the facility relies on the LEPC/Fire Department to respond to accidental releases.

How was this addressed:

The Activities Summary was updated to report correct information that CORN, LP has an Emergency Action Plan and not an Emergency Response Plan. This corrected information was updated + sent to the EPA via RMP eSubmit May 24, 2012.

Risk Management Plan

Certification [§ 68.185(b)]

The owner or operator submitted in the RMP a single certification that, to the best of the signer's knowledge, information, and belief formed after reasonable inquiry, however the owner or operator failed to ensure the information submitted is true, accurate, and complete. Specifically, the date certified for the compliance audit was incorrect.

How was this addressed:

Correction was made and submitted to EPA via RMP eSubmit on May 24, 2012.

Total Unadjusted Penalty

\$5,100.

CORN, LP is a private company which has 39 employees; 14 times the threshold amount for anhydrous ammonia; and 92 times the threshold amount for the flammable liquid. After adding the penalty numbers in the Risk Management Program Inspection Findings, Alleged Violations and Proposed Penalty Sheet an unadjusted penalty of \$5,100 is derived.

Calculation of Adjusted Penalty

1st Reference the multipliers for calculating proposed penalties for violations found during RMP inspection matrix. Finding the row for number of employees between 10-100 and column for >10 times the threshold quantity of 10,000 pounds of the regulated chemicals as listed in 40 C.F.R. Part 68.130 for the amount in a process gives a multiplier factor of 1.0. Therefore, the multiplier for CORN LP = 1.0.

2nd Adjusted Penalty = \$5,100 (Unadjusted Penalty) X 1.0 (Size-Threshold Multiplier)
Adjusted Penalty = \$5,100.

3rd An Adjusted Penalty of \$5,100 would be assessed to CORN LP for violations found during the RMP Compliance Inspection. This amount will be found in the Expedited Settlement Agreement (ESA).

Total Adjusted Penalty

\$5,100.


This section must also be completed and signed by CORN, LP:

The approximate cost to correct the above items: \$ 2,000.-

Compliance staff name: Andrew S. Miller

Signed: [Signature] Date: 11/22/14

Exhibit # 1

Chemical Unloading Anhydrous Ammonia	Doc. Path: \\goldna1a\Shared\Ethanol\Ethanol SOP's\MPB SOP's\CHEMICAL HANDLING SOP's\SOP - Unload Anhydrous Ammonia rev 11-24-14.doc
	Orig. Issue Date: 1/10/08
Approval: 	Last Review Date: 11/24/14

1.0 GENERAL

Ammonia is a highly hazardous chemical which must be used in the cook area to adjust pH in the liquid form. Ammonia (vapor) is also used in the combustor area to reduce nitric oxide (NOX) in the coal combustor. Liquid ammonia is also piped into the fermentation area, however, it is not used for that purpose. It is important to use caution when working with this chemical as it is a Process Safety Management (PSM) regulated chemical and can endanger the safety of the plant personnel and surrounding community if a spill would occur. Ammonia is also a flammable compound.

This procedure describes the proper way to receive a truckload of anhydrous ammonia into the plant. This procedure covers the verification steps to ensure only anhydrous ammonia is unloaded into the ammonia storage tank, the method to unload the product, and what to monitor during the unloading of the product.

2.0 CHEMICAL PROPERTIES

The MSDS is located in the MSDS book located in the MPB control room hallway and on the intranet. Personnel who unload or work with anhydrous ammonia must be familiar with the MSDS prior to unloading or working with the chemical. Anhydrous ammonia is used interchangeably with ammonia in this procedure.

Ammonia is a colorless gas at atmospheric pressure and a colorless liquid when under pressure. Ammonia has a pungent, irritating odor like smelling salts. Ammonia can be detected by nose at 5 ppm or less. Ammonia is flammable and has an upper and lower flammability limit (UFL / LFL) of 16 – 25 %. The auto-ignition temperature is 1204 °F. The IDLH for ammonia is 300 ppm. The 8 hour time weighted average exposure limit is 25 ppm and the short term exposure limit (STEL) is 35 ppm per the ACGIH (most conservative). The vapor density for ammonia is 0.6 so it is lighter than air and will rise upon release. The boiling point for ammonia is -28.1 °F

Any changes made to the ammonia system must be reviewed by MOC. Any incidents involving ammonia must be reviewed within 24 hours.

3.0 PERSONAL PROTECTIVE EQUIPMENT

- 3.1 PPE for preparing to unload Ammonia is hard hat, safety glasses, and leather gloves.
- 3.2 PPE required if you are dealing with a leak/spill is chemical resistant gloves, chemical resistant clothing, and an NIOSH respirator with appropriate canister or cartridge that is appropriate to exceed exposure limits of 300ppm.

4.0 DESCRIPTION OF SYSTEM

- 4.1 The ammonia tank (TP12401) is 10' 10" (I.D.) in diameter and 36' 7" long (seam to seam) and 47'-3" overall length and has a working volume of approximately 30,000 gallon. It is located on the west side of the main process building. The tank is constructed of carbon steel and is equipped with a electric vaporizer to maintain a constant pressure in the tank. The unloading connections are located on west side of the tank, there is a 1" threaded connection for vapor unloading and a 2" threaded connection for liquid unloading. The liquid travels from the connection approximately 5' towards the tank, and then turns and runs approximately 8' towards the vaporizer, and finally turns back towards the tank and travels approximately 10' where it enters the bottom of the tank.
- 4.2 It takes approximately 45 minutes to unload a truck load of ammonia into the tank.

NOTES:

1. Initial and temporary procedures are located in files.
2. The consequence of deviating from this procedure may lead to a leak to the atmosphere.

5.0 NORMAL OPERATING OR UNLOADING PROCEDURE

5.1 UNLOADING PREPARATION:

- 5.1.1 TP 12401 must be below 60% full level in order for a semi load to fit. The tank pressure is typically between 65 and 85 psig.

NOTE: If the level is above 60 % prior to filling, the final level of the tank may be over 80 % which is over CORN, LP's internal guidelines. This level allows enough room to

Exhibit #12

Ammonia System Inspection

Date: 11/20/14

Time: 11:39 AM

Performed by: Chris A4

Task	Complete			Action taken
	Yes	No	NA	
1. Ammonia tank inspected – walk around done? (Walk completely around tank listening for leaks, looking for damage and noting any odor of ammonia.)	X			
2. Weeds (over 6”) and debris removed?	X			
3. No evidence of ammonia leaking from fittings and connections?	X			
4. No evidence of damage or corrosion from piping on tank, vaporizer skid or unloading piping?	X			
5. Unloading connection cans in place and locked?	X			
6. No evidence of traffic protection damaged or moved?	X			
7. Ammonia piping to slurry tank #1 walked down?	X			
8. No evidence of ammonia leaking from pipe or damage to pipeline?	X			
9. Decals and stickers legible and in tact?	X			
10. Vaporizer skid operating properly?	X			
11. Did you open eyewash and safety shower valves and allow to flow until clear?	X			

- Complete form and turn into management.
- Any answers of “No” need to be brought to management attention immediately with work order number written in “action taken” column if applicable.

Exhibit #3
PS 112

2/17/12

RMP/PSM – Audit Summary and Action Items

The Process Safety Management (PSM) system for CORN, LP was audited by Andy Miller on 9/11/11 through 11/15/11. All 14 elements were found to be in the program as required and action items were subsequently developed with due dates and responsibilities assigned.

PSM Audit of PSM System of CORN, LP – Action Item Status

Item no.	PSM Element	Description	Status	Respons.	Expected Due Date
1	Contractor	Organize contractor orientation to allow better flow and understanding for contractors.	Completed 12/12/11. Updated format.	A. Miller	3/1/12 DONE
2	Employee Particip.	Training on PSM as well as Employee participation covered during monthly safety meeting 1/year for PSM.	Completed 12/25/11.	A. Miller	12/31/11 DONE
3	Emerg. Action Plan	Training and review conducted as part of monthly safety meeting performed 1/year.	Completed. 8/15/11 for CY2011. Will continue each year.	A. Miller	12/31/11 DONE
4	Hot Work	No issues	NA		
5	Incid. Invest.	No issues	NA		
6	Mech. Integ.	No issues	NA		
7	MOC	No issues	NA		
8	PHA	No issues	NA		
9	PSSR	No issues	NA		
10	PSI	No issues	NA		
11	PSM Audit	No issues	NA		
12	SOP	No issues	NA		
13	Confid.	No issues	NA		
14	Training	Training conducted during yearly PSM training as part of	NA		

		monthly safety training calendar.			

Action items will be reviewed quarterly by management. Action items due dates evaluated based on risk ranking and time constraints by management.

IN THE MATTER OF CORN, LP, Respondent
Docket No. CAA-07-2015-0001

CERTIFICATE OF SERVICE

I certify that a true and correct copy of the foregoing Order was sent this day in the following manner to the addressees:

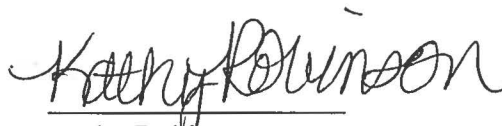
Copy by email to Attorney for Complainant:

hoard.christine@epa.gov

Copy by First Class Mail to:

Andrew S. Miller
Plant Manager
CORN, LP
1303 Highway 3 East
Goldfield, Iowa 50542

Dated: 1/13/15



Kathy Robinson
Kathy Robinson
Hearing Clerk, Region 7