



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

FEB 19 2008

REPLY TO THE ATTENTION OF:

SC-6J

**CERTIFIED MAIL**  
**RETURN RECEIPT REQUESTED**

John Poelstra  
Plant Manager  
BioLab Inc.  
1406 E. Michigan St.  
Adrian, Michigan 49221

RE: Complaint and Expedited Settlement Agreement  
ESA Docket No. RMP-07-ESA-014  
Docket No.

CAA-05-2008-0006

Bl# 2750803A003

Dear Mr. Poelstra:

Enclosed please find a copy of the fully executed Expedited RMP Settlement Agreement (ESA). The ESA is binding on U.S. EPA and Respondent. U.S. EPA will take no further action against Respondent for the violations cited in the ESA. The ESA requires no further action on your part.

Please feel free to contact Monika Chrzaszcz at (312) 886-0181, or [Chrzaszcz.monika@epa.gov](mailto:Chrzaszcz.monika@epa.gov), if you have any questions regarding the enclosed document or if you have any other question about the program. Thank you for your assistance in resolving this matter.

Sincerely yours,

Mark J. Horwitz, Chief  
Chemical Emergency  
Preparedness & Prevention Section

Enclosure(s)



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 5  
77 WEST JACKSON BOULEVARD  
CHICAGO, IL 60604-3590

REPLY TO THE ATTENTION OF:

**EXPEDITED SETTLEMENT  
AGREEMENT (ESA)**

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REGIONAL HEARING CLERK  
US EPA REGION 5  
2008 FEB 19 AM 10:13

DOCKET NO: RMP-07-ESA-014

This ESA is issued to: BioLab Inc.

At: 1406 East Michigan Street, Adrian, Michigan 49221  
for violating **Section 112(r)(7) of the Clean Air Act.**

**CAA-05-2008-0006**

This Expedited Settlement Agreement (ESA) is being entered into by the United States Environmental Protection Agency (EPA), Region 5, by its duly delegated official, the Director, Division, and by Respondent pursuant to Section 113(a)(3) and (d) of the Clean Air Act, 42 U.S.C. § 7413(a)(3) and (d), and by 40 C.F.R. § 22.13(b). On November 30, 2006, EPA obtained the concurrence of the U.S. Department of Justice, pursuant to Section 113(d)(1) of the Act, 42 U.S.C. § 7413(d)(1), to pursue this administrative enforcement action.

**ALLEGED VIOLATIONS**

On April 11, 2007 representative of the EPA conducted a compliance inspection of the subject facility (Respondent) to determine compliance with the Risk Management Plan (RMP) regulations promulgated at 40 C.F.R. Part 68 under Section 112(r) of the Act. EPA found that the Respondent had violated regulations implementing Section 112(r) of the Act by failing to comply with the regulations as noted on the attached RISK MANAGEMENT PLAN INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET (FORM), 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 FORM for the total penalty amount of **\$4,200.00**

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 FORM, 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. 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 FORM and has sent a cashier's check or certified check (payable to the "Treasurer, United States of America") in the amount of **\$4,200.00** payment of the full penalty amount to the following address:

U.S. EPA Region 5  
P.O. Box 371531  
Pittsburg, PA 15251-7531

The DOCKET NUMBER OF THIS ESA **must be included on the check.** (The DOCKET NUMBER is located at the top left corner of this ESA.)

This original ESA and a **copy of the check must be sent by certified mail to:**

Monika Chrzaszcz  
Chemical Emergency  
Preparedness and Prevention Section (SC-6J)  
U.S. Environmental Protection Agency  
77 West Jackson Boulevard  
Chicago, Illinois 60604-3590

Upon Respondent's submission of the signed original ESA, EPA will take no further civil action against Respondent for the alleged violations of the Act referenced in the FORM. 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 5 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 FORM.

This ESA is binding on the parties signing below.

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

FOR RESPONDENT:

Signature:



Date: 1/28/08

Name (print):

JOHN POERSTRA

Title (print):

PLANT MANAGER

**BioLab Inc.**

FOR COMPLAINANT:

Richard C. Karl  
Richard C. Karl, Director  
Superfund Division

Date: 2-4-08

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

Mary A. Gade  
Mary A. Gade,  
Regional Administrator

Date: 2/6/08

CAA-05-2008-0006

RECEIVED  
REGIONAL HEARING CLERK  
US EPA REGION V  
2008 FEB 19 AM 10:13



# U.S. ENVIRONMENTAL PROTECTION AGENCY

## RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SUMMARY

**REASON FOR INSPECTION:** This inspection is for the purpose of determining compliance with the accidental release prevention requirements of Section 112(r)(7) of the Clean Air Act (Act), 42 U.S.C. § 7412(r)(7), and the regulations set forth at 40 C.F.R. Part 68. The scope of this inspection may include, but is not limited to: reviewing and obtaining copies of documents and records; interviews and taking of statements; reviewing chemical storage, handling, processing, and use; taking samples and photographs; and any other inspection activities necessary to determine compliance with the Act.

FACILITY NAME BioLan Inc. (Chemtura Company)	<input checked="" type="checkbox"/> PRIVATE # EMPLOYEES 54	<input type="checkbox"/> GOVERNMENTAL/MUNICIPAL POPULATION SERVED
FACILITY ADDRESS 1406 E. Michigan Street Adrian, MI 49221	INSPECTION START DATE AND TIME: 04/11/2007, 9:00am INSPECTION END DATE AND TIME: 04/11/2007, 5:00pm	
RESPONSIBLE OFFICIAL, TITLE, PHONE NUMBER Monika Chrzaszcz, Environmental Engineer, (312) 886-0181	EPA FACILITY ID# 1000 0005 8313	
FACILITY REPRESENTATIVE(S), TITLE(S), PHONE NUMBER(S) Steve Marr, Purchasing Agent, (517) 265-6138 Joseph Thatcher, EHS Manager, (517) 265-6138	INSPECTOR NAME(S), TITLE(S), PHONE NUMBER(S) Monika Chrzaszcz, Environmental Engineer, (312) 886-0181	
FACILITY REPRESENTATIVE, SIGNATURE  DATE	INSPECTOR'S SIGNATURE <i>Monika Chrzaszcz</i>	DATE 4/11/07

### INSPECTION FINDINGS

IS FACILITY SUBJECT TO RMP REGULATION (40 CFR 68)?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
DID FACILITY SUBMIT AN RMP AS PROVIDED IN 68.150 TO 68.185?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO
DATE RMP FILED WITH EPA: 06/18/1999	DATE OF LATEST RMP UPDATE: 08/13/2004
1) PROCESS/NAICS CODE: 325188 All other basic inorganic chemical manufacturing REGULATED SUBSTANCE: Bromine	PROGRAM LEVEL: 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> MAX. QUANTITY IN PROCESS: 235,000 lbs.
2) PROCESS/NAICS CODE: 325188 All other basic inorganic chemical manufacturing REGULATED SUBSTANCE: Chlorine	PROGRAM LEVEL: 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input checked="" type="checkbox"/> MAX. QUANTITY IN PROCESS: 360,000 lbs.
3) PROCESS/NAICS CODE: 325188 All other basic inorganic chemical manufacturing REGULATED SUBSTANCE: Ammonia (anhydrous)	PROGRAM LEVEL: 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> MAX. QUANTITY IN PROCESS: 70,000 lbs.
4) PROCESS/NAICS CODE: 325188 All other basic inorganic chemical manufacturing REGULATED SUBSTANCE: Ammonia (anhydrous)	PROGRAM LEVEL: 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> MAX. QUANTITY IN PROCESS: 70,000 lbs.
5) PROCESS/NAICS CODE: _____ REGULATED SUBSTANCE: _____	PROGRAM LEVEL: 1 <input type="checkbox"/> 2 <input type="checkbox"/> 3 <input type="checkbox"/> MAX. QUANTITY IN PROCESS: _____
DID FACILITY CORRECTLY ASSIGN PROGRAM LEVELS TO PROCESSES?	<input checked="" type="checkbox"/> YES <input type="checkbox"/> NO

ATTACHED CHECKLIST(S):  
 PROGRAM LEVEL 1 PROCESS CHECKLIST   
 PROGRAM LEVEL 2 PROCESS CHECKLIST   
 PROGRAM LEVEL 3 PROCESS CHECKLIST

OTHER ATTACHMENTS: Picture Attachments #1-5

INSPECTION SYMBOL KEY: Y - YES, N - NO, N/A - NOT APPLICABLE, S - SATISFACTORY, M - MARGINAL, U - UNSATISFACTORY

# RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET

## Program Level 3 Process Checklist

Facility Name: BioLab Inc., A Chemtura Company, 1406 E. Michigan Street, Adrian, Michigan 49221

***All comments and suggestions are bold and italicized***

Date RMP submitted: <u>6/18/1999</u>	Date process(es) came online: <u>1950's</u>
<b>Section A-Management [68.15]</b>	
Management system developed and implemented as provided in 40 CFR 68.15? <span style="float: right;"><input checked="" type="checkbox"/>S <input type="checkbox"/>M <input type="checkbox"/>U <input type="checkbox"/>N/A</span>	
Comments:	
Has the owner or operator:	
1. Developed a management system to oversee the implementation of the risk management program elements? [68.15(a)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
2. Assigned a qualified person or position that has the overall responsibility for the development, implementation, and integration of the risk management program elements? [68.15(b)] <b><i>John Pelstra has overall responsibility for the development, implementation, and integration of the risk management program elements.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
3. Documented other persons responsible for implementing individual requirements of the risk management program and defined the lines of authority through an organization chart or similar document? [68.15(c)] <b><i>A responsibility matrix is included in the PSM Book.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<b>Section B: Hazard Assessment [68.20-68.42]</b>	
Hazard assessment conducted and documented as provided in 40 CFR 68.20-68.42? <span style="float: right;"><input type="checkbox"/>S <input checked="" type="checkbox"/>M <input type="checkbox"/>U <input type="checkbox"/>N/A</span>	
Comments:	
<b>Hazard Assessment: Offsite consequence analysis parameters [68.22]</b>	
1. Used the following endpoints for offsite consequence analysis for a worst-case scenario: [68.22(a)] <input checked="" type="checkbox"/> a. For toxics: the endpoints provided in Appendix A of 40 CFR Part 68? [68.22(a)(1)] <input type="checkbox"/> b. For flammables: an explosion resulting in an overpressure of 1 psi? [68.22(a)(2)(i)] or <input type="checkbox"/> c. For flammables: a fire resulting in a radiant heat/exposure of 5 kw/m <sup>2</sup> for 40 seconds? [68.22(a)(2)(ii)] or <input type="checkbox"/> d. For flammables: a concentration resulting in a lower flammability limit, as provided in NFPA documents or other generally recognized sources? [68.22(a)(2)(iii)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
2. Used the following endpoints for offsite consequence analysis for an alternative release scenario: [68.22(a)] <input checked="" type="checkbox"/> a. For toxics: the endpoints provided in Appendix A of 40 CFR Part 68? [68.22(a)(1)] <input type="checkbox"/> b. For flammables: an explosion resulting in an overpressure of 1 psi? [68.22(a)(2)(i)] <input type="checkbox"/> c. For flammables: a fire resulting in a radiant heat/exposure of 5 kw/m <sup>2</sup> for 40 seconds? [68.22(a)(2)(ii)] <input type="checkbox"/> d. For flammables: a concentration resulting in a lower flammability limit, as provided in NFPA documents or other generally recognized sources? [68.22(a)(2)(iii)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
3. Used appropriate wind speeds and stability classes for the release analysis? [68.22(b)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
4. Used appropriate ambient temperature and humidity values for the release analysis? [68.22(c)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
5. Used appropriate values for the height of the release for the release analysis? [68.22(d)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
6. Used appropriate surface roughness values for the release analysis? [68.22(e)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
7. Do tables and models, used for dispersion analysis of toxic substances, appropriately account for	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A

**RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET**

**Program Level 3 Process Checklist**

Facility Name: BioLab Inc., A Chemtura Company, 1406 E. Michigan Street, Adrian, Michigan 49221

***All comments and suggestions are bold and italicized***

dense or neutrally buoyant gases? [68.22(f)]	
8. Were liquids, other than gases liquefied by refrigeration only, considered to be released at the highest daily maximum temperature, based on data for the previous three years appropriate for a stationary source, or at process temperature, whichever is higher? [68.22(g)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
<b>Hazard Assessment: Worst-case release scenario analysis [68.25]</b>	
9. Analyzed and reported in the RMP one worst-case release scenario estimated to create the greatest distance to an endpoint resulting from an accidental release of a regulated toxic substance from covered processes under worst-case conditions? [68.25(a)(2)(i)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
10. Analyzed and reported in the RMP one worst-case release scenario estimated to create the greatest distance to an endpoint resulting from an accidental release of a regulated flammable substance from covered processes under worst-case conditions? [68.25(a)(2)(ii)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
11. Analyzed and reported in the RMP additional worst-case release scenarios for a hazard class if the a worst-case release from another covered process at the stationary source potentially affects public receptors different from those potentially affected by the worst-case release scenario developed under 68.25(a)(2)(i) or 68.25(a)(2)(ii)? [68.25(a)(2)(iii)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
12. Has the owner or operator determined the worst-case release quantity to be the greater of the following: [68.25(b)] <input checked="" type="checkbox"/> a. If released from a vessel, the greatest amount held in a single vessel, taking into account administrative controls that limit the maximum quantity? [68.25(b)(1)] <input type="checkbox"/> b. If released from a pipe, the greatest amount held in the pipe, taking into account administrative controls that limit the maximum quantity? [68.25(b)(2)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
13a. Has the owner or operator for <u>toxic substances</u> that are <u>normally gases at ambient temperature and handled as a gas or liquid under pressure</u> :	
13.a.(1) Assumed the whole quantity in the vessel or pipe would be released as a gas over 10 minutes? [68.25(c)(1)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
13.a.(2) Assumed the release rate to be the total quantity divided by 10, if there are no passive mitigation systems in place? [68.25(c)(1)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
13.b. Has the owner or operator for <u>toxic gases</u> handled as <u>refrigerated liquids at ambient pressure</u> :	
13.b.(1) Assumed the substance would be released as a gas in 10 minutes, if not contained by passive mitigation systems or if the contained pool would have a depth of 1 cm or less? [68.25(c)(2)(i)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.b.(2) [ Optional for owner / operator ] Assumed the quantity in the vessel or pipe would be spilled instantaneously to form a liquid pool, if the released substance would be contained by passive mitigation systems in a pool with a depth greater than 1 cm? [68.25(c)(2)(ii)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.b.(3) Calculated the volatilization rate at the boiling point of the substance and at the conditions specified in 68.25(d)? [68.25(c)(2)(ii)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.c. Has the owner or operator for <u>toxic substances</u> that are <u>normally liquids at ambient temperature</u> :	
13.c.(1) Assumed the quantity in the vessel or pipe would be spilled instantaneously to form a liquid pool? [68.25(d)(1)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.c.(2) Determined the surface area of the pool by assuming that the liquid spreads to 1 cm deep, if there is no passive mitigation system in place that would serve to contain the spill and limit the surface area, or if passive mitigation is in place, the surface area of the contained liquid shall be used to calculate the volatilization rate? [68.25(d)(1)(i)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A

# RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET

## Program Level 3 Process Checklist

Facility Name: BioLab Inc., A Chemtura Company, 1406 E. Michigan Street, Adrian, Michigan 49221

***All comments and suggestions are bold and italicized***

13.c.(3) Taken into account the actual surface characteristics, if the release would occur onto a surface that is not paved or smooth? [68.25(d)(1)(ii)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.c.(4) Determined the volatilization rate by accounting for the highest daily maximum temperature in the past three years, the temperature of the substance in the vessel, and the concentration of the substance if the liquid spilled is a mixture or solution? [68.25(d)(2)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.c.(5) Determined the rate of release to air from the volatilization rate of the liquid pool? [68.25(d)(3)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.c.(6) Determined the rate of release to air by using the methodology in the RMP Offsite Consequence Analysis Guidance, any other publicly available techniques that account for the modeling conditions and are recognized by industry as applicable as part of current practices, or proprietary models that account for the modeling conditions may be used provided the owner or operator allows the implementing agency access to the model and describes model features and differences from publicly available models to local emergency planners upon request? [68.25(d)(3)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.d. Has the owner or operator for <u>flammables</u> :	
13.d.(1) Assumed the quantity in a vessel(s) of flammable gas held as a gas or liquid under pressure or refrigerated gas released to an undiked area vaporizes resulting in a vapor cloud explosion? [68.25(e)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.d.(2) For refrigerated gas released to a contained area or liquids released below their atmospheric boiling point, assumed the quantity volatilized in 10 minutes results in a vapor cloud? [68.25(f)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
13.d.(3) Assumed a yield factor of 10% of the available energy is released in the explosion for determining the distance to the explosion endpoint, if the model used is based on TNT-equivalent methods? [68.25(e)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
14. Used the parameters defined in 68.22 to determine distance to the endpoints? [68.25(g)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
15. Determined the rate of release to air by using the methodology in the RMP Offsite Consequence Analysis Guidance, any other publicly available techniques that account for the modeling conditions and are recognized by industry as applicable as part of current practices, or proprietary models that account for the modeling conditions may be used provided the owner or operator allows the implementing agency access to the model and describes model features and differences from publicly available models to local emergency planners upon request? [68.25(g)] a. What modeling technique did the owner or operator use? [68.25(g)] <b><i>EPA RMP Off-site consequence analysis look up tables were used for analysis.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
16. Ensured that the passive mitigation system, if considered, is capable of withstanding the release event triggering the scenario and will still function as intended? [68.25(h)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
17. Considered also the following factors in selecting the worst-case release scenarios: [68.25(i)] <input type="checkbox"/> a. Smaller quantities handled at higher process temperature or pressure? [68.25(i)(1)] <input type="checkbox"/> b. Proximity to the boundary of the stationary source? [68.25(i)(2)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
<b>Hazard Assessment: Alternative release scenario analysis [68.28]</b>	
18. Identified and analyzed at least one alternative release scenario for each regulated toxic substance held in a covered process(es) and at least one alternative release scenario to represent all flammable substances held in covered processes? [68.28(a)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
19. Selected a scenario: [68.28(b)] <input checked="" type="checkbox"/> a. That is more likely to occur than the worst-case release scenario under 68.25?	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A

**RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET**

**Program Level 3 Process Checklist**

Facility Name: BioLab Inc., A Chemtura Company, 1406 E. Michigan Street, Adrian, Michigan 49221

***All comments and suggestions are bold and italicized***

<p>[68.28(b)(1)(i)]  <input type="checkbox"/> b. That will reach an endpoint off-site, unless no such scenario exists? [68.28(b)(1)(ii)]</p>	
<p>20. Considered release scenarios which included, but are not limited to, the following: [68.28(b)(2)]  <input type="checkbox"/> a. Transfer hose releases due to splits or sudden hose uncoupling? [68.28(b)(2)(i)]  <input checked="" type="checkbox"/> b. Process piping releases from failures at flanges , joints, welds, valves and valve seals, and drains or bleeds? [68.28(b)(2)(ii)]  <input type="checkbox"/> c. Process vessel or pump releases due to cracks, seal failure, or drain, bleed, or plug failure? [68.28(b)(2)(iii)]  <input type="checkbox"/> d. Vessel overfilling and spill, or overpressurization and venting through relief valves or rupture disks? [68.28(b)(2)(iv)]  <input type="checkbox"/> e. Shipping container mishandling and breakage or puncturing leading to a spill? [68.28(b)(2)(v)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>21. Used the parameters defined in 68.22 to determine distance to the endpoints? [68.28(c)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>22. Determined the rate of release to air by using the methodology in the RMP Offsite Consequence Analysis Guidance, any other publicly available techniques that account for the modeling conditions and are recognized by industry as applicable as part of current practices, or proprietary models that account for the modeling conditions may be used provided the owner or operator allows the implementing agency access to the model and describes model features and differences from publicly available models to local emergency planners upon request? [68.28(c)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>23. Ensured that the passive and active mitigation systems, if considered, are capable of withstanding the release event triggering the scenario and will be functional? [68.28(d)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>24. Considered the following factors in selecting the alternative release scenarios: [68.28(e)]  <input type="checkbox"/> a. The five-year accident history provided in 68.42? [68.28(e)(1)]  <input type="checkbox"/> b. Failure scenarios identified under 68.67? [68.28(e)(2)]</p>	<p><input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A</p>
<p><b>Hazard Assessment: Defining off-site impacts–Population [68.30]</b></p>	
<p>25. Estimated population that would be included in the distance to the endpoint in the RMP based on a circle with the point of release at the center? [68.30(a)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>26. Identified the presence of institutions, parks and recreational areas, major commercial, office, and industrial buildings in the RMP? [68.30(b)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>27. Used most recent Census data, or other updated information to estimate the population? [68.30(c)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>28. Estimated the population to two significant digits? [68.30(d)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p><b>Hazard Assessment: Defining off-site impacts–Environment [68.33]</b></p>	
<p>29. Identified environmental receptors that would be included in the distance to the endpoint based on a circle with the point of release at the center? [68.33(a)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>30. Relied on information provided on local U.S.G.S. maps, or on any data source containing U.S.G.S. data to identify environmental receptors? [ Source may have used LandView to obtain information ] [68.33(b)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p><b>Hazard Assessment: Review and update [68.36]</b></p>	
<p>31. Reviewed and updated the off-site consequence analyses at least once every five years? [68.36(a)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>32. Completed a revised analysis and submit a revised RMP within six months of a change in processes, quantities stored or handled, or any other aspect that might reasonably be expected on increase or decrease the distance to the endpoint by a factor of two or more? [68.36(b)]</p>	<p><input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A</p>



**RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET**

**Program Level 3 Process Checklist**

Facility Name: BioLab Inc., A Chemtura Company, 1406 E. Michigan Street, Adrian, Michigan 49221

***All comments and suggestions are bold and italicized***

**Hazard Assessment: Documentation [68.39]**

Has the owner/operator maintained the following records:

33. For worst-case scenarios: a description of the vessel or pipeline and substance selected, assumptions and parameters used, the rationale for selection, and anticipated effect of the administrative controls and passive mitigation on the release quantity and rate? [68.39(a)] <b><i>At the time of the inspection, the owner or operator did not maintain documentation on the worst-case release scenario.</i></b>	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A
34. For alternative release scenarios: a description of the scenarios identified, assumptions and parameters used, the rationale for the selection of specific scenarios, and anticipated effect of the administrative controls and mitigation on the release quantity and rate? [68.39(b)] <b><i>At the time of the inspection, the owner or operator did not maintain documentation on the alternative release scenarios.</i></b>	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A
35. Documentation of estimated quantity released, release rate, and duration of release? [68.39(c)] <b><i>The owner or operator did not have any documentation on how they arrived at the estimated quantity released, release rate, and duration of release. They do have this information available in their submitted RMP, but do not have any supporting documentation.</i></b>	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A
36. Methodology used to determine distance to endpoints? [68.39(d)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
37. Data used to estimate population and environmental receptors potentially affected? [68.39(e)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A

**Hazard Assessment: Five-year accident history [68.42]**

38. Has the owner or operator included all accidental releases from covered processes that resulted in deaths, injuries, or significant property damage on site, or known offsite deaths, injuries, evacuations, sheltering in place, property damage, or environmental damage? [68.42(a)] <b><i>2001 was the last accident at the facility. The owner or operator stated that they have not had any accidents in the past five years. Procedures for addressing and reporting releases are similar to incident procedures.</i></b>	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
39. Has the owner or operator reported the following information for each accidental release: [68.42(b)] <input type="checkbox"/> a. Date, time, and approximate duration of the release? [68.42(b)(1)] <input type="checkbox"/> b. Chemical(s) released? [68.42(b)(2)] <input type="checkbox"/> c. Estimated quantity released in pounds and percentage weight in a mixture (toxics)? [68.42(b)(3)] <input type="checkbox"/> d. NAICS code for the process? [68.42(b)(4)] <input type="checkbox"/> e. The type of release event and its source? [68.42(b)(5)] <input type="checkbox"/> f. Weather conditions (if known)? [68.42(b)(6)] <input type="checkbox"/> g. On-site impacts? [68.42(b)(7)] <input type="checkbox"/> h.. Known offsite impacts? [68.42(b)(8)] <input type="checkbox"/> i. Initiating event and contributing factors (if known)? [68.42(b)(9)] <input type="checkbox"/> j. Whether offsite responders were notified (if known)? [68.42(b)(10)] <input type="checkbox"/> k. Operational or process changes that resulted from investigation of the release? [68.42(b)(11)]  <b><i>The owner or operator should make sure that all the above items are included in their report. NAICS Code for the process and operational or process changes that resulted from investigation of the release were not on the information reviewed.</i></b>	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A

**Section C: Prevention Program**

Implemented the Program 3 prevention requirements as provided in 40 CFR 68.65 - 68.87?  S  M  U  N/A  
 Comments:

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<b>Prevention Program- Process Safety information [68.65]</b>	
<p>1. Has the owner or operator compiled written process safety information, which includes information pertaining to the hazards of the regulated substances used or produced by the process, information pertaining to the technology of the process, and information pertaining to the equipment in the process, before conducting any process hazard analysis required by the rule? [68.65(a)]</p> <p>Does the process safety information contain the following for hazards of the substances: [68.65(b)]</p> <p><input checked="" type="checkbox"/> a. Toxicity information? [68.65(b)(1)]</p> <p><input checked="" type="checkbox"/> b. Permissible exposure limits? [68.65(b)(2)]</p> <p><input checked="" type="checkbox"/> c. Physical data? [68.65(b)(3)]</p> <p><input checked="" type="checkbox"/> d. Reactivity data? [68.65(b)(4)]</p> <p><input checked="" type="checkbox"/> e. Corrosivity data? [68.65(b)(5)]</p> <p><input checked="" type="checkbox"/> f. Thermal and chemical stability data? [68.65(b)(6)]</p> <p><input checked="" type="checkbox"/> g. Hazardous effects of inadvertent mixing of materials that could foreseeably occur? [68.65(b)(7)]</p> <p><b><i>The following MSDS were reviewed: Koch Nitrogen Co, printed 11/21/2002 and Great Lakes Chemical Co. dated 3/31/2005.</i></b></p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<p>2. Has the owner documented information pertaining to technology of the process?</p> <p><input checked="" type="checkbox"/> A block flow diagram or simplified process flow diagram? [68.65(c)(1)(i)]</p> <p><input checked="" type="checkbox"/> Process chemistry? [68.65(c)(1)(ii)]</p> <p><input checked="" type="checkbox"/> Maximum intended inventory? [68.65(c)(1)(iii)]</p> <p><input checked="" type="checkbox"/> Safe upper and lower limits for such items as temperatures, pressures, flows, or compositions? [68.65(c)(1)(iv)]</p> <p><b><i>Operating limits are specified in operating procedures and are set within the computer system. In addition, there are alarm set points that have been programmed.</i></b></p> <p><input type="checkbox"/> An evaluation of the consequences of deviation? [68.65(c)(1)(iv)]</p> <p><b><i>Did not review.</i></b></p> <p><input type="checkbox"/> Does the process safety information contain the following for the equipment in the process: [68.65(d)(1)]</p> <p><input checked="" type="checkbox"/> Materials of construction? 68.65(d)(1)(i)]</p> <p><input checked="" type="checkbox"/> Piping and instrumentation diagrams [68.65(d)(1)(ii)]</p> <p><input checked="" type="checkbox"/> Electrical classification? [68.65(d)(1)(iii)]</p> <p><input checked="" type="checkbox"/> Relief system design and design basis? [68.65(d)(1)(iv)]</p> <p><input checked="" type="checkbox"/> Ventilation system design? [68.65(d)(1)(v)]</p> <p><input checked="" type="checkbox"/> Design codes and standards employed? [68.65(d)(1)(vi)]</p> <p><input checked="" type="checkbox"/> Material and energy balances for processes built after June 21, 1999? [68.65(d)(1)(vii)]</p> <p><input type="checkbox"/> Safety systems? [68.65(d)(1)(viii)]</p> <p><b><i>Did not review.</i></b></p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<p>3. Has the owner or operator documented that equipment complies with recognized and generally accepted good engineering practices? [68.65(d)(2)]</p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<p>4. Has the owner or operator determined and documented that existing equipment, designed and constructed in accordance with codes, standards, or practices that are no longer in general use, is designed, maintained, inspected, tested, and operating in a safe manner? [68.65(d)(3)]</p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<b>Prevention Program- Process Hazard Analysis [68.67]</b>	
<p>5. Has the owner or operator performed an initial process hazard analysis (PHA), and has this analysis identified, evaluated, and controlled the hazards involved in the process? [68.67(a)]</p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<p>6. Has the owner or operator determined and documented the priority order for conducting PHAs, and was it based on an appropriate rationale? [68.67(a)]</p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<p>7. Has the owner used one or more of the following technologies to conduct process PHA: [68.67(b)]</p> <p><input checked="" type="checkbox"/> What-if? [68.67(b)(1)] – <b><i>Initial PHA</i></b></p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A

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<input type="checkbox"/> Checklist? [68.67(b)(2)] <input type="checkbox"/> What-if/Checklist? [68.67(b)(3)] <input checked="" type="checkbox"/> Hazard and Operability Study (HAZOP) [68.67(b)(4)] – <b><i>5/2006 PHA</i></b> <input type="checkbox"/> Failure Mode and Effects Analysis (FMEA) [68.67(b)(5)] <input type="checkbox"/> Fault Tree Analysis? [68.67(b)(6)] <input checked="" type="checkbox"/> An appropriate equivalent methodology? [68.67(b)(7)] – <b><i>Initial PHA</i></b>	
<p>8. Did the PHA address:</p> <input checked="" type="checkbox"/> The hazards of the process? [68.67(c)(1)] <input checked="" type="checkbox"/> Identification of any incident which had a likely potential for catastrophic consequences? [68.67(c)(2)] <input checked="" type="checkbox"/> Engineering and administrative controls applicable to hazards and interrelationships? [68.67(c)(3)] <input checked="" type="checkbox"/> Consequences of failure of engineering and administrative controls? [68.67(c)(4)] <input checked="" type="checkbox"/> Stationary source siting? [68.67(c)(5)] <p><b><i>Generic Safeguards and facility siting checklist.</i></b></p> <input type="checkbox"/> Human factors? [68.67(c)(6)] <p><b><i>Human Factors were not thoroughly addressed in PHA's.</i></b></p> <input checked="" type="checkbox"/> An evaluation of a range of the possible safety and health effects of failure of controls? [68.67(c)(7)]	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A
<p>9. Was the PHA performed by a team with expertise in engineering and process operations and did the team include appropriate personnel? [68.67(d)]</p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<p>10. Has the owner or operator established a system to promptly address the team's findings and recommendations; assured that the recommendations are resolved in a timely manner and documented; documented what actions are to be taken; completed actions as soon as possible; developed a written schedule of when these actions are to be completed; and communicated the actions to operating, maintenance, and other employees whose work assignments are in the process and who may be affected by the recommendations? [68.67(e)]</p> <p><b><i>The owner or operator failed to establish a system to promptly address the team's findings and recommendations; assure that the recommendations are resolved in a timely manner and documented; documented what actions are to be taken; completed actions as soon as possible; develop a written schedule of when these actions are to be completed; and communicated the action to operating, maintenance, and other employees whose work assignments are in the process and who may be affected by the recommendations.</i></b></p>	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A
<p>11. Has the PHA been updated and revalidated by a team every five years after the completion of the initial PHA to assure that the PHA is consistent with the current process? [68.67(f)]</p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<p>12. Has the owner or operator retained PHAs and updates or revalidations for each process covered, as well as the resolution of recommendations for the life of the process? [68.67(g)]</p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<b>Prevention Program- Operating procedures [68.69]</b>	
<p>13. Has the owner or operator developed and implemented written operating procedures that provides instructions or steps for conducting activities associated with each covered process consistent with the safety information? [68.69(a)]</p> <p><b><i>At the time of the inspection, the following operating procedures were reviewed: DMH operations, BCDMH Scrubbers, BCDMH Reactors, Bromine Storage Tank, T-3 Caustic Filter Change, DMH Purification, Ammonia Unloading, Railcar Unloading, Chlorine and Bromine unloading, Integrated Emergency Response Plan. The ammonia unloading procedures also included startup, normal operating, emergency operations, emergency shutdown, and temporary operating procedures.</i></b></p>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<p>14. Do the procedures address the following: [68.69(a)]</p> <input checked="" type="checkbox"/> <b><i>Steps for each operating phase: [68.69(a)(1)]</i></b> <input checked="" type="checkbox"/> Initial Startup? [68.69(a)(1)(i)] <input checked="" type="checkbox"/> Normal operations? [68.69(a)(1)(ii)] <input checked="" type="checkbox"/> Temporary operations? [68.69(a)(1)(iii)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A

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<p><input checked="" type="checkbox"/> Emergency shutdown including the conditions under which emergency shutdown is required, and the assignment of shutdown responsibility to qualified operators to ensure that emergency shutdown is executed in a safe and timely manner? [68.69(a)(1)(iv)]</p> <p><input checked="" type="checkbox"/> Emergency operations? [68.69(a)(1)(v)]</p> <p><input checked="" type="checkbox"/> Normal shutdown? [68.68(a)(1)(vi)]</p> <p><input checked="" type="checkbox"/> Startup following a turnaround, or after emergency shutdown? [68.69(a)(1)(vii)]</p> <p><input checked="" type="checkbox"/> <b>Operating limits:</b> [68.68(a)(2)]</p> <p><input checked="" type="checkbox"/> Consequences of deviations [68.69(a)(2)(i)]</p> <p><input type="checkbox"/> Steps required to correct or avoid deviation? [68.69(a)(2)(ii)]</p> <p><b><i>This information was included in the PHA's. Actual procedures did not address consequences of deviation.</i></b></p> <p><input checked="" type="checkbox"/> <b>Safety and health considerations:</b> [68.69(a)(3)]</p> <p><input checked="" type="checkbox"/> Properties of, and physical hazards presented by, the chemicals used in the process [68.69(a)(3)(i)]</p> <p><input checked="" type="checkbox"/> Precautions necessary to prevent exposure, including engineering controls, administrative controls, and personal protective equipment? [68.69(a)(3)(ii)]</p> <p><input checked="" type="checkbox"/> Control measures to be taken if physical contact or airborne exposure occurs? [68.69(a)(3)(iii)]</p> <p><input checked="" type="checkbox"/> Quality control for raw materials and control of hazardous chemical inventory levels? [68.69(a)(3)(iv)]</p> <p><input checked="" type="checkbox"/> Any special or unique hazards? [68.69(a)(3)(v)]</p> <p><input checked="" type="checkbox"/> <b>Safety systems and their functions?</b> [68.69(a)(4)]</p>	
<p>15. Are operating procedures readily accessible to employees who are involved in a process? [68.69(b)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>16. Has the owner or operator certified annually that the operating procedures are current and accurate and that procedures have been reviewed as often as necessary? [68.69(c)]</p> <p><b><i>At the time of the inspection, the owner or operator did not have documentation on annual certification of operating procedures.</i></b></p>	<p><input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>17. Has the owner or operator developed and implemented safe work practices to provide for the control of hazards during specific operations, such as lockout/tagout? [68.69(d)]</p> <p><b>Control of Hazardous Emergency</b></p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p><b>Prevention Program - Training [68.71]</b></p>	
<p>18. Has each employee involved in operating a process, and each employee before being involved in operating a newly assigned process, been initially trained in an overview of the process and in the operating procedures? [68.71(a)(1)]</p> <p><b><i>According to the owner or operator, new operators participate in orientation and hands on work with experienced operators for a minimum of 30 days. They must complete a test and sign-off on work instructions/procedures before working as an operator on their own.</i></b></p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>19. Did initial training include emphasis on safety and health hazards, emergency operations including shutdown, and safe work practices applicable to the employee's job tasks? [68.71(a)(1)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>20. In lieu of initial training for those employees already involved in operating a process on June 21, 1999, an owner or operator may certify in writing that the employee has the required knowledge, skills, and abilities to safely carry out the duties and responsibilities as specified in the operating procedures [68.71(a)(2)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>21. Has refresher training been provided at least every three years, or more often if necessary, to each employee involved in operating a process to assure that the employee understands and adheres to the current operating procedures of the process? [68.71(b)]</p> <p><b><i>After review of Jeffrey Flints and Dwayne Moore's training records, it was determined that refresher training has not been provided at least every three years. This refresher training must include a review of operating procedures so that employees understand and adhere to the current operating procedures of the process.</i></b></p>	<p><input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>22. Has owner or operator ascertained and documented in record that each employee involved in operating a</p>	

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process has received and understood the training required?	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
23. Does the prepared record contain the identity of the employee, the date of the training, and the means used to verify that the employee understood the training? [68.71(c)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<b>Prevention Program - Mechanical Integrity [68.73]</b>	
24. Has the owner or operator established and implemented written procedures to maintain the on-going integrity of the process equipment listed in 68.73(a)? [68.73(b)] <b><i>The facility uses a Maximo System that generates work orders for inspections and tests of process equipment.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
25. Has the owner or operator trained each employee involved in maintaining the on-going integrity of process equipment? [68.73(c)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
26. Performed inspections and tests on process equipment? [68.73(d)(1)] <b><i>At the time of the inspection, the following inspection records were reviewed: PRV Changeout for ammonia storage tank, PRD Inspection on 1/1/2007, scrubber inspection dated 2/5/2007, Ammonia tank vessel inspection dated 11/2001. The owner or operator failed to have documentation on all process vessels and tanks, including UT testing and monthly inspections.</i></b> <b><i>PRV's are on schedule to be replaced every five years and inspected monthly. Scrubbers are on a monthly PM schedule. Orbital Engineering conducts yearly thickness testing on process lines for ammonia and chlorine. Vessels are on a monthly walk through basis and a five year change out schedule for ammonia tanks.</i></b>	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A
27. Followed recognized and generally accepted good engineering practices for inspections and testing procedures? [68.73(d)(2)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
28. Ensured the frequency of inspections and tests of process equipment is consistent with applicable manufacturers' recommendations, good engineering practices, and prior operating experience? [68.73(d)(3)] <b><i>The owner or operator did not ensure the frequency of inspections and tests of process equipment is consistent with applicable manufacturers' recommendations, specifically for process vessels and tanks.</i></b>	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A
29. Documented each inspection and test that had been performed on process equipment, 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? [68.73(d)(4)] <b><i>The owner or operator did not document each inspection and test that had been performed on process equipment.</i></b>	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A
30. Corrected deficiencies in equipment that were outside acceptable limits defined by the process safety information before further use or in a safe and timely manner when necessary means were taken to assure safe operation? [68.73(e)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
31. Assured that equipment as it was fabricated is suitable for the process application for which it will be used in the construction of new plants and equipment? [68.73(f)(1)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
32. Performed appropriate checks and inspections to assure that equipment was installed properly and consistent with design specifications and the manufacturer's instructions? [68.73(f)(2)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
33. Assured that maintenance materials, spare parts and equipment were suitable for the process	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A

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application for which they would be used? [68.73(f)(3)]	
<b>Prevention Program - Management Of Change [68.75]</b>	
34. Has the owner or operator established and implemented written procedures to manage changes to process chemicals, technology, equipment, and procedures, and changes to stationary sources that affect a covered process? [68.75(a)] <b><i>MOC's are completed in an Access based program which has been in use since 2002. At the time of the inspection, reviewed MOC #371, MOC #360 and 1.4 Management of Change procedures dated 5/4/2004.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
35. Do procedures assure that the following considerations are addressed prior to any change: [68.75(b)] <input checked="" type="checkbox"/> The technical basis for the proposed change? [68.75(b)(1)] <input checked="" type="checkbox"/> Impact of change on safety and health? [68.75(b)(2)] <input checked="" type="checkbox"/> Modifications to operating procedures? [68.75(b)(3)] <input checked="" type="checkbox"/> Necessary time period for the change? [68.75(b)(4)] <input checked="" type="checkbox"/> Authorization requirements for the proposed change? [68.75(b)(5)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
36. Were employees, involved in operating a process and maintenance, and contract employees, whose job tasks would be affected by a change in the process, informed of, and trained in, the change prior to start-up of the process or affected parts of the process? [68.75(c)] <b><i>Employees must sign-off.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
37. If a change resulted in a change in the process safety information, was such information updated accordingly? [68.75(d)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
38. If a change resulted in a change in the operating procedures or practices, had such procedures or practices been updated accordingly? [68.75(e)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<b>Prevention Program - Pre-startup Safety Review [68.77]</b>	
39. Did the pre-startup safety review confirm that prior to the introduction of a regulated substance to a process: [68.77(b)] <input checked="" type="checkbox"/> Construction and equipment was in accordance with design specifications? [68.77(b)(1)] <input checked="" type="checkbox"/> Safety, operating, maintenance, and emergency procedures were in place and were adequate? [68.77(b)(2)] <input checked="" type="checkbox"/> For new stationary sources, a process hazard analysis had been performed and recommendations had been resolved or implemented before startup? [68.77(b)(3)] <input checked="" type="checkbox"/> Modified stationary sources meet the requirements contained in management of change? [68.77(b)(3)] <input checked="" type="checkbox"/> Training of each employee involved in operating a process had been completed? [68.77(b)(4)] <b><i>MOC # 339 (11/15/2006) and MOC #29 (6/27/2006) were reviewed at the time of the inspection.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<b>Prevention Program - Compliance audits [68.79]</b>	
1. Has the owner or operator certified that the stationary source has evaluated compliance with the provisions of the prevention program at least every three years to verify that the developed procedures and practices are adequate and being followed? [68.79(a)] <b><i>PSM &amp; RMP Audit conducted in December 2004, January 2007 PSM Audit conducted, May 2007, scheduled RMP Audit.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
2. Has the audit been conducted by at least one person knowledgeable in the process? [68.79(b)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
3. Are the audit findings documented in a report? [68.79(c)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
4. Has the owner or operator promptly determined and documented an appropriate response to each of the findings of the audit and documented that deficiencies had been corrected? [68.79(d)]	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A

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<p><b><i>6 recommendations have been completed and 5 recommendations are still ongoing for the December 2004 audit. 21 recommendations were made as a result of the January 2007 audit. The findings of the audit must be addressed promptly and the owner or operator must have documentation that shows deficiencies have been corrected..</i></b></p>	
<p>Has the owner or operator retained the two most recent compliance reports? [68.79(e)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p><b>Prevention Program - Incident investigation [68.81]</b></p>	
<p>Has the owner or operator investigated each incident which resulted in, or could reasonably have resulted in a catastrophic release of a regulated substance? [68.81(a)]</p> <p><b><i>The owner or operator has procedures in place for reporting incidence, procedures should be followed accordingly. The Shift Super. is responsible for generating incident reports.</i></b></p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Were all incident investigations initiated not later than 48 hours following the incident? [68.81(b)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Was an accident investigation team established and did it consist of at least one person knowledgeable in the process involved, including a contract employee if the incident involved work of a contractor, and other persons with appropriate knowledge and experience to thoroughly investigate and analyze the incident? [68.81(c)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Was a report prepared at the conclusion of every investigation?[68.81(d)]</p> <p><b><i>Spill and Reportable Chemical Release Guide is used, 11R Form is completed (Form 5.1)</i></b></p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Does every report include: [68.81(d)]</p> <p><input checked="" type="checkbox"/> Date of incident? [68.81(d)(1)]</p> <p><input checked="" type="checkbox"/> Date investigation began? [68.81(d)(2)]</p> <p><input checked="" type="checkbox"/> A description of the incident? [68.81(d)(3)]</p> <p><input checked="" type="checkbox"/> The factors that contributed to the incident? [68.81(d)(4)]</p> <p><input checked="" type="checkbox"/> Any recommendations resulting from the investigation? [68.81(d)(5)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Has the owner or operator established a system to address and resolve the report findings and recommendations, and are the resolutions and corrective actions documented? [68.81(e)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Was the report reviewed with all affected personnel whose job tasks are relevant to the incident findings including contract employees where applicable? [68.81(f)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Has the owner or operator retained the incident investigation reports for five years? [68.81(g)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p><b>Section D - Employee Participation [68.83]</b></p>	
<p>Has the owner or operator developed a written plan of action regarding the implementation of the employee participation required by this section?[68.83(a)]</p> <p><b><i>PSM01-96-02, updated 5/10/2005 is the procedure that addresses employee participation. In addition, the facility has quarterly safety meetings and tries to have monthly meetings. The procedure says that the owner or operator will have monthly meetings. The procedure should accurately reflect what the facility is doing and meetings it is conducting.</i></b></p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Has the owner or operator consulted with employees and their representatives on the conduct and development of process hazards analyses and on the development of the other elements of process safety management in chemical accident prevention provisions? [68.83(b)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>Has the owner or operator provided to employees and their representatives access to process hazards analyses and to all other information required to be developed under the chemical accident prevention rule? [68.83(c)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>

# RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET

## Program Level 3 Process Checklist

Facility Name: BioLab Inc., A Chemtura Company, 1406 E. Michigan Street, Adrian, Michigan 49221

***All comments and suggestions are bold and italicized***

<b>Section E - Hot Work Permit [68.85]</b>	
1. Has the owner or operator issued a hot work permit for each hot work operation conducted on or near a covered process? [68.85(a)]  <b><i>At the time of the inspection, reviewed hot work permit 0437 dated 3/30/2007. The shift supervisor is responsible for reviewing the hot work permits. The hot work permit that was reviewed did not have Bob's signature as required by the permit. The permits are kept for at least 3 months. Also reviewed the Hot Work Permit procedures 2.3 Hot Work dated 7/26/2001.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
2. Does the permit document that the fire prevention and protection requirements in 29CFR 1910.252(a) have been implemented prior to beginning the hot work operations? [68.85(b)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
3. Does the permit indicate the date(s) authorized for hot work and the object(s) upon which hot work is to be performed? [68.85(b)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
4. Are the permits being kept on file until completion of the hot work operations? [68.85(b)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<b>Section F - Contractors [68.87]</b>	
1. Has the owner or operator obtained and evaluated information regarding the contract owner or operator's safety performance and programs when selecting a contractor? [68.87(b)(1)]  <b><i>Main Contractor on site is AAA Industrial Machine Installation and Services, LLC. Contractors are required to complete a safety questionnaire, and safety orientation at least once a year. The owner or operator must make sure that contractors are reevaluated in accordance to procedures.</i></b>	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
2. Informed contract owner or operator of the known potential fire, explosion, or toxic release hazards related to the contractor's work and the process? [68.87(b)(2)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
3. Explained to the contract owner or operator the applicable provisions of the emergency response or the emergency action program? [68.87(b)(3)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
4. Developed and implemented safe work practices consistent with §68.69(d), to control the entrance, presence, and exit of the contract owner or operator and contract employees in the covered process areas? [68.87(b)(4)]	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
<b>Section G - Emergency Response [68.90 - 68.95]</b>	
Developed and implemented an emergency response program as provided in 40 CFR 68.90-68.95? <input type="checkbox"/> S <input checked="" type="checkbox"/> M <input type="checkbox"/> U <input type="checkbox"/> N/A Comments: <b><i>The facility is designated as a first responder. There is an Incident Command system in place to respond to any releases. There is also an Emergency Action Plan that is used for releases and other such incidents. Hazwopper training is conducted in conjunction with the MI State Police. The facility has emergency response equipment that includes but is not limited to: SCBA's, Tyvek suits, boots, gloves, respirator kits, radios, hose, etc.</i></b>	
1. Is the facility designated as a "first responder" in case of an accidental release of regulated substances"	<input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A
1.a. If the facility is not a first responder:	
1.a.(1) For stationary sources with any regulated substances held in a process above threshold quantities, is the source included in the community emergency response plan developed under 42 U.S.C. 11003? [68.90(b)(1)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A
1.a.(2) For stationary sources with only regulated flammable substances held in a process above threshold quantities, has the owner or operator coordinated response actions with the local fire department? [68.90(b)(2)]	<input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A



# RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET

## Program Level 3 Process Checklist

Facility Name: BioLab Inc., A Chemtura Company, 1406 E. Michigan Street, Adrian, Michigan 49221

***All comments and suggestions are bold and italicized***

<p>1.a.(3) Are appropriate mechanisms in place to notify emergency responders when there is need for a response? [68.90(b)(3)]</p>	<p><input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A</p>
<p>2. An emergency response plan which is maintained at the stationary source and contains the following? [68.95(a)(1)]</p> <p><input checked="" type="checkbox"/> a. Procedures for informing the public and local emergency response agencies about accidental releases? [68.95(a)(1)(i)]</p> <p><input checked="" type="checkbox"/> b. Documentation of proper first-aid and emergency medical treatment necessary to treat accidental human exposures? [68.95(a)(1)(ii)]</p> <p><input checked="" type="checkbox"/> c. Procedures and measures for emergency response after an accidental release of a regulated substance? [68.95(a)(1)(iii)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>3. Procedures for the use of emergency response equipment and for its inspection, testing, and maintenance? [68.95(a)(2)]</p> <p><b><i>The owner or operator does not have procedures in place for the use, inspection, testing, and maintenance of emergency response equipment on site. Inspection records were reviewed for SCBA inspections and the owner or operator must make sure that tanks are hydrostatically tested as required and stamped. Tank with Serial # 0009250076, #4 was stamped as needing hydrostatic testing on 3/2005, but has not been recertified.</i></b></p>	<p><input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>4. Training for all employees in relevant procedures? [68.95(a)(3)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>5. Procedures to review and update, as appropriate, the emergency response plan to reflect changes at the stationary source and ensure that employees are informed of changes? [68.95(a)(4)]</p> <p><b><i>The last review of the Emergency Action Plan was 5/2005, the facility must update the plan to include the most up-to-date call list information.</i></b></p>	<p><input type="checkbox"/> Y <input checked="" type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>6. Did the owner or operator use a written plan that complies with other Federal contingency plan regulations or is consistent with the approach in the National Response Team's Integrated Contingency Plan Guidance ("One Plan")? If so, does the plan include the elements provided in paragraph (a) of 68.95, and also complies with paragraph (c) of 68.95? [68.95(b)]</p>	<p><input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A</p>
<p>7. Has the emergency response plan been coordinated with the community emergency response plan developed under EPCRA? [68.95(c)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p><b>Section H - Risk Management Plan [68.190 - 68.195]</b></p>	
<p>1. Has the owner or operator reviewed and updated the RMP and submitted it to EPA [68.190(a)]? Reason for update.</p> <p><input checked="" type="checkbox"/> Five-year update. [68.190(b)(1)]</p> <p><input type="checkbox"/> Within three years of a newly regulated substance listing. [68.190(b)(2)]</p> <p><input type="checkbox"/> At the time a new regulated substance is first present in an already regulated process above threshold quantities. [68.190(b)(3)]</p> <p><input type="checkbox"/> At the time a regulated substance is first present in a new process above threshold quantities. [68.190(b)(4)]</p> <p><input type="checkbox"/> Within six months of a change requiring revised PHA or hazard review. [68.190(b)(5)]</p> <p><input type="checkbox"/> Within six months of a change requiring a revised OCA as provided in 68.36. [68.190(b)(6)]</p> <p><input type="checkbox"/> Within six months of a change that alters the Program level that applies to any covered process. [68.190(b)(7)]</p>	<p><input checked="" type="checkbox"/> Y <input type="checkbox"/> N <input type="checkbox"/> N/A</p>
<p>2. If the owner or operator experienced an accidental release that met the five-year accident history reporting criteria (as described at 68.42) subsequent to April 9, 2004, did the owner or operator submit the information required at 68.168, 68.170(j) and 68.175(l) within six months of the release or by the time the RMP was updated as required at 68.190, whichever was earlier. [68.195(a)]</p>	<p><input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A</p>
<p>3. If the emergency contact information required at 68.160(b)(6) has changed since June 21, 2004, did</p>	<p><input type="checkbox"/> Y <input type="checkbox"/> N <input checked="" type="checkbox"/> N/A</p>

RISK MANAGEMENT PROGRAM INSPECTION FINDINGS, ALLEGED VIOLATIONS AND PROPOSED PENALTY SHEET

Program Level 3 Process Checklist

Facility Name: BioLab Inc., A Chemtura Company, 1406 E. Michigan Street, Adrian, Michigan 49221

***All comments and suggestions are bold and italicized***

the owner or operator submit corrected information within thirty days of the change? [68.195(b)]	
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# U.S. ENVIRONMENTAL PROTECTION AGENCY

## RISK MANAGEMENT PROGRAM INSPECTION REPORT

<b>FACILITY NAME AND ADDRESS</b> BioLab Inc. (A Chemtura Company) 1406 E. Michigan Street Adrian, Michigan 49221	<b>INSP. START DATE / TIME</b> 04/11/2007, 9:00am  <b>INSP. END DATE / TIME</b> 04/11/2007, 5:00pm	<b>RMP SUBMITTAL DATE:</b> Initial: 06/18/1999 Update 08/22/1999 Five Year Update: 06/13/2004	
<b>RESPONSIBLE OFFICIAL</b> Monika Chrzaszcz	<b>TITLE</b> Environmental Engineer	<b>PHONE NUMBER</b> (312) 886-0181	
<b>FACILITY REPRESENTATIVE(S)</b> Steve Marr Joseph Thatcher	<b>TITLE(S)</b> Purchasing Agent EHS Manager	<b>PHONE NUMBER(S)</b> (517)-265-6138	<b>CONTACTED</b> x YES    NO

### INSPECTION FINDINGS

(S = Satisfactory, M = Marginal, U = Unsatisfactory, N = Not Evaluated, X = Not Applicable)

S	Management System	U	Haz Assess Back Up Docs	M	Training	S	Hot Work Permits
S	Hazard Assessment	X	Five Year Accident History	M	Mechanical Integrity	S	Contractors
S	OCA Parameters			S	Management of Change	M	Emergency Response
S	Offsite Impact Analysis	M	Prevention Program	M	Compliance Audits	M	Certifications
S	Alternative Release Scenario	S	Process Safety	S	Incident Investigations	M	Implementation of Program
S	Review and Update	M	Process Hazard Analysis	S	Employee Participation		
		M	SOP'S				

### SECTION C: APPLICABILITY

Program Level	Regulated Substance	LEPC	Attachments
Program Level 3	Bromine Chlorine Ammonia, anhydrous	Lenauwee County LEPC	

### SECTION D: PROCESS DESCRIPTION (attach additional sheets if necessary)

The primary activities at the BioLab, Inc. (A Chemtura Company), facility in Adrian, MI is synthesis of organic chemicals. Mainly they produce approximately 12-14 million pounds of water treatment chemicals or bromo-chloro (BCDMH) a year. In addition, they produce DMH which is used in cosmetics. The building at this location was first built in the early 1900's as a fencing building. BioLab as it is known today began operation in the 1950's. They are a program level 3 facility that operates from 11pm - 3pm, two shifts. The facility is monitored 24/7, with a supervisor on site at all times. There are approximately 54 employees, 25 that work with process chemicals and 5 maintenance employees. The facility uses three RMP covered chemicals which include bromine, chlorine, and ammonia. The Bromine is received via rail car approximately every 4 days, with iso-containers ordered as backup. The chlorine is received via rail car approximately every 7-10 days. On average 4 rail cars are brought on site. The ammonia is received by truck on an as needed basis. When busy, ammonia is received approximately every 4 days and is reduced to 10-15% inventory before it is reordered.

### SECTION E: SUMMARY FINDINGS/COMMENTS (Attach additional sheets if necessary)

On April 11, 2007, a Risk Management Program inspection was conducted at the BioLab, Inc. (A Chemtura Company) facility in Adrian, Michigan. The purpose of the inspection was to determine the facilities compliance with the Risk Management Program, or CAA 112(r) regulations. John Poelstra has responsible for overall implementation of the Risk Management Program. Several employees greeted the inspector and were notified that the inspector would need to see documentation as well as take a walk through of the facility; especially taking note of the RMP covered process equipment.

During the facility walk thru, the following observations and notes were made:

- There were two rail cars of chlorine on site. The facility has two unloading/loading stations, but can only off load one rail car at a time because they can only chlorinate off of one reactor.
- There is an ACH unloading station.
- There is one Caustic Sodium Hydroxide unloading station.
- There was one tank of anhydrous ammonia on site, with approximately 65%.
- There was no Bromine unloading taking place at the time of the inspection.
- Carbon Dioxide liquid from DMH process is completely owned and operated by Praxair.
- Sulfuric Acid is received in totes and 5 totes were on site.
- The temporary piping that was put in December for some work was removed off the chlorine lines.
- Ammonia lines are missing labels and valves are missing tags or some sort of identification, strongly recommend labeling lines and tagging valves.
- Process piping and valves are rusty in some areas.
- For the BCDMH process not all valves are tagged, strongly recommend tagging all valves. In addition, strong chlorine smell noticed during walk through.
- Chlorine sensors are located below each reactor and set for 3ppm. In addition, there are sensors on each rail car.

The following notes, recommendations, and violations are being noted as a result of reviewing documentation and interviewing individuals during the RMP inspection:

#### Risk Management Plan

- Recommend removing inventory quantities from submitted RMP executive summary.

#### Hazard Assessment: Documentation

- The owner or operator did not maintain documentation on the worst-case release scenario as required under **68.39(a)**.
- The owner or operator did not maintain documentation on the alternative release scenario as required under **68.30(b)**.
- The owner or operator did not maintain documentation on how they arrived at the estimated quantity released, release rate, and duration of release as required under **68.39(c)**. This information is available in the submitted RMP, but there is no supporting documentation.

#### Hazard Assessment : Five-year Accident History

-The owner or operator should make sure that all items under 68.42(b) are reported and included in any accident report. NAICS Codes for the process and operation or process changes that resulted from investigations of release were not on the information reviewed.

**Prevention Program – Process Safety Information**

-Documentation on evaluation of consequences of deviation was not reviewed at the time of the inspection.  
-Documentation on safety systems was not reviewed at the time of the inspection.

**Prevention Program – Process Hazard Analysis**

-The owner or operator failed to establish a system to promptly address the team's findings and recommendations; assure that the recommendations are resolved in a timely manner and documented; documented what actions are to be taken; completed actions as soon as possible; develop a written schedule of when these actions are to be completed; and communicated the action to operating, maintenance, and other employees whose work assignments are in the process and who may be affected by the recommendations, as required under 68.67(e).

**Prevention Program – Operating Procedures**

-The owner or operator did not certify annually that the operating procedures are current and accurate and that procedures have been reviewed as often as necessary, as required under 68.69(c).

**Prevention Program – Training**

-The owner or operator did not provide refresher training at least every three years, or more often if necessary, to each employee involved in operating a process to assure that he employee understand and adheres to the current operating procedures of the process as required under 68.71(b).

**Prevention Program – Mechanical Integrity**

-The facility uses a MAXIMO System to monitor and record inspections and tests on process equipment. Inspection records were reviewed on process equipment and work orders were reviewed that documented such inspections and tests conducted on process equipment.  
-The owner or operator failed to perform inspection and test on process equipment, as required under 68.73(d)(1).  
-The owner or operator did not ensure that the frequency of inspections and test of process equipment is consistent with applicable manufacturers' recommendation, specifically for process vessels and tanks, as required under 68.73(d)(3).  
-The owner or operator did not document each inspection and test that has been performed on process equipment, as required under 68.73(d)(4).

**Prevention Program – Compliance Audits**

-PSM & RMP audits were conducted in December 2004, January 2007 for PSM, and a RMP Audit is scheduled for May 2007.  
-The owner or operator has not promptly determined and documented an appropriate response to each of the finding of the audit and documented that deficiencies had been corrected, as required under 68.79(d).

**Prevention Program – Incident Investigations**

-Procedures in place for reporting incidences should be followed accordingly.

**Employee Participation**

-The procedures in place for employee participation should reflect what the owner or operator is doing and meetings conducted at the facility.

**Hot Work Permit**

-The owner or operator should make sure that all required signatures are on every hot work permit issued.

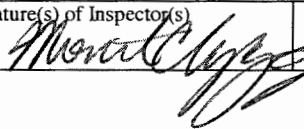
**Contractors**

-The owner or operator must make sure that contractors are reevaluated in accordance to procedures.

**Emergency Response**

-The facility is designated as a first responder.  
-The owner or operator does not have procedures in place for the use of emergency response equipment and for its inspection, testing and maintenance, as required under 68.95(a)(2).  
-The last review of the Emergency Action Plan was 5/2005. The facility had call list information that was out of date. The owner or operator must have procedures to review and update, as appropriate, the emergency response plan to reflect changes at the stations course and ensure that employee are informed of changes, as required under 68.95(a)(4).

At the conclusion of the inspection, an exit interview was conducted, notifying company representatives of areas of concern of the inspector. In addition, the inspector notified company representatives of contact information as well as possible enforcement actions that are possible.

Names(s) and Signature(s) of Inspector(s) Monika Chrzaszcz 	Agency/Office/Telephone Number US EPA/CEPPS/ (312) 886-0181	Date 08/04/2007
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**ATTACHMENT#1**  
**PHOTOGRAPHS**

**SUBJECT**

Unlabeled piping and valves associated with the anhydrous ammonia tank.

**FACILITY**

BioLab Inc., 1406 E. Michigan Street, Adrian, MI 49221

**PHOTOGRAPHER**

Monika Chrzaszcz

**WITNESSES**

Joseph Thatcher

**DATE**

04/11/2007

**TIME**

9:30am

**CAMERA**

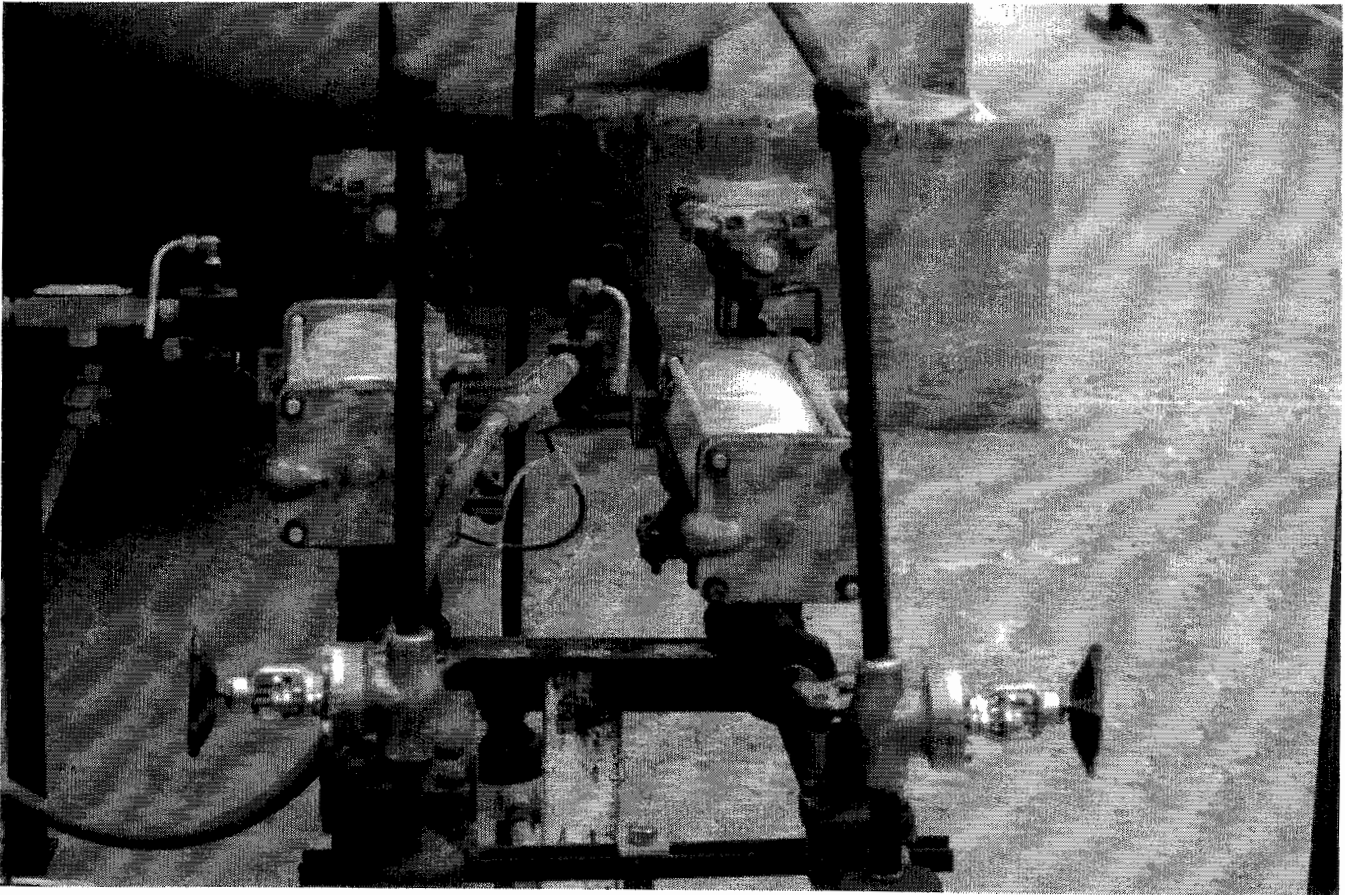
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**FILM**

Digital

**PHOTOGRAPH NO.**

1



**ATTACHMENT#2**  
**PHOTOGRAPHS**

**SUBJECT**

Anhydrous ammonia tank.

**FACILITY**

BioLab Inc., 1406 E. Michigan Street, Adrian, MI 49221

**PHOTOGRAPHER**

Monika Chrzaszcz

**WITNESSES**

Joseph Thatcher

**DATE**

04/11/2007

**TIME**

9:30am

**CAMERA**

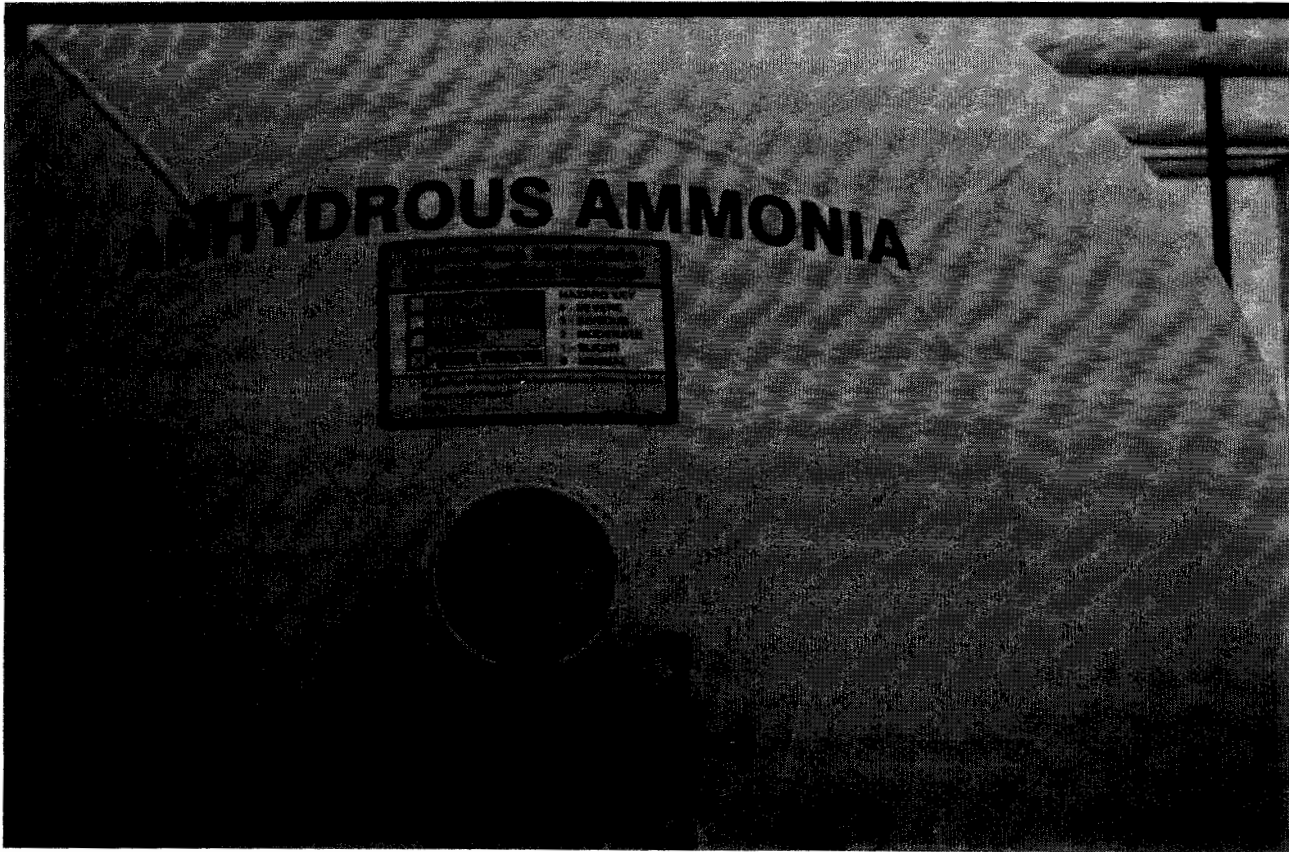
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**FILM**

Digital

**PHOTOGRAPH NO.**

2



**ATTACHMENT#3  
PHOTOGRAPHS**

**SUBJECT**

Valve missing tag on anhydrous ammonia lines.

**FACILITY**

BioLab Inc., 1406 E. Michigan Street, Adrian, MI 49221

**PHOTOGRAPHER**

Monika Chrzaszcz

**WITNESSES**

Joseph Thatcher

**DATE**

04/11/2007

**TIME**

9:30am

**CAMERA**

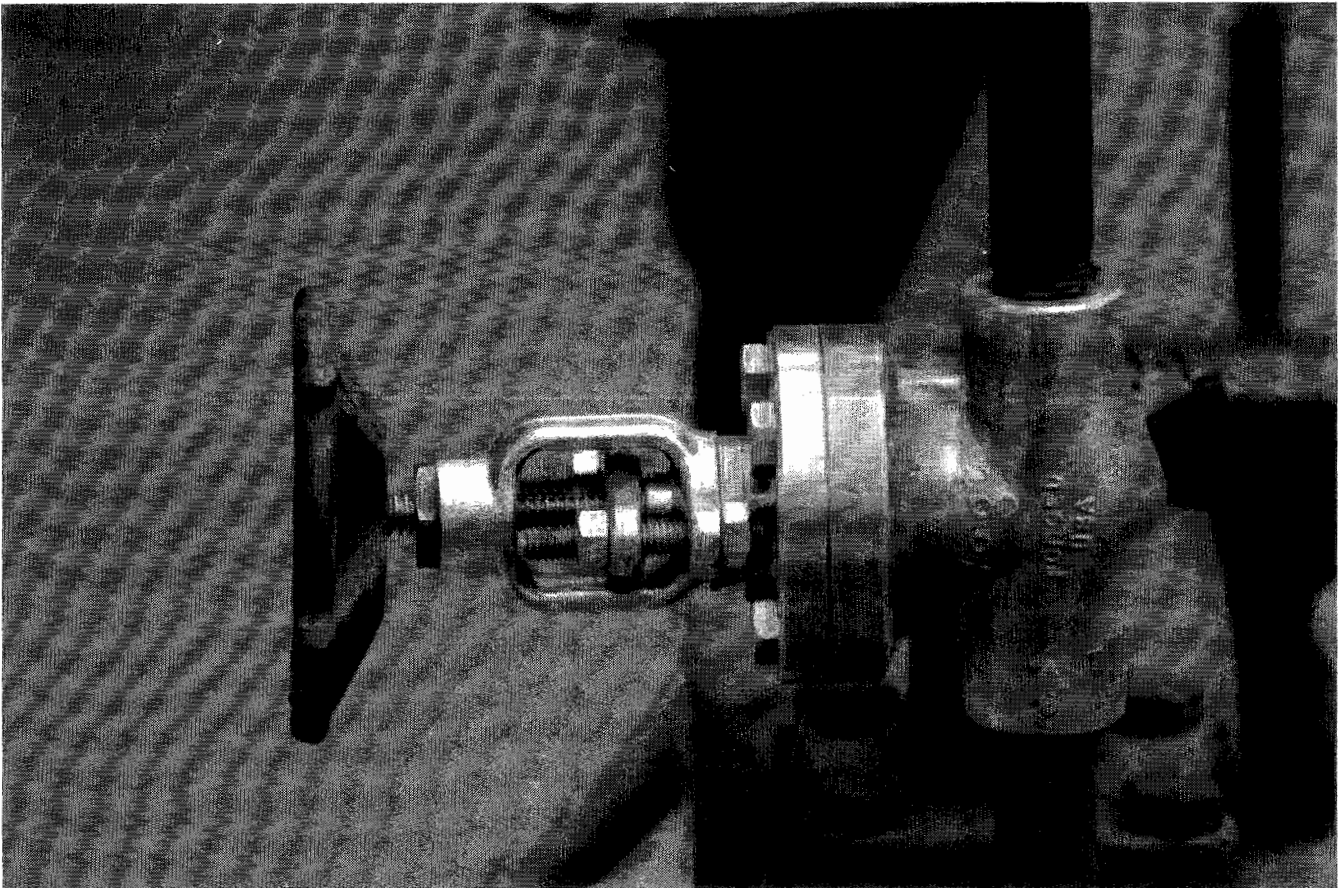
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**FILM**

Digital

**PHOTOGRAPH NO.**

3



**ATTACHMENT#4  
PHOTOGRAPHS**

**SUBJECT**

Top view of chlorine tank car.

**FACILITY**

BioLab Inc., 1406 E. Michigan Street, Adrian, MI 49221

**PHOTOGRAPHER**

Monika Chrzaszcz

**WITNESSES**

Joseph Thatcher

**DATE**

04/11/2007

**TIME**

9:30am

**CAMERA**

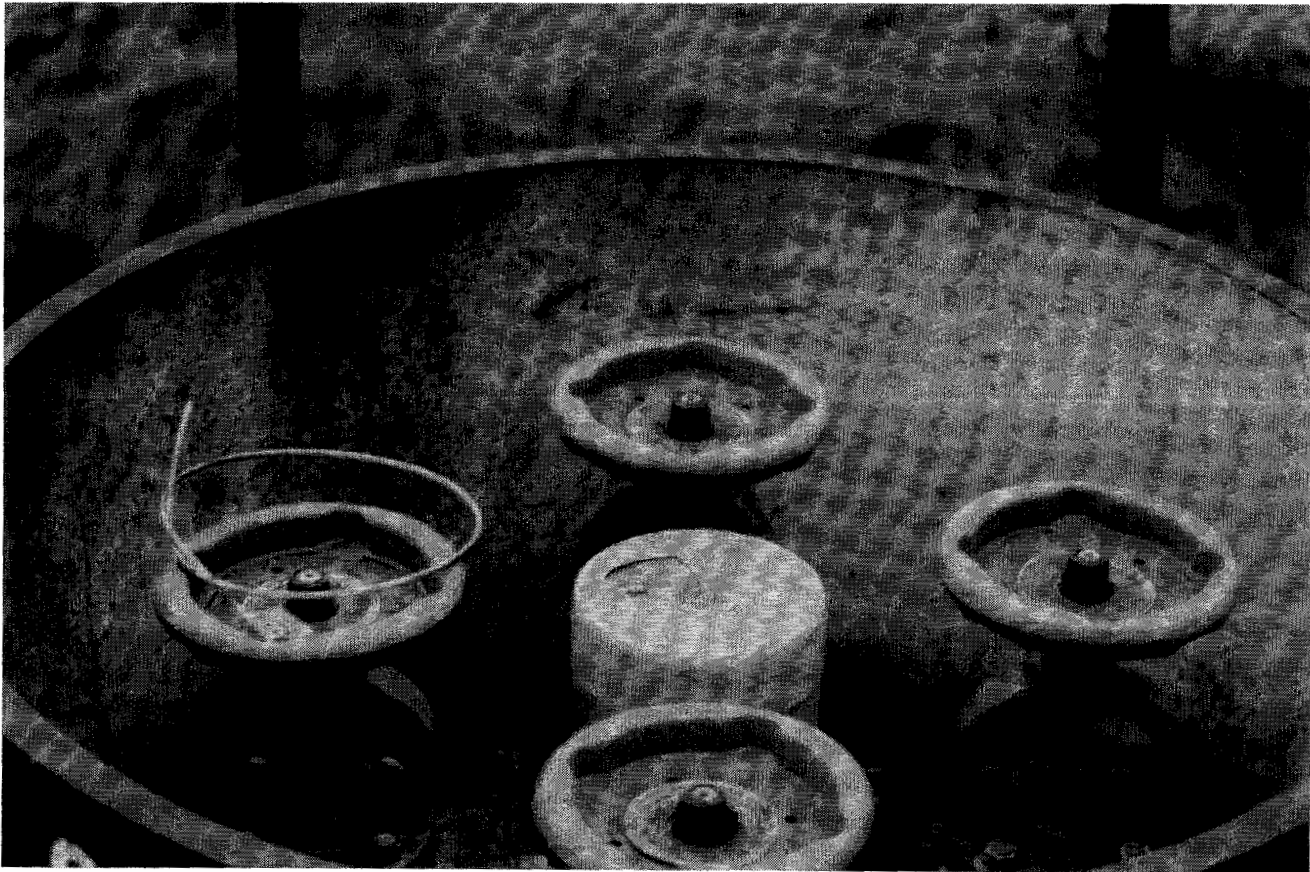
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Digital

**PHOTOGRAPH NO.**

4





**ATTACHMENT#5**

**PHOTOGRAPHS**

**SUBJECT**

Bromine tank car and unloading station.

**FACILITY**

BioLab Inc., 1406 E. Michigan Street, Adrian, MI 49221

**PHOTOGRAPHER**

Monika Chrzaszcz

**WITNESSES**

Joseph Thatcher

**DATE**

04/11/2007

**TIME**

9:30am

**CAMERA**

Digital

**FILM**

Digital

**PHOTOGRAPH NO.**

5

