Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.

Air Enforcement/112r(1): United States Environmental Protection Agency and Bonner Springs, Kansas Commercial Refrigeration Facility Enter into Consent Agreement



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The United States Environmental Protection Agency ("EPA") and National Cold Storage, Inc. ("NCS") entered into a May 17th Complaint and Consent Agreement/Final Order ("CA") addressing alleged violations of the "General Duty Provisions" of the Clean Air Act. See Docket No. CAA-07-2017-0003.

The CA states that NCS is the operator of a commercial refrigeration facility utilizing compressed anhydrous ammonia as the refrigerant in a Bonner Springs, Kansas ("facility").

EPA is stated to have conducted an inspection on January 28-29, 2015 at the facility to determine its compliance with Sections 112(r)(1) and (7) of the Clean Air Act and the implementing regulations at 40 C.F.R. Part 68. Preliminary violations were stated to have been presented to NCS in an inspection report on April 17, 2015. The EPA inspection allegedly showed that the facility had greater than 10,000 pounds of anhydrous ammonia in a facility process.

NCS is stated to have on separate dates provided information to EPA describing actions taken to attempt to address the alleged violations identified in the inspection. Further, the company met with EPA to discuss the facility's attempt to come into compliance with Section 112(r)(1) and (7) of the Clean Air Act.

EPA subsequently determined that a Compliance Order was appropriate to achieve compliance with the previously referenced Clean Air Act provision. On June 1, 2016 NCS and EPA entered into an Administrative Order for Compliance requiring the facility to either come into compliance with the requirements of the previously referenced Clean Air Act section, or prepare a plan to reduce the facility's ammonia inventory below 10,000 pounds.

NCS submitted an affidavit documenting its review of historical ammonia inventory data. The results of calibration of the sight gage for the facility documented that between January 2011 to 2016 the inventory at the facility never exceeded 8,502.34 pounds.

The CA identifies alleged violations at the facility which include:

- Failed to develop an hazard analysis for the facility which identified all hazards associated with the process
- Failed to develop accurate potential release scenarios and identify the consequences of a release

- The facility's High Pressure Receiver and piping were badly corroded at the time of the inspection as the facility lacked a maintenance program and had not conducted inspections in accordance with recognized and generally accepted good engineering practices to properly maintain equipment
- Failed to properly train employees
- Failed to have an accurate inventory of quantity of hazardous substances onsite

NCS neither admits nor denies the factual allegations or legal conclusions in the CA.

NCS agrees to pay a mitigated civil penalty of \$54,588.

A copy of the CA can be downloaded here.