

# 112(r)/Air Enforcement: U.S. Environmental Protection Agency and Ketchikan, Alaska Facility Enter into Expedited Settlement Agreement



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The United States Environmental Protection Agency (“EPA”) and E.C. Phillips and Son, Inc. (“E.C. Phillips”) entered into an August 17th Expedited Settlement Agreement (“ESA”) addressing alleged violations of regulations implementing Section 112(r) of the Clean Air Act. See Docket No. CAA-10-2017-0147.

Section 112(r) and its implementing regulations in 40 C.F.R. Part 68 of the Clean Air Act require an owner or operator of a stationary source that has more than a threshold quantity of a regulated substance (described in § 68.130) in a process develop a Risk Management Plan (“RMP”) and Risk Management Program.

The ESA states that EPA undertook an inspection of the E.C. Phillips facility in Ketchikan, Alaska, on August 24, 2016.

The EPA August 24th inspection allegedly identified certain violations of the Risk Management Program elements which include:

- Failure to include information pertaining to the electrical classification of the ammonia refrigeration process equipment as required in 40 C.F.R. § 68.65(d)(1)(iii)
- Failure to include information pertaining to the ventilation system design of the ammonia refrigeration process as required in 40 C.F.R. § 68.65(d)(1)(v)
- Failure to establish the system to promptly address the teams findings and recommendations; assure that the recommendations are resolved in a timely manner and documented; document what actions are to be taken; complete the actions as soon as possible; develop a written schedule of when these actions would be completed; and communicate the actions to operating maintenance and other employees whose other work assignments are in the process and who may be affected by the recommendations as required in 40 C.F.R. § 68.67(e).
- Failure to address consequences of deviation as required in 40 C.F.R. § 68.69(a)(2)(i).
- Failure to address steps required to correct or avoid deviation as required in 40 C.F.R. § 68.69(a)(2)(ii)
- Failure to address safety systems and their functions as required in 40 C.F.R. § 68.69(a)(4)
- Failure to establish and implement written procedures to maintain the on-going integrity of the ammonia refrigeration process equipment listed in 68.73(a) as required in 40 C.F.R. § 68.73(b)
- Failure to follow recognized and generally accepted good engineering practices for inspections and testing procedures as required in 40 C.F.R. § 68.73(d)(e)

- Failure to ensure the frequency of inspections and tests of process equipment is consistent with applicable manufacturers' recommendations, good engineering practices, and prior operating experience as required in 40 C.F.R § 68.73(d)(3)

The ESA assesses a civil penalty of \$5,760.

[A copy of the ESA can be downloaded here.](#)