

United States Environmental Protection Agency / Region 4

Risk Management Program Inspection Report

CITCO Water

Lexington, Kentucky

May 11, 2021

1.0 Introduction

The U.S. Environmental Protection Agency's efforts to reduce the likelihood and severity of chemical accidents includes planning and legislative initiatives such as the National Contingency Plan, the Emergency Planning and Community Right-to-Know Act (EPCRA), and the Accidental Release Prevention requirements under Section 112(r) of the Clean Air Act (CAA), as amended in 1990. This report outlines an inspection of the Risk Management Program (RMP) as mandated by Section 112(r)(7) of the CAA.

The focus of this inspection was to assess the RMP for the chemical manufacturing process at the CITCO Water (CITCO) facility located in Lexington, Fayette County, Kentucky. This facility was selected for inspection because it hasn't been inspected within the last five years under the RMP. The inspection, which was conducted on May 11, 2021, consisted of an examination of program documentation as well as site reviews of various aspects of facility operations. Personnel from the facility participated throughout the inspection. Numerous documents were provided for review off-site. This report will provide a background of the facility and a listing of observations.

2.0 Background

The CITCO facility is located in Lexington, Kentucky. The facility stores and distributes chlorine and sulfur dioxide (SO₂). The process is regulated as program level 3. According to facility records, the facility has a maximum of 50,000 pounds of chlorine and 30,600 pounds of sulfur dioxide on site. The chemical storage processes at the facility are subject to the RMP requirements of 40 C.F.R. Part 68 and EPCRA Section 302. The background specifics are summarized as follows in Table 1.

TABLE 1: Inspection Information Summary

Inspection Team

Lead Inspector: Jordan Noles, EPA

Inspector: Om Devkota, EPA

Date of Facility Visit: May 11, 2021

Facility Identification

Name: CITCO Water

Street Address: 740 Enterprise Drive

City: Lexington

County: Fayette

State: Kentucky

Zip: 40510

EPA Facility ID No: 1000 0019 7495

Dun & Bradstreet (D&B) No: 5017918

Latitude: 38.061917
Longitude: -084.552417

Name, address, and phone of corporate parent company:

Owner/Operator: CITCO Water
Mailing Address: 4034 Altizer Avenue
City: Huntington State: West Virginia Zip: 25722
Phone: (304) 523-3484

Name, title, and email of person responsible for 40 C.F.R. Part 68 implementation:

Name: Rick Parks
Title: Director of Operations
Phone: (859) 255-0852
Email: rick.parks@citcowater.com

Name and title of emergency contact:

Name: Marc H. Templeton
Title: Vice President Kentucky Operations
Day phone: (859) 255-0852
24-hour Phone: (859) 619-0038
Email: marc.templeton@cithornburg.com

Name and titles of stationary source personnel involved in site inspection (*accompanied site tours, provided documents and explanations*):

Name: Rick Park
Title: Director of Operations
Phone: (859) 255-0852
Email: rick.parks@citcowaer.com

Note: This is not a union facility.

Date and Program Levels of Submitted Risk Management Plan

Date of initial submission: November 20, 2006
Date of most recent submissions: December 30, 2016

Process: Chlorine Storage
Process ID: 1000077018

Process: Sulfur Dioxide Storage
Process ID: 1000095666

Program Level as reported in RMP: 2
NAICS code: 49319 (Other Warehouse and Storage)

3.0 Observations

The inspection of the CITCO facility evaluated various sections of the RMP regulations (40 C.F.R. Part 68, Program Level 3) and the inspection checklist included in “Guidance for Conducting Risk Management Programs Inspections under Clean Air Act Section 112(r).” The inspection included discussions with the facility representatives regarding a myriad of issues related to the operation of its chemical process, the facility’s RMP, a review of paperwork associated with the facility’s most recent Risk Management Plan, and a tour of the facility. An inspection in-brief and out-brief were conducted. Observations from the RMP inspection at the CITCO facility are discussed below:

1. 40 C.F.R. § 68.160(b)(7) requires the registration to include, for each covered process, the name and CAS number of each regulated substance held above the threshold quantity in the process, the maximum quantity of each regulated substance or mixture in the process (in pounds) to two significant digits, the five or six-digit NAICS code that most closely corresponds to the process, and the Program level of the process.
 - The facility is registered as a program level 2. It should be registered as program level 3.
 - Facility representatives stated the covered process is registered as program level 2, because it qualifies for OSHA’s process safety management (PSM) retail exemption, which would only require the program to register as level 2 in RMP. However, according to the PSM preamble, the retail exemption only applies to certain industries that sell small quantities of chemicals to the end user. One-ton cylinders of chlorine are too large for the facility to qualify for OSHA’s retail exemption.
2. 40 C.F.R. § 68.48(b) requires the owner or operator ensure that the process is designed and maintained in compliance with recognized and generally accepted good engineering practices (RAGAGEP). 40 C.F.R. § 68.65(d)(2) requires the owner or operator to document that equipment complies with RAGAGEP.
 - At the time of inspection, EPA inspectors observed no protection from rolling to the one-ton cylinders of chlorine and SO₂ stored outside the warehouse. According to Cl Pamphlet 17 section 2.6.7, *ton containers, which weigh between 1,300 lb. (590 kg) and 1,650 lb. (750 kg) when empty, are always stored in the horizontal position, above the ground or floor, on steel, concrete or other suitable supports. Individual ton containers or the ton containers at each end of a row of ton containers should be chocked to prevent rolling.*
 - The one-ton chlorine/SO₂ cylinders were not protected from vehicular traffic or other physical damage. NFPA 55, Section 7.1.9.3.2 requires the compressed gas cylinders to be protected from vehicular traffic.
 - Full and empty chlorine and SO₂ cylinders stored in an aisle of the warehouse and outside were not labeled. Labeling the cylinder as “Empty Cylinders” or “Full Cylinders” would avoid confusion during the emergency response.
 - Furthermore, facility representatives provided the inspection team with The Chlorine Institute’s Pamphlet 91, “Checklist for Chlorine Packaging Plants, Chlorine Distributors, and Tank Car Users of Chlorine” as an industry standard that the facility uses. The checklist asks the following questions:

- Are the cylinders and containers protected from in-plant traffic? (forklifts, trucks, etc.)
- Are the storage areas equipped with cylinder and ton container securing methods?
- Are the cylinders and containers properly identified? (signage, placards, labels, marked, etc.)

Inspection Report,

Prepared by:

Jordan Noles

Jordan Noles, Inspector
North Air Enforcement Section
Air Enforcement Branch
U.S. EPA Region 4

July 08, 2021
Date

Approved by:

JASON

DRESSLER

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Jason Dressler, Chief
North Air Enforcement Section
Air Enforcement Branch
U.S. EPA Region 4

July 08, 2021
Date