



**REGION 9**

SAN FRANCISCO, CA 94105

**Via Email: [gmoieira@vcoastal.com](mailto:gmoieira@vcoastal.com)**

**In Reply Refer to:**

Ventura Coastal LLC - Tipton  
531 West Popular Avenue  
Tipton, California, 93272

Gabriel Moieira  
Plant Director  
Ventura Coastal LLC, Tipton  
531 West Popular Avenue  
Tipton, California, 93272

RE: Notification of Potential Enforcement Action for Violations of Section 112(r)(7) of the Clean Air Act

Dear Plant Director Moieira:

As you know, representatives from the U.S. Environmental Protection Agency, Region 9 ("EPA") conducted an inspection on October 24, 2023, of the Ventura Coastal LLC, Tipton (the "Company") facility located at 531 West Popular Avenue, Tipton, California, 93272. The purpose of the inspection was to determine compliance with requirements under the Emergency Planning and Community Right-to-Know Act ("EPCRA") sections 304-312, 42 U.S.C. §§ 11004-11022; the Comprehensive Environmental Response Compensation and Liability Act ("CERCLA") section 103, 42 U.S.C. § 9603; and the Risk Management Program ("RMP") of section 112(r)(7), of the Clean Air Act ("CAA"), 42 U.S.C. § 7412.

Based upon the information obtained during our investigation, EPA is prepared to initiate a civil administrative action against the Company to ensure compliance with federal law and assess a penalty pursuant to section 113 of the CAA, 42 U.S.C. § 7413. The anticipated administrative action includes violations of CAA Section 112(r)(1), 42 U.S.C. § 7412(r)(1) and its implementing regulations at 40 C.F.R. Part 68, and their respective implementing regulations.

Specifically, EPA is considering the following allegations against the Company.

## CAA, 40 C.F.R. § 68

- 1) **Process Safety Information:** The Facility did not document that its equipment complies with recognized and generally accepted good engineering practices, in violation of 40 C.F.R § 68.65(d)(2).
  - i) There was an open threaded valve on vessel C-C1.<sup>1</sup> (AOC 3)
  - ii) There was a lack of adequate bump protection installed around the high-pressure receiver (“HPR”) for COP3.<sup>2</sup> (AOC 4)
  - iii) An extension cord was present outdoor next to the HPR and was used as a substitute for permanent wiring.<sup>3</sup> (AOC 5)
  - iv) Open wall penetrations lacked sufficient sealing in the Aseptic Tank Farm (“ATF”) Ammonia Machinery Room (AMR).<sup>4</sup> (AOC 6)
  - v) The ammonia detection system in the ATF4 AMR was not equipped with either an audible or visible alarm that would activate upon the detection of ammonia.<sup>5</sup> (AOC 7)
- 2) **Operating Procedures:** The Facility did not incorporate consequences or steps required to correct or avoid deviation, in violation of 40 C.F.R § 68.69(a)(2), which requires owners and operators to develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process. (AOC 8)
- 3) **Mechanical Integrity:** The Facility did not correct deficiencies in equipment that are outside acceptable limits before further use or in a safe and timely manner in violation 40 C.F.R § 68.73(d)(2)(e). EPA identified multiple deficiencies at the facility as follows:
  - i) The Facility did not replace multiple pressure relief valves (PRVs) that were overdue for replacement. (AOC 9)
  - ii) The Facility did not replace damaged vapor barrier on ammonia piping associated with the ATF ammonia refrigeration system. (AOC 10)
- 4) **Compliance Audit:** The Facility did not certify that it has evaluated compliance of the stationary source with the provisions of the prevention program at least every three years, in violation of 40 C.F.R § 68.79(a). (AOC 11)

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<sup>1</sup> See Section 11.6.1 of American National Standards Institute (“ANSI”)/American Society of Heating, Refrigeration and Air-Conditioning Engineers-15 (“ASHRAE”) (2013), Section 21.3.1.6.3.1 of National Fire Protection Association (“NFPA”) 400 (2022), and Section 5.9.7.1(5) of NFPA 58 (2020).

<sup>2</sup> See Section 5.17.1 of ANSI/International Institute of Ammonia Refrigeration-2 (“IIAR”) (2014), Section 7.2.4 of ANSI/IIAR-2 (2014), Section 7.2.12.1 of ANSI/IIAR-9 (2020), and Section 11.1 of ANSI/ASHRAE-15 (2013).

<sup>3</sup> See 11.1.7.6 of NFPA 1 (2012) and Section 400.12.1 of NFPA 70 (2020).

<sup>4</sup> See 6.2.1 of ANSI/IIAR 2 (2014), Section 6.2.5 of ANSI/IIAR 2 (2014), Section 6.6.2 of ANSI/IIAR 2 (2014), Section 7.3.6.2 of ANSI/IIAR 9 (2020), and Section 8.12(e) of ANSI/ASHRAE 15 (2016).

<sup>5</sup> Section 6.13.1 of ANSI/IIAR=2 (2014), Section 7.2.3 of ANSI/IIAR-2 (2014), Section 17.7.1 of ANSI/IIAR-2 (2014), Section 17.5 of ANSI/IIAR-2 (2014), and Section 7.3.12.1(3) of ANSI/IIAR-9 (2020).

- 5) **Required Corrections:** The Facility did not correct and update the RMP emergency contact information within one month of any change, in violation of 40 C.F.R § 68.195(b).

Before filing a Determination of Violation, Compliance Order and Notice of Right to Request a Hearing ("Complaint"), EPA is extending to the Company an opportunity to advise EPA of any other information that the Company believes should be considered before the filing of such a Complaint. Relevant information may include any evidence of reliance on compliance assistance, additional compliance tasks performed subsequent to the inspection, or financial factors bearing on the ability to pay a civil penalty. EPA has reviewed the documents included in the Company's previous transmittals. These documents do not need to be resubmitted.

Please note that, pursuant to regulations located at 40 C.F.R. Part 2, Subpart B, you are entitled to assert a business confidentiality claim covering any part of any submitted information as defined in 40 C.F.R. § 2.201(c). Asserting a business confidentiality claim does not relieve you from the obligation to respond fully to this letter. Failure to assert such a claim makes the submitted information subject to public disclosure upon request and without further notice to you, pursuant to the Freedom of Information Act, 5 U.S.C. § 552 et seq. Information subject to a business confidentiality claim may be available to the public only to the extent set forth in the above-cited regulation. EPA has authority to use the information requested herein in an administrative, civil, or criminal action. In addition, EPA has not waived any rights to take enforcement action for past or future violations.

Any penalty proposed for violation of the CAA will be calculated pursuant to EPA's June 2012 "Combined Enforcement Policy for Clean Air Act section 112(r)(1), the General Duty Clause, and Clean Air Act section 112(r)(7) and 40 C.F.R. Part 68, Chemical Accident Prevention Provisions"<sup>6</sup> ("112(r) Penalty Policy"). This policy are subject to inflation adjustments under the Civil Monetary Inflation Adjustment Rule, as well as other potential changes in EPA guidance.<sup>7</sup>

Your response to this letter must be made by a letter, signed by a person or persons duly authorized to represent the Company. Please send any such response **by email** to Sergio Mora, Environmental Scientist, [mora.sergio@epa.gov](mailto:mora.sergio@epa.gov) and Ylan Nguyen, Assistant Regional Counsel, Office of Regional Counsel, [nguyen.ylan@epa.gov](mailto:nguyen.ylan@epa.gov). **Please provide such information so that it is received no later than thirty (30) calendar days after receipt of this letter.** EPA anticipates filing a Complaint in this matter within sixty (60) days after receipt of this letter unless the Company first advises EPA, with supporting information, of substantial reasons not to proceed as planned.

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<sup>6</sup> [www.epa.gov/sites/production/files/documents/112rcep062012.pdf](https://www.epa.gov/sites/production/files/documents/112rcep062012.pdf)

<sup>7</sup> Amendments to the EPA's Civil Penalty Policies to Account for Inflation (effective January 10, 2024) and Transmittal of the December 27, 2023 Civil Monetary Penalty Inflation Adjustment Rule, <https://www.epa.gov/system/files/documents/2024-01/amendmentstotheepacivilpenaltypolicyinflation011524.pdf>

Even if you are unaware of any mitigating or exculpatory factors, EPA encourages the Company to explore the possibility of settlement. If you are interested in commencing settlement discussions, please contact Sergio Mora of my staff at (415)972-3463 or [mora.sergio@epa.gov](mailto:mora.sergio@epa.gov), or have your counsel contact *Ylan Nguyen*, Assistant Regional Counsel, at (415)972-3875 or [nguyen.ylan@epa.gov](mailto:nguyen.ylan@epa.gov), to schedule a meeting or conference call. We thank you in advance for your cooperation.

Thank you for your prompt attention to this matter.

Sincerely,

**RICHARD  
SAKOW**

Digitally signed by  
RICHARD SAKOW  
Date: 2025.04.03  
10:31:13 -07'00'

Rick Sakow, Manager  
Hazardous Waste and Chemicals Section  
Enforcement and Compliance Assurance Division

cc (via email):

Elizabeth Brega, California Environmental Protection Agency, [elizabeth.brega@calepa.ca.gov](mailto:elizabeth.brega@calepa.ca.gov)