

CAA112(r) INSPECTION REPORT

Name: Cooperative Producers, Inc. - Giltner	
Address: 23 Railroad Street Giltner, Nebraska 68841	Date of Inspection: June 4, 2021
County: Hamilton County	Case No: 21NE0604
Phone: 402-463-5148	RMP No: 1000 0005 6404
High Risk: No	FRS No: 1100 0057 3530
CAA Title V: No	Program Level: Program 2
Mailing Address: P.O. Box 1008 265 Showboat Boulevard Hastings, Nebraska 68902	
Process: Agronomy business, including sale of anhydrous ammonia	

SUMMARY OF OBSERVATIONS

A review of documents pertaining to Cooperative Producers, Inc. (CPI) of Giltner, Nebraska, at 23 Railroad Street, Giltner, Nebraska (facility), and an inspection at that facility—both with focus on Chemical Accident Prevention Provisions (Title 40 *Code of Federal Regulations* [CFR] Part 68)—revealed the following deficiency:

The facility had not certified that compliance audits were conducted at least every 3 years, as required by 40 CFR 68.58(a).

At the time of the inspection, one additional preliminary finding regarding correction of emergency contact information on the facility's RMP had been noted; however, this finding was based on RMP submission documentation that was not current. Based on a post-inspection review of RMP submission documentation, the facility had updated the emergency contact information.

INTRODUCTION

I, Robert Monnig, Tetra Tech, Inc. (Tetra Tech), as a representative of U.S. Environmental Protection Agency (EPA) Region 7, inspected the CPI facility in Giltner, Nebraska, on June 4, 2021. On June 1, 2021, I had called Mr. Doran Burmood, Vice President of Health and Safety at CPI, notified him of the upcoming inspection, and confirmed an inspection start time. I also had sent Mr. Burmood a written notice of inspection via email.

On June 3, 2021, Mr. Burmood called me and told me that the CPI facility in Giltner was in the process of discontinuing its bulk storage of anhydrous ammonia storage in the vessels due to proximity of those vessels to a rail line, and that he expected use of the vessels to end within 30 to 60 days. He also stated that the facility had been drawing down anhydrous ammonia from

the storage vessels in anticipation of their discontinued use, and that he estimated the facility was below the threshold quantity of 10,000 pounds.

Intent of the inspection was to determine if the facility complies with Section 112(r) of the Clean Air Act (CAA), as amended in 1990. EPA's regulations describing implementation of this law are included in 40 CFR 68 (CAA). All attachments cited in this inspection report (Attachments 1 through 4) are also in a folder on the accompanying CD. Folder numbers on the CD correspond to attachment numbers. As an example, Attachment #2 is in Folder #2. The CD itself contains a copy of this inspection report, photographs taken during the inspection, emails between the facility and the compliance inspector, checklists, and completed forms.

HISTORY OF BUSINESS

The CPI Giltner branch location is at 605 Giltner Spur, Giltner, Nebraska. Anhydrous ammonia storage tanks operated by the branch are approximately 0.3 mile south of the branch location near the intersection of Amherst Street and North Rail Road Street (facility). The CPI Giltner employs approximately eight people and sells fertilizers and chemicals to area farmers. At the time of the inspection, CPI Giltner had three interconnected anhydrous ammonia bulk storage tanks, a loadout station for filling nurse tanks, and nurse tanks.

The following summarizes reported/observed amounts of anhydrous ammonia at CPI Giltner:

	Quantity (pounds)
	Anhydrous Ammonia
Quantity at the Time of Inspection (storage vessels only)	Less than 10,000 ^(a)
Maximum Intended Inventory (storage vessels and nurse tanks)	830,156 ^(b)
Emergency Planning and Community Right-to-Know Act (EPCRA) Tier II Maximum Daily Amount	1,000,000 – 9,999,999 ^(c)

Notes:

- (a) During the inspection, Mr. Nickerson told me that the aggregate quantity in the anhydrous ammonia bulk storage tanks had fallen to less than 10,000 pounds on the previous day (June 3, 2021).
- (b) See facility's Process Safety Information (Folder 6 on CD).
- (c) See facility's 1999 EPCRA Tier II report (Attachment 2).

PERSONS INTERVIEWED AND INDIVIDUAL RESPONSIBILITIES

I interviewed the following persons as part of the inspection process:

Doran Burmood Vice President of Health and Safety, CPI
Ryan Nickerson.....Location Manager, CPI Giltner
Thomas White Area Manager, CPI

Stan Weitzel.....Safety Specialist, CPI
Deanna Hammond Safety Administrative Assistant, CPI
Kirk Smith.....Hamilton County Local Emergency Planning Committee, Director

OPENING CONFERENCE

I arrived at CPI Giltner on June 4, 2021, at approximately 9:00 a.m. and entered a conference room where I met the CPI employees listed above. We sat down in a conference room and I explained that I was conducting the inspection under authority of the CAA's Chemical Accident Prevention Provisions. I explained that I would have to conduct a walk-through of the covered process, taking photographs. I also stated that after completing the walk-through and reviewing all applicable documents, I would conduct an exit interview to explain my findings, provide a receipt for any requested document copies, and answer questions. I showed Mr. Burmood my inspector credentials from EPA Region 7. I then filled out a Notice of Inspection Form (see Attachment 1), and I explained that my inspection was for enforcement purposes and that enforcement actions could result from the inspection. Mr. Burmood signed the Notice of Inspection form.

After the opening conference, I asked to see the facility RMP documentation, including the off-site consequence analysis, safety information, hazard reviews, operating procedures, training records, maintenance records, and compliance audits. Mr. Burmood presented available documentation to me and I directed any questions I had to him. I noted my findings on the RMP Program Level 2 Process Checklist (see Attachment 1).

During the inspection, I asked for a walk-through of the facility to view the anhydrous ammonia storage vessels, nurse tank loading rack, and nurse tanks. From the 605 Giltner Spur we drove south to the anhydrous ammonia storage tanks and parked near the intersection of Amherst Street and North Railroad Street. We then walked around and observed three interconnected anhydrous ammonia storage vessels: a 26,000-gallon storage vessel ("G NW Tank") and two 30,000-gallon storage vessels ("G SW" and "G E"). I observed that the liquid level gauges on the storage vessels of the three tanks were near zero percent. At this location, I also observed piping and a platform for loading nurse tanks. I observed a rail line approximately 20 feet from the anhydrous ammonia storage tanks.

Next we drove approximately 0.1 mile northeast and across Giltner Spur where we observed nurse tanks staged on an unpaved lot. Then we drove north back to the 605 Giltner Spur location and observed nurse tanks staged on the "west pad"—an unpaved lot west of the 605 Giltner Spur building.

Photographs I took during the walk-through are in the photographic log in Attachment 4 and in Folder 4 of the CD.

HAZARD ASSESSMENT

I asked Mr. Burmood for the facility's hazard assessment off-site consequence analysis (OCA) documentation, including the facility's prepared worst-case and alternative release scenarios. Mr. Burmood showed me RMP*Comp estimated distances-to-end (DTE) and population estimates under worst-case and alternative release scenarios (see Folder 5). I found that descriptions of the worst-case and alternative case scenarios had been included in the executive summary of the facility's RMP Submission, and I obtained a copy (see Folder 11). The worst-case scenario involved release of total contents of the facility's "largest anhydrous ammonia tank." The alternative release scenario involved release of anhydrous ammonia from a damaged liquid valve on a nurse tank. United States Census data from 2010 were used to estimate populations within the respective DTE radii.

PROCESS SAFETY INFORMATION

I examined the facility's process safety information and obtained a copy of the facility's safety data sheet (SDS) for anhydrous ammonia (see Folder 4).

I reviewed documentation of the facility's maximum intended inventory for anhydrous ammonia and obtained a copy (see Folder 4). The inventory identifies the facility's three storage vessels (aggregate capacity of 401,087 pounds of anhydrous ammonia) and 74 nurse tanks (aggregate capacity of 429,070 pounds of anhydrous ammonia). On the inventory, the storage vessel and nurse tank capacities are added to specify a total inventory of 830,156 pounds of anhydrous ammonia.

In reviewing the facility's safety information, I noted that the facility had established safe upper and lower parameters. A table of safe upper and lower parameters is listed in the facility's "Safety Information and Process Limits" documentation (see Folder 4). I also obtained a copy of a document conveying nameplate information from the three storage vessels (see Folder 4).

HAZARD REVIEW

I asked Mr. Burmood whether the facility had conducted hazard reviews as required by 40 CFR 68.50. Mr. Burmood showed me copies of hazard reviews performed in 2014, 2018, and 2021. I obtained a copy of the 2021 hazard review (see Folder 7). The 2021 hazard review included use of an Asmark Institutes "myRMP Hazard Review" checklist.

OPERATING PROCEDURES

I reviewed the facility's operating procedures pertaining to the facility's anhydrous ammonia process, including procedures for filling nurse tanks and unloading transport vehicles by use of a pump. I noted that the operating procedures addressed various operating phases, including initial startup, normal operations, temporary operations, emergency shutdown, emergency operations, normal shutdown, and startup following a shutdown. I also noted the referenced operating limits and consequences of deviation. Mr. Nickerson told me that the facility reviews operating procedures annually, and Mr. Burmood informed me that the facility reviews operating procedures also during Hazard Reviews.

TRAINING

I asked how the facility provides training for employees of CPI involved in the anhydrous ammonia system. Mr. Nickerson replied that the training includes on-the-job training and a written training program. I obtained a copy of a sign-in-sheet for refresher training dated February 24, 2021 (see Folder 8).

MAINTENANCE

I asked to see the facility's maintenance procedures and inspection documentation. I was shown a written maintenance schedule for bulk ammonia plants and obtained a copy (see Folder 9). I noted that the procedure included a schedule for maintenance or replacement of various components such as hoses, vapor relief valves, and hydrostatic relief valves. Mr. Burmood told me that an in-house certified inspector examines the nurse tanks every 5 years, and that the facility's inspection procedures accord with the Nurse Tank Inspection Program (nursetank.org).

COMPLIANCE AUDITS

I asked to see the facility's two most recent compliance audits. Mr. Burmood showed me copies of the previous three compliance audits, dated March 1, 2021; November 10, 2017; and June 21, 2016. Because more than 3 years had elapsed between the last two compliance audits, I identified the following preliminary finding:

- 1. The facility had not certified that compliance audits were conducted at least every 3 years, as required by 40 CFR 68.58(a).**

I obtained a copy of the 2021 compliance audit (see Attachment 4).

INCIDENT INVESTIGATION

I asked Mr. Burmood if any previous incidents had resulted in or posed potential for catastrophic releases. He responded that no such incidents had occurred. I reviewed the facility's Occupational Safety and Health Administration (OSHA) 300 logs for years 2016-2020 and found no incidents related to anhydrous ammonia.

EMERGENCY RESPONSE

Mr. Burmood told me that the facility would not respond to an accidental release of anhydrous ammonia, but would rely on the local fire department for response to an accidental release. Mr. Burmood provided me copy of the facility's emergency action plan (see Folder 10).

On July 2, 2021, I spoke with Mr. Kirk Smith, Director of the Hamilton County Local Emergency Planning Committee (LEPC). Mr. Smith told me that the CPI Giltner facility had coordinated with Hamilton County regarding emergency response needs and that the facility had submitted its EPCRA Tier II report.

RISK MANAGEMENT PLAN

I asked to review the facility's RMP submission and obtained a copy (see Folder 11). During the inspection, I reviewed this RMP submission and noted that the emergency contact listed was Derrick Davis. Mr. Burmood informed me that Mr. Davis had left CPI in early 2019. Based on this review, it appeared to me that the facility had not submitted corrected emergency contact information within 1 month of the change, and I identified the apparent deficiency as a preliminary finding. Following the inspection, I reviewed a copy of the facility's RMP submission that EPA had provided me. This RMP submission showed that prior to the inspection, the facility had updated its RMP to list Mr. Nickerson as the emergency contact.

PHOTOGRAPHS

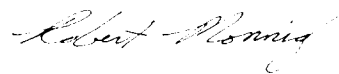
During the site walk-through, I took 40 digital photographs. All of these are in Folder 3 of the CD, and selected photographs appear in a photographic log in Attachment 3.

CLOSING CONFERENCE

At the end of the inspection, I reviewed my observations and the preliminary findings with Mr. Burmood, and explained that additional findings could be identified via post-inspection review of the documents obtained. I provided the Confidentiality Notice and the completed Receipt for Samples and Documents form (see Attachment 1). Mr. Burmood reviewed the receipt for documents first, signed it, and completed the Confidentiality Notice, indicating that the document copies provided to me did not contain confidential business information. I then filled out the Notice of Preliminary Findings form (see Attachment 1) and provided it to Mr. Burmood for review and signature.

I departed the facility around 12:20 p.m. on June 4, 2021.

This report concludes my inspection activities regarding the CPI facility in Giltner, Nebraska.



Robert Monnig
Compliance Inspector

ATTACHMENTS

- 1 – Inspection Forms and Checklists
- 2 – EPCRA Tier II Report
- 3 – Photographic Log
- 4 – 2021 Compliance Audit
- CD – Attached to Report