REGION 5
CHICAGO, IL 60604

SUBJECT: CLEAN AIR ACT INSPECTION REPORT
Plastics Engineering Company North Avenue Plant, Sheboygan, Wisconsin

FROM: Charles Hall, Environmental Engineer
AECAB (MN-OH)

THRU: Brian Dickens, Section Chief
AECAB (MN-OH)

TO: File, Plastics Engineering Company North Avenue Plant, Sheboygan, Wisconsin

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BASIC INFORMATION

Facility Name: Plastics Engineering Company North Avenue Plant (Plenco), Sheboygan, Wisconsin

Facility Location: 1720 North Avenue, Sheboygan, Wisconsin

Date of Inspection: December 20, 2023

EPA Inspector:
1. Charles Hall, U.S. EPA, Region 5, ECAD, AECAB, MN-OH Section

Other Attendees:
1. Adam Brotz, Vice President, Manufacturing Resins and Compounds
2. Julie Bunner, Resin Manufacturing Manager
3. Bill Burris, Chemical Project Manager
4. Phillip Ditter, EHS Compliance Director
5. Todd Gehri, Director of Manufacturing Operations
6. Paul Prestin, Health, Safety, and Security Manager
7. Dave Schmidt, Electrical Manager

Contact Email Address: pditter@plenco.com

Purpose of Inspection: CAA 112(r) inspection

Facility Type: Plenco makes industrial resins, adhesives, coatings, and molding compounds.

Regulations Central to Inspection: 40 C.F.R. Part 68

Arrival Time: 0820 hrs CST
Departure Time: 1050 hrs CST

Inspection Type:
☐ Unannounced Inspection
☒ Announced Inspection

OPENING CONFERENCE

☒ Presented Credentials
☒ Stated authority and purpose of inspection.
☐ Provided Small Business Resource Information Sheet
☒ Small Business Resource Information Sheet not provided because Plenco is not a Small Business.
☒ Provided CBI warning to facility.

The following information was obtained verbally from the facility representatives.

Process Description:

Plenco receives formalin (formaldehyde solution) in tank trailers and stores it in two above ground storage tanks. Formalin is piped first to a scale tank and then to one of 10 kettles to manufacture industrial resins, adhesives, coatings, and molding compounds. All formaldehyde is consumed in the reactions.

Staff Interview: The staff interview used the RMP Program Level 3 Process Checklist as an outline and focused on questions A5, B24, B25, B31, B32, B34, B35, D4, D5, D15, D16, D19, D20-D24, D26-D30, D33, D28, D31, D32, D34, D42, D43-D47, and Sections E and G. The documents that Plenco provided in advance of the inspection answered the remaining questions.

TOUR INFORMATION

EPA toured the Facility: Yes.

Data Collected and Observations: The RMP Program Level 3 Process Checklist summarizes the observations of whether Plenco has the required documents in its Risk Management Plan. Plenco's procedures for startup following a turnaround are identical to its normal startup procedures.

The inspector walked the process from the unloading connections from a semi-tank trailer to the pipes that connect to two vertical above ground storage tanks, to the scale tanks, and finally to the kettles (reactors) that use formalin. Ditter and Burris stated that all formaldehyde is used in the reactions. Plenco maintains all records including piping and instrumentation diagrams, operating procedures, training records, and safety data sheets electronically. The inspector reviewed these documents and the other documents listed below during the records review.

Photos were taken during the inspection.

Field Measurements were not taken during the inspection.

RECORDS REVIEW

Before the inspection, the inspector requested the following documents:

1. Management structure in terms of RMP and who has responsibility for the different program elements and how that is documented;
2. Off-site Consequence Analysis supporting documentation;
3. Process Safety Information;
4. Process Hazard Analysis;
5. Operating Procedures specific to the covered process;
6. Lockout/Tagout procedures;
7. Training documentation on employees who operate and maintain the covered process;
8. Mechanical Integrity program procedures;
9. Management of Change written procedures;
10. Pre-Startup Safety Reviews completed in the covered process areas;
11. Compliance Audits, the two most recent audits, audit reports, findings of the audits, and how these findings have been resolved or corrected. (if applicable);
12. Incident Investigations performed for each of the covered processes, reports from the investigations, documentation on how the report findings and recommendations were addressed and resolved;
13. Employee participation plan of action regarding the implementation of the employee participation;
14. Hot work permit program/policy, examples of active permits issued for the processes;
15. Contractor policy, a list of contractors who have worked on or near the covered processes within the past two years, documentation on the safety performance and programs evaluated when selecting a contractor, work practices that control the entrance/exit or present of contractors, documentation on how applicable provisions of the emergency response program are explained to contractors; and
16. Emergency Response Plan or Emergency Action Plan.

CLOSING CONFERENCE

☒ Provided U.S. EPA point of contact to the facility.

Requested documents:

During the inspection, the inspector requested the following documents:

- Scale Tank #2 inspection report

- SOMAX Summary

Compliance Assistance:

The inspector did not provide compliance assistance.

Concerns:

Plenco provided the report for an Offsite Consequence Analysis (OCA) completed in 2013. Plenco's representatives said that this is the most recent OCA.

Regarding the Compliance Audit section, I noted my concern that the audit focuses on OSHA's Process Safety Management regulation, and thus, it may not entirely overlap with EPA's Risk Management Program including the OCA provisions.

DIGITAL SIGNATURES

Report Author: CHARLES HALL

Digitally signed by CHARLES HALL
Date: 2024.02.05 15:36:05 -06'00'

Section Chief: BRIAN DICKENS

Digitally signed by BRIAN DICKENS
Date: 2024.02.09 14:41:16 -06'00'

APPENDICES AND ATTACHMENTS

A. Digital Image Log

Facility Name: Plastics Engineering Company, North Avenue Plant **CONFIDENTIAL**
Facility Location: 1720 North Avenue, Sheboygan, Wisconsin
Date of Inspection: 12/20/2023

APPENDIX A: DIGITAL IMAGE LOG

Photographer: Charles Hall Camera: Olympus Tough TG-6 EPA Bar Code: SZ4061

Image Number	File Name	Date and Time	Description of Image
1	PC200109.jpg	12/20/2023 0955 CST	Formaldehyde unloading to Tank 112
			
2	PC200110.jpg	12/20/2023 0955 CST	Tanks 111 (left) and 112 (right)
			

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Image Number	File Name	Date and Time	Description of Image
3	PC200111.jpg	12/20/2023 0957 CST	West Side of Pipe Rack
			
4	PC200112.jpg	12/20/2023 1000 CST	East Side of Pipe Rack
			

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Image Number	File Name	Date and Time	Description of Image
5	PC200113.jpg	12/20/2023 1006 CST	Formaldehye Pipe entering Building

Image Number	File Name	Date and Time	Description of Image
6	PC200115.jpg	12/20/2023 1109 CST	Formaldehyde pipe splitting to two scale tanks.

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Image Number	File Name	Date and Time	Description of Image
7	PC200116.jpg	12/20/2023 1011 CST	Scale Tank 19
			
8	PC200117.jpg	12/20/2023 1013 CST	Top of Kettle 19 (foreground)