Region 6 Enforcement and Compliance Assurance Division
INSPECTION REPORT

Inspection Date(s):	6/18/2024-6/20/2024
Media Program:	Air
Regulatory Program(s)	Clean Air Act (CAA) § 112(r) and 40 Code of Federal Regulations (C.F.R.) Part 68 Chemical Accident Risk Management Plan (RMP) Program 3

Company Name:	**Reddy Ice, LLC**	
Facility Name:	Reddy Ice Dallas	
Facility Physical Location:	4320 Duncanville Rd	
(city, state, zip code)	Dallas, TX 75236	
Mailing address:	5710 Lyndon B Johnson Fwy Suite 300	
(city, state, zip code)	Dallas, Texas 75240	
County/Parish:	Dallas	
Facility Contact:	Ronald Farris (972)-730-0123	Plant Manager
	rfarris@reddyice.com	

FRS Number:	110000769598
Identification/Permit Number:	
Media Identifier Number:	RMP 1000 0017 7989
NAICS:	312113 Ice Manufacturing

Personnel participating in inspection:		
Blake Sieminski	Lead Inspector/Enforcement Officer	U.S. EPA
Kristen Latiolais	Inspector/Enforcement Officer	U.S. EPA
Steve Eppard	EHS- PSM Manager	Reddy Ice
Adrian Bridges	Assistant Plant Manager	Reddy Ice
Juan Estrada	Market Manager	Reddy Ice
Brandon Gentry	Manager Field Safety	Reddy Ice
Greg Mitchell	Senior EHS Manager	Reddy Ice
Johnathan Judy	Director, EHS	Reddy Ice

EPA Lead Inspector Signature/Date	BLAKE SIEMINSKI Digitally signed by BLAKE SIEMINSKI Date: 2024.08.19 10:05:59 -05'00'	
	Blake Sieminski	Date
Supervisor, ECDSC Signature/Date	SAMUEL TATES Digitally signed by SAMUEL TATES Date: 2024.08.19 12:01:11 -05'00'	
	Samuel Tates	Date

Section I – INTRODUCTION PURPOSE OF THE INSPECTON

I, Blake Sieminski and Kristen Latiolais, the Environmental Protection Agency (EPA) Region 6 inspectors arrived at the Reddy Ice Dallas Plant at approximately 9:00 a.m. on May 21, 2024, for an announced inspection. I met with Reddy Ice Dallas (Reddy Ice) facility representatives at the opening meeting. I presented my credentials and informed them that this was an EPA led inspection to determine compliance with the Clean Air Act (CAA) Section 112(r). The scope of the inspection was a partial compliance evaluation (PCE) and included evaluation of the compliance with 40 C.F.R. Part 68 – Chemical Accident Prevention Provisions, CAA Section 112(r)(7), and the General Duty Clause (GDC), CAA Section 112(r)(1).

FACILITY DESCRIPTION

Reddy Ice-Dallas (311), located at 4320 Duncanville Rd., Dallas, TX 75236, is a packaged ice manufacturing and storage facility. The Risk Management Program (RMP) regulated substance for this facility is anhydrous ammonia (ammonia), which is utilized as a refrigerant for the closed-circuit mechanical refrigeration system. Ammonia, when properly used, has proven to be a safe, reliable, and efficient refrigerant, although, because of moderate toxicity and slight flammability, ammonia is considered a highly hazardous chemical. The closed-circuit ammonia refrigeration system provides process cooling for product manufacturing and refrigerated warehouse storage to maintain product quality. Ammonia is handled and stored at the Plant exceed the respective regulatory threshold quantities regulated under 40 C.F.R. Part 68 Chemical Accident RMP. Reddy Ice has operated the facility since 2002. The plant produces 500-600 tons of ice per day and there are approximately 57 full-time employees.

Section II – OBSERVATIONS

We conducted a walk-through of the facility, accompanied by facility representatives, to observe the facility process equipment, and overall operations. I used the Forward Looking Infrared (FLIR™) Series GF320 camera, and observed no spills, leaks, or fugitive hydrocarbon emission trails. Other inspection findings and observations are noted in the RMP Program Level 3 Checklist, located in **Appendix #1**.

Section III – AREAS OF CONCERN

Closing Meeting – EPA convened a closing meeting on Thursday, June 20, 2024, to discuss the Areas of Concern (AOC) noted during the inspection, the inspection completion process, and to answer questions from plant representatives.

AOC 1 - 40 C.F.R. § 68.65(d)(2) Process safety information.

The owner or operator shall ensure and document that the process is designed and maintained in compliance with recognized and generally accepted good engineering practices.

Reddy Ice failed to maintain the equipment and associated piping as required by ANSI/ASME Standard A13.1, Scheme for the Identification of Piping Systems and as identified in the 2022 PHA Revalidation recommendations.

The facility failed to properly Inspect and Maintain the eyewash stations on site, as required by IIAR 6, Chapter 12.1/ ANSI/ISEA Z358.1. Specifically, the eyewash station on the roof of the facility, located near process piping, was not connected to water, had not been inspected nor was functional at the time of inspection. Several other eyewash stations observed around the facility had been inspected the day of the EPA inspection.

AOC 2 - 40 C.F.R. § 68.67(g) Process Hazardous Analysis (PHA)

The owner or operator shall retain process hazards analyses and updates or revalidations for each process covered by this section, as well as the documented resolution of recommendations described in paragraph (e) of this section for the life of the process.

Reddy Ice failed to retain PHAs and updates or revalidations for the life of the covered process. Reddy Ice could not provide copies of the PHAs for the life of the process.

AOC 3 - 40 C.F.R. § 68.67(e) Process Hazardous Analysis (PHA)

The owner or operator shall establish a system to promptly address the team's findings and recommendations; assure that the recommendations are resolved in a timely manner and that the resolution is documented; document what actions are to be taken; complete actions as soon as possible; develop a written schedule of when these actions are to be completed; communicate the actions to operating, maintenance and other employees whose work assignments are in the process and who may be affected by the recommendations or actions.

Reddy Ice identified pipe labeling as being missing or mislabeled in the 2017 PHA recommendations as well as the 2022 PHA Revalidation and as of the inspection these items were still open and due in Q4. Per IIAR 6 requirements, Reddy Ice should visually inspect ammonia refrigeration pipe labeling for correct placement, accuracy, and degradation annually. Reddy Ice's own ITM schedule requires this to be done semiannually.

AOC 4 - 40 C.F.R. § 68.69(a) Operating Procedures

The owner or operator shall develop and implement written operating procedures that provide clear instructions for safely conducting activities involved in each covered process consistent with the process safety information and shall address at least the following elements.

The facility failed to perform annual inspections of the lockout/tagout energy control procedures for 2020-2024. SOP Document "Dallas-TX-SOPs-20230117; SOP 17 Page 19 states "An authorized employee to determine the level of program compliance conducts annual inspections of the energy control procedures. The inspection records are kept on file with the lockout program." The facility stated these inspections are not being performed or documented.

AOC 5 - 40 C.F.R. § 68.73(b) Written procedures

The owner or operator shall establish and implement written procedures to maintain the on-going integrity of process equipment.

The facility failed to perform Daily, weekly, monthly, quarterly and yearly checks/inspections for 2020 through 2024. Mechanical Integrity Procedure- Overall Refrigeration System states "Daily, Weekly, Monthly, Quarterly and Yearly checks will be completed and documented on the designated log sheet". The facility was missing several checklists/inspections for 2020, 2021, 2022, 2023 and 2024. Weekly, Monthly, Quarterly and Yearly checklists were either incomplete or not completed at all. (See document "Dallas-TX-ITM-2024" for Inspection schedule).

The facility failed to completely fill out the daily checklists as required by the facility's mechanical integrity procedure. The Mechanical Integrity Procedure, Page 2, section 8.4.3 states "Walkthroughs of the entire ammonia refrigeration system shall be performed daily by authorized employees and documented to provide a record of manufacturer-recommended daily inspection activities. The walkthrough examines the ammonia refrigeration system to determine whether operating conditions have deviated from the safe upper and lower limits. Any discovered exceptions from normal operations, such as leaks or equipment needing repair, shall be addressed, and documented for reference." A daily system log sheet was provided to show what is recorded on the daily walkthroughs. EPA inspectors found several days throughout the 5-year review period that were either incomplete or not filled out correctly (See Attachment "Daily Logs Scan").

The facility failed to perform inspections of the equipment in the engine room as required by the standard operating procedures. SOP 1-Overall System Operation, Page 4 states to "Visually inspect the equipment in the engine room at least once each hour. Record compressor pressures and receiver levels on the log sheet (twice per shift)". According to the facility, these inspections are not being performed. There was no documentation to verify these inspections were being performed as required.

AOC 6 - 40 C.F.R. § 68.95(a) Emergency Response Program.

The owner or operator shall develop and implement an emergency response program for the purpose of protecting public health and the environment.

Page 10, Section 3.0 of the facility's Emergency Action Plan states "All Reddy Ice employees and contractor employees will be trained in what to do in the event of an emergency. This training will be documented and maintained for at least five years. The training shall be conducted upon hiring as part of their safety orientation, annually as a review and any time there is a plan revision". EPA inspectors reviewed training records provided at the time of inspection. EPA inspectors determined that the facility failed to provide annual training for the Emergency Action Plan for several employees on site. The facility was also unable to provide any training provided to contractors.

AOC 7 - 40 C.F.R. § 68.96(a) Notification exercises

At least once each calendar year, the owner or operator of a stationary source with any Program 2 or Program 3 process shall conduct an exercise of the stationary source's emergency response notification mechanisms required under § 68.90(b)(3) or § 68.95(a)(1)(i), as appropriate, before December 19, 2024, and annually thereafter. Owners or operators of responding stationary sources may perform the notification exercise as part of the tabletop and field exercises required in paragraph (b) of this section. The owner/operator shall maintain a written record of each notification exercise conducted over the last five years.

Although annual coordination with the LEPC was being performed as required by 40 CFR Part 68.96, the facility failed to hold notification exercises at least once each calendar year to exercise the facility's emergency response notification mechanisms.

Section IV – FOLLOW UP

There were no additional records requested and no additional follow up for this inspection.

Section V – LIST OF APPENDICES

Appendix #1 – RMP Program 1 Checklist
Symbol Key: Y - Yes, N - No, N/A - Not Applicable; S - Satisfactory, M - Marginal, U – Unsatisfactory.