

Region 6 - Enforcement & Compliance Assurance Division
VIRTUAL PARTIAL COMPLIANCE EVALUATION (VPCE) REPORT

VPCE Date(s):	March 16-31, 2022		
Media Program:	Air		
Regulatory Program(s)	RMP		
Company Name:	Kiolbassa Provision Company		
Facility Name:	San Marcos Street Facility		
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FRS Number/Programmatic ID:	110000503857 / ICIS 2600032207		
Identification/Permit Number:	Texas Commission on Environmental Quality RN102315207		
Media Identifier Number:	RMP 100000081733		
NAICS Code:	311611 Animal (except Poultry) Slaughtering		
SIC Code:	See NAICS		
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Section I – INTRODUCTION

PURPOSE OF THE VPCE

On March 2, 2022, the United States Environmental Protection Agency (EPA) Region 6 sent an email to facility personnel at Kiolbassa Provision Company (Kiolbassa, or the Facility), located in San Antonio, Texas, to announce the initiation of a Clean Air Act Risk Management Plan (RMP) Virtual Partial Compliance Evaluation (VPCE). The e-mail informed Kiolbassa personnel of the start date for the VPCE, which included a Microsoft Teams video opening conference held on March 16, 2022. During the opening conference, Region 6 inspectors Diana Lundelius and Daniel Williams met with representatives of Kiolbassa (see VPCE report cover page). I, Diana Lundelius, presented my credentials on camera, and informed Kiolbassa personnel that this was an EPA evaluation to determine compliance with the federal Chemical Accident Prevention Program. The scope of the VPCE was to evaluate the facility's compliance with the Clean Air Act (CAA) Section 112(r) and the Chemical Accident Prevention Provisions in 40 C.F.R. Part 68, as well as the General Duty Clause. The EPA VPCE team discussed general VPCE procedural questions, confidential business information (CBI) procedures, interview schedules, the proposed timeline, approximate time frame for conducting an exit conference, and the VPCE report process. This VPCE is a new compliance monitoring tool that EPA Region 6 is utilizing during and after the COVID-19 Public Health Emergency. This evaluation included reviewing and obtaining copies of documents and records, conducting interviews, and taking interview statements via video teleconference.

FACILITY DESCRIPTION

Kiolbassa Provision Company in San Antonio, Texas is a food processing company that produces cooked sausages and other related meat products. Finished sausage products are packaged and shipped to stores. The facility operates an ammonia refrigeration system to provide cooling and cold storage in a large, refrigerated warehouse. Refrigeration system sections are located in several other areas of the facility, in addition to the warehouse. These can be isolated from the warehouse if needed. Ammonia is the only substance present above the RMP threshold quantity. The facility was acquired in September 2017 from Surlean Foods. The Kiolbassa facility is non-union, and operates the covered process during one shift, five days per week, except during seasonal production demand times, when it may operate additional hours or days. Other areas of the facility not in the covered process may operate 24 hours a day, 7 days a week.

Section II - OBSERVATIONS

40 C.F.R. Part 68 – CHEMICAL ACCIDENT PREVENTION PROVISIONS

Subpart A – General

40 C.F.R. § 68.10 Applicability – I observed that the Kiolbassa facility is a stationary source that meets the criteria of § 68.3 and § 68.10(a)(3), and stores more than a threshold quantity of a regulated substance in one covered process; therefore, the regulations under 40 CFR Part 68 are applicable. Kiolbassa submitted an RMP registration that describes the process containing the toxic chemical held at more than threshold quantity. The covered process is Program Level 3 because the facility is subject to the Occupational Safety and Health Administration (OSHA) Process Safety Management (PSM) Standard, 29 CFR § 1910.119. Kiolbassa is in the food processing industry sector which has a North American Industry Classification System (NAICS) code of 311611.

40 C.F.R. § 68.12 General requirements – I reviewed the RMP registration submitted by Kiolbassa for the facility on March 16, 2022, which lists one toxics process for the the facility. Kiolbassa determined that the process meets the requirements of Program Level 3. For the five years prior to the current RMP registration, including the time period under previous ownership, the facility had not had an accidental release of a regulated substance that resulted in death, injury, or off-site response at an environmental receptor, per § 68.10(g)(1). Since the distance to a toxic endpoint for the worst-case release assessments conducted under Subpart B and § 68.25 includes public and/or environmental receptors not owned or operated by Kiolbassa, the facility does not meet the criteria to be Program Level 1.

40 C.F.R. § 68.15 Management – Kiolbassa has developed a PSM/RMP manual which includes a comprehensive table showing the organization chart and RMP/PSM Element Ownership. Kiolbassa personnel indicated that the Vice President, Engineering and Technology is the person with overall responsibility for overseeing the implementation of the RMP program elements. Additionally, the organization chart lists different positions and persons responsible for implementing individual requirements. Kiolbassa's documentation systems are almost all electronic except for a few paper documents that preceded current database systems. The document control systems include several interconnected and stand-alone databases and dedicated internal network and intranet sites where employees may access facility documents. These document systems were demonstrated by Kiolbassa personnel during the VPCE.

Subpart B – Hazard Assessment

40 C.F.R. § 68.20 Applicability – Kiolbassa prepared worst-case release scenario analyses and completed a five-year accident history review summary, which indicated that no reportable releases of RMP chemicals had occurred at the facility prior to June 2020. Since Kiolbassa does not have a covered process with regulated flammable substances, the facility must comply with only the toxic substance sections in this subpart.

40 C.F.R. § 68.22 Off-site consequence analysis (OCA) parameters – I observed that Kiolbassa used parameters required in this part to calculate toxic worst-case and alternative release scenarios. Kiolbassa used parameters specified by EPA in the rule and used the EPA's Off-Site Consequence Guidance (OCG) and RMP*Comp to determine the scenario specific input values, including appropriate wind speeds, stability classes, ambient temperature and humidity values, height values, and surface roughness values. Kiolbassa conducted additional modeling using Marplot and other digital maps to display the distance to endpoints for the worst case and alternate scenarios.

40 C.F.R. § 68.25 Worst-case release scenario analysis – During the VPCE, I reviewed documentation from Kiolbassa regarding the worst-case release scenario analysis for the toxic chemical in the covered process. The analysis used the EPA's OCG and RMP*Comp with digital maps.

40 C.F.R. § 68.28 Alternative release scenario analysis – Kiolbassa identified and documented an alternative release scenario for the MP covered toxic process their RMP. The analysis also used the EPA OCG, RMP*Comp and digital maps.

40 C.F.R. § 68.30 Defining off-site impacts – Population – Kiolbassa used the most current (2010) Census Bureau population data and the distance to endpoints to calculate the population numbers reported in their RMP. Kiolbassa also used digital maps from different sources and populations associated to related zip codes to define the population surrounding the facility.

40 C.F.R. § 68.33 Defining off-site impacts – Environment – Kiolbassa performed an appropriate analysis and evaluation and identified a number of environmental and other sensitive receptors in the distance to the endpoint or in the vicinity of the facility in the area maps used for the modeling. Using publicly available photos of the area surrounding the facility in the immediate vicinity confirmed this to be consistent with the OCA data and maps.

40 C.F.R. § 68.36 Review and update – Kiolbassa indicated during the VPCE that the input parameters, conditions, surrounding population, and offsite receptors have changed very little since the OCA was performed in 2014, and reviewed again for the 2019 RMP registration update. The OCA will need to be reviewed again for the next five-year RMP update.

40 C.F.R. § 68.39 Documentation – Kiolbassa provided the required documentation of the off-site consequence analysis for the toxic process. Included in the documentation of the worst-case and alternative release scenarios were descriptions of the vessel or equipment component, parameters used and input into the EPA OCG formulas, including the use of any administrative controls and/or passive mitigation that were assumed to limit the quantities that could be released. The documentation also included the estimated quantities released, release rates, duration of releases, release estimation methodology used, and data used to estimate population and environmental receptors potentially affected.

40 C.F.R. § 68.42 Five-year accident history - Kiolbassa reported one accidental release of ammonia in the 2019 RMP registration update for the facility. Kiolbassa personnel also verbally confirmed that they have had no other RMP recordable release events during the past five years. There were no other additional release incident records involving the covered process. Kiolbassa uses the internal procedure and forms templates established in the PSM/RMP manual for conducting incident investigations. As required by the rule, Kiolbassa indicated it would conduct investigations for near-miss incidents, as well as actual release events, and the incident record reviewed for the June 2020 release included the corrective action completed and communication to affected employees and supervisors.

Subpart D – Program 3 Prevention Program

40 C.F.R. § 68.65 Process safety information – Kiolbassa provided written process safety information (PSI) for the covered RMP process. I reviewed the PSI documents for the covered process area. The PSI I reviewed included information pertaining to the hazards of the regulated substance used or produced by the process, information pertaining to the technology of the process, and information pertaining to the equipment in the process. The process safety information included an ammonia Safety Data Sheet (SDS), which had information on toxicity, permissible exposure limits, physical data, reactivity data, corrosivity data, thermal and chemical stability data, and the hazardous effects of inadvertent mixing of materials that could foreseeably occur. The facility documented information pertaining to the technology of the process with block flow diagrams, process chemistry, maximum intended inventories, safe upper and lower operating limits, and evaluations of the consequences of deviation. The PSI is supplemented by, and includes reference to, Piping and Instrument Diagrams (P&IDs), electrical classifications, relief system designs, ventilation system designs, design codes and standards used for equipment, material and energy balances, safety/mitigation systems, and alarm/automatic shut off systems. PSI is accessible to operators and other affected employees on the facility's internal network and *Momentum PSM* database system. The PSI is updated on a regular basis in *Momentum PSM* by Kiolbassa's safety supervisor, or other responsible individuals named in the RMP management plan table, as appropriate, whenever there is a change or other modification.

40 C.F.R. § 68.67 Process hazard analysis (PHA) – Prior to Kiolbassa’s acquisition of the facility in September 2017, the prior owner, Surlean Foods, conducted PHAs in June 2004, June 2009, and July 2014. Kiolbassa has copies of these completed PHAs. Kiolbassa decided not to rely on findings of the previous PHAs conducted, and instead completed a complete reanalysis of the original PHA in July 2019. The EPA review team reviewed the July 2019 PHA documentation for the covered process, and the respective recommendations. The PHA included the hazards of the process, engineering and administrative controls applicable to the hazards, consequences of failure of engineering and administrative controls, stationary siting, human factors, and an evaluation of a range of the possible safety and health effects of failure of controls. Two methodologies were utilized to conduct the PHA at the facility - a *What-If* analysis was used to evaluate hazard scenarios; and a Checklist review was used to assess the covered process against industry standards, and to evaluate external events, human factors, and facility siting. The July 2019 PHA was conducted by a team that included appropriate personnel from the facility, and an engineering consultant with knowledge of the facility. The findings and recommendations from the PHA were documented and communicated to affected employees. In reviewing the corrective action resolutions from the July 2019 PHA, there were several recommendations that were still open at the time of the VPCE, but within a reasonable time frame for completion by the stated deadlines. There was also an inherited finding ACT-00402 from the Surlean 2014 PHA that wasn’t completed until Nov 2021. Kiolbassa explained that the delay occurred because a new fire suppression/alarm system was being installed during initial operation, and the action item for ACT-00402 was a capital cost that required management approval. The new alarm system was required in order for Kiolbassa to get its certificate of occupancy from City of San Antonio, so the decision was made to defer ACT-00402 until after achieving full operation. During the VPCE, the EPA review team reviewed the July 2019 PHA, and discussed the June 2020 release incident, with focus on the sections of the PHA that were relevant to the hazards involved in determining the root cause of the incident. The root cause was a forklift driver’s failure to adhere to established forklift operating instructions and safety precautions, resulting in severe damage to the ammonia refrigeration system piping after being struck by the raised forklift mast. This is a common hazard identified by OSHA as a frequent violation cited during their inspections¹. Kiolbassa indicated that during the June 2020 incident investigation, the investigation team looked for similar potential hazard conditions in other areas of the covered process that could be affected and made recommendations for improved engineering controls. However, forklift driving in an unauthorized manner was not considered as a human factor in the July 2019 hazard assessment. Based on the published frequency of how often this type of hazard may occur, driving with an elevated load (i.e. the mast up), and other similar failures to follow established procedures and safety requirements, should have been considered in human factors with regard to forklift operation during the 2019 PHA study. As a result, the facility failed to consider and implement adequate safeguards as countermeasures which may have prevented or significantly mitigated the June 2020 release incident **[Area of Concern (AOC 1)]**.

40 C.F.R. § 68.69 Operating procedures – Kiolbassa has developed and implemented written operating procedures that provide instructions and steps for conducting activities associated with the covered process, consistent with the documented safety information. I reviewed the operating procedures to identify steps for each operating phase (initial and normal startup, normal operations, emergency shutdown, normal shutdown, and startup following a turnaround or after emergency shutdown). The facility may use Management of Change to employ temporary operations if needed on a case-by-case

¹ See <https://www.sstlift.com/blog/osha-violations-and-fines-2020>, OSHA'S Top 10 Violations For 2020 - Powered Industrial Trucks (§1910.178): 1,932 violations; The Top 5 Forklift-Related OSHA Violations include Unsafe operation - Driving with an elevated load, driving too fast, and driving too close to platform edges. Forklift operation violations have been a leading OSHA violation category since 2011.

basis. Emergency operation where needed also is addressed in the emergency response section of the PSM/RMP manual and the emergency action plan. Emergency shutdown procedures include conditions under which such a shutdown is required, and the assignment of shutdown responsibilities to qualified operators to ensure that emergency shutdown is executed in a safe and timely manner. Additionally, Kiolbassa provided annual certifications for 2018, 2019, and 2021 during the VPCE which attest that the operating procedures are current and accurate. Annual certification of operating procedures is also outlined as a requirement in the facility's PSM/RMP manual. There was no annual certification for 2020 due to unexpected extenuating circumstances. A computer system cyber-attack occurred in early November 2020. At the time the cyber attack occurred, operating procedures were in the process of being updated before being uploaded back into *Momentum PSM* for certification. All of the computers in the company were infected with malware that wiped out documents on computer desktops. Kiolbassa spent the rest of November and December of 2020 determining which records and documents were missing or corrupted and made efforts to recreate missing information. During this time the facility could not function in areas that were dependent on computer operation. Although the *Momentum PSM* data system was not materially affected, because there were a significant number of changes to the operating procedures that needed to be reconstructed in the documents and verified, the company did not feel comfortable certifying the available unedited procedures as being "current" for 2020.

40 C.F.R. § 68.71 Training – Training records are housed in the *Momentum PSM* database system. Kiolbassa conducts operator training annually. The training is in-person and interactive to ensure that attendees understand operating and maintenance procedures, as appropriate. At the end of the training operators sign the training roster, which is then uploaded to *Momentum PSM*. Example training records were provided for EPA's review. I reviewed a list of employee training records that included initial and refresher training for affected employees. At the time of the VPCE, no operator training for current Kiolbassa employees was overdue and no training records requested were missing.

40 C.F.R. § 68.73 Mechanical integrity (MI) – The EPA review team reviewed the documentation of Kiolbassa's mechanical integrity process and procedures for the facility, and selected inspection and testing records for RMP covered equipment. Written procedures for maintaining the integrity of the equipment in the covered processes were provided. These procedures, along with a schedule and records of completed and future inspection and maintenance tasks, are housed in Kiolbassa's electronic facility maintenance database. Kiolbassa personnel indicated that the facility also employs contractors to perform certain maintenance tasks. I requested and received two example mechanical integrity maintenance contractor completed training forms to review, and they conform to the requirements outlined in the PSM/RMP manual.

Two operators are also the qualified mechanical integrity maintenance technicians. The MI technicians are qualified on specific tasks and inspections they may perform. They each received initial on-the-job training in 2018 and 2021, respectively, when hired. The Kiolbassa training standard documented in the PSM/RMP manual outlines process areas to be included in the training and lists affected equipment specified by § 68.73(c). It was not clear from the PSM/RMP management plan manual (training table on page 30) if maintenance techs will receive MI refresher training every 3 years or not. If that is the case, one technician would be due in May 2022 for 3-year training and the other would be due in 2024. The PSM/RMP program manual and training program table matrix should be updated to clarify the company's intended schedule for MI refresher training for the two maintenance technician operators before May 2022 to meet requirements of § 68.73(c); however, since there is time to complete this task before the due date, there is no area of concern at this time.

Lists of critical equipment, inspection/PM schedules, and work orders are housed in an *Infor EAM* database. MI training records are housed in the *Momentum PSM* database. The EPA review team asked about inspections and maintenance overdue in the provided list. Some tasks are delayed due to contractor vetting. Kiolbassa is considering a change to follow and implement a later ammonia industry standard for mechanical integrity, so future inspection and preventative maintenance schedules may change for some equipment. EPA noted that several preventative maintenance tasks for six compressors are 3 months overdue because of an oversight in doing a batch close out on other work orders that were completed for other equipment **(AOC 2)**. Corrective action has been taken with maintenance personnel to ensure that individual work orders are verified as to actual status before being closed out. Four ammonia sensors are overdue for calibration. Kiolbassa did not offer a reason for them being overdue **(AOC 3)**. The facility has experience delays and scheduling conflicts when arranging for its contractor to complete the calibrations before the due dates. To address this concern, Kiolbassa is training other individuals in house to take over these duties. A critical isolation valve that is past due for preventative maintenance requires a complete system shutdown in order for the maintenance tasks to be completed. The previous window for a shutdown had to be passed because of scheduling issues with other preventative maintenance tasks, personnel availability, and contractor availability.

40 C.F.R. § 68.75 Management of Change (MOC) – I requested and reviewed Kiolbassa’s MOC procedures for the RMP covered process. MOC is documented and tracked by an internal Kiolbassa database. The MOCs provided for EPA’s review are the only ones that have occurred since Kiolbassa acquired the facility. When reviewing the MOC for the FCU 51 Replacement (MOC CHG-00075), I noted that training and notification to affected employees were not documented with the MOC. Kiolbassa acknowledged that operators and maintenance technicians are involved as appropriate in actions related to MOCs, and decisions affecting changes, but there is no documentation mechanism to demonstrate that all affected employees/contractors have been trained and/or notified of changes before they are implemented. **(AOC 4)**. I noted also that MOC training is not described or included in the PSM/RMP manual management system table (Section 10.2) to address training for affected employees/contractors as required by § 68.75(c).

40 C.F.R. § 68.77 Pre-startup safety review (PSSR) – Kiolbassa protocols for PSSR are summarized in the PSM/RMP manual. I review one PSSR document for the Line 4 Refrigeration Project (PSSR CHG-00024). The tasks required for completion of the PSSR were documented and reviewed by personnel involved. However, the affected employees and contractors other than those directly involved in the PSSR tasks were not listed or referenced in the PSSR document. No other separate PSSR communication/training records for affected employees were attached to the PSSR documentation provided to demonstrate that the required training/communication occurred prior to system start up. Kiolbassa acknowledged that PSSR training/notification has been handled informally, similar to that involving MOCs. I noted also that training and notification is not included or described in the PSSR section of the PSM/RMP manual or management system table. There is currently no documentation mechanism in place for recording PSSR training received by affected employees. **(AOC 5)**

40 C.F.R. § 68.79 Compliance audits – Kiolbassa conducted their most recent RMP compliance audit in October 2019. Previous audits conducted by the prior owner were completed in 2004, 2007, 2010, 2013, and 2016. Kiolbassa has retained copies of the prior audits and furnished the October 2019 compliance audit for EPA’s review. The audit team included Kiolbassa employees knowledgeable of the process units and a third-party audit contractor. A summary of the audit team meetings, reports of the findings, and the recommended action items in response to the findings was included in the report. Lists of the corrective action items, the schedules for completion, and the personnel assigned were provided for each audit. There was also a status summary of outstanding action items from the 2016 audit. At the

time of this VPCE, there were five action items still remaining to be completed from the 2019 audit. One requires ventilation engineering design review. Kiolbassa indicated that the ventilation design review follows the RMP/PSM document timeline and would be due by the end of 2024. Also, the current ventilation design incorporates capacity that includes one compressor that has been removed by the previous owner. There are also other changes associated with the PSM/RMP manual document, so Kiolbassa will complete all the changes at one time with the ventilation design review and update the RMP registration before the next audit due date in October 2022. There were four open items from the 2014 PHA revalidation identified in the October 2019 audit, which were for the time period before Kiolbassa acquired the facility in 2017. Three items were completed in 2020 and 2021. One remaining action item from ACT-00402 will be combined with an action item identified from the 2019 PHA (ammonia detectors). It was more cost efficient to handle corrective action for the audit finding with the corrective action item from the inherited PHA recommendation. One 2019 action item will involve an extensive roofing project, which requires replacement of some structural support components of the whole roof. The other 2019 audit action item involves contractor work for lock out/tag out energy controls that was approved for completion by May 2022.

40 C.F.R. § 68.81 Incident investigation – During the VPCE, I reviewed Kiolbassa’s incident investigation procedure and associated form, and three incident reports. Kiolbassa manages incident reporting and review through an internal database. Investigation procedure is part of the PSM/RMP program document. Investigations are initiated within 48 hours. One reportable incident occurred in June 2020. Internal incident investigations are processed through the Safety Department. If an incident is RMP related, then it is entered in *Momentum PSM*. A primary responsible individual is described in the investigation procedure and is designated on the investigation report. The investigation portal in *Momentum PSM* is accessible to operators, environmental/health/safety personnel, and responsible program individuals. Communication of investigation findings is made to affected employees via presentations and by mass emails. Two other incidents occurred after June 2020 – a near-miss during maintenance and repairs in November 2020, and an ammonia leak in December 2020. The incident database references associated work orders and MOCs that are generated, as well as training or re-training that is part of recommended corrective action to prevent reoccurrence. Kiolbassa requires follow up recommendations and corrective action to be completed within six months. I reviewed the three incident investigation reports that occurred at the facility to verify the procedures and protocols used. Follow up actions and recommendations from the incident investigations were completed in a timely manner.

40 C.F.R. § 68.83 Employee participation – I reviewed the written employee participation plan during this VPCE, which is included in the PSM/RMP manual. The plan included a description of how employees and their representatives have access to process hazard analyses and all other information required under the RMP rule, and examples of the types of projects and activities employees may participate in. The plan includes participation in pre-startup safety review. The employee participants listed in the PHA reports and MOCs I reviewed confirmed that Kiolbassa follows this protocol. Additional information related to employee participation was also included in a section of the RMP program overview. Employees can access information and documents through several intranet sites and *Momentum PSM* databases, which were shown and demonstrated by Kiolbassa personnel during the VPCE.

40 C.F.R. § 68.85 Hot work permits – During the VPCE, I reviewed the Hot Work procedure document in the PSM/RMP manual, and the current database for Kiolbassa-issued hot work and other types of work permits (e.g., lock out/tag out). The hot work permits included the dates authorized for hot work and identified the objects on which hot work was performed, and the requirements for fire watch. Hot work permit records are kept in accordance with rule requirements and Kiolbassa records retention policies. I

reviewed examples of hot work permits that were issued in 2020. All of the work permits reviewed conformed to Kiolbassa requirements, and the permit forms had all the required information and applicable data entry fields completed.

40 C.F.R. § 68.87 Contractors – Kiolbassa indicated that contractors are vetted internally. The contractor selection system is electronically driven and includes prequalification forms that include information covering background screenings, insurance coverage, training requirements, industry experience, safety history, environmental stewardship, and other Kiolbassa internal requirements. Facility personnel also have input into the contractor selection process. Contractors are required to complete initial general site safety and environmental training, which includes RMP and PSM as appropriate. Additional training specific to equipment and procedures in the covered processes is also required. I reviewed the Kiolbassa written procedure for contractor oversight, and Kiolbassa's protocol for vetting contractors. Kiolbassa provided its standards for selection of contractors, and example records. Kiolbassa indicated that there were no reportable injuries/illnesses for contractors at Kiolbassa since 2017, so there are no OSHA 300 logs required from them. Contractor evaluations are housed in *Momentum PSM*. Each year, contractors must renew their active status and complete refresher training. Kiolbassa also controls access to the facility for each contractor. Kiolbassa safety and project management personnel periodically audit contractor work and performance. Unacceptable performance is addressed at the individual or contractor group level as appropriate, and patterns of unsafe or unacceptable performance may lead a contractor to be suspended temporarily or permanently, depending on the severity of non-conformance. Kiolbassa provided for my review during the VPCE example records of periodic contractor evaluations performed during the previous two years.

Subpart E – Emergency Response

40 C.F.R. § 68.90 Applicability – The Kiolbassa facility is not a responding stationary source and is not subject to the requirements of § 68.95, provided that it fulfills the requirements of § 68.93(b)(1)-(5), as appropriate.

40 C.F.R. § 68.93(b) Non-responding stationary sources –The facility has an Emergency Action Plan (EAP), and is included in the community's emergency response plan developed for the San Antonio local emergency planning commission. Kiolbassa submitted its initial notification to the San Antonio Fire Department (SAFD) on October 11, 2019, along with a copy of the EAP and Texas Tier Two chemical inventory. After initial notification, the facility should have requested to meet with response officials at SAFD to review the information; however, no record was provided that the facility requested a coordination meeting with the fire department, as required by § 68.93(b) **(AOC 6)**.

The fire suppression system is tested annually – the most recent testing was completed in February 2022. Fire alarms and safety showers are inspected monthly. Ammonia detectors are serviced and tested biennially. Kiolbassa provided examples of the most recent annual/monthly inspections for each type of safety system component. No fire system or safety shower inspections were past due. EPA notes that some ammonia monitors are being added/replaced, and four existing monitors are overdue for calibration, as explained elsewhere in this report.

Kiolbassa conducted annual response notification exercises required by §§ 68.93(b)(5) and 68.96(a) in 2020 and 2021. The documentation for the March 17, 2020, evacuation drill documented that SAFD did not show up for the scheduled drill that the fire department requested. Another evacuation drill actually occurred previously on February 28, 2020, and was documented. The facility also conducted and documented response actions with SAFD for the June 2020 RMP reportable ammonia release, which

met requirements of § 68.96(c)(2). A notification drill subsequently was conducted on October 5, 2021, and documented as required. EPA reviewed the EAP and noted that the facility's RMP/PSM plan also requires notification drills annually per §§ 68.93(a) and 68.96(b). The emergency contact phone numbers in the RMP registration are consistent with the designated contacts and corresponding emergency phone numbers in the EAP and are functional. However, phone numbers for other emergency contacts are not consistent in the notification lists in the EAP on several pages. EPA identified this during the VPCE so that the facility could verify these and ensure that the phone numbers are consistent throughout the EAP.

Subpart G—Risk Management Plan

40 C.F.R. § 68.195 RMP Registration and Required Corrections – The RMP registration for this facility was most recently updated September 19, 2019, as required after an RMP reportable release. At the time of the VPCE, the emergency contact 24-hour phone numbers were all active and responsive. I reviewed the most recent RMP registration and found the elements to be consistent with other RMP program documentation the facility maintains and furnished for review.

Subpart H—Other Requirements

40 C.F.R. § 68.200 Recordkeeping. This section of the rule requires an owner or operator to maintain records supporting the implementation of Part 68 at the stationary source for five years, unless otherwise provided in Subpart D. Based on information provided by Kiolbassa during the VPCE, certain records have not been maintained in prior years to demonstrate compliance with requirements for MOC and PSSR training and notification to affected employees and contractors, and, documentation of a request to meet with local response authorities in 2019 to review the information in the facility's initial emergency response coordination notification.

Section III – AREAS OF CONCERN (AOCs)

On the last day of the VPCE (March 31, 2022), I conducted a closing conference virtually in Microsoft Teams, during which I presented the following areas of concern identified in the VPCE. EPA's findings from the VPCE are also summarized in the completed RMP Program Level 3 checklist, found in Section V. Appendix 1.

AOC 1 - 40 C.F.R. § 68.67 Process hazard analysis.

(c) The process hazard analysis shall address: (6) Human factors; and (7) A qualitative evaluation of a range of the possible safety and health effects of failure of controls.

Kiolbassa acknowledged that it did not consider the potential human factor hazard of employees not following proper forklift driving operating procedures and failed to consider additional safeguards as countermeasures for this in the 2019 PHA revalidation (page 30 of the PHA report). However, based on the published frequency of how often this type of hazard may occur, driving with an elevated load (i.e. the mast up), and other similar failures to follow established procedures and safety requirements, should have been considered in human factors with regard to forklift operation during the 2019 PHA study. As a result, the facility failed to consider and implement adequate safeguards as countermeasures which may have prevented or significantly mitigated the June 2020 release incident. EPA notes that a revised hazard analysis with recommendations for additional engineering controls was completed for this issue for other potentially affected areas in the covered process as part of the incident investigation.

AOC 2 - 40 C.F.R. § 68.73 Mechanical integrity.

(d) Inspection and testing. (3) The frequency of inspections and tests of process equipment shall be consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience. (4) The owner or operator shall document each inspection and test that has been performed on process equipment.

Several preventative maintenance tasks for six compressors are 3 months overdue because of an oversight in doing a batch close out on work orders that were completed for other equipment. EPA notes that corrective action has been taken with maintenance personnel to ensure that individual work orders are verified as to actual status before being closed out.

AOC 3 - 40 C.F.R. § 68.73 Mechanical integrity.

(d) Inspection and testing. (3) The frequency of inspections and tests of process equipment shall be consistent with applicable manufacturers' recommendations and good engineering practices, and more frequently if determined to be necessary by prior operating experience. (e) Equipment deficiencies. The owner or operator shall correct deficiencies in equipment that are outside acceptable limits (defined by the process safety information in §68.65) before further use or in a safe and timely manner when necessary means are taken to assure safe operation.

Four ammonia sensors are overdue for calibration due to scheduling issues with the third-party contractor to complete them on time. Although Kiolbassa is training other individuals in house to take over these duties, the calibrations will continue to be overdue until either the contractor or the newly trained Kiolbassa employees can complete them.

AOC 4 - 40 C.F.R. § 68.75 Management of change and 68.200 Recordkeeping.

(c) Employees involved in operating a process and maintenance and contract employees whose job tasks will be affected by a change in the process shall be informed of, and trained in, the change prior to start-up of the process or affected part of the process.

§ 68.200 Recordkeeping. The owner or operator shall maintain records supporting the implementation of this part at the stationary source for five years, unless otherwise provided in subpart D of this part.

Kiolbassa involves operators and maintenance techs as appropriate in the MOCs and the changes themselves informally, but there is no documentation mechanism to demonstrate that all affected employees/contractors have been trained in or notified of changes before they are implemented. Also, MOC training is not described or included in the PSM/RMP manual, or in the management system table (Section 10.2).

AOC 5 - 40 C.F.R. § 68.77 Pre-startup safety review.

(b) The pre-startup safety review shall confirm that prior to the introduction of regulated substances to a process: (4) Training of each employee involved in operating a process has been completed.

§ 68.200 Recordkeeping. The owner or operator shall maintain records supporting the implementation of this part at the stationary source for five years, unless otherwise provided in subpart D of this part.

Although communication and notification are handled informally, affected employees and contractors not directly involved in PSSR tasks were not listed or referenced in PSSR documents. No other separate PSSR communication/training records for affected employees were attached to the PSSR documentation provided to demonstrate that the required training and/or communication occurred prior to system

start up There is currently no documentation mechanism in place for recording PSSR training received by affected employees. Also, training and notification is not included or described in the PSSR section of the PSM/RMP manual or management system table (Section 10.2).

AOC 6 - 40 C.F.R. § 68.93(b) Non-responding stationary sources

§ 68.93 Emergency response coordination activities. (b) Coordination shall include providing to the local emergency planning and response organizations:...emergency action plan; updated emergency contact information; and other information necessary for developing and implementing the local emergency response plan...The owner or operator shall request an opportunity to meet with the local emergency planning committee (or equivalent) and/or the local fire department as appropriate to review and discuss those materials.

Kiolbassa submitted its initial notification to SAFD on October 11, 2019, along with a copy of the EAP and Texas Tier Two chemical inventory. Thereafter, the facility should have requested to meet with response officials at SAFD to review the information included with its initial notification; however, no record was provided that the facility requested a coordination meeting with SAFD, as required by § 68.93(b).

Section IV – FOLLOW UP

Following the VPCE, EPA received no additional documents from Kiolbassa.

Section V – LIST OF APPENDICES

Appendix 1 - RMP Program Level 3 Checklist

Symbol Key: Y - Yes, N - No, N/A - Not Applicable
S - Satisfactory, M - Marginal, U – Unsatisfactory