



Enforcement Alert

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Office of Regulatory Enforcement

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EPA Promotes Corporate-Wide Audits Through Voluntary Agreements

The U.S. Environmental Protection Agency (EPA) and Arizona Chemical Company (Arizona Chemical), a major pulp chemical company, have recently entered into an agreement that calls for a comprehensive environmental audit of the company's compliance with the Toxic Substances Control Act (TSCA).

In addition to Arizona Chemical, another major company is slated shortly to enter into a similar agreement with EPA. Other companies also are encouraged to negotiate agreements with EPA to conduct corporate-wide audits, and disclose and correct violations. These agreements assure that chemicals are properly tested for any health and environmental impacts; that significant adverse effects are brought to the Agency's attention; that new chemicals are submitted for review before their manufacture; and that EPA is properly notified of any chemicals that are shipped abroad.

Arizona Chemical Audit Agreement

Under the terms of a one-year compliance audit agreement with EPA signed in December 1998, Arizona Chemical of Panama City, Fla., agreed to begin reviewing its TSCA compliance at six facilities in May of this year and to promptly disclose and correct any discovered violations of TSCA Sections 4, 5, 8, 12(b) and 13.

The agreement covers Arizona Chemical's six facilities in Oakdale and Springhill, La.; Panama City, Pensacola and Port St. Joe, Fla.; and Picayune, Miss.

The agreement is subject to certain limits. For example, it does not cover violations that have resulted in actual harm or have presented an imminent and substantial endangerment to human health or the environment.

Arizona Chemical, which employs more than 1,400 people worldwide and

Under its agreement with EPA, Arizona Chemical Co. will inspect for, promptly disclose and correct violations found at its six facilities

is a wholly owned subsidiary of International Paper, is a leading global supplier of pulp chemicals to the adhesives, ink and chewing gum markets.

What TSCA Requires

In 1976, Congress enacted TSCA to prevent unreasonable risks of injury to health or the environment associated with the manufacture, processing, distribution in commerce, use, or disposal of chemical substances and mixtures. EPA seeks to accomplish these goals through the enforcement of regulations that implement the statute. These regulations include:

Testing of Existing Chemicals (TSCA Section 4): Requires manufacturers and/or processors to test chemicals or mixtures identified by the Agency to assess their potential risks to human health or the environment.

New Chemical Review (TSCA Section 5): Requires submission of a premanufacture notice (PMN) at least 90 days before the commencement of manufacture or import of a new chemical substance, or before the manufacture or processing of an existing chemical substance for a "significant new use."

Reporting and Recordkeeping

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About

Enforcement Alert

"Enforcement Alert" is published periodically by the Office of Regulatory Enforcement to inform and educate the public and regulated community of important environmental enforcement issues, recent trends and significant enforcement actions.

This information should help the regulated community anticipate and prevent violations of federal environmental law that could otherwise lead to enforcement action.

See Page 2 for useful EPA Websites.

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Requirements (TSCA Section 8):

Requires reporting and recordkeeping of information regarding chemical use and exposure; allegations of significant adverse reactions; unpublished health and safety studies on specified chemicals; and information that a chemical substance presents a substantial risk of injury to health or the environment.

Import and Export Requirements (TSCA Section 12 (b)): Requires notification of export of certain chemical substances regulated under TSCA. TSCA Section 13 prohibits the import of chemical substances in violation of TSCA.

About Compliance Audit Agreements

Compliance audit agreements conserve EPA resources while ensuring that the public and environment are protected. In addition, EPA obtains important monitoring feedback from a company's periodic status reports; consultation with company representatives regarding certain violations; and assurances of the company's remedial ac-

tion and prevention of future violations.

Compliance audit agreements also allow companies to audit themselves and receive reduced civil penalties, which can be completely eliminated for some violations that are properly corrected. In addition, the agreements demonstrate a company's commitment to environmental compliance.

EPA's compliance audit agreement with Arizona Chemical includes provisions that are similar to those of the Agency's Audit Policy. The Audit Policy substantially reduces, and in some cases eliminates, penalties for violations discovered and corrected by a company. The policy does not cover certain violations, such as those that reflect criminal conduct or result in actual significant harm to public health or the environment. Similar to the Audit Policy, the agreements establish deadlines for violation disclosures and corrective measures.

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Useful Websites

Toxics and Pesticides Enforcement Division:

<http://www.epa.gov/oeca/ore/tped/>

Office of Pesticide Programs (registering a pesticide) :

<http://www.epa.gov/pesticides/chemreg.htm>

EPA's Year 2000 website:

<http://www.epa.gov/year2000>

EPA's Y2K Enforcement Policy:

<http://www.epa.gov/fedrgstr/EPA-GENERAL/1999/March/Day-10/g5958.htm>

EPA Audit Policy: [http://](http://www.epa.gov/oeca/ore/apolguid.html)

www.epa.gov/oeca/ore/apolguid.html

Audit Policy Update:

<http://www.epa.gov/oeca/ore/apolguid.html>

EPA's Small Business Policy:

<http://www.epa.gov/oeca/smbusi.html>

Small Business Gateway:

<http://www.epa.gov/smallbusiness>

