

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

5. The CAFO resolves only those violations which are alleged herein.
6. The Respondent consents to the issuance of the CAFO hereinafter recited, consents to the assessment and payment of the stated civil penalty in the amount and by the method set out in this CAFO, and consents to the specific stated compliance order.

II.
JURISDICTION

7. This CAFO is issued by the EPA pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), as amended by the Hazardous and Solid Waste Amendments of 1984 (“HSWA”), and is simultaneously commenced and concluded through the issuance of this CAFO under 40 Code of Federal Regulations (“C.F.R.”) §§ 22.13(b) and 22.18(b)(2) and (3).
8. Respondent agrees to undertake and complete all actions required by the terms and conditions of this CAFO. In any action by the EPA or the United States to enforce the terms of this CAFO, Respondent agrees not to contest the authority or jurisdiction of the EPA to issue or enforce this CAFO, and agrees not to contest the validity of this CAFO or its terms or conditions.

III.
FINDINGS OF FACT AND CONCLUSIONS OF LAW

9. Respondent is an authorized corporation in the State of Louisiana, incorporated on December 3, 2008.
10. Respondent is a “person” within the meaning of Section 1004(15) of RCRA, 42 U.S.C. § 6903(15), which include corporations; and within the meaning of Title 33 of the Louisiana Administrative Code (“LAC”) LAC 33:V.109, [40 C.F.R. § 260.10].

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

11. Respondent owns and/or operates the Facility that supports activities for oil and gas operations and/or explorations.
12. In May 2014, EPA conducted site visits at several Treatment, Storage, and Disposal Facilities (“TSDs”) and pursuant to Section 3007 of RCRA, 42 U.S.C. § 6927 obtained additional information on E&M’s hazardous wastes that it offered for transport and treatment (“Responses”).
13. During the period of January 2015 through May 2015, EPA conducted a RCRA investigation and record review of E&M’s performance as a generator of hazardous waste, (“Investigation”) to determine E&M’s compliance with RCRA and the regulations promulgated thereunder.
14. During the Investigation, EPA discovered that E&M, at a minimum, generated the following hazardous waste from 2011 through 2015:
 - a. Hazardous wastes that exhibit the toxicity characteristic for lead and tetrachloroethylene, with the hazardous waste code, D008 and D039.
15. The waste streams identified in Paragraph 14 above are designated as hazardous waste in LAC 33:V.4903.E, [40 C.F.R. § 261.24].
16. E&M is a “generator” of “hazardous wastes” at the Facility, as those terms are defined in Sections LAC 33:V.109, [40 C.F.R. § 260.10].
17. The exemptions set forth at LAC 33:V.108.C, [40 C.F.R. § 261.5(c)], are not applicable to E&M.

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

18. From the Investigation, EPA determined that during the period of 2011 through 2015, E&M generated the hazardous waste streams identified in Paragraph 14 in quantities that exceeded the threshold amount of 100 kilograms of hazardous waste per month, which qualifies E&M for the small quantity generator (“SQG”) status as established under LAC 33:V 1109, [40 C.F.R. Part 262].
19. The Facility is a “solid waste management facility” within the meaning of Section 1004(29) of RCRA, 42 U.S.C. § 6903(29); and a “facility” within the meaning of LAC 33:V.109, [40 C.F.R. § 260.10].
20. As a generator of hazardous waste, E&M is subject to Sections 3002 and 3010 of RCRA, 42 U.S.C. §§ 6922 and 6930, and the regulations set forth at Title 33 of LAC Part V, Chapters 1 through 51, [40 C.F.R. Parts 262 and/or 270].

Claim i. Notification Requirements

21. The allegations in Paragraphs 1-20 are realleged and incorporated herein by reference.
22. Pursuant to Section 3010(a) of RCRA, 42 U.S.C. § 6930(a), any person generating a characteristic or listed hazardous waste shall file with the Administrator or authorized State a notification stating the location and general description of such activity and the identified characteristic or listed hazardous wastes handled by such person.
23. At the time of the Investigation, E&M had not filed with the Administrator or with the authorized State an adequate and subsequent notification of hazardous waste activities in violation of Section 3010(a) of RCRA, 42 U.S.C. § 6930(a).

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

Claim ii. Failure to Operate within Its Stated Generator Status

24. The allegations in Paragraphs 1-20 are realleged and incorporated herein by reference.
25. During the Investigation, EPA determined that the notification of hazardous waste activity filed by E&M with the EPA indicated E&M's generator status as a conditionally exempt small quantity generator ("CESQG").
26. Pursuant to LAC 33:V.108 and 40 C.F.R. § 261.5(b), as long as a CESQG generator complies with the applicable requirement under LAC 33:V.108.E, F,G, and J and 40 C.F.R. §§ 261.5(c), (f), (g) and (j) the generator's hazardous waste is not subject to regulation under LAC 33:V. Chapters 3-37, 41, 43, and 53, except for LAC 33:V .3105, Table I; 40 C.F.R. Parts 262 through 268; 40 C.F.R. Parts 270 and 124; and the requirements of Section 3010 of RCRA, 42 U.S.C. § 6930.
27. For several shipments during the period of 2011 through 2015, E&M exceeded its declared CESQG status and, for the period such hazardous waste remained onsite, operated as a small quantity generator ("SQG") in violation of one or more of the requirements for SQG under LAC 33:V.1109.E, [40 C.F.R. Part 262].
28. At all times relevant to this CAFO. Respondent failed to comply with its SQG requirements in violation of LAC 33:V.1109.E, [40 C.F.R. Part 262].

Claim iii. Failure to Make Accurate Hazardous Waste Determination

29. The allegations in Paragraphs 1-20 are realleged and incorporated herein by reference.

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

30. Based on the EPA's knowledge of the processes at the E&M Facility and E&M's lack of record associated with its hazardous waste determination made for all solid waste streams, Respondent was not able to determine and inform the EPA of its hazardous waste(s).
31. Respondent has violated Section 3002 of RCRA, 42 U.S.C. § 6922, and the applicable regulatory requirements of the LAC 33:V.1103, [40 C.F.R. § 262.11] for its failure to make adequate hazardous waste determination on its solid waste streams.

Claim iv. Failure to Prepare and Keep Required Records

32. The allegations in Paragraphs 1-20 are realleged and incorporated herein by reference.
33. Pursuant to LAC 33:V.1111.A.3, [40 C.F.R. § 262.40(c)] a generator must keep records of any test results, waste analyses, or other determinations made in accordance with LAC 33:V.1111, [40 C.F.R. § 262.11] for at least three years from the date the waste was last sent to on-site or off-site for treatment, storage, or disposal.
34. At all times relevant to this CAFO, Respondent did not create and keep the requisite hazardous waste determination records made in accordance with its hazardous waste determination in violation of LAC 33:V.1111.A.3, [40 C.F.R. § 262.40(c)].

IV.
COMPLIANCE ORDER

35. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), Respondent is hereby ordered to take the following actions, and within One Hundred and Eighty (180) calendar days of the effective date of this CAFO, Respondent shall provide in writing the following to the EPA:

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

- A. Respondent shall certify that it has assessed all its solid waste streams to determine the accurate waste codes and has developed and implemented standard operating procedures ("SOP") to ensure that E&M is operating in compliance with RCRA and the regulations promulgated thereunder, including, but not limited to, procedures for: (a) making hazardous waste determinations; (b) managing hazardous wastes; and (c) reporting, transporting, and disposing of hazardous waste;
- B. Respondent shall certify that it has accurately and adequately complied with its RCRA Section 3010 Notification;
- C. Respondent shall provide, with its certification, a copy of Respondent's SOPs as described in subparagraph A above; and/or
- D. If Respondent should change its operation and/or procedures and concludes that such change(s) cause it to be categorized as a conditionally exempt small quantity generator ("CESQG"), Respondent shall certify that it is a CESQG and including therewith its certification information demonstrating that it is in compliance with the CESQG requirements.

36. In all instances in which this CAFO requires written submission to EPA, the submittal made by Respondent shall be signed by an owner or officer of E&M and shall include the following certification:

"I certify under the penalty of law that this document and all its attachments were prepared by me or under my direct supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

Copies of all documents required by this CAFO shall be sent to the following:

U.S. Environmental Protection Agency
Compliance Assurance and Enforcement Division
Hazardous Waste Enforcement Branch
Compliance Enforcement Section (6EN-HC)
1445 Ross Avenue
Dallas, TX 75202-2733
Attn: Dale Thrush

V.
TERMS OF SETTLEMENT

i. Penalty Provisions

37. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928, and upon consideration of the entire record herein, including the above referenced Findings of Fact and Conclusions of Law, which are hereby adopted and made a part hereof, upon the seriousness of the alleged violations, and Respondent’s good faith efforts to comply with the applicable regulations, it is ordered that Respondent be assessed a civil penalty of One Hundred and Eight Thousand Seven Hundred and Sixty-Eight Dollars (\$108,768.00).
38. The penalty shall be paid within a period of 1 year of the effective date of this CAFO, made payable to the Treasurer United States, and in the manner and prescribed time period set forth in Paragraph 40 below.
39. The first payment of \$35,893.00 shall be paid within thirty (30) calendar days of the effective date of this CAFO. There shall be eleven (11) subsequent payments, each of \$6,625.00 that

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

shall be paid on or before the last business day of each successive month until the total payment of \$108,768.00 is paid in full.

40. The following are Respondent's options for transmitting the penalties:

Regular Mail, U.S. Postal Mail (including certified mail) or U.S. Postal Service Express

Mail, the check should be remitted to:

U.S. Environmental Protection Agency
Fines and Penalties
Cincinnati Finance Center
P.O. Box 979077
St. Louis, MO 63197-9000

Overnight Mail (non-U.S. Postal Service), the check should be remitted to:

U.S. Bank
Government Lockbox 979077
US EPA Fines and Penalties
1005 Convention Plaza
SI-MO-C2-GI
St. Louis, MO 63101
314-418-1028

Wire Transfer:

Federal Reserve Bank of New York
ABA: 021030004
Account No. 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045

The case name and docket number (In the Matter of E&M Supply Group, Docket No. RCRA-06-2015-0940) shall be clearly documented on or within your chosen method of payment to ensure proper credit.

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

41. The Respondent shall send a simultaneous notice of such payment to the following:

Lorena S. Vaughn
Regional Hearing Clerk (6RC-D)
U.S. EPA, Region 6
1445 Ross Avenue
Dallas, Texas 75202-2733

Mark Potts, Associate Director
Hazardous Waste Enforcement Branch (6EN-H)
Compliance Assurance and Enforcement Division
U.S. EPA, Region 6
1445 Ross Avenue
Dallas, Texas 75202-2733
Attention: Dale Thrush

Your adherence to this request will ensure proper credit is given when penalties are received by EPA.

42. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 13.11, unless otherwise prohibited by law, EPA will assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the cost of process and handling a delinquent claim. Interest on the civil penalty assessed in this CAFO will begin to accrue on the effective date of the CAFO and will be recovered by EPA on any amount of the civil penalty that is not paid within thirty (30) calendar days of the civil penalty's due date and will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a). Moreover, the costs of EPA's administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. 40 C.F.R. § 13.11(b). EPA will also assess a \$15.00 administrative handling charge for administrative costs on unpaid penalties for the thirty (30) day period after the payment is due and an additional \$15.00 for

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

each subsequent thirty (30) day period the penalty remains unpaid. In addition, a penalty charge of up to six percent per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. 40 C.F.R. § 13.11(b). Should a penalty charge on the debt be required, it shall accrue from the first day payment is delinquent. 31 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.

ii. Costs

43. Each party shall bear its own costs and attorney's fees. Furthermore, Respondent specifically waives its right to seek reimbursement of its costs and attorney's fees under the Equal Access to Justice Act (5 U.S.C. § 504), as amended by the Small Business Regulatory Enforcement Fairness Act (P.L. 04-121), and any regulations promulgated pursuant to those Acts.

iii. Termination and Satisfaction

44. When Respondent believes that it has complied with all the requirements of this CAFO, including compliance with the Compliance Order and payment of the civil penalty, Respondent shall so certify in writing and in accordance with the certification language set forth in Section IV (Compliance Order), Paragraph 36. Unless the EPA, Region 6 objects in writing within sixty (60) days of EPA's receipt of Respondent's certification, then this CAFO is terminated on the basis of Respondent's certification.

iv Effective Date of Settlement

45. This CAFO shall become effective upon filing with the Regional Hearing Clerk.

Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

**THE UNDERSIGNED PARTIES CONSENT TO THE ENTRY OF THIS CONSENT
AGREEMENT AND FINAL ORDER:**

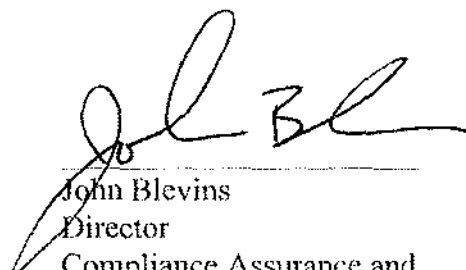
FOR THE RESPONDENT:

Date: 7/24/15


E&M Supply Group

FOR THE COMPLAINANT:

Date: 8/12/15


John Blevins
Director
Compliance Assurance and
Enforcement Division

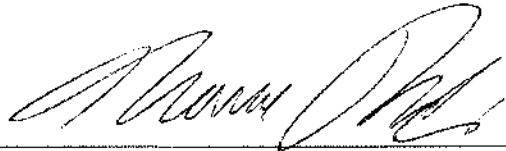
Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

FINAL ORDER

Pursuant to the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 CFR Part 22, the foregoing CAFO is hereby ratified. This Final Order shall not in any case affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order shall resolve only those causes of action alleged herein. Nothing in this Final Order shall be construed to waive, extinguish or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action. The Respondent is ordered to comply with the terms of settlement and the civil penalty payment instructions as set forth in the CAFO. Pursuant to 40 CFR § 22.31(b) this Final Order shall become effective upon filing with the Regional Hearing Clerk.

Date: _____

8/12/15



Thomas Rucki
Regional Judicial Officer

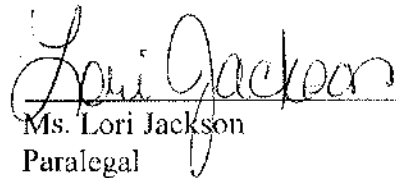
Re: E&M SUPPLY GROUP
RCRA-06-2015-0940

CERTIFICATE OF SERVICE

I hereby certify that on the 12th day of Aug., 2015, the original of the foregoing Consent Agreement and Final Order was hand delivered to the Regional Hearing Clerk, U.S. EPA - Region 6, 1445 Ross Avenue, Dallas, Texas 75202-2733, and that a true and correct copy of the CAFO was sent to the following by the method identified below:

CERTIFIED MAIL - RETURN RECEIPT REQUESTED 70140150000024544784

Brandon Chesnut
E&M Supply Group
1647 Mills Hwy
Breux Bridge, LA 70517
1-337-332-0239


Ms. Lori Jackson
Paralegal