

UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION IX

** FILED **
09 JAN 2020 - 01:22 PM
U.S. EPA - Region 09

IN THE MATTER OF:)

Torrance Refining Company LLC)
3700 West 190th Street)
Torrance, CA 90504)

Respondent.)
_____)

Docket No.

CAA(112r)-09-2020-0007

**CONSENT AGREEMENT
AND FINAL ORDER
40 C.F.R. §§ 22.13 and 22.18**

CONSENT AGREEMENT

A. PRELIMINARY STATEMENT

1. This is a civil administrative enforcement action instituted pursuant to Section 113(a)(3)(A) of the Clean Air Act (“CAA”), as amended, 42 U.S.C. §§ 7413(a)(3)(A) and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, Issuance of Compliance or Corrective Action Orders, and the Revocation, Termination or Suspension of Permits (“Consolidated Rules”), 40 C.F.R. Part 22. Complainant is the United States Environmental Protection Agency, Region IX (“EPA”). Respondent is Torrance Refining Company LLC (“Respondent”).

2. This Consent Agreement and Final Order (“CA/FO”), pursuant to 40 C.F.R. §§ 22.13 and 22.18, simultaneously commences and concludes this proceeding, wherein EPA alleges that Respondent violated Section 112(r) of the CAA, 42 U.S.C. § 7412(r), and its implementing regulations found at 40 C.F.R. Part 68.

B. GENERAL ALLEGATIONS

3. Respondent owns and operates a facility located at 3700 West 190th Street, Torrance, CA, 90504 (“Facility”). Respondent operates a crude oil refinery at the facility that produces a variety

of products, including gasoline, diesel, and aviation fuels. Respondent represents that it produces 20% of the gasoline for Southern California and 10% statewide.

4. From November 1 through 4, 2016, EPA performed a Section 112(r) of the CAA, 42 U.S.C. § 7412(r), inspection of the Facility. Based upon the information gathered during this inspection and subsequent investigation, EPA determined that Respondent violated the provisions of Section 112(r) of the CAA addressed in this CA/FO.

5. Pursuant to Section 112(r)(7) of the CAA, 42 U.S.C. § 7412(r)(7), and its implementing regulations, owners and operators of stationary sources at which a regulated substance is present in more than a threshold quantity (“TQ”) must prepare and implement a risk management plan (“RMP”) to detect and prevent or minimize accidental releases of such substances from the stationary source, and to provide a prompt emergency response to any such releases in order to protect human health and the environment.

6. Section 113 of the CAA, 42 U.S.C. § 7413 authorizes EPA to assess civil penalties for any violation of Section 112(r) of the CAA, 42 U.S.C. § 7412(r).

7. The Administrator of EPA has delegated to the Regional Administrators the authority to sign consent agreements memorializing settlements of enforcement actions under the CAA. Delegation 7-6-A, dated August 4, 1994 (CAA). The Regional Administrator, EPA Region IX, in turn, has re-delegated this authority to the Director of the Enforcement and Compliance Assurance Division. Regional Delegation R9-7-6-A, dated February 11, 2013 (CAA). On EPA’s behalf, the Director of the Enforcement and Compliance Assurance Division is therefore delegated the authority to settle civil administrative penalty proceedings under Section 113(d) of the CAA, 42 U.S.C. § 7413(d).

8. In a letter dated February 13, 2019, the United States Department of Justice granted EPA a waiver from the condition specified in Section 113(d) of the CAA, 42 U.S.C. § 7413(d), that the first alleged date of violation occurred no more than one year before the initiation of the administrative action, to allow EPA to pursue certain administrative actions for violations of 40 C.F.R. Part 68. This administrative action falls within the scope of that waiver.

9. At all times relevant to this CA/FO, Respondent has been and continues to be a “person” as defined by Section 302(e) of the CAA, 42 U.S.C. § 7602(e).

10. At all times relevant to this CA/FO, the Facility has been and continues to be a “stationary source” as defined in Sections 111(a)(3) and 112(a)(3) of the CAA, 42 U.S.C. §§ 7411(a)(3) and 7412(a)(3).

11. At all times relevant to this CA/FO, Respondent has been and continues to be the “owner or operator” of the Facility as defined in Sections 111(a)(5) and 112(a)(9) of the CAA, 42 U.S.C. §§ 7411(a)(5) and 7412(a)(9).

12. Pursuant to Section 112(r) of the CAA, 42 U.S.C. § 7412(r), EPA established a TQ for each “regulated substance” at or above which a facility that has such substance in one or more processes shall be subject to the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r). For substances designated as “regulated toxic substances,” the TQs are specified at 40 C.F.R. § 68.130, Table 1.

13. Hydrofluoric acid is a “regulated toxic substance” listed under Section 112(r)(3) of the CAA, 42 U.S.C. § 7412(r)(3), with a TQ of 1,000 pounds. 40 C.F.R. § 68.130, Table 1.

14. At all times relevant to this CA/FO, Respondent has and had 1,000 pounds or more of hydrofluoric acid in one or more processes at its Facility.

C. ALLEGED VIOLATIONS

COUNT I

(failure to comply with management requirements)

15. Paragraphs 1 through 14, above, are incorporated herein by this reference as if they were set forth here in their entirety.

16. 40 C.F.R. § 68.15(a) requires that owners or operators of a stationary source develop a management system to oversee the implementation of risk program elements.

17. 40 C.F.R. § 68.15(c) requires that when owners or operators assign responsibility for implementing individual requirements of Part 68 to persons other than the person identified under 40 C.F.R. § 68.15(b), owners or operators shall document the names or positions of these people and the lines of authority shall be defined through an organization chart or similar document.

18. EPA determined that, at the time of the inspection, Respondent's RMP management system did not accurately reflect the names and positions or lines of authorities responsible for each element of Respondent's RMP program. More specifically, EPA determined that Respondent did not adequately document its RMP management system with an organization chart or other similar document that shows and assigns responsibility for implementing individual requirements of the RMP.

19. By failing to comply with the management requirements identified above, Respondent violated 40 C.F.R. § 68.15(a) and (c).

COUNT II

(failure to comply with worst case scenario requirements)

20. Paragraphs 1 through 14, above, are incorporated herein by this reference as if they were set forth here in their entirety.

21. 40 C.F.R. § 68.25(a)(2) requires that owners or operators shall analyze and report in the RMP the following:

i) one worst-case release scenario that is estimated to create the greatest distance in any direction to an endpoint resulting from an accidental release of regulated toxic substances from covered processes under worst-case conditions (40 C.F.R. § 68.25(a)(2)(i));

ii) one worst-case release scenario that is estimated to create the greatest distance in any direction to an endpoint resulting from an accidental release of flammable substances from covered processes under worst-case conditions (40 C.F.R. § 68.25(a)(2)(ii)); and

iii) an additional worst case scenario if a worst case scenario for a covered process potentially affects different public receptors (40 C.F.R. § 68.25(a)(2)(iii)).

22. 40 C.F.R. § 68.25(b)(1) requires use of the greatest amount in a single vessel taking into account administrative controls. 40 C.F.R. § 68.25(c) sets forth the requirements for modeling the worst case release of toxic gases or worst case scenario (“WCS”). 40 C.F.R. § 68.25(i) requires notwithstanding 40 C.F.R. 68.25(b)(1), the WCS shall be based upon another scenario if it would result in a greater distance to an endpoint for the WCS for flammables or toxic substances based upon smaller quantities held at higher temperature or pressure, or proximity to the boundary of the stationary source.

23. At the time of the inspection, Respondent’s WCS for toxics was not based upon the largest single vessel (i.e., the Acid Evacuation System (“AES”)) that results in the greatest distance to endpoint and did not correctly adhere to administrative controls identified by Respondent in its

RMP. Respondent also failed to adhere to administrative controls for the modified hydrofluoric acid (“MHF”) Alkylation Unit acid settler that were used to calculate the RMP WCS for toxics.

24. Respondent did not properly model the WCS for flammables. EPA determined that the flammable WCS for the railcars staged at the northwest corner of the refinery affects different receptors than the WCS for flammables in its RMP at the time of the inspection.

25. 40 C.F.R. § 68.30(a) requires the owner or operator to identify the population affected in its RMP with a circle with its center at the point of the release and the radius determined as required in 40 C.F.R. § 68.22(a). Respondent did not correctly identify the center point location of the butane storage sphere, and thus, did not correctly identify the population affected for the worst case scenario for flammables.

26. By failing to identify, analyze, and model the appropriate WCS for toxics and flammables for the Facility, Respondent violated 40 C.F.R. §§ 68.22, 68.25, and 68.30.

COUNT III

(failure to comply with required process safety information)

27. Paragraphs 1 through 14, above, are incorporated herein by this reference as if they were set forth here in their entirety.

28. 40 C.F.R. § 68.65(d)(1)(vi) requires identification of design codes and standards employed pertaining to the equipment in the process. The National Board Inspection Code requires stamping of nameplates to identify repairs to pressure vessels and the date of the repair. Respondent failed to stamp or identify a repair made on pressure vessel 5C-31 in May of 2016.

29. By failing to identify repairs on a pressure vessel as required, Respondent violated 40 C.F.R. § 68.65(d)(1)(vi).

COUNT IV

(failure to comply with required operating procedures)

30. Paragraphs 1 through 14, above, are incorporated herein by this reference as if they were set forth here in their entirety.

31. 40 C.F.R. § 68.69(a) provides the owner or operator shall develop and implement written operating procedures that provide clear instructions for safely conducting activities in each covered process for at least the elements identified in 40 C.F.R. § 68.69(a).

32. Respondent did not fully implement operating procedures for unloading MHF from July to September of 2016 as required by 40 C.F.R. § 68.69(a). Respondent also failed to include operating limits within its procedure for unloading MHF as required by 40 C.F.R. § 68.69(a)(2)(i-ii).

33. Respondent also failed to clearly identify in its operating procedures who is responsible for each step of its emergency shutdown procedures for unloading MHF as required by 40 C.F.R. § 68.69(a)(1)(iv).

34. By failing to develop and follow written operating procedures, Respondent violated 40 C.F.R. § 68.69(a).

COUNT V

(failure to comply with mechanical integrity requirements)

35. Paragraphs 1 through 14, above, are incorporated herein by this reference as if they were set forth here in their entirety.

36. 40 C.F.R. § 68.73 addresses mechanical integrity requirements.

37. 40 C.F.R. § 68.73(d) requires that owners or operators perform inspections and tests on process equipment.

38. 40 C.F.R. § 68.73(d)(3) specifies that 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.

39. 40 C.F.R. § 68.73(d)(4) specifies that the owner or operator shall document each inspection and test that has been performed on process equipment.

40. Respondent did not properly document when process safety equipment was tested as provided on the list of critical safety systems for the MHF Alkylation Unit.

41. By failing to comply with mechanical integrity requirements, Respondent violated 40 C.F.R. § 68.73(d).

D. CIVIL PENALTY

42. EPA proposes that Respondent be assessed, and Respondent agrees to pay **ONE HUNDRED AND TWENTY FIVE THOUSAND DOLLARS (\$125,000)**, as the civil penalty for the violations alleged herein.

43. The proposed penalty was calculated in accordance with the "Combined Enforcement Policy for Clean Air Act Sections 112(r)(1), 112(r)(7), and 40 C.F.R. Part 68" dated June 2012, and was adjusted for inflation by the Federal Civil Penalties Inflation Adjustment Act, as amended, and the Civil Monetary Penalty Inflation Adjustment Rule, 40 C.F.R. Part 19.

E. ADMISSIONS AND WAIVERS OF RIGHTS

44. For the purposes of this proceeding, Respondent admits and agrees that EPA has jurisdiction and authority over the subject matter of the action commenced in this CA/FO. Respondent consents to and agrees not to contest EPA's jurisdiction and authority to enter into and issue this CA/FO and to enforce its terms. Further, Respondent will not contest EPA's jurisdiction and authority to compel compliance with this CA/FO in any enforcement proceedings, either

administrative or judicial, or to impose sanctions for violations of this CA/FO. For the purposes of this proceeding, Respondent consents to the conditions, including performance of the Supplemental Environmental Project (“SEP”) specified in this CA/FO.

45. Respondent neither admits nor denies any allegations of fact or law set forth in EPA’s Notice of Inspection Findings and Request for Information dated March 27, 2017, and Inspection Report dated March 31, 2017, or Section C of this CA/FO and does not admit any liability arising out of the occurrences alleged in this CA/FO. Respondent hereby waives any rights Respondent may have to contest the allegations set forth in this CA/FO, waives any rights Respondent may have to a hearing on any issue relating to the factual allegations or legal conclusions set forth in this CA/FO, including without limitation a hearing, and hereby consents to the issuance of this CA/FO without adjudication. In addition, Respondent hereby waives any rights Respondent may have to appeal the Final Order attached to this Consent Agreement and made part of this CA/FO.

46. EPA and Respondent agree that settlement of this matter is in the public interest and that entry of this CA/FO without further litigation is the most appropriate means of resolving this matter.

F. PARTIES BOUND

47. This CA/FO shall apply to and be binding upon Respondent, and its successors and assigns, until such time as the civil penalty required under Section D (and any additional civil penalty required under Section J) has been paid, the SEP has been completed, and any delays in performance and/or stipulated penalties have been resolved.

48. No change in ownership or legal status relating to the Facility will in any way alter Respondent’s obligations and responsibilities under this CA/FO.

49. Until all requirements of this CA/FO are satisfied, Respondent shall give notice of this CA/FO to any successor in interest prior to transfer of ownership or operation of the Facility and shall notify EPA within seven (7) days prior to such transfer.

50. The undersigned representative of Respondent hereby certifies that he or she is fully authorized by Respondent to enter into and execute this CA/FO, and to legally bind Respondent to it.

G. CERTIFICATION OF COMPLIANCE

51. Respondent certifies to EPA that as of the Effective Date it has fully complied with the requirements of Section 112(r) of the CAA, 42 U.S.C. § 7412(r), that formed the basis for the violations alleged in this CA/FO.

52. The signatory for Respondent certifies under penalty of law that this certification of compliance is based upon true, accurate and complete information, which the signatory can verify personally or regarding which the signatory has inquired of the person or persons directly responsible for gathering the information.

H. PAYMENT OF CIVIL PENALTY

53. Respondent consents to the assessment of and agrees to pay civil penalties of **ONE HUNDRED AND TWENTY FIVE THOUSAND DOLLARS (\$125,000)**, in settlement of the civil penalty claims made in this CA/FO pursuant to 40 C.F.R. 22.18(c).

54. Respondent shall pay the civil penalty within thirty (30) days of the Effective Date of this CA/FO. The Effective Date of this CA/FO is the date that the Final Order contained in this CA/FO having been approved and issued by the Regional Judicial Officer is filed with the Regional Hearing Clerk.

55. All payments shall indicate the name of the Facility, EPA identification number of the Facility, the Respondent's name and address, and the appropriate EPA docket number of this action. Payment shall be made by corporate, certified, or cashier's checks payable to "Treasurer of the United States" and sent as follows:

In the Matter of Torrance Refining Company LLC
Consent Agreement and Final Order

Regular Mail:

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

Overnight Mail:

U.S. Bank
1005 Convention Plaza
Mail Station SL-MO-C2GL
ATTN Box 979077
St. Louis, MO 63101
Contact: Natalie Pearson (314-418-4087)

Alternatively, payment may be made by electronic transfer as provided below:

Wire Transfers:

Wire transfers must be sent directly to the Federal Reserve Bank in New York City with the following information:

Federal Reserve Bank of New York
ABA = 021030004
Account = 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045
Field Tag 4200 of the Fedwire message should read "D 68010727 Environmental Protection Agency"

ACH (also known as REX or remittance express):

Automated Clearinghouse (ACH) for receiving US currency
PNC Bank
808 17th Street, NW
Washington, DC 20074
Contact - Jesse White (301-887-6548)
ABA = 051036706
Transaction Code 22 - checking
Environmental Protection Agency
Account 31006
CTX Format

On Line Payment:

This payment option can be accessed from the information below:

www.pav.gov

Enter "sfol.l" in the search field

Open form and complete required fields

A copy of each check, or notification that the payment has been made by one of the other methods listed above, including proof of the date payment was made, shall be sent with a transmittal letter, indicating Respondent's name, the case title, and docket number, to both:

Regional Hearing Clerk (RC-1)
U.S. Environmental Protection Agency - Region 9
75 Hawthorne Street
San Francisco, CA 94105

and

Greg Bazley
Superfund Division
U.S. Environmental Protection Agency - Region 9
2445 Palm Drive, Suite 100
Signal Hill, CA 90755
Bazley.Greg@epa.gov

56. In accordance with the Debt Collection Act of 1982 and U.S. Treasury directive (TFRM 6-8000), failure to send the penalty so that it is received by the due date will result in imposition of interest from the Effective Date of this CA/FO at the current interest rate published by the U.S. Treasury, as described at 40 C.F.R. §13.11. In addition, a six percent (6%) per annum penalty that will be assessed monthly will be applied on any principal amount not paid within ninety (90) days of the due date.

57. The penalties specified in this CA/FO shall represent civil penalties assessed by EPA and shall not be deducted by Respondent or any other person or entity for federal, state or local taxation purposes.

I. SUPPLEMENTAL ENVIRONMENTAL PROJECT

58. As a condition of settlement, Respondent shall perform the specified SEP. The SEP will provide significant public health protection by enhancing Respondent's layered safety systems for the Facility's MHF Acid Alkylation Unit. The SEP will allow Respondent to more rapidly contain and minimize a potential release of MHF and/or Hydrofluoric Acid ("HF") in the unit's AES area by automatically deploying water mitigation upon detection of a release in the area.

59. Specifically, the SEP will consist of configuring the northeast fire water monitor (*see* yellow highlighted monitor in AES area plot plan, Attachment A) such that it will automatically deploy water in the area of AES vessel 5C-54 upon detection of an MHF/HF release.

60. To allow for this configuration, Respondent will make the following upgrades and improvements to the fire water monitor, including its controlling logic, and the AES area HF point source detectors:

- (i) Upgrade the fire water monitor's remote controlled water supply "on/off" valve such that it will open automatically upon detection of a MHF/HF release by the new open path laser and/or one or multiple existing HF point source detectors in the AES area.
- (ii) Upgrade the new programmable HF detection controller to an alarm output upon detection of a MHF/HF release by the new open path laser and/or one or multiple existing HF point source detectors in the AES area.
- (iii) Connect the redundant alarm outputs from the new controller to the existing MHF Alkylation Unit Fire Monitor Programmable Logic Control ("PLC") located near the new controller.
- (iv) Modify the logic in the PLC to accept the redundant outputs from the HF controller such that it will automatically deploy the northeast fire monitor upon detection of a

MHF/HF release by the new open path laser and/or one or multiple existing HF point source detectors in the AES area.

- (v) Configure the automatic deployment of water from the northeast fire monitor such that it forms a fog or spray pattern (i.e., water barrier) to contain and minimize a MHF/HF release in the AES area.

61. Respondent shall complete the SEP by December 15, 2021. Respondent shall provide EPA a SEP implementation schedule within ninety (90) days of the Effective Date of this CA/FO. Thereafter, Respondent shall submit a status report to EPA by no later than June 15 and December 15 until the SEP is completed, identifying the activities Respondent has completed to date in implementing the SEP and Respondent's proposed schedule for completion of the SEP.

62. Respondent shall expend at least TWO HUNDRED AND NINETEEN THOUSAND DOLLARS (\$219,000) to complete the SEP described herein, subject to Paragraphs 70 and 71.

63. Within sixty (60) days of completion of the SEP, Respondent shall submit a SEP Completion Report to EPA. The SEP Completion Report shall contain the following information: (i) a detailed description of the SEP as implemented with an accounting showing the amount Respondent expended for the implementation of the SEP and substantiating documentation, including but not limited to invoices, purchase orders, checks or receipts; (ii) a brief, narrative description of the environmental and public health benefits resulting from implementation of the SEP; and (iii) certification that the projects have been fully implemented pursuant to the provisions of the CA/FO, as described in further detail below.

64. In the SEP Completion Report, Respondent shall, by one of its officers, sign and certify under penalty of law that the information contained in such document or report is true, accurate, and not misleading by signing the following statement: "I certify under penalty of law that I have

examined and am familiar with the information submitted in this document and all attachments and that, based on my inquiry of those individuals immediately responsible for obtaining the information, I believe that the information is true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment.” The SEP Completion Report shall be submitted via hard copy or electronic mail to:

Greg Bazley
Superfund Division
U.S. Environmental Protection Agency - Region 9
2445 Palm Drive, Suite 100
Signal Hill, CA 90755
Bazley.Greg@epa.gov

65. Failure to complete the SEP or submit the SEP Completion Report required herein shall be deemed a violation of this CA/FO and Respondent shall become liable for stipulated penalties pursuant to Section J below.

66. With regard to the SEP, Respondent, by signing this CA/FO, certifies the truth and accuracy of each of the following: (i) that all cost information provided to EPA in connection with EPA’s approval of the SEP is complete and accurate and that Respondent in good faith estimates that the cost to implement the SEP is at least \$219,000; (ii) that, as of the date of this CA/FO, Respondent is not required to perform or develop the SEP by any federal, state, or local law or regulation and is not required to perform or develop the SEP by agreement, grant, or as injunctive relief awarded in any other action in any forum; (iii) that the SEP is not a project that Respondent was planning or intending to construct, perform or implement other than in settlement of the claims resolved in this CA/FO; (iv) that Respondent has not received and will not receive credit for the SEP in any other enforcement action; (v) that Respondent will not receive reimbursement for any portion of the SEP from another person or entity; (vi) that for federal income tax purposes,

Respondent will neither capitalize into inventory or basis nor deduct any costs or expenditures incurred in performing the SEP; and (vii) that Respondent is not a party to any federal financial transaction that is funding or could fund the same activity as the SEP described in this CA/FO.

67. Any public statement, oral or written, in print, film, or other media, made by Respondent making reference to the SEP under this CA/FO from the date of Respondent's execution of this CA/FO shall include the following language: "This project was undertaken in connection with the settlement of an enforcement action taken by the Environmental Protection Agency to enforce federal laws."

J. DELAY IN PERFORMANCE/STIPULATED PENALTIES

68. In the event Respondent fails to meet any requirement set forth in this CA/FO, Respondent shall pay stipulated penalties as follows: FIVE HUNDRED DOLLARS (\$500) per day for the first to fifteenth day of delay, ONE THOUSAND DOLLARS (\$1,000) per day for the sixteenth to thirtieth day of delay, and FIVE THOUSAND DOLLARS (\$5,000) per day for each day of delay thereafter. Compliance by Respondent shall include completion of any activity under this CA/FO in a manner acceptable to EPA and within the specified time schedules in and approved under this CA/FO.

69. In the event that Respondent fails to substantially conduct the SEP in accordance with the terms of this CA/FO, Respondent shall pay a stipulated penalty of ONE HUNDRED AND SEVENTY-FIVE THOUSAND DOLLARS (\$175,000) less any stipulated penalties already paid for failure to submit the SEP Completion Report pursuant to Paragraph 63.

70. If Respondent demonstrates that the SEP tasks described in Section I were completed, but Respondent incurs less than ninety (90) percent of the costs required to be incurred pursuant to Section I, Respondent shall pay a stipulated penalty to the United States that is the difference

between ONE HUNDRED AND SEVENTY-FIVE THOUSAND DOLLARS (\$175,000) and the actual costs incurred by Respondent toward completion of the tasks described in Section I.

71. If Respondent fails to demonstrate that the SEP tasks in Section I were completed, but EPA determines that the Respondent: (i) made good faith and timely efforts to complete these tasks; and (ii) certifies, with supporting documentation, that at least 90 percent of the costs that were required to be incurred pursuant to Section I were incurred for the SEP tasks described in Section I, Respondent shall not be liable for any stipulated penalty under Section J.

72. For failure to submit the SEP Completion Report required by Section I, Respondent shall pay a stipulated penalty in the amount of FIVE HUNDRED DOLLARS (\$500) for each day after the date the SEP Completion Report was due until it is submitted. Stipulated penalties for failure to submit the SEP Completion Report shall begin to accrue on the day after the report is due, and shall continue to accrue through the final day of EPA's receipt of this document. Notwithstanding the penalty amounts described in this paragraph, the total stipulated penalty paid by Respondent pursuant to this paragraph shall not exceed ONE HUNDRED AND SEVENTY-FIVE THOUSAND DOLLARS (\$175,000).

73. Stipulated penalties shall begin to accrue on the day after performance is due, and shall continue to accrue through the final day until performance is complete. Respondent shall pay stipulated penalties within fifteen (15) days of receipt of a written demand by EPA for such penalties. Payment of stipulated penalties shall be made in accordance with the procedure set forth for payment of penalties in Section H of this CA/FO.

74. If a stipulated penalty is not paid in full, interest shall begin to accrue on the unpaid balance at the end of the fifteen-day period at the current rate published by the United States Treasury, as described at 40 C.F.R. §13.11. EPA reserves the right to take any additional action, including but

not limited to, the imposition of civil penalties, to enforce compliance with this CA/FO or with the CAA and its implementing regulations.

75. The payment of stipulated penalties specified in this Section shall not be deducted by Respondent or any other person or entity for federal, state or local taxation purposes.

76. Notwithstanding any other provision of this Section, EPA may, in its unreviewable discretion, waive any portion of stipulated penalties that have accrued pursuant to this CA/FO.

77. The determination of whether Respondent has satisfactorily complied with the terms of this CA/FO and the determination of whether Respondent has made a good faith, timely effort to complete the tasks required by this CA/FO are within the sole discretion of the Director, Enforcement and Compliance Assurance Division, EPA Region IX.

K. RESERVATION OF RIGHTS

78. Except as addressed in this CA/FO, EPA hereby reserves all of its statutory and regulatory powers, authorities, rights and remedies, both legal and equitable, including the right to require that Respondent perform tasks in addition to those required by this CA/FO. EPA further reserves all of its statutory and regulatory powers, authorities, rights and remedies, both legal and equitable, which may pertain to Respondent's failure to comply with any of the requirements of this CA/FO, including without limitation, the assessment of penalties under the CAA or any other statutory, regulatory or common law enforcement authority of the United States. This CA/FO shall not be construed as a covenant not to sue, release, waiver or limitation of any rights, remedies, powers or authorities, civil or criminal, which EPA has under the CAA or any other statutory, regulatory or common law enforcement authority of the United States.

79. Compliance by Respondent with the terms of this CA/FO shall not relieve Respondent of its obligations to comply with the CAA or any other applicable local, state, tribal or federal laws and regulations. This CA/FO is not intended to be nor shall it be construed as a permit. This CA/FO

does not relieve Respondent of any obligation to obtain and comply with any local, state, or federal permits nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, tribal, state or local permit.

80. The entry of this CA/FO and Respondent's consent to comply shall not limit or otherwise preclude EPA from taking additional enforcement actions should EPA determine that such actions are warranted except as it relates to those matters resolved by this CA/FO. Full payment of the penalty proposed herein and completion of the SEP pursuant to this CA/FO shall resolve Respondent's liability for federal civil penalties for the violations and facts alleged herein pursuant to 40 C.F.R. 22.18(c).

81. EPA reserves its right to seek reimbursement from Respondent for such additional costs as may be incurred by the United States in the event of delay of performance as provided by this CA/FO.

L. MISCELLANEOUS

82. This CA/FO may be amended or modified only by written agreement executed by both EPA and Respondent.

83. The headings in this CA/FO are for convenience of reference only and shall not affect interpretation of this CA/FO.

84. Each party to this action shall bear its own costs and attorneys' fees.

85. Respondent consents to entry of this CA/FO without further notice.

M. EFFECTIVE DATE


86. In accordance with 40 C.F.R. §§ 22.18(b)(3) and 22.31(b), this CA/FO shall be effective on the date that the Final Order contained in this CA/FO, having been approved and issued by the Regional Judicial Officer, is filed with the Regional Hearing Clerk.

In the Matter of Torrance Refining Company LLC
Consent Agreement and Final Order

IT IS SO AGREED.

Torrance Refining Company LLC

DATE: 12-23-19

BY: 
Paul Davis
President, Western Region

United States Environmental Protection Agency, Region 9

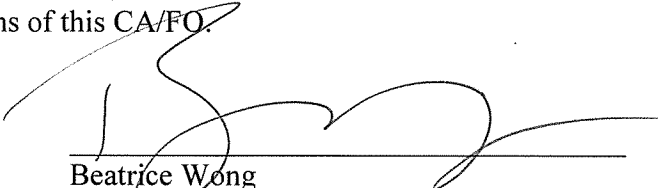
DATE: 1/9/2020

BY: 
Amy Miller, Director
Enforcement and Compliance Assurance Division

FINAL ORDER

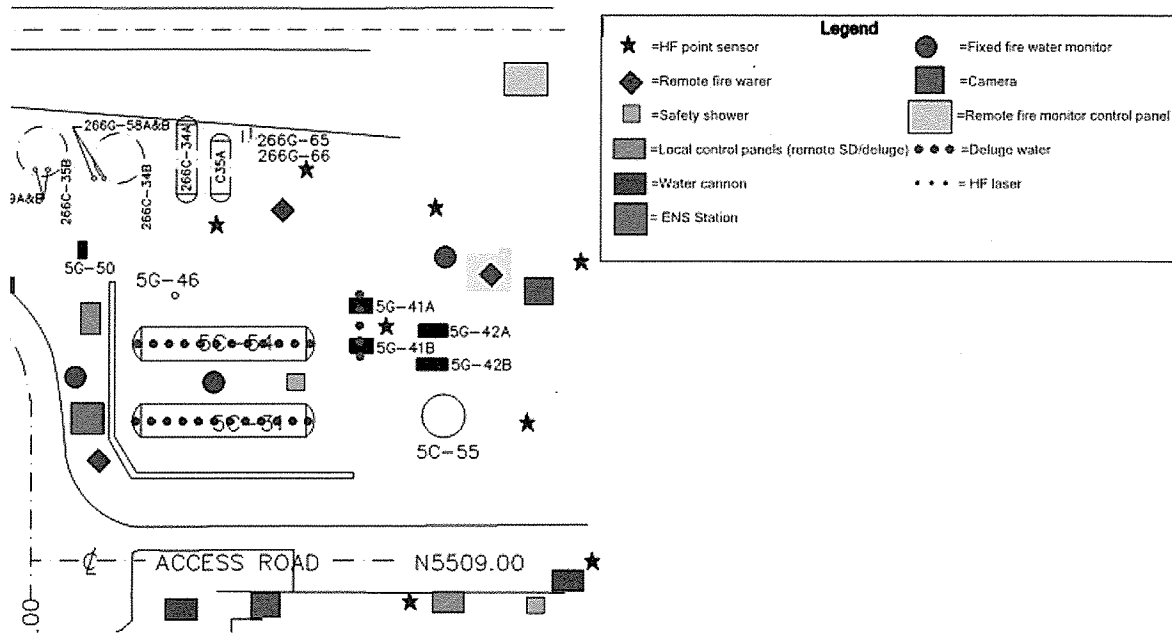
IT IS HEREBY ORDERED that this Consent Agreement and Final Order (“CA/FO”) pursuant to 40 C.F.R. Sections 22.13 and 22.18 (Docket No. CAA(112r)-09-2020-0007) be entered and that Respondent pay a civil penalty of ONE HUNDRED AND TWENTY FIVE THOUSAND DOLLARS (\$125,000) due within thirty (30) days from the Effective Date of this CA/FO and implement the Supplemental Environmental Project described in Section I of this CA/FO, in accordance with all terms and conditions of this CA/FO.

Jan. 9, 2020
Date



Beatrice Wong
Regional Judicial Officer
U.S. EPA, Region IX

Attachment A



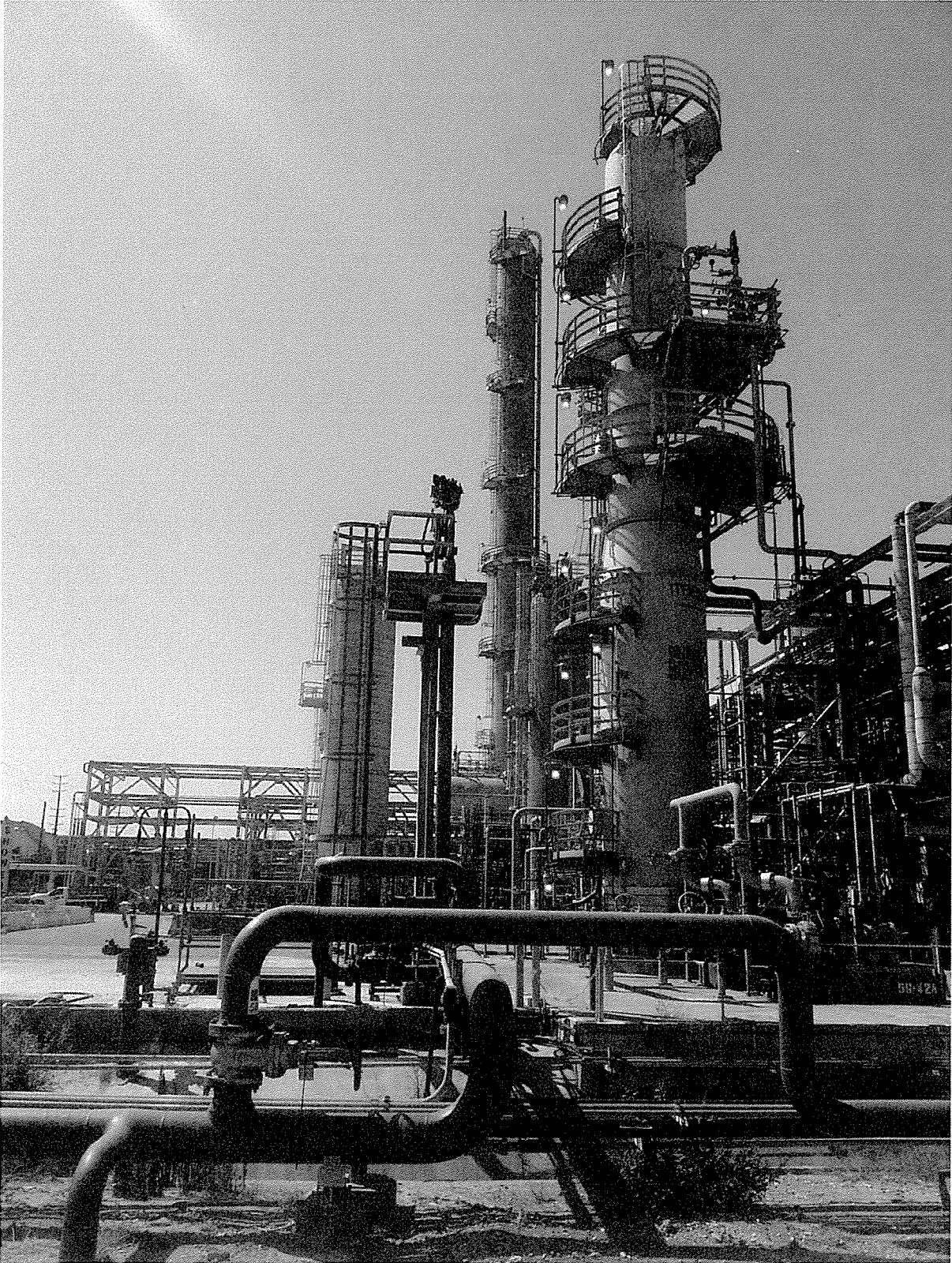
AES Area Plot Plan

Attachment A



Picture of the Northeast Fire Monitor, Facing Northwest

Attachment A



Picture of the Northeast Fire Monitor, Facing South

CERTIFICATE OF SERVICE

I certify that the original of the fully executed Consent Agreement and Final Order in the matter of **Torrance Refining Company LLC (Docket CAA(112r)-09-2020-0007)** was filed with the Regional Hearing Clerk, U.S. EPA, Region IX, 75 Hawthorne Street, San Francisco, CA 94105, and that a true and correct copy of the same was sent to the following parties:

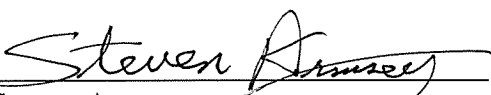
A copy was mailed via CERTIFIED MAIL to:

Darren W. Stroud, Refinery Attorney
Torrance Refining Company LLC
3700 W. 190th Street, Admin 214
Torrance, CA 90504

CERTIFIED MAIL NUMBER: 7012 1640 0001 2190 6604

And additional copy was hand-delivered to the following U.S. EPA case attorney:

Dustin Minor, Esq.
Office of Regional Counsel
U.S. EPA, Region IX
75 Hawthorne Street
San Francisco, CA 94105


Steven Armsey
Regional Hearing Clerk
U.S. EPA, Region IX

Jan. 9, 2020
Date