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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY REGION IX

In the matter of:)	U.S. EPA Docket No. RCRA-9-2011- POP7
Hexcel Corporation, Inc., EPA ID No.: AZD003987997,)))	COMPLAINT, CONSENT AGREEMENT AND FINAL ORDER
Respondent.))	

COMPLAINT AND CONSENT AGREEMENT

A. PRELIMINARY STATEMENT

- 1. This is a civil administrative enforcement action instituted pursuant to Section 3008(a)(1) of the Resource Conservation and Recovery Act ("RCRA"), as amended, 42 U.S.C. § 6928(a)(1), and the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits, Title 40 of the Code of Federal Regulations("40 CFR") Part 22, as amended at 64 FR 40138 *et seq.* (July 23, 1999). Complainant is the United States Environmental Protection Agency, Region IX ("EPA"). Respondent is the Hexcel Corporation, Inc. ("Hexcel"), a California corporation.
- 2. Hexcel owns and operates a facility (the "Facility") that engages in the production of carbon fiber and composite materials, parts and structures and in the weaving of reinforcement fabrics. The Facility is located at 1214 W. Highway 84 in Casa Grande, Arizona 85222. Hexcel's EPA Identification No. is AZD003987997.
- 3. This Complaint, Consent Agreement and Final Order ("CAFO"), pursuant to 40 C.F.R. § 22.13(b), as amended at 64 FR 40138 et seq. (July 23, 1999), simultaneously commences and concludes this proceeding, wherein EPA alleges that Hexcel, at the Facility, failed to obtain a permit for the storage of hazardous waste without a permit, failed to keep containers of hazardous waste closed, failed to label containers of universal waste, failed to maintain an adequate Contingency Plan, and failed to submit its Contingency Plan to local authorities, all in violation of the State Hazardous Waste Management Act, Arizona Revised Statutes, Title 49 (hereafter "49 ARS") and the regulations adopted pursuant thereto.

B. JURISDICTION

- 4. On November 20, 1985, the State of Arizona received authorization to administer the hazardous waste management program in lieu of the federal program pursuant to Section 3006 of RCRA, 42 U.S.C. § 6926 and 40 C.F.R. Part 271. The authorized program is established pursuant to the State Hazardous Waste Management Act, 49 ARS, and the regulations promulgated thereunder in the Arizona Administrative Code ("AAC"), Title 18 (Environmental Quality), Chapter 8 (Department of Environmental Quality Waste Management Rules), Article 2 (Hazardous Wastes). The State of Arizona has been authorized for all of the regulations referenced in this CAFO.
- 5. Respondent is a "person" as defined in AAC § R18-8-260.F(6) (see also 40 CFR § 260.10).
- 6. Respondent is the "operator" of a facility as defined in AAC § R18-8-260 (see also 40 CFR §260.10).
- 7. Respondent is the "owner" of a facility as defined in AAC § R18-8-260 (see also 40 CFR §260.10).
- 8. During the calendar year 2009, Respondent was a "generator" of hazardous waste as defined in AAC § R18-8-260 (see also 40 CFR § 260.10).
- 9. During the calendar year 2009, Respondent generated and stored materials that are "solid waste" as defined in AAC §§ R18-8-260 and R18-8-261 (see also 40 CFR §§ 260.10 and 261.2).
- 10. During the calendar year 2009, at the Facility, Respondent generated "hazardous waste" as defined by 49 ARS, AAC §§ R18-8-260 and AAC §§ R18-8-261 (see also Section 1004(5) of RCRA, 42 U.S.C. § 6903(5), 40 CFR §§ 260.10 and 261.3). This hazardous waste included, but may not be limited to: solvent waste rags and debris, which exhibited the characteristic of ignitability (D001); phenolic epoxy resin, which exhibited the characteristic of reactivity (D003); liquid amines, which exhibited the characteristic of corrosivity (D002); chrome III, which exhibited the characteristic of toxicity for chromium (D007); and phosphoric acid, filter cake waste meeting the definition of listed hazardous waste F019.
- 11. During the calendar year 2009, at the Facility, Respondent generated universal waste as defined by AAC § R18-8-273 (see also 40 CFR § 273.9). This universal waste included, but may not be limited to: waste lamps and fluorescent bulbs.
- 12. Due to the volume of waste generated at the Facility on an annual basis, Respondent qualifies as a "Large Quantity Generator" of hazardous waste and does not meet the requirements to qualify as a "Small Quantity Generator" within the meaning of AAC § R18-8-260 (see also 40 CFR § 260.10).

- 13. On June 25, 2009, EPA conducted a RCRA compliance evaluation inspection ("CEI") at the Facility. Based upon the findings made during the CEI, and additional information obtained subsequent to the CEI, EPA determined that Respondent has violated Arizona's 49 ARS and the regulations adopted pursuant thereto, as approved and authorized by the United States.
- 14. Section 3006 of RCRA, 42 U.S.C. § 6926 provides, *inter alia*, that authorized state hazardous waste programs are carried out under Subtitle C of RCRA. Therefore, a violation of any requirement of law under an authorized state hazardous waste program is a violation of a requirement of Subtitle C of RCRA.
- 15. A violation of Arizona's authorized hazardous waste program, found at AAC §§ R18-8-260 et seq. constitutes a violation of Subtitle C of RCRA and, therefore, a person who violates Arizona's authorized hazardous waste program found at AAC §§ R18-8-260 et seq. is subject to the powers vested in the EPA Administrator by Section 3008 of RCRA, 42 U.S.C. § 6928. (See also 40 CFR §§ 272.151 et seq. and Appendix A thereto.)
- 16. Section 3008 of RCRA, 42 U.S.C. § 6928, authorizes the EPA Administrator to issue orders requiring compliance immediately or within a specified time for violation of any requirement of Subtitle C of RCRA, Section 3001 of RCRA et seq., 42 U.S.C. § 6921 et seq.
- 17. The Administrator has delegated the authority under Section 3008 of RCRA to the EPA Regional Administrator for Region IX, who has redelegated this authority to the Director of the Waste Management Division.
- 18. Section 3008(a)(2) of RCRA, 42, U.S.C. § 6928(a)(2) provides that, when a violation of Subtitle C of RCRA occurs in a state which has been authorized under Section 3006 of RCRA, 42 U.S.C. § 6926, the Administrator must notify the authorized state prior to issuing an order under Section 3008 of RCRA in that state. EPA notified the State of Arizona prior to issuing this CAFO, as required by Section 3008(a)(2) of RCRA, 42 U.S.C. § 6928(a)(2).

C. <u>ALLEGED VIOLATIONS</u>

COUNT I

(Failure to Obtain a Permit for the Storage of Hazardous Waste)

- 19. Paragraphs 1 through 18 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 20. AAC § R18-8-270.A, which, among other things, incorporates 40 CFR § 270.1(c) by reference, requires a permit for the "treatment," "storage" and "disposal" of any "hazardous waste" as identified or listed in 40 CFR Part 261. Owners and operators of hazardous waste management units must have permits during the active life (including during closure) of the unit. Pursuant to AAC § R18-8-262.34.A (see also 40 CFR § 262.34(a)), a hazardous waste

- permit is not required if hazardous waste is stored at the facility where it was generated for less than 90 days and all other conditions are met.
- 21. Pursuant to AAC § R18-8-262.A, (see also 40 CFR § 262.34(a)), generators must, among other things, comply with labeling requirements for hazardous waste containers in order to store hazardous waste without a permit for less than 90 days. AAC § R18-8-262.A (see also 40 CFR §§ 262.34(a)(2) and (3)) requires generators who accumulate hazardous waste on-site without a permit to have the date accumulation of the waste begins clearly marked on each container and visible for inspection and requires that each container be clearly marked with the words 'Hazardous Waste.'
- 22. At the time of the CEI, the inspectors noted that Hexcel stored one 5-gallon container of hazardous waste in the Facility's Hazardous Waste Storage Area for more than 90 days without a permit. The 5-gallon container contained phenolic epoxy resin, classified as a D003 hazardous waste, and indicated a storage accumulation start date of March 24, 2009, 93 days prior to EPA's inspection. The 5-gallon container was stored at the Facility until it was sent off site for disposal on or about July 13, 2009.
- 23. At the time of the CEI, the inspectors noted that Hexcel stored one 55-gallon drum of hazardous waste rags adjacent to Hexcel's Dip Room without a label indicating the accumulation start date. In addition, the inspectors observed that Hexcel stored two 55-gallon drums of hazardous waste with incorrect accumulation start dates. Finally, the inspectors observed that one 5-gallon container of hazardous waste was stored at the Facility without any label.
- 24. By storing hazardous waste on-site for more than 90 days without a permit and failing to properly label containers of hazardous waste, EPA alleges that Hexcel has violated AAC §§ R18-8-262.A and R18-8-270.A.

COUNT II

(Failure to Close Containers)

- 25. Paragraphs 1 through 24 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 26. Pursuant to AAC § R18-8-265.A, (see also 40 CFR § 265.173(a)), a container holding hazardous waste must always be closed during storage, except when it is necessary to add or remove waste.
- 27. At the time of the CEI, the inspectors observed one open 55-gallon drum of hazardous waste in Mixing Room 3 at the Facility. The funnel on the container was not latched properly and waste was not being added to or removed from the drum at the time of the CEI.

- 28. At the time of the CEI, the inspectors also observed an open 5-gallon container of hazardous waste in the empty drum storage area. Again, waste was not being added to or removed from the container at the time of the CEI.
- 29. By failing to keep containers of hazardous waste being stored at the Facility closed except when necessary to add or remove waste, EPA alleges that Hexcel has violated AAC § R18-8-265.A.

COUNT III

(Failure to Properly Label Containers of Universal Waste)

- 30. Paragraphs 1 through 29 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 31. Pursuant to AAC § R18-8-273 (see also 40 CFR § 273.14(e)), a small quantity handler of universal waste must label or mark the universal waste to identify the type of universal waste. Each lamp or a container or package in which such lamps are contained must be labeled or marked clearly with any one of the following phrases: "Universal Waste-Lamp(s)," or "Waste Lamp(s)," or "Used Lamp(s)."
- 32. At the time of the CEI, the inspectors observed that Hexcel stored two large boxes of lamps and fluorescent bulbs in the Facility's hazardous waste storage area. The inspectors observed that the Facility improperly marked the two boxes with the words "Used Mercury Bulbs" instead of Universal Waste-Lamp(s)," or "Waste Lamp(s)," or "Used Lamp(s)."
- 33. By failing to properly label containers of universal waste, EPA alleges that Hexcel has violated AAC § R18-8-273.

COUNT IV

(Failure to Properly Maintain Contingency Plan)

- 34. Paragraphs 1 through 33 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 35. Pursuant to AAC §§ R18-8-262.34.A and R18-8-265.A, (see also 40 CFR §§ 262.34(a)(4) and 265.52(d)) facilities that generate and/or treat, store or dispose of hazardous waste must maintain a contingency plan for the facility. The contingency plan must list names, addresses, and phone numbers (office and home) of all persons qualified to act as emergency coordinator (see also 40 CFR § 265.55), and this list must be kept up to date. Where more than one person is listed, one must be named as primary emergency coordinator and others must be listed in the order in which they will assume responsibility as alternates.

- 36. During the CEI, the inspectors who reviewed Hexcel's contingency plan noted that the plan did not contain addresses and cell phone numbers of all persons qualified to act as emergency coordinators.
- 37. By failing to properly maintain a contingency plan, EPA alleges that Hexcel has violated AAC §§ R18-8-262.34.A and R18-8-265.A.

COUNT V

(Failure to Submit Contingency Plan to Local Authorities)

- 38. Paragraphs 1 through 37 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 39. Pursuant to AAC §§ R18-8-262.34.A and R18-8-265.A, (see also 40 CFR §§ 262.34(a)(4) and 265.53(b)) facilities that generate and/or treat, store or dispose of hazardous waste must submit a copy of the contingency plan and all revisions to the plan to all local police departments, fire departments, hospitals, and State and local emergency response teams that may be called upon to provide emergency services.
- 40. At the time of the CEI, the inspectors who reviewed Hexcel's contingency plan noted that the facility did not document the submittal to or the receipt of Hexcel's contingency plan by local authorities (i.e., green cards or e-mails).
- 41. By failing to submit copies of the Facility's contingency plan to local authorities, EPA alleges that Hexcel has violated AAC §§ R18-8-262.34.A and R18-8-265.A.

D. <u>TERMS OF SETTLEMENT</u>

- 42. Hexcel consents to the assessment of a civil penalty of TWENTY THOUSAND DOLLARS (\$20,000.00) in full satisfaction of all claims for civil penalties for the violations alleged in Section C of this CAFO. Such civil penalty amount shall become due and payable within thirty (30) days of the effective date of this CAFO.
- 43. The aforesaid settlement amount was based upon EPA's consideration of the statutory factors of the seriousness of Hexcel's violations and any good faith efforts by Hexcel to comply with all applicable requirements as provided in RCRA Section 3008(a)(3), 42 U.S.C. § 6928(a)(3), and in accordance with the applicable provisions of the "June 2003 RCRA Civil Penalty Policy." Section 3008(g) of RCRA, 42 U.S.C. § 6928(g), as adjusted by the Debt Collection Improvement Act of 1996, see 61 Fed. Reg. 69360 (Dec. 31, 1996), 69 Fed. Reg. 7121 (Feb. 13, 2004) and 73 Fed. Reg. 75340 (Dec. 11, 2008), authorizes a civil penalty of up to THIRTY-SEVEN THOUSAND, FIVE HUNDRED DOLLARS (\$37,500) per day for violations of Subtitle C of RCRA, 42 U.S.C. § 6921 et seq., occurring after January 12, 2009.

E. <u>ADMISSIONS AND WAIVERS OF RIGHTS</u>

- 44. Respondent admits and agrees that the EPA Administrator and Region IX Administrator have jurisdiction and authority over the subject matter of the action commenced in this CAFO and over Hexcel pursuant to Section 3008 of RCRA, 42 U.S.C. § 6928, and 40 CFR §§ 22.4 and 22.37. Further, for the purposes of this proceeding, Hexcel admits to the jurisdictional allegations of facts and law set forth in Section B of this CAFO. Hexcel consents to and agrees not to contest EPA's jurisdiction and authority to enter into and issue this CAFO and to enforce its terms. Further, Hexcel will not contest EPA's jurisdiction and authority to compel compliance with this CAFO in any enforcement proceedings, either administrative or judicial, or to impose sanctions for violations of this CAFO.
- 45. Respondent neither admits nor denies any allegations of fact or law set forth in Section C of this CAFO. Hexcel hereby waives any rights it may have to contest the allegations set forth in this CAFO, waives any rights it may have to a hearing on any issue relating to the factual allegations or legal conclusions set forth in this CAFO, including without limitation a hearing pursuant to Section 3008(b) of RCRA, 42 U.S.C. § 6928(b) and hereby consents to the issuance of this CAFO without adjudication. In addition, Respondent hereby waives any rights it may have to appeal the Final Order attached to this Consent Agreement and made part of this CAFO.

F. PARTIES BOUND

- 46. This CAFO shall apply to and be binding upon Hexcel and its agents, successors and assigns and upon all persons acting under or for Hexcel, until such time as the civil penalty required under Section G has been paid. At such time as those matters are concluded, this CAFO shall terminate and constitute full settlement of the violations alleged herein.
- 47. No change in ownership or any other legal status relating to the Facility will in any way alter Hexcel's obligations and responsibilities under this CAFO.
- 48. Respondent shall give prior notice of this CAFO 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 until the termination of this CAFO.
- 49. The undersigned representative of Hexcel hereby certifies he or she is fully authorized to enter into this CAFO, to execute and to legally bind Respondent to it.

G. PAYMENT OF CIVIL PENALTY

- 50. Respondent consents to the assessment of and agrees to pay a civil penalty of TWENTY THOUSAND DOLLARS (\$20,000.00) in full settlement of the federal civil penalty claims set forth in this CAFO.
- 51. Respondent shall submit payment of the TWENTY THOUSAND DOLLAR (\$20,000.00) civil penalty within thirty (30) days of the effective date of this CAFO. Payment shall be made in civil penalty shall be paid by remitting a certified or cashier's check, including the name and docket number of this case, for the amount, payable to "Treasurer, United States of America," (or be paid by one of the other methods listed below) and sent as follows:

Regular Mail:

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

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"

Overnight Mail:

U.S. Bank 1005 Convention Plaza Mail Station SL-MO-C2GL ATTN Box 979077 St. Louis, MO 63101

ACH (also known as REX or remittance express):

Automated Clearinghouse (ACH) for receiving US currency PNC Bank 808 17th Street, NW Washington, DC 20074

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.pay.gov
Enter "sfol.1" in the search field
Open form and complete required fields

If clarification regarding a particular method of payment remittance is needed, contact the EPA Cincinnati Finance Center at 513-487-2091.

52. A copy of the 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 the following Region IX addresses:

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

and

Amy Miller (WST-3)
Waste Management Division
U.S. Environmental Protection Agency - Region IX
75 Hawthorne Street
San Francisco, CA 94105

- 53. The payment shall indicate the name of the Facility, EPA identification number of the Facility, the Respondent's name and address, and the EPA docket number of this action.
- 54. In accordance with the Debt Collection Act of 1982 and U.S. Treasury directive (TFRM 6-8000), if payment is not received within thirty (30) days of the date of this CAFO, interest will accrue on the principal amount due at the current rate published by the United States Treasury as described at 40 CFR § 13.11. A late penalty charge of \$15.00 will be imposed after thirty (30) calendar days with an additional \$15.00 charge for each subsequent thirty (30) day period. A 6% per annum penalty will further apply on any principal amount not paid

within ninety (90) calendar days of the date the penalty is due. Respondent will also be liable for stipulated penalties as set forth below for any payment not received by this deadline.

H. <u>DELAY IN PERFORMANCE/STIPULATED PENALTIES</u>

- 55. In the event Respondent fails to submit a payment to EPA by the time required in this CAFO, Respondent shall pay stipulated penalties up to FIVE HUNDRED DOLLARS (\$500.00) per day for the first to fifteenth day of delay, up to ONE THOUSAND DOLLARS (\$1,000.00) per day for the sixteenth to thirtieth day of delay, and up to FIFTEEN HUNDRED DOLLARS (\$1,500.00) per day for each day of delay thereafter.
- 56. All penalties shall begin to accrue on the date that performance is due or a violation occurs, and shall continue to accrue through the final day of correction of the noncompliance or completion of the activity. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations.
- 57. All penalties owed to EPA under this Section shall be due within thirty (30) days of receipt of a written demand by EPA for such penalties. Such demand shall describe the noncompliance and shall indicate the amount of penalties due. Interest at the current rate published by the United States Treasury, as described at 40 CFR § 13.11, shall begin to accrue on the unpaid balance at the end of the thirty (30) day period. Unless EPA directs payments pursuant to this CAFO to a different address, any stipulated penalty payment shall be made in accordance with one of the options set forth above under paragraph 58.
- 58. At the time payment in accordance with the foregoing paragraph is made, a copy of the check or other form of payment or evidence thereof shall be sent to each of the following Region IX addresses:

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

and

Amy Miller (WST-3)
Waste Management Division
U.S. Environmental Protection Agency - Region IX
75 Hawthorne Street
San Francisco, CA 94105

- 59. All payments shall indicate the name of the Facility, EPA identification number of the Facility, Hexcel's name and address, and the EPA docket number of this action.
- 60. The payment of stipulated penalties shall not alter in any way Respondent's obligation to complete the performance required hereunder.
- 61. The stipulated penalties set forth in this Section do not preclude EPA from pursuing any other remedies or sanctions which may be available to EPA by reason of Respondent's failure to comply with any of the requirements of this CAFO.

I. <u>RESERVATION OF RIGHTS</u>

- 62. EPA expressly reserves all rights and defenses that it may have.
- 63. 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 CAFO. 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 CAFO, including without limitation, the assessment of penalties under Section 3008(c) of RCRA, 42 U.S.C. § 6928(c). This CAFO 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 RCRA, the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended ("CERCLA"), or any other statutory, regulatory or common law enforcement authority of the United States.
- 64. Compliance by Respondent with the terms of this CAFO shall not relieve Hexcel of its obligations to comply with RCRA or any other applicable local, Arizona, or federal laws and regulations.
- 65. The entry of this CAFO 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.
- 66. This CAFO is not intended to be nor shall it be construed as a permit. This CAFO does not relieve Respondent of any obligation to obtain and comply with any local, Arizona, or federal permits.

J. OTHER CLAIMS

67. Nothing in this CAFO shall constitute or be construed as a release from any other claim, cause of action or demand in law or equity by or against any person, firm, partnership, entity or corporation for any liability it may have arising out of or relating in any way to the generation,

storage, treatment, handling, transportation, release, or disposal of any hazardous constituents, hazardous substances, hazardous wastes, pollutants, or contaminants found at, taken to, or taken from the Facility.

K. MISCELLANEOUS

- 1. By signing this CAFO, Hexcel, without admitting or denying them, certifies that all of the alleged violations set forth in Section C of this CAFO, which are or were capable of correction, have been corrected.
- 2. This CAFO may be amended or modified only by written agreement executed by both EPA and Respondent.
- 3. The headings in this CAFO are for convenience of reference only and shall not affect interpretation of this CAFO.
- 4. The Effective Date of this CAFO is the date the CAFO, once signed by the Regional Judicial Officer, is filed with the Regional Hearing Clerk.

IT IS SO AGREED.

For Hexcel Corporation

A. William Nosil

Director, Corporate Environmental Engineering

Jeff Scott, Director

Waste Management Division

U.S. Environmental Protection Agency, Region IX

FINAL ORDER

This Final Order, once signed, shall be effective immediately upon it being filed with the Regional Hearing Clerk.

03/07/11 Date

teven Jawgiel

Regional Judicial Officer
United States Environmental Protection Agency,

Region IX

CERTIFICATION OF SERVICE

I hereby certify that on the date below, the original of the foregoing Consent Agreement and Final Order, was filed with the Regional Hearing Clerk, Region 9, and that a copy was sent certified mail, return receipt requested, to:

Mr. A. William Nosil
Director, Corporate Environmental Engineering
Hexcel Corporation, Inc.
Law Department
11711 Dublin Blvd.
Dublin, CA 94568

03/08/11

Date

For Steven Armsey

Regional Hearing Clerk

U. S. Environmental Protection Agency Office of Regional Counsel, Region 9