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In the Matter of:

CHEMICAL WASTE MANAGEMENT, INC.,)

CONSENT AGREEMENT

AND FINAL ORDER

PURSUANT TO 40 C.F.R.

Respondent.

S\$ 22.13 and 22.18

CONSENT AGREEMENT

The United States Environmental Protection Agency, Region IX ("EPA"), and Chemical Waste Management, Inc. ("Respondent"), agree to settle this matter and consent to the entry of this Consent Agreement and Final Order ("CA/FO"), which simultaneously commences and concludes this matter in accordance with Sections 22.13(b) and 22.18(b) of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation/Termination or Suspension of Permits 40 C.F.R. \$\$ 22.13(b) and 22.18(b).

A. AUTHORITY AND PARTIES

- 1. This is a civil administrative penalty action instituted against Respondent pursuant to Section 16(a) of the Toxic Substances Control Act ("TSCA"), 15 U.S.C. § 2615(a), for violation of Section 15 of TSCA, 15 U.S.C. § 2614, by failing to comply with implementing regulations governing polychlorinated biphenyls ("PCBs") at 40 C.F.R. Part 761.
- 2. Complainant is the Director of the Waste Management

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Division, EPA Region IX, who has been duly delegated the authority to bring this action and to sign a consent agreement settling this action.

- 3. Respondent owns and operates a commercial hazardous waste facility in Kettleman City, Kings County, California (the "Facility"). The Facility manages, treats and disposes of PCBs, hazardous waste and non-hazardous industrial waste.
- 4. Respondent is a "person," as that term is defined at 40 $\text{C.F.R.} \ \S \ 761.3.$
- 5. At all times relevant to this CA/FO, Respondent, at the Facility, managed and disposed of PCBs regulated under TSCA and its implementing regulations at 40 C.F.R. Part 761.
- 6. At all times relevant to this CA/FO, Respondent managed PCBs at concentrations \geq 50 ppm in and around the PCB Storage and Flushing Building at the Facility.

16 B. APPLICABLE STATUTORY AND REGULATORY SECTIONS

- 7. Pursuant to Section 6(e) of TSCA, 15 U.S.C. § 2605(e), EPA promulgated regulations governing PCBs at 40 C.F.R. Part 761.
- 8. "PCB" and "PCBs" means any chemical substance that is limited to the biphenyl molecule that has been chlorinated to varying degrees or any combination of substances which contains such substances. 40 C.F.R. § 761.3.
- 9. "PCB Article" means any manufactured article, other than a PCB container, that contains PCBs and whose surface(s) has been in direct contact with PCBs. "PCB Article" includes capacitors, transformers, electric motors, pumps, pipes and any other manufactured item (a) which is formed to a specific shape

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dependent in whole or in part upon its shape or design during end use, and (c) which has either no change of chemical composition during its end use or only those changes of composition which have no commercial purpose separate from that of the PCB Article. 40 C.F.R. § 761.3. 10. "PCB container" means any package, can, bottle, bag,

- barrel, drum, tank, or other device that contains PCBs or PCB Articles and whose surface(s) has been in direct contact with PCBs. 40 C.F.R. § 761.3.
- 11. "PCB Item" means any PCB Article, PCB Article Container, PCB Container, PCB Equipment, or anything that deliberately or unintentionally contains or has as a part of it any PCB or PCBs. 40 C.F.R. § 761.3.
- 12. "PCB-contaminated electrical equipment" means any electrical equipment including, but not limited to, transformers..., that contains PCBs at concentrations \geq 50 ppm and < 500 ppm in the contaminating fluid. 40 C.F.R. § 761.3.
- 13. "Person" means any individual, corporation, partnership, or association; any State, or political subdivision thereof; any interstate body; and any department, agency, or instrumentality of the Federal Government. 40 C.F.R. § 761.3.
- Section 15 of TSCA makes it unlawful for any person to fail or refuse to comply with any rule promulgated or order issued under Section 2604 or 2605 of TSCA. TSCA Section 15(1)(C), 15 U.S.C. § 2614(1)(C).
- 15. Section 16(a) of TSCA, 15 U.S.C. § 2615(a), authorizes In the Matter of Chemical Waste Management, Inc. Page 3

the EPA Administrator to assess a civil penalty not to exceed \$25,000 per day for each violation of Section 15 of TSCA, 15 U.S.C. § 2614. This statutory maximum civil penalty was subsequently raised to \$37,500 per day for each violation that occurred after January 12, 2009 pursuant to the Federal Civil Penalties Inflation Adjustment Act of 1990, Pub. L. 101-410, as amended, and its implementing regulation, the Civil Monetary Penalty Inflation Adjustment Rule codified at 40 C.F.R. Part 19.

C. ALLEGED VIOLATIONS

COUNT 1 Failure to Indicate Removal of Service Date

- 16. Paragraphs 1 through 15 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 17. 40 C.F.R. § 761.65(c)(8) requires that containers of PCBs at concentrations of 50 ppm or greater stored for disposal be marked with the date removed from service for disposal.
- 18. On February 8, 2010, an EPA Inspector observed that Respondent had a container of PCB waste at concentrations of 50 ppm or greater stored for disposal at the Facility.
- 19. The container was not marked with the removal from service date.
- 20. Respondent's failure to mark the container with the removal from service date constitutes a violation of 40 C.F.R. § 761.65(c)(8) and Section 15(1)(C) of TSCA, 15 U.S.C. § 2614(1)(C).

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by this reference as if they were set forth here in their

21. Paragraphs 1 through 20 above are incorporated herein

entirety.

- 22. 40 C.F.R. § 761.207(a) requires that generators provide (i) the date of removal from service for disposal and (ii) the weight in kilograms of the PCB waste on the manifests for PCB wastes being transported for commercial off-site storage or disposal.
- 23. EPA inspectors observed nine manifests from the Facility for PCB waste generated by Respondent that did not include the removal from service date or the PCB waste weight in kilograms for PCB wastes being transported for commercial offsite storage or disposal.
- 24. Each manifest on which Respondent failed to include either the removal from service date or the PCB waste weight in kilograms is a violation of 40 C.F.R. § 761.207(a) and Section 15(1)(C) of TSCA, 15 U.S.C. § 2614(1)(C).

Continued Use Violation

- 25. Paragraphs 1 through 24 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 26. No person may use any PCB or PCB item, regardless of concentration, in any manner other than in a totally enclosed manner with the United States, unless authorized under 40 C.F.R. § 761.30 or excepted under 40 C.F.R. § 761.20(a). 40 C.F.R.

- 27. A "totally enclosed manner" means any manner that will ensure no exposure of human beings or the environment to any concentration of PCBs. 40 C.F.R. § 761.3.
- 28. Any person may use equipment, structures or other materials that were contaminated with PCBs during use or because of spills from, or proximity to, PCBs at concentrations ≥50 ppm, provided the materials were decontaminated in accordance with TSCA or now meet an applicable decontamination standard. 40 C.F.R. § 761.30(u).
- 29. On February 8, 2010, an EPA Inspector collected two wipe samples from the floor of the PCB Storage and Flushing Building at the Facility, directly below the two drain valve caps for Respondent's PCB tank.
- 30. Sample results for the wipe samples collected below Respondent's PCB tank showed PCB concentrations in excess of 10 micrograms per 100 square centimeters(10 μ g/100 cm²), specifically, 30 and 35 μ g/100 cm².
- 31. Respondent used the PCB Storage and Flushing Building at the Facility without meeting the conditions for use under 40 C.F.R. § 761.30(u), in violation of 40 C.F.R. § 761.30(u) and Sections 6(e)(2)(A) and 15(1)(C) of TSCA, 15 U.S.C. §§ 2605(e)(2)(A) and 2614(1)(C).

COUNT 4 Continued Use Violation

32. Paragraphs 1 through 31 above are incorporated herein

- 33. On June 2, 2010, an EPA Inspector collected a wipe sample from the floor of the PCB Storage and Flushing Building at the Facility, near the first drain valve cap for Respondent's PCB tank.
- 34. The sample result for the wipe sample collected near Respondent's PCB tank showed PCB concentrations in excess of 10 μ g/100 cm², specifically, 11 μ g/100 cm².
- 35. On June 2, 2010, an EPA Inspector collected a wipe sample from the concrete slab adjacent to Respondent's PCB Storage and Flushing Building at the Facility.
- 36. The sample result for the wipe sample collected from the concrete slab showed PCB concentrations in excess of 10 $\mu g/100$ cm², specifically, 24 $\mu g/100$ cm².
- 37. Respondent used the PCB Storage and Flushing Building and the adjacent concrete slab at the Facility without meeting the conditions for use under 40 C.F.R. § 761.30(u), in violation of 40 C.F.R. § 761.30(u) and Sections 6(e)(2)(A) and 15(1)(C) of TSCA, 15 U.S.C. §§ 2605(e)(2)(A) and 2614(1)(C).

COUNT 5 Improper Disposal Violation

- 38. Paragraphs 1 through 37 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 39. Any person storing or disposing of PCB waste must do so in accordance with subpart D of 40 C.F.R. Part 761. 40 C.F.R.

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- 40. Spills and other uncontrolled discharges of PCBs at concentrations of \geq 50 ppm constitute the disposal of PCBs. 40 C.F.R. § 761.50(a)(4).
- 41. At all times relevant to this CA/FO, Respondent managed PCBs at concentrations \geq 50 ppm in and around the PCB Storage and Flushing Building at the Facility.
- 42. Sample results of soil samples taken by EPA and Respondent of areas around the PCB Storage and Flushing Building at the Facility show PCBs concentrations ≥1 ppm, ranging from 1.1 to 57 ppm.
- 43. The disposal in the soil around the PCB Storage and Flushing Building at the Facility of PCBs managed at the PCB Storage and Flushing Building was not in accordance with Subpart D of 40 C.F.R. Part 761.
- 44. Respondent's failure to dispose of PCBs in accordance with Subpart D of 40 C.F.R. Part 761 constitutes a violation of 40 C.F.R. § 761.50(a) and Section 15(1)(C) of TSCA, 15 U.S.C. § 2614(1)(C).

$\begin{array}{c} \underline{\text{COUNT } 6} \\ \text{Improper Disposal Violation} \end{array}$

- 45. Paragraphs 1 through 44 above are incorporated herein by this reference as if they were set forth here in their entirety.
- 46. Sample results of soil samples taken by Respondent under the concrete slab adjacent to the PCB Storage and Flushing Building at the Facility show PCBs concentrations ≥1 ppm,

- 47. The disposal in the soil under the concrete slab adjacent to the PCB Storage and Flushing Building at the Facility of PCBs managed at the PCB Storage and Flushing Building was not in accordance with Subpart D of 40 C.F.R. Part 761.
- 48. Respondent's failure to dispose of PCBs in accordance with Subpart D of 40 C.F.R. Part 761 constitutes a violation of 40 C.F.R. § 761.50(a) and Section 15(1)(C) of TSCA, 15 U.S.C. § 2614(1)(C).

D. CIVIL PENALTY

- 49. Section 16(a) of TSCA, 15 U.S.C. §2615(a), as adjusted by the Federal Civil Penalties Inflation Adjustment Act of 1990, 28 U.S.C. §2461, and the Debt Collection Improvement Act of 1996, 31 U.S.C. §3701 (see 61 Fed. Reg. 69360 (Dec. 31, 1996)), authorizes a civil penalty of up to \$37,500 per day for each violation occurring after January 12, 2009 (73 Fed. Reg. 75,340 (Dec. 11, 2008)); 40 C.F.R. §19.4.
- 50. Based upon the facts alleged herein and upon those factors that EPA must consider pursuant to Section 16(a) of TSCA, 15 U.S.C. § 2615(a), including the nature, circumstances, extent, and gravity of the violations and, with respect to the violator, ability to pay, effect on ability to continue to do business, any history of prior such violations, the degree of culpability, as well as such other matters as justice may require, EPA proposes that Respondent be assessed THREE HUNDRED AND TWO THOUSAND AND ONE HUNDRED DOLLARS(\$302,100) as the civil penalty for the violations alleged herein. The proposed penalty is consistent

with the April 1990 PCB Penalty Policy.

E. ADMISSIONS AND WAIVER OF RIGHTS

- 51. For the purposes of this proceeding, Respondent admits to the jurisdictional allegations set forth in Sections A and B of 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.
- 52. Respondent neither admits nor denies any allegations of fact set forth in Section C of this CA/FO. Respondent hereby waives any rights Respondent may have to contest the allegations set forth in this CA/FO, including without limitation a hearing pursuant to Section 16(a)(2)(A) of TSCA, 16 U.S.C. \$ 2615(a)(2)(A), 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.

F. PARTIES BOUND

53. This CA/FO shall apply to and be binding upon Respondent and its agents, successors and assigns and upon all persons acting under or for Respondent, until such time as all tasks required by this CA/FO have been completed, the civil penalty required under Section D has been paid in accordance with Section G, and any delays in performance and/or stipulated

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- 54. No change in ownership or corporate, partnership or legal status relating to the Facility will in any way alter Respondent's obligations and responsibilities under this CA/FO.
- 55. The undersigned representative of Respondent hereby certifies that he or she is fully authorized by Respondent to enter into the terms and conditions of this CA/FO, to execute this CA/FO, and to legally bind Respondent to this CA/FO.

G. PAYMENT OF CIVIL PENALTY

- 56. Respondent consents to the assessment of and agrees to pay a civil penalty in the amount of THREE HUNDRED AND TWO THOUSAND AND ONE HUNDRED DOLLARS(\$302,100) in settlement of the civil penalty claims of the United States for the violations of TSCA, and its implementing regulations, as alleged in Section C above.
- 57. Respondent shall submit payment of the civil penalty of THREE HUNDRED AND TWO THOUSAND AND ONE HUNDRED DOLLARS (\$302,100) within thirty (30) calendar 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. Payment shall be made by wire transfer to the account of the U.S. Treasury at the Federal Reserve Bank of New York.

Federal Reserve Bank of New York ABA: 021030004

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and

Account Number: 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"

See also, http://www.epa.gov/ocfo/finservices/payment_instructions.htm 58. At the time payment is so made, a copy of the

transmittal form shall be sent to:

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

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

U.S. Treasury directive (TFRM 6-8000), the payment must be received within thirty (30) calendar days of the Effective Date of this CA/FO to avoid additional charges. If payment is not received within thirty (30) calendar days, interest will accrue from the Effective Date of this CA/FO at the current rate published by the United States Treasury as described at 40 C.F.R. § 13.11(a). A late penalty charge will be imposed after thirty (30) calendar days with an additional charge for each subsequent 30-day period, in accordance with 40 C.F.R. § 13.11(b). A 6% per annum penalty will further apply on any principal amount not paid within ninety (90) calendar days of the due date, as described at 40 C.F.R. § 13.11(c). Respondent further will be liable for

stipulated penalties as set forth below for any payment not received by its due date.

60. 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.

H. DELAY IN PERFORMANCE AND STIPULATED PENALTIES

- 61. In addition to the interest and per annum penalties described above, in the event that Respondent fails to pay the full amount of the penalty within the time specified in Section G, Respondent agrees to pay Complainant a stipulated penalty in the amount of up to TEN THOUSAND DOLLARS (\$10,000.00) for each day the default continues.
- 62. 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. Nothing herein shall prevent the simultaneous accrual of separate penalties for separate violations.
- 63. All penalties owed to EPA under this Section shall be due within thirty (30) days of receipt of a notification of noncompliance. Such notification 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 C.F.R. §13.11, shall begin to accrue on the unpaid balance at the end of the thirty-day period.
- 64. Payment of stipulated penalties shall be made in accordance with the procedure set forth for payment of the In the Matter of Chemical Waste Management, Inc.

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65. All payments shall indicate the name of the Facility, Respondent's name and address, and the EPA docket number assigned to this action.

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66. The payment of stipulated penalties shall not alter in any way Respondent's obligation to complete the performance required hereunder.

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67. 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 CA/FO.

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68. 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.

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69. 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.

70. Respondent is conducting characterization and

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CERTIFICATION OF COMPLIANCE

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remediation of soil contamination that formed the basis for violations alleged in this CA/FO pursuant to EPA's September 23, 2010 Conditional Approval of the "PCB Building Self-Implementing Cleanup Plan" and the State of California Department of Toxic Substances Control's Corrective Action Consent Order, Docket No.

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> 25 HWCA P1-10/11-001 (Oct. 14, 2010).

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71. Within twenty (20) days of the Effective Date of this CA/FO, Respondent shall certify to EPA under penalty of law that In the Matter of Chemical Waste Management, Inc.

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72. The certification required to be made pursuant to this CA/FO shall be sent by certified mail, with return receipt requested, to:

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

73. The certification shall contain a Certification

Statement signed by a responsible official on behalf of

Respondent. The Certification Statement should be as follows:

I certify under penalty of law that the information contained in or accompanying this document is true, accurate, and complete, This certification is based upon my personal knowledge or upon my inquiry of the person or persons directly responsible for gathering the information.

A responsible official for the purposes of this provision means:

a president, secretary, treasurer or vice-president in charge of a principal business function for Respondent, or any other person who performs similar policy or decision-making functions for Respondent.

J. RESERVATION OF RIGHTS

74. In accordance with 40 C.F.R. § 22.18(c), this CA/FO resolves only Respondent's liability for federal civil penalties for the violations and facts specifically alleged in Section C of this CA/FO. Nothing in this CA/FO is intended to or shall be construed to resolve (i) any civil liability for violations of any provision of any federal, state, or local law, statute, regulation, rule, ordinance, or permit not specifically alleged in Section C of this CA/FO; or (ii) any criminal liability.

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- EPA expressly reserves all rights and defenses that it may have.
- 76. 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 Section 16(a) of TSCA, 15 U.S.C. § 2615(a). 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 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.
- 77. Compliance by Respondent with the terms of this CA/FO shall not relieve Respondent of its obligations to comply with any applicable local, state, or federal laws and regulations.
- 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 they relate to Respondent's liability for federal civil penalties for the specific alleged violation and facts as set forth in Section C of this CA/FO.
 - This CA/FO is not intended to be nor shall it be

1	construed as a permit. This CA/FO does not relieve Respondent of
2	any obligation to obtain and comply with any local, state, or
3	federal permits.
4	K. ATTORNEYS' FEES AND COSTS
5	80. Each party shall bear its own attorneys' fees, costs,
6	and disbursements incurred in this proceeding.
7	L. <u>EFFECTIVE DATE</u>
8	81. In accordance with 40 C.F.R. §§ 22.18(b)(3) and
9	22.31(b), this CA/FO shall be effective on the date that the
10	Final Order contained in this CA/FO, having been approved and
11	issued by the Regional Judicial Officer, is filed.
12	M. MISCELLANEOUS
13	82. The headings in this CA/FO are for convenience of
14	reference only and shall not affect interpretation of this CA/FO.
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16	FOR RESPONDENT, CHEMICAL WASTE MANAGEMENT, INC.
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18	11/15/10 Ker S KX
19	DATE Robert G. Henry Vice President
20	Chemical Waste Management, Inc.
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22	FOR COMPLAINANT, US. ENVIRONMENTAL PROTECTION AGENCY, REGION IX:
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24	11/19/10
25	DATE Jeff Scott Director
26	Waste Management Division U.S. Environmental Protection Agency,
27	Region IX
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FINAL ORDER

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IT IS HEREBY ORDERED that this CA/FO (Docket No. TSCA-09-2011-COO() be entered and that Respondent pay a civil penalty in the amount of THREE HUNDRED AND TWO THOUSAND AND ONE HUNDRED DOLLARS(\$302,100) by wire transfer to the account of the U.S. Treasury at the Federal Reserve Bank of New York, within thirty (30) days after the Effective Date of this Consent Agreement and Final Order. A copy of the wire transfer form shall be sent to the EPA Region IX addresses specified in Section G of this Consent Agreement and Final Order within such 30-day period.

This Consent Agreement and Final Order shall become effective upon filing by the Regional Hearing Clerk.

11/29/10 DATE

STEVEN JAWGIEL

Regional Judicial Officer
U.S. Environmental Protection

Agency, Region IX

CERTIFICATE OF SERVICE

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

Mr. Bob Henry
Senior District Manager
Chemical Waste Management, Inc.
35251 Old Skyline Road
P.O. Box 471
Kettleman City, CA 93239

11/29/10

Date

Johnson

FOE: Steven Armsey

Regional Hearing Clerk

Office of Regional Counsel, Region IX