

ENVIRONMENTAL APPEALS BOARD UNITED STATES ENVIRONMENTAL PROTECTION AGENCY WASHINGTON, D.C.

In re Evoqua Water Technologies LLC and Colorado River Indian Tribes) RCRA Appeal No. 18-01
RCRA Permit No. AZD982441263)))
)

ORDER FOR FURTHER BRIEFING ON EVOQUA'S MOTION FOR STAY OF PERMIT PROVISIONS PENDING BOARD REVIEW

On November 1, 2018, EPA Region 9 ("Region") filed a "Notification" in this appeal of a Resource Conservation and Recovery Act permit ("Permit") issued to Evoqua Water Technologies LLC ("Evoqua") and the Colorado River Indian Tribes ("Tribes") as copermittees. In the Notification, pursuant to 40 C.F.R. § 124.16(a), the Region identified a number of Permit provisions that are stayed pending Board review. Among the identified provisions is Permit condition I.A.6, which specifies that unless otherwise set forth in the Permit, all Permit conditions apply both to the Tribes and to Evoqua, who are referred to collectively throughout the Permit as "Permittees." However, the Notification states that

Unless set forth specifically otherwise herein, requirements of this Permit apply to both the Tribal trust landowner and the operator of the Facility, who are referred to herein collectively as the "Permittees." However, compliance with such requirements of this Permit by either the Tribe, as beneficial landowner, or the operator is regarded as sufficient for both. [See 45 Federal Register (FR) 33295/col. 3, (May 19, 1980).]

¹ The full name of the filing is "Notification Regarding Effect of Petition for Review on Effective date of Final RCRA Permit for Evoqua Water Technologies, LLC and Colorado River Indian Tribes, Parker AZ, EPA ID No.: AZD982441263."

² Permit condition I.A.6 states in its entirety as follows:

Permit condition I.A.6 is stayed "only as to the status of [the Tribes] as a co-permittee." Notification at 1. The Region advised that all other conditions of the Permit would take effect on December 1, 2018.

On November 14, 2018, Evoqua moved to remand the Notification or, in the alternative, to stay the Permit pending Board review. Evoqua Water Technologies LLC's Motion to Remand EPA Notice of Stayed Permit Provisions or, in the Alternative, Motion to Stay Permit Pending Appeal (Nov. 14, 2018) ("Motion"). The Region opposed the Motion. The Tribes filed a notice of appearance but did not respond to the Motion. For the reasons set forth below, the Board requires further briefing from all parties (Evoqua, the Tribes, and the Region) before it can rule on the Motion.

In the Motion, Evoqua argues that the Region erred by staying only Permit condition I.A.6 in response to Evoqua's challenge to the status of the Tribes as co-permittee. Motion at 4. It appears that Evoqua is arguing that the stay should extend to some 300 Permit conditions that refer to "Permittees" on the theory that Evoqua "constructively contested" those conditions and that they are not severable from condition I.A.6. *Id.* Evoqua contends that the stay should apply both to Evoqua and to the Tribes and requests that the Board either remand the Notification with instructions to stay the permit conditions listed in Attachment 2 as to both Evoqua and the Tribes or, in the alternative, stay the entire Permit. *Id.* at 7, Att. 2.

For its part, the Region appears to agree that the Permit – in its entirety – does not apply to the Tribes but objects to a stay of the Permit conditions listed in Attachment 2 or the entire Permit as to Evoqua based on Evoqua's challenge to the Tribes' status as co-permittee.

Response to Evoqua Water Technologies LLC's Motion to Remand EPA Notice of Stayed

Permit Provisions or, in the Alternative, Motion to Stay Permit Pending Appeal at 2 (Nov. 29, 2018) ("Region's Response").

Under 40 C.F.R. § 124.19 – titled "Appeal of RCRA, UIC, NPDES and PSD Permits" – a person with standing may petition the Board for review of a "final permit decision issued under §124.15 of this part, or a decision to deny a permit for the active life of a RCRA hazardous waste management facility or unit under §270.29 of this chapter." 40 C.F.R. § 124.19(a).

Once a petition for review has been filed, 40 C.F.R. § 124.16(a) provides that "the contested permit conditions shall be stayed" and "[u]ncontested conditions which are not severable from those contested shall be stayed together with the contested conditions." Section 124.16(a) further provides that the Region "shall identify the stayed provisions of permits" and "notify the [Board], the applicant, and all other interested parties of the uncontested (and severable) conditions of the final permit that will become fully effective enforceable obligations of the permit." *Id.* § 124.16(a)(1), (2).

We note that 40 C.F.R. § 124.19(a) does not refer to decisions regarding the stay of permit conditions under 40 C.F.R. § 124.16(a), and nowhere else does Part 124 specifically address whether the Board may review such decisions. Further, in a recent filing with the Board in another case, Region 9 described decisions on stays of permit terms pending Board review – like a Region's decision to withdraw some or all of a permit under 40 C.F.R. § 124.19(j) – as "wholly within the Region's discretion." Region 9 Reply to Pet'rs' Resp. in Opp. to Mot. to Part. Dismiss Pet. & Establish Rev. Br. Schedule at 1 (filed in *In re Arizona Public Service Co.*, NPDES Appeal No. 18-02, Oct. 22, 2018). At the same time, 40 C.F.R. § 124.19(n) provides that the Board "may do all acts and take all measures necessary for the efficient, fair, and impartial adjudication of issues arising in an appeal."

Accordingly, the Board directs Evoqua, the Tribes, and the Region to file supplemental

briefs answering all three of the following questions:

1. May the Board review a Region's notification of a stay of permit

conditions issued pursuant to 40 C.F.R. § 124.16(a)?

2. If the Board may review a Region's notification, what is the appropriate

standard of review?

3. If the Board may not review a Region's notification, what other recourse,

if any, does a party have to challenge the notification?

Supplemental briefs shall be filed on or before January 8, 2019. The Region is directed

to confer with the EPA's Office of General Counsel to ensure that the Region's responses to

these questions reflect the Agency's views. In accordance with 40 C.F.R. § 124.19(f)(2), the

parties are further directed to meet and confer in advance of their filings to narrow their areas of

disagreement or resolve, if possible, the issues raised by the Motion and report to the Board in

their supplemental briefs on the outcome of their meet and confer efforts.

So ordered.

ENVIRONMENTAL APPEALS BOARD

Date: December 14, 2018

Mary Beth Ward

Environmental Appeals Judge

4

CERTIFICATE OF SERVICE

I certify that copies of the foregoing ORDER FOR FURTHER BRIEFING ON EVOQUA'S MOTION FOR STAY OF PERMIT PROVISIONS PENDING BOARD REVIEW in the matter of *Evoqua Water Technologies LLC*, RCRA Appeal No. 18-01, were sent to the following persons by email:

Counsel for EPA Region 9

Mimi Newton Assistant Regional Counsel (ORC-3-2) U.S. Environmental Protection Agency 75 Hawthorne Street

San Francisco, CA 94105

Tel: 415-972-3941 Fax: 415-3570

Newton.Mimi@epa.gov

Marie Rongone

Section Chief (ORC-3-2)

U.S. Environmental Protection Agency

75 Hawthorne Street San Francisco, CA 94105

Tel: 415-972-3941 Fax: 415-3570

Rongone.marie@epa.gov

Counsel for Evoqua Water Technologies LLC

Stephen M. Richmond Bryan J. Moore

BEVERIDGE & DIAMOND, PC

155 Federal Street, Suite 1600

BEVERIDGE & DIAMOND

98 San Jacinto Blvd., Suite 1420

Boston, MA 02110 Austin, TX 78701-4296
Tel: 617-419-2310 Tel: 512-391-8030
Fax: 617-419-2301 Fax: 512-391-8099
srichmond@bdaw.com bmoore@bdlaw.com

Counsel for Colorado River Indian Tribes

Sara A. Clark Rebecca A. Loudbear Rica Garcia Antoinette Flora

Shute, Mihaly & Weinberger LLP

Office of the Attorney General

Colorado River Indian Tribes

396 Hayes Street Colorado River Indian Tribes San Francisco, CA 94102 26600 Mohave Road

Tel: 415-552-7272

Parker, AZ 85344

Fax: 415-552-5816

Tel: 928-669-1271

clark@smwlaw.com

Fax: 928-669-5675

rgarcia@smwlaw.com

aflora@critdoj.com

aflora@critdoj.com

Date: December 14, 2018

Amete Sunction

Annette Duncan Administrative Specialist