

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 3
Philadelphia, Pennsylvania 19103



IN THE MATTER OF:)
)
PETROLEUM RECOVERY AND)
REMEDICATION MANAGEMENT, INC.)
d/b/a PETROLEUM MANAGEMENT, INC.)
1030 E. PATAPSCO AVE.)
BALTIMORE, MD 21225,)
)
Respondent,)
)
PETROLEUM RECOVERY AND)
REMEDICATION MANAGEMENT, INC.)
5200 and 5218 CURTIS AVE.)
BALTIMORE, MD 21226)
)
Facility.)
)

ADMINISTRATIVE COMPLIANCE
ORDER ON CONSENT

DOCKET NO. CAA-03-2024-0060DA

Proceeding under Section 113(a) of
the Clean Air Act, 40 U.S.C. § 7413(a)

ADMINISTRATIVE COMPLIANCE ORDER ON CONSENT

A. PRELIMINARY STATEMENT

1. This Administrative Order (“Order”) is issued under the authority vested in the Administrator of the U.S. Environmental Protection Agency (the “EPA”) by Section 113(a)(3) of the Clean Air Act (the “Act” or “CAA”), 42 U.S.C. § 7413(a)(3).
2. On the EPA’s behalf, the Director of the EPA Region 3 Enforcement and Compliance Assurance Division is delegated the authority to issue this Order under Section 113(a) of the Act.
3. Respondent is a corporation incorporated and doing business in the State of Maryland. Respondent is a “person” as defined in Section 302(e) of the Act, 42 U.S.C. § 7602(e).
4. Respondent signs this Order on Consent.

B. STATUTORY AND REGULATORY BACKGROUND

5. The EPA alleges and adopts the Findings set forth immediately below.

6. The EPA is authorized by Section 113(a)(1) and (3) of the Act, 42 U.S.C. § 7413(a)(1) and (3), to take action to ensure that air pollution sources comply with all federally applicable air pollution control requirements.

National Ambient Air Quality Standards

7. Section 108(a) of the Act, 42 U.S.C. § 7408(a), requires the Administrator of the EPA to identify and prepare air quality criteria for each air pollutant, emissions of which may cause or contribute to air pollution which may reasonably be anticipated to endanger public health or welfare, and the presence of which results from numerous or diverse mobile or stationary sources. For each such “criteria” pollutant, Section 109 of the CAA, 42 U.S.C. § 7409, requires the EPA to promulgate national ambient air quality standards (“NAAQS”) requisite to protect the public health and welfare.
8. Pursuant to Sections 108 and 109 of the Act, 42 U.S.C. §§ 7408 and 7409, the EPA has identified ozone, among others, as a criteria pollutant, and has promulgated NAAQS for ozone. Certain precursors to ozone formation, such as volatile organic compounds (“VOCs”) and oxides of nitrogen (“NOx”), are regulated as part of the air quality standards for ozone itself. 40 C.F.R. §§ 50.6-50.11.
9. Under Section 107(d) of the Act, 42 U.S.C. § 7407(d), each state is required to designate those areas within its boundaries where the air quality either meets or does not meet the NAAQS for each criteria pollutant, or where the air quality cannot be classified due to insufficient data. An area that meets the NAAQS for a particular criteria pollutant is termed an “attainment” area with respect to such pollutant. An area that does not meet the NAAQS for a particular criteria pollutant is termed a “nonattainment” area with respect to such pollutant. Air quality designations can be found at 40 C.F.R. Part 81.

10. In 2011, at the time of its construction and initial startup, the Facility, located in Baltimore City, Maryland, was within an ozone nonattainment area. Baltimore City was designated on June 15, 2004 as in “serious” nonattainment under the 1997 8-hour ozone standard; and “moderate” nonattainment under the 2008 8-hour standard on July 20, 2012. As of August 3, 2018, Baltimore City has been and is currently designated as in “marginal” nonattainment under the 2015 8-hour ozone standard. *See* 69 Fed. Reg. 23,951 (April 30, 2004); 83 Fed. Reg. 25,776 (June 4, 2018).
11. Section 110 of the CAA, 42 U.S.C. § 7410, requires each state to adopt and submit to the EPA for approval a plan that provides for the attainment and maintenance of the NAAQS in each air quality control region within each state. This plan is known as a State Implementation Plan (“SIP”).
12. Upon the EPA’s approval, the SIP requirements are federally enforceable under Section 113 of the CAA, 42 U.S.C. § 7413(a) and (b); *see also* 40 C.F.R. § 52.23.

The Maryland State Implementation Plan

13. At all times relevant to allegations in this Order, the applicable sections of the Code of Maryland Regulations (“COMAR”) listed herein have been approved by the EPA and incorporated into the federally enforceable Maryland SIP. 40 C.F.R. § 52.1070.
14. The Maryland SIP regulations are codified at Title 26 of the Code of Maryland Regulations, Subtitle 11 on Air Quality.
15. The Maryland SIP requires “[a] permit to construct and an approval from the [the Maryland Department of the Environment] is required before construction or modification of a source, except as specified in Regulation .10 of this chapter.” COMAR 26.11.02.02B(1).

Maryland New Source Review

16. The Maryland regulations governing construction, modifications, and New Source Review (“NSR”) are codified at Title 26 of the Code of Maryland Regulations, Subtitle 11 on Air Quality, Chapter 02 Permits, Approvals, and Registration. In 2003, the EPA approved a revision to the Maryland SIP amendments that provided for the Maryland NSR rules relevant to this Order. 68 Fed. Reg. 9,012 (Feb. 27, 2003).
17. The Maryland regulations governing Non-Attainment New Source Review (“NNSR”) are codified at Title 26 of the Code of Maryland Regulations, Subtitle 11 on Air Quality, Chapter 17 Nonattainment Provisions for Major New Sources and Major Modifications. In 2012, the EPA approved a revision to the Maryland SIP amendments that provide for the Maryland NNSR rules relevant to this Order. 77 Fed. Reg. 45,949 (Aug. 2, 2012). The EPA has approved several revisions to the Maryland NNSR rules, the most recent being in 2015. 80 Fed. Reg. 39,968 (July 13, 2015).
18. The Maryland SIP, at the time of the construction of Respondent’s Facility described herein, provides that “a person may not construct or modify or cause to be constructed or modified any [New Source Review source] without first obtaining, and having in current effect, the specified permits to construct and approvals.” COMAR 26.11.02.09A(1) (2009). The Maryland SIP also includes COMAR 26.11.17.03 which provides, “[a] person who proposes to construct or modify an emissions unit subject to this chapter may not commence construction of the emissions unit without first obtaining all permits and approvals required under this subtitle.”

19. The Maryland SIP, at all times relevant herein, defines a “New Source Review Source” (“NSR source”) as “any major stationary source or major modification subject to the requirements of COMAR 26.11.17”. COMAR 26.11.01.01B(24).
20. The Maryland SIP, at all times relevant herein, defines, in part, a “major stationary source” within a nonattainment area as “any stationary source of air pollution which emits or has the potential to emit 25 tons per year (TPY) or more of VOC or NO_x for sources located in Baltimore City or Anne Arundel, Baltimore, Carroll, Cecil, Harford, Howard, Calvert, Charles, Frederick, Montgomery, or Prince George's counties.” COMAR 26.11.02.01C(1)(c)(i); COMAR 26.11.17.01B(17)(a)(i).
21. The Maryland SIP, at all times relevant herein, defines “stationary source” as “a building, structure, facility, or installation that emits or may emit a regulated air pollutant or a pollutant listed under § 112(b) of the Clean Air Act.” COMAR 26.11.02.01B(54).
22. The Maryland SIP, at all times relevant herein, defines a “major modification” as “any physical change in, or change in the method of operation of, a major stationary source that would result in a significant emissions increase and a significant net emissions increase of any regulated NSR pollutant,” as that term is defined in COMAR 26.11.17.01B(24). COMAR 26.11.17.01B(16); *see also* COMAR 26.11.17.01B(16).
23. The Maryland SIP, at all times relevant herein, defines, in part, “significant,” in reference to a net emissions increase for VOCs, as the potential of a source to emit a regulated NSR pollutant, or a rate of emissions that would equal or exceed 25 TPY in Baltimore City. COMAR 26.11.17.01B(26).
24. The Maryland SIP, at all times relevant herein, defines “installation” as “any article, machine, equipment, or other contrivance, including, but not limited to, emission control equipment,

processing equipment, manufacturing equipment, fuel-burning equipment, incinerators, or any equipment or construction, capable of generating, causing, or reducing emissions.”

COMAR 26.11.01.01B(19); *see also* COMAR 26.11.17.01B(6).

25. The Maryland SIP, at all times relevant herein, defines potential to emit (“PTE”) as “the maximum capacity of a stationary source to emit an air pollutant under its physical and operational design. A physical or operational limitation on the capacity of a source to emit an air pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation is enforceable by the EPA.” COMAR 26.11.02.01B(41); *see also* COMAR 26.11.17.01B(21).

General Emission Standards, Prohibitions, and Restrictions

26. The Maryland regulations governing General Emission Standards, Prohibitions and Restrictions for VOCs are codified at Title 26 of the Code of Maryland Regulations, Subtitle 11 on Air Quality, Chapter 06 General Emission Standards, Prohibitions, and Standards. In 2001, EPA approved a revision to the Maryland SIP amendments that incorporated into the SIP the General Emissions Standards, Prohibitions, and Standards relevant to this NOVOC. 66 Fed. Reg. 22,924 (May 7, 2001).
27. A person who proposes to construct or modify an emissions unit and does not apply for and obtain a NNSR Permit pursuant to COMAR 26.11.17.03A, is subject to the regulations under COMAR 26.11.06.06.
28. The Maryland SIP, at all times relevant herein, defines “emissions unit” as “any part of a stationary source which emits, or would have the potential to emit, a regulated NSR pollutant.” COMAR 26.11.17B(11).

29. The Maryland SIP, at all times relevant herein, provides that for Facilities in Baltimore City, unless an exemption under COMAR 26.11.06.06E applies, a person may not cause or permit the discharge of VOC with a vapor pressure greater than 0.002 pounds per square inch absolute (psia) from any installation constructed on or after May 12, 1972, in excess of 20 pounds per day unless the discharge is reduced by 85 percent or more overall. COMAR 26.11.06.06B(1)(b); *see also* COMAR 26.11.06.06A(2).
30. The Maryland SIP, at all times relevant herein, defines “installation,” for the purpose of Regulation .06 of Chapter 6, as “an installation as defined in COMAR 26.11.01.01 that can operate independently and that causes VOC emissions to the atmosphere. If equipment at a premise does not operate independently but operates as part of a process line, the process line is considered to be the installation.” COMAR 26.11.06.01B(1).
31. The Maryland SIP, at all times relevant herein, provides that “a person may not cause or permit the discharge of VOC from single or multiple compartment VOC-water separators that receive effluent water containing 200 gallons of VOC or more per day with a true vapor pressure of 1.5 pounds per square inch (psi) or greater unless one or more of the listed vapor control devices are properly installed and operated.” COMAR 26.11.06.06C.
32. The Maryland SIP, at all times relevant herein, provides that “[a] person may not treat or dispose of waste containing VOC in a manner that results in evaporation of greater than 20 pounds per day VOC to the atmosphere.” COMAR 26.11.06.06D(2).

Maryland Emissions Statements

33. The Maryland regulations governing Emissions Statements are codified at Title 26 of the Code of Maryland Regulations, Subtitle 11 on Air Quality, Chapter 01 General Administrative Provisions. In 1994, EPA approved a revision to the Maryland SIP that incorporated into the

SIP the Emissions Statement requirements relevant to this NOVOC. 59 Fed. Reg. 51,517 (Oct. 12, 1994).

34. The Maryland SIP, at all times relevant herein, provides that a person who owns or operates a source contributing to air pollution shall submit to the [Maryland Department of the Environment] a certified emissions statement for each source located in Baltimore City that has total actual emissions of either VOC or NO_x from all installations and sources on a premises of 25 tons or more during a calendar year. COMAR 26.11.01.05-1A(1) and 26.11.01.05-1B(1)-(3).

Title V Requirements

35. Title V of the Act, 42 U.S.C. §§ 7661–7661f, establishes an operating permit program for certain sources, including in part, major sources, or any source required to have a NNSR Permit. 42 U.S.C. § 7661a(a).
36. Pursuant to Section 502(a) of the CAA, 42 U.S.C. § 7661a(a), no person may operate an affected source subject to a Title V permit except in compliance with a Title V permit.
37. An “affected source” is defined as one or more units that are subject to emission reduction requirements or limitations.” 42 U.S.C. § 7651a(1) and (2).
38. Pursuant to Section 502(b) of the CAA, 42 U.S.C. § 7661a(b), EPA promulgated regulations implementing the requirements of Title V and establishing the minimum elements of a Title V permit program to be administered by any state or local air pollution control agency. 57 Fed. Reg. 32,250 (July 21, 1992). These regulations are codified at 40 C.F.R. Part 70.
39. Section 503 of the Act, 42 U.S.C. § 7661b, sets forth the requirement to submit a timely, accurate, and complete application for a permit, including information required to be submitted with the application.

40. Section 504(a) of the Act, 42 U.S.C. § 7661c(a), requires that each Title V permit include enforceable emission limitations and standards, a schedule of compliance, and other conditions necessary to assure compliance with applicable requirements, including those contained in a SIP.

Maryland Part 70 Permitting Program

41. The Maryland regulations governing the Title V permitting program (“Part 70 permitting program”) are codified at Title 26 of the Code of Maryland Regulations, Subtitle 11 on Air Quality, Chapter 03 Permits, Approvals, and Registration – Title V Permits. In 2003, the EPA granted final approval to Maryland’s Part 70 permitting program. 68 Fed. Reg. 1974-01 (January 15, 2003). The Maryland Title V regulations are federally enforceable pursuant to Section 113(a)(3) of the CAA, 42 U.S.C. § 7413(a)(3).
42. The Maryland Title V regulations provide that unless exempted under COMAR 26.11.03.01.B, the owner or operator of a major source “shall apply for and obtain a Part 70 Permit.” COMAR 26.11.03.01A(1).
43. The Maryland Title V regulations provide that unless exempted under COMAR 26.11.03.01.D, “an owner or operator of a Part 70 source may not operate the source after the time that it is required to submit a timely and complete application unless the source is in compliance with a Part 70 permit.” COMAR 26.11.03.01C.

National Emission Standards for Hazardous Air Pollutants (“NESHAP”) Subpart DD - Off-Site Waste and Recovery Operations

44. The EPA promulgated the General Provisions of the National Emission Standards for Hazardous Air Pollutants for Source Categories on March 16, 1994. See 59 Fed. Reg. 12,430. The General Provisions are codified at 40 C.F.R. §§ 63.1-63.16.

45. The EPA promulgated the NESHAP for Source Categories for Off-Site Waste and Recovery Operations on July 1, 1996 (hereinafter “Subpart DD”). See 61 Fed. Reg. 34,158, codified at 40 C.F.R. §§ 63.680- 63.698.
46. 40 C.F.R. § 63.680(a) states that Subpart DD applies, in part, to the owner and operator of a plant site that is a major source of Hazardous Air Pollutant (“HAP”) emissions, as that term is defined in 40 C.F.R. § 63.2, and is regulated as a hazardous waste treatment, storage, disposal, recycling, or re-processing under 40 C.F.R. Part 264 or 265, if the waste management operations receive off-site materials, as that term is defined in 40 C.F.R. § 63.680, containing one or more HAP listed in Table 1 of 40 C.F.R. Part 63, Subpart DD, otherwise referred to as or volatile organic hazardous air pollutants (“VOHAP”).
47. A “major source” is defined in the NESHAP regulations as “any stationary source or group of stationary sources located within a contiguous area and under common control that emits or has the potential to emit considering controls, in the aggregate, 10 tons per year or more of any hazardous air pollutant or 25 tons per year or more of any combination of hazardous air pollutants, unless the Administrator establishes a lesser quantity, or in the case of radionuclides, different criteria from those specified in this sentence.” 40 C.F.R. § 63.2.
48. 40 C.F.R. § 63.683(b)(1) requires each off-site material management unit that is part of an affected source and not exempted by 40 C.F.R. § 63.683(b)(2), to:
 - a. Satisfy the applicable standards in 40 C.F.R. §§ 63.685-63.689;
 - b. Remove or destroy HAP in the off-site material before placing the material in the offsite material management unit by treating the material in accordance with the standards specified in 40 C.F.R. § 63.684; or

- c. Determine before placing off-site material in the off-site material management unit that that the average VOHAP concentration of the off-site material at the point-of-delivery, using the procedures specified in 40 C.F.R. § 63.694(b), is less than 500 parts per million by weight (ppmw).
49. 40 C.F.R. § 63.680(e)(2), in relevant parts, states that “[n]ew affected sources that commenced construction or reconstruction after October 13, 1994, but on or before July 2, 2014, shall be in compliance with the tank requirements of § 63.685(b)(2) 2 years after the publication date of the final amendments, the equipment leak requirements of § 63.691(b)(2) 1 year after the publication date of the final amendments, and the pressure relief device monitoring requirements of § 63.691(c)(3)(i) and (ii) 3 years after the effective date of the final amendments.”
 50. 40 C.F.R. § 63.683(d) requires control of equipment leaks from each equipment component that is part of the affected source specified in 40 C.F.R. § 63.680(c)(3), such as pumps, compressors, agitators, pressure relief devices, sampling connection systems, open-ended valves or lines, valves, connectors, or instrumentation systems, by implementing leak detection and control measures in accordance with the standards specified in 40 C.F.R. § 63.691, for all equipment components that meet the following criteria:
 - a. The equipment component contains or contacts off-site material having a total HAP concentration equal to or greater than 10 percent by weight; and
 - b. The equipment component is intended to operate for 300 hours or more during a calendar year in off-site material service.
 51. 40 C.F.R. § 63.683(e) requires “[a]t all times, the owner or operator must operate and maintain any affected source, including associated air pollution control equipment and

monitoring equipment, in a manner consistent with safety and good air pollution control practices for minimizing emissions. . . . Determination of whether a source is operating in compliance with operation and maintenance requirements will be based on information available to the Administrator, which may include, but is not limited to, monitoring results, review of operation and maintenance procedures, review of operation and maintenance records, and inspection of the source.”

52. Specific standards in Subpart DD are described in detail in the NESHAP regulations at 40 C.F.R. §§ 63.685-63.697.

C. FINDINGS

53. The information in the preceding paragraphs of this Order is incorporated herein by reference.
54. Respondent is an environmental services corporation. Respondent’s business includes disposal, processing, and recycling of waste material.
55. Respondent’s corporate office is located at 1030 E. Patapsco Ave., Baltimore MD 21225.
56. Respondent is the owner and operator of the facility located at 5200 and 5218 Curtis Avenue, Baltimore, MD 21226 (“the Facility”), which consists of receiving, separating and storing petroleum contaminated waste materials, including liquids, sludge and solids for disposal.
57. Respondent’s Facility is located in Baltimore, MD, which is and at all times relevant to the allegations in this Order, has been designated as a nonattainment area for ozone.
58. Respondent constructed the Facility in 2011 and constructed additional process equipment at the Facility in 2013, 2017, 2018, 2019 and 2020.
59. Respondent began operation of bulk storage tanks for petroleum transfer at the Facility in

2014.

60. On September 8, 14, 15, and 16, 2020, the EPA conducted off-site mobile air monitoring.
61. On September 14 and 15, 2020, the EPA conducted an on-site inspection (“Site Inspection”) at the Respondent’s Facility.
62. On October 15, 2020, the EPA sent a Site Inspection Report to Respondent.
63. On November 19, 2020, the EPA issued an Information Request to Respondent, pursuant to Section 114(a) of the Act, 42 U.S.C. § 7414(a), among other authorities.
64. On February 12, 2021, Respondent responded to the EPA’s Information Request.
65. On April 12, 2021, the EPA requested additional information pursuant to Section 114(a) of the Act, 42 U.S.C. § 7414(a).
66. On May 7, 2021, Respondent responded to the EPA’s request for additional information.
67. On May 18, 2021, the EPA issued to Respondent a notice of violation (“NOV”) pursuant to Section 113(a)(1), 42 U.S.C. § 7414(a), and provided a copy of the NOV to Maryland, providing notice to both that the EPA found that Respondent committed the alleged violations described below, among others, and providing Respondent an opportunity to confer with the EPA.
68. On July 12, 2021, representatives of Respondent and the EPA discussed the May 18, 2021 NOV.
69. On March 7, 2022, a fire occurred at the Facility and operations shut down immediately.
70. From March 7, 2022 through April 12, 2023, the Facility was not in operation.
71. On April 13, 2023, the Facility began modified operations, including storage of used oils and diesel fuels and operation of the solidification pit on site.
72. On April 29, 2022, Respondent sent a letter to the Maryland Department of Environmental

Protection (“MDE”), requesting a determination of coverage under an air quality permit to construct for the installation of equipment used for the transfer, bulk storage, and solidification of used oils and diesel fuels at the Facility, including:

- a. Four (4) 20,000-gallon used oil-diesel storage tanks;
- b. One (1) 275-gallon heating oil storage tank;
- c. One (1) 6,400-gallon used oil-diesel storage tank; and
- d. One (1) solidification box.

73. On May 4, 2022, MDE determined that the above listed installations were exempt from air quality permit requirements per COMAR 26.11.02.10Q.
74. Based on information available to the EPA, the modifications made to Respondent’s Facility in 2017, 2018 and 2019 were “major modifications”, as that term is defined in COMAR 26.11.17.01B(16).
75. Based on information available to the EPA, the wastewater received by the Facility is off-site material as that term is defined in 40 C.F.R. § 63.680(b).
76. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent treated, discharged and disposed of petroleum-contaminated off-site waste containing VOC at a rate greater than 25 TPY.
77. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent’s Facility was a major source of VOCs, HAP and VOHAP emissions, including 1,1,2-trichloroethane, 1,2,4-trichlorobenzene, 1,3-butadiene, 1,4-dichlorobenzene, 2,2,4-trimethylpentane, acrolein, acrylonitrile, benzene, carbon disulfide, chloroform, ethylbenzene, hexane, m & p-xylene, methyl ethyl ketone (2-butanone), methyl isobutyl ketone, methylene chloride, o-xylene, styrene, toluene, and vinyl acetate.

78. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent did not apply for nor obtained a Title V Permit for the operation of a major stationary source of VOC and major source subject to a NESHAP standard per section 112 of the CAA, 42 U.S.C. § 7412, as required by COMAR 26.11.03.01A(1) in violation of COMAR 26.11.03.01C, the Maryland SIP, and Section 502 of the CAA, 42 U.S.C. § 7661a.
79. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent discharged VOC with a vapor pressure greater than 0.002 psia from its process equipment in excess of 20 pounds per day without reducing VOC discharge by 85% or more in violation of COMAR 26.11.06.06B(1)(b) and the Maryland SIP.
80. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent discharged VOC from the VOC-water separators at the Facility without vapor control devices in violation of COMAR 26.11.06.06C and the Maryland SIP.
81. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent treated or disposed of waste containing VOC from its Facility that resulted in evaporation of greater than 20 pounds VOC per day to the atmosphere in violation of COMAR 26.11.06.06D(2) and the Maryland SIP.
82. Based on information available to the EPA, Respondent did not submit an emissions statement to MDE for at least calendar years 2016 through 2020 in violation of COMAR 26.11.01.05-1 and the Maryland SIP.
83. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent failed to apply for or obtain any NNSR permits in accordance with COMAR 26.11.02.09A(1) (2009) and 26.11.17.03 prior to, during, or after the construction and/or major modifications of the Facility in violation of COMAR 26.11.02.09A(1) and 26.11.17.03 and the Maryland SIP.

84. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent failed to (1) satisfy the applicable standards in 40 C.F.R. §§ 63.685-63.689; (2) remove or destroy HAP in the off-site material before placing the material in the offsite material management unit by treating the material in accordance with the standards specified in 40 C.F.R. § 63.684; or (3) determine before placing off-site material in the off-site material management unit that that the average VOHAP concentration of the off-site material at the point-of-delivery is less than 500 ppmw in violation of 40 C.F.R. § 63.683(b)(1).
85. Based on information available to the EPA, from 2014 to March 7, 2022, Respondent failed to operate and maintain its off-site waste material management units in a manner consistent with safety and good air pollution control practices for minimizing emissions in violation of 40 C.F.R. § 63.683(e).
86. The EPA alleges that Respondent's failure to comply with the Maryland SIP, and 40 C.F.R. Part 60, Subpart DD constitute violations of the CAA including Sections 110 and 111 of the CAA, 42 U.S.C. §§ 7410 and 7411 and 40 C.F.R. § 52.23.

D. ORDER

87. Respondent is ordered to conduct the compliance program described in paragraphs 88 through 96 below.
88. From the Effective Date of this Order, Respondent shall conduct monthly sampling of the four (4) 20,000-gallon vertical tanks used for oil/diesel storage and the solidification box to determine the vapor pressure and VOC content of the material.
- a. Respondent shall follow the sampling plan outlined in Appendix A.
 - b. This sampling shall be conducted by a third party, except for the vapor and liquid samples collected at the top of the four (4) 20,000-gallon tanks. These samples shall

be collected by a qualified tank technician, provided by Respondent, and sampling shall be conducted while the third-party contractor is physically onsite and able to observe the sampling method. Samples collected shall be immediately transferred to the third-party contractor once the sampling event is complete.

c. Respondent shall provide the name of the third-party contractor to the EPA.

89. From the Effective Date of this Order, Respondent shall operate the four (4) 20,000-gallon vertical tanks using Best Management Practices to minimize or prevent fugitive air emissions, including:

- a. Keeping all hatches closed except during inspections;
- b. Conducting monthly visual inspections of the tanks, including:
 - i. Visual inspections of all gaskets and seals for cracks and wear;
 - ii. Inspection of all pressure monitors and gauges to ensure proper operation;
 - iii. Inspection of all pressure relief devices to ensure they are sealed properly; and
 - iv. Maintaining records of monthly visual inspections of the tanks.

90. From the Effective Date of this Order, Respondent shall maintain records of daily tank throughput, including daily volume added and daily volume removed, from each of the four (4) 20,000-gallon vertical tanks.

91. From the Effective Date of this Order, Respondent shall maintain receipts of each shipment and/or delivery of used oil/diesel or other liquids to and from the Facility.

92. No later than 60 days after Effective Date of this Order, Respondent shall install a stationary photo ionization detector (PID) to monitor the air emissions from the four (4) 20,000-gallon vertical tanks. The PID must be positioned at the outlet of the combined piping system.

93. From the Effective Date of this Order, Respondent shall submit periodic electronic reports to the EPA at the contact listed in Paragraph 103 below and MDE at mdeair.quarterly@maryland.gov, to be submitted within 10 calendar days of the last day of each of the following periods: Day 1 to 90 following the Effective Date; Day 91 to 180 following the Effective Date; Day 181 to 270 following the Effective Date; and Day 271 to 350 following the Effective Date. Each such periodic report shall include:
- a. Sampling results (obtained pursuant to Paragraph 88);
 - b. Daily tank throughput (obtained pursuant to Paragraph 90);
 - c. Receipts of shipments and/or deliveries (obtained pursuant to Paragraph 91); and
 - d. PID monitoring results (obtained pursuant to Paragraph 92);
94. From the Effective Date of this Order, Respondent shall not transfer, process, or store gasoline, gasoline mixtures, or any other flammable Class I liquids onsite.
95. Prior to any modification to and/or addition of equipment or change in the method of operation that occurs at the Facility other than what was presented by Respondent in the April 29, 2022 letter to MDE, Respondent shall evaluate potential air emissions resulting from the modification(s) and/or addition(s) and either:
- a. Submit an applicable permit application to MDE; or
 - b. Request a permit determination.
96. If Respondent would like to request a modification of the terms of the Order, Respondent shall submit to the EPA such modification(s) for review, in writing, with an explanation of the reason for each modification. Upon acceptance by the EPA in writing, the proposed modification(s) will be incorporated in an Amended Order and will become effective upon signature by the parties.

E. OTHER TERMS AND CONDITIONS

- 97. Respondent admits the jurisdictional allegations contained in this Order.
- 98. Respondent neither admits nor denies the findings in Section C (Findings) of this Order.

F. GENERAL PROVISIONS

- 99. Any violation of this Order may result in a civil administrative or judicial action for an injunction or civil penalties of up to \$121,275 per day, per violation, or both, as provided in Section 113(b)(2) of the Act, 42 U.S.C. § 7413(b)(2), or \$57,617 per day, per violation, or both, as provided in Section 113(d)(1) of the Act, 42 U.S.C. § 7413(d)(1), which reflects the appropriate *Adjustment of Civil Monetary Penalties for Inflation*, pursuant to 40 C.F.R. Part 19, and the applicable EPA memoranda addressing the EPA's civil penalty policies to account for inflation. Additionally, any violations of this Order may result in criminal sanctions as provided in Section 113(c) of the Act, 42 U.S.C. § 7413(c). The EPA may use any information submitted under this Order in an administrative, civil, judicial, or criminal action.
- 100. Nothing in this Order shall relieve Respondent of the duty to comply with all applicable provisions of the Act or other federal, state, or local laws or statutes, nor shall it restrict the EPA's authority to seek compliance with any applicable laws or regulations, nor shall it be construed to be a ruling on, or determination of, any issue related to any federal, state, or local permit.
- 101. Nothing herein shall be construed to limit the power of the EPA to undertake any action against Respondent or any person in response to conditions that may present an imminent and substantial endangerment to the public health, welfare, or the environment.
- 102. The provisions of this Order shall apply to and be binding upon Respondent and its officers, directors, employees, agents, trustees, servants, authorized representatives, successors, and

assigns. From the Effective Date of this Order until the Termination Date as set out in paragraph 111 below, Respondent must give written notice and a copy of this Order to any successors in interest prior to any transfer of ownership or control of any portion of or interest in the Facility. Simultaneously with such notice, Respondent shall provide written notice of such transfer, assignment, or delegation to the EPA. In the event of any such transfer, assignment, or delegation, Respondent shall not be released from the obligations or liabilities of this Order unless the EPA has provided written approval of the release of said obligations or liabilities.

103. Unless this Order states otherwise, whenever, under the terms of this Order, written notice or other document is required to be given, it shall be directed to the individuals specified at the addresses below unless those individuals or their successors give notice of a change of address to the other party in writing:

Bruce Augustine
U.S. EPA, Region 3
augustine.bruce@epa.gov

W. Scott Alexander
Petroleum Management, Inc.
scott@petromgt.net

All notices and submissions shall be considered effective upon receipt.

104. To the extent this Order requires Respondent to submit any information to the EPA, Respondent may assert a business confidentiality claim covering part or all of that information, but only to the extent and only in the manner described in 40 C.F.R. Part 2, Subpart B. The EPA will disclose information submitted under a confidentiality claim only as provided in 40 C.F.R. Part 2, Subpart B. If Respondent does not assert a confidentiality claim,

the EPA may make the submitted information available to the public without further notice to Respondent.

105. Each undersigned representative of the Parties certifies that he or she is authorized to enter into the terms and conditions of this Order to execute and bind legally the Parties to this document.

106. For purposes of the identification requirement in Section 162(f)(2)(A)(ii) of the Internal Revenue Code, 26 U.S.C. § 162(f)(2)(A)(ii), and 26 C.F.R. § 162-21(b)(2), performance of paragraphs 87-96 is restitution, remediation, or required to come into compliance with the law.

107. Pursuant to 26 U.S.C. § 6050X and 26 C.F.R. § 1.6050X-1, EPA is required to send to the Internal Revenue Service (“IRS”) annually, a completed IRS Form 1098-F (“Fines, Penalties, and Other Amounts”) with respect to any court order or settlement agreement (including administrative settlements), that require a payor to pay an aggregate amount that EPA reasonably believes will be equal to, or in excess of, \$50,000 for the payor’s violation of any law or the investigation or inquiry into the payor’s potential violation of any law, including amounts paid for “restitution or remediation of property” or to come “into compliance with a law.” EPA is further required to furnish a written statement, which provides the same information provided to the IRS, to each payor (i.e., a copy of IRS Form 1098-F). Failure to comply with providing IRS Form W-9 or Tax Identification Number (“TIN”), as described below, may subject Respondent to a penalty, per 26 U.S.C. § 6723, 26 U.S.C. § 6724(d)(3), and 26 C.F.R. § 301.6723-1. In order to provide EPA with sufficient information to enable it to fulfill these obligations, EPA herein requires, and Respondent herein agrees, that:

- a. Respondent shall complete an IRS Form W-9 (“Request for Taxpayer Identification Number and Certification”), which is available at <https://www.irs.gov/pub/irs-pdf/fw9.pdf>;
- b. Respondent shall therein certify that its completed IRS Form W-9 includes Respondent’s correct TIN or that Respondent has applied and is waiting for issuance of a TIN;
- c. Respondent shall email its completed Form W-9 to EPA’s Cincinnati Finance Center at Henderson.Jessica@epa.gov, within 30 days after the Effective Date of this Order per paragraph 109, and EPA recommends encrypting IRS Form W-9 email correspondence; and
- d. In the event that Respondent has certified in its completed IRS Form W-9 that it has applied for a TIN and that TIN has not been issued to Respondent within 30 days after the Effective Date, then Respondent, using the same email address identified in the preceding sub-paragraph, shall further:
 - i. notify EPA’s Cincinnati Finance Center of this fact, via email, within 30 days after the 30 days after the Effective Date of this Order per paragraph 109; and
 - ii. provide EPA’s Cincinnati Finance Center with Respondent’s TIN, via email, within five (5) days of Respondent’s issuance and receipt of the TIN.

108. The parties consent to service of the Final Order by e-mail at the following valid email addresses: ingersoll.andrew@epa.gov (for Complainant), and rlutz@pklaw.com (for Respondent).

G. EFFECTIVE DATE AND OPPORTUNITY FOR A CONFERENCE

109. Pursuant to Section 113(a)(4) of the Act, an Order does not take effect until the person to whom it has been issued has had an opportunity to confer with the EPA concerning the alleged violations. By signing this Order, Respondent acknowledges and agrees that it has been provided an opportunity to confer with the EPA prior to issuance of this Order. Accordingly, this Order will take effect immediately upon signature by the latter of Respondent or the EPA.

H. JUDICIAL REVIEW

110. Respondent waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Respondent may have with respect to any issue of fact or law set forth in this Order, including any right of judicial review under Section 307(b)(1) of the CAA, 42 U.S.C. § 7607(b)(1).

I. TERMINATION

111. This Order shall terminate on the earlier of the following (the “Termination Date”) at which point Respondent shall operate in compliance with the Act:

- a. One year after the Effective Date of this Order;
- b. The effective date of any determination by the EPA that Respondent has achieved compliance with all terms of this Order; or
- c. Immediately upon receipt by Respondent of notice from the EPA finding that an imminent and substantial endangerment to public health, welfare, or the environment has occurred.

APPENDIX A

The following sampling procedures shall be implemented at Respondent's 5200 and 5218 Curtis Avenue, Baltimore, MD 21226 Facility for twelve (12) months from the Effective Date of this Order:

Liquid and Sludge Sampling Methods

I. Storage Tanks

- a. Respondent shall collect liquid samples each month from the four (4) 20,000 gallon vertical tanks used for oil/diesel storage (hereinafter "storage tanks").
- b. Liquid samples shall be collected from the manway located on the roof of each tank, following adequate safety protocols.
- c. Samples shall be collected from the top layer (less dense) of the liquid in the storage tank. Liquid sampling is not required from a storage tank when the liquid level is less than 50 percent full.
- d. Per U.S. EPA Standard Operating Procedure for Tank Sampling (SOP #2010 dated November 16, 1994, Rev. 0.0), Respondent shall use a Composite Liquid Waste Sampler (COLIWASA) to collect the liquid samples from the storage tanks.
 - i. A clean sampler shall be used every time a sample needs to be collected from each storage tank. If appropriate, Respondent can designate dedicated samplers for each storage tank.
 - ii. Due to the unknown nature of the liquid material, Respondent shall use polytetrafluoroethylene COLIWASAs.
 - iii. Prior to lowering the COLIWASA into the storage tank, Respondent shall ensure that the stopper of the sampler provides tight closure. The stopper shall be in the open position while the COLIWASA is lowered to the desired level. The

COLIWASA must be lowered slowly so that the liquid level inside and outside the sampler tube is approximately the same. Once the desired depth is reached, the sampler tube shall be pushed down against the stopper to close the COLIWASA. As the COLIWASA sampler is pulled up, the outside of the sampler tube should be wiped with a disposable cloth. Finally, the contents of the sampler shall be discharged into a sample container and sent for analysis.

- e. As an alternative to use of a COLIWASA as prescribed in I.d above, Respondent may use a positive displacement, polytetrafluoroethylene bailer with a check ball valve to collect the liquid samples from the storage tanks.
 - i. Prior to lowering the bailer into the storage tank, Respondent shall attach a line to the bailer to ensure the bailer reaches the proper depth in the storage tank to collect a sample. The bailer must be lowered slowly so as to not splash the bailer into the tank contents. Once the desired depth is reached, the sampler tube shall be raised back to the storage tank opening. As the bailer is pulled up, the outside of the sampler tube should be wiped with a disposable cloth.
 - ii. Once the bailer is removed from the storage tank. Respondent shall take steps to minimize the aeration of the collected sample when transferring the sample to the sample container to be sent for analysis. These steps include, but are not limited to, purchase of sample containers designed to attach to the bailer selected for ease of transfer and minimizing the time between sample collection and transfer to the sample container. Once the sample has been transferred to the sample container, it shall be sent for analysis.
- f. Prior to sampling, Respondent shall first record Photoionization Detector (PID)

manifold volatile organic compounds (VOC) measurements before opening the manway (as described below in Section V) and determine the depth from the top of the tank to the top of the liquid in the tank.

- g. If a sample collected from the tanks is mostly product (diesel or gasoline), the laboratory will adjust the dilution so that the detected concentrations of the constituents are not outside the calibration range.
- h. If Respondent has an estimate of the oil/diesel concentration of the sample, Respondent shall provide the estimated concentration of the sample to the lab.

II. Analytes – Liquid Samples from Storage Tanks

- a. For the first two months of sampling, after the effective date of the order, analyze the liquid samples from each storage tank as follows:
 - i. Total petroleum hydrocarbons (TPH) (gasoline range organics [GRO] and diesel range organics [DRO]) using EPA method SW-8015
 - ii. VOCs, including Ethanol, using EPA method SW-8260D
 - iii. Vapor pressure using ASTM method D323
 - iv. Flash point using EPA Method 1020
- b. For each subsequent month, Respondent shall analyze the liquid samples from each storage tank for vapor pressure and flash point.
- c. If the PID manifold VOC measurements, or the monthly TO-15 vapor sample analysis (as described in Section V below) or liquid sample flash point or vapor pressure measurements suggest that a storage tank contains something other than motor oil or diesel, Respondent shall analyze liquid samples from that storage tank for TPH (GRO and DRO), VOC and ethanol using the methods identified above.

III. Solidification Pit

- a. Respondent shall collect a sludge sample from the tanker truck outlet at the beginning of unloading, but prior to liquids entering the solidification pit.
 - i. Respondent shall a grab sample of the sludge from each truck unloaded each day.
 - ii. All grab samples retained each month will be combined into a single representative composite sample for analysis prescribed in Section IV below.

IV. Analytes – Sludge Samples from Tanker Trucks

- a. For the first two months of sampling, after the effective date of the order, analyze the composite sludge samples from tanker trucks as follows:
 - i. Total petroleum hydrocarbons (TPH) (gasoline range organics [GRO] and diesel range organics [DRO]) using EPA method SW-8015;
 - ii. Volatile organic compounds (VOCs), including Ethanol, using EPA method SW-8260D;
 - iii. Ignitability using EPA method 1030.
- b. For each subsequent month, Respondent shall analyze the composite sludge samples from tanker trucks for Ignitability using EPA method 1030.
- c. If the PID VOC measurements, or the monthly TO-15 vapor sample analysis (as described in Section VI below) or sludge sample ignitability analysis suggest that tanker trucks contain something other than motor oil or diesel fuels, Respondent shall analyze composite sludge samples from that month for TPH (GRO and DRO), VOC and ethanol using the methods identified above.

Vapor Sampling Methods

V. Storage Tanks

- a. Respondent shall collect vapor samples each month from the common vent of the storage tanks. Vapor sampling is required regardless of the amount of liquid in the storage tank.
- b. Before collecting any samples, Respondent shall use a PID to monitor for the presence of VOCs.
 - i. Vapor samples shall be collected from the common vent of the storage tanks using a Summa canister. Storage tanks shall be sampled when they are not being filled.
 - ii. Summa canisters (3 L or 6 L size) shall be used to collect grab air samples using a sampling connection (no longer than 24in.) from the vent line to the Summa canister. Summa canisters are at a lower pressure than the atmospheric pressure, allowing the air to flow into the canister when the valve is opened. The Summa canister shall be equipped with a flow control regulator to control sample introduction into the container. The duration of the sampling collection shall be recorded for each event. The Summa canister flow rate will be prepared by the lab facility at 200 mL/min with a 7-10 minute duration.
 - iii. Vapor samples shall be analyzed using Method TO-15 (Determination of VOCs in air collected in specially prepared canisters and analyzed by GC/MS).

- c. A PID monitor shall be installed and continuously operated in the vent manifold.
The PID shall be connected to a PID monitor recorder (or data logging device) and the VOC vapor concentration as isobutylene shall be recorded at least every 15 minutes.
- d. The lamp voltage for the PID shall be 10.6 eV.
- e. The PID shall be able to measure VOC as isobutylene from 1 ppm to at least 10,000 ppm.

VI. Solidification Pit

- a. Respondent shall collect vapor samples each month at the opening to the cover of the solidification pit.
- b. Immediately, before collecting any samples, Respondent shall use a portable PID, capable of measuring VOC as isobutylene from 1 ppm to at least 10,000 ppm, to monitor and record VOC concentrations for one (1) minute.
- c. Summa canisters (3 L or 6 L size) shall be used to collect grab air samples.
 - i. The Summa canister flow rate will be prepared by the lab facility at 200 mL/min with a 7-10 minute duration.

For the United States Environmental Protection Agency, Region 3:

digitally signed and dated

Karen Melvin, Director

Office of Enforcement and Compliance Assurance Division

U.S. EPA, Region 3 (3ED00)

Philadelphia, PA 19103-2029

For Petroleum Management, Inc.:

Robert L. Hofstetter

Signature

11/10/2024

Date

Printed Name: Robert L Hofstetter

Title: President

Address: 1030 E Patapsco Ave
Baltimore, MD 21225

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 3
Philadelphia, Pennsylvania 19103**

IN THE MATTER OF:)	
)	
PETROLEUM RECOVERY AND REMEDICATION MANAGEMENT, INC. d/b/a PETROLEUM MANAGEMENT, INC. 1030 E. PATAPSCO AVE. BALTIMORE, MD 21225,)	ADMINISTRATIVE COMPLIANCE ORDER ON CONSENT
)	DOCKET NO. CAA-03-2024-0060DA
)	
Respondent,)	Proceeding under Section 113(a) of the Clean Air Act, 40 U.S.C. § 7413(a)(1)
)	
PETROLEUM RECOVERY AND REMEDICATION MANAGEMENT, INC. 5200 and 5218 CURTIS AVE. BALTIMORE, MD 21226)	
)	
Facility.)	

CERTIFICATE OF SERVICE

I certify that the foregoing Administrative Order on Consent was filed with the EPA Region 3 Regional Hearing Clerk on the date that has been electronically stamped on the Administrative Order on Consent. I further certify that on the date set forth below, I caused to be served a true and correct copy of the foregoing Administrative Order on Consent to each of the following persons, in the manner specified below, at the following addresses:

Copies served via email to:

W. Scott Alexander
Operations Manager
Petroleum Management, Inc.
scott@petromgt.net

Randall M. Lutz
Pessin Katz Law, P.A.
rlutz@pklaw.com

Copies served via email to:

Andrew W. Ingersoll
Assistant Regional Counsel
U.S. EPA, Region 3
Ingersoll.Andrew@epa.gov

Bruce Augustine
Environmental Scientist
U.S. EPA, Region 3
Augustine.bruce@epa.gov

Digital Signature and Date
Regional Hearing Clerk
U.S. Environmental Protection Agency,
Region 3