



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 6, Office of Regional Counsel
1445 ROSS AVENUE, SUITE 1200
DALLAS, TEXAS 75202 – 2733

Office of Regional Counsel

May 22, 2015

James R. Ruger, Esq.
Quest Diagnostic Incorporated
Legal Department
Jame.R.Ruger@questdiagnostics.com
Postal Address:
3 Giraldi Farms
Madison, NJ 07940

FILED
2015 MAY 26 AM 3:24
REGIONAL HEARING CLERK
EPA REGION VI

RE: Assignment of New Docket Number for Diagnostic Laboratory of Oklahoma, LLC CAFO

Dear Mr. Ruger,

The Consent Agreement and Final Order (CAFO) for Diagnostic Laboratory of Oklahoma, LLC (DLO) filed on May 14, 2015, had an erroneously assigned docket number. Accordingly, I am writing to inform you that USEPA Docket No. RCRA-06-2015-0918 is **invalid** and should not be used in following the CAFO instructions for payment of penalties or for any other reference purposes. For this case and its CAFO, our office has assigned the following new docket number: **RCRA-06-2015-0927**.

Please use **RCRA-06-2015-0927** as the reference number on your means of payment. As indicated on page 5 of the CAFO, this reference will help ensure proper credit is given when penalties are received for the Region. EPA's Cincinnati Finance Center and the Regional Hearing Clerk were previously informed of this issue and are being sent copies of this letter to recognize this docket number as being newly operative for official purposes.

We regret the error and inconvenience and thank you for your assistance in addressing this issue. Should you have any questions regarding this letter, please do not hesitate to contact me at Tomasovic.Brian@epa.gov and (214)665-9725.

Sincerely,

BRIAN
TOMASOVIC

Digitally signed by BRIAN TOMASOVIC
DN: c=US, o=U.S. Government,
ou=USEPA, ou=Staff, cn=BRIAN
TOMASOVIC, dnQualifier=0000047111
Date: 2015.05.22 13:10:42 -0500

Brian Tomasovic
EPA Region 6
Office of Regional Counsel



UNITED STATES
ENVIRONMENTAL PROTECTION AGENCY
REGION 6
DALLAS, TX

FILED
2015 MAY 14 PM 2:59
REGIONAL HEARING CLERK
EPA REGION VI

IN THE MATTER OF: §
§
§
DIAGNOSTIC LABORATORY §
OF OKLAHOMA, LLC §
225 Northeast 97th Street §
Oklahoma City, OK 73114 §
RESPONDENT §
EPA ID: OKR000026880 §

Consent Agreement and Final Order
USEPA Docket No. RCRA-06-2015-0918

CONSENT AGREEMENT AND FINAL ORDER

I.
PRELIMINARY STATEMENT

1. This Consent Agreement and Final Order (“CAFO”) is entered into by the United States Environmental Protection Agency, Region 6 (“EPA” or “Complainant”) and Respondent, Diagnostic Laboratory of Oklahoma, LLC, (“DLO” or “Respondent”), and concerns the facility located at 225 Northeast 97th Street, Oklahoma City, OK 73114 (the “Facility”).
2. Notice of this action has been given to the State of Oklahoma, under Section 3008(a)(2) of the Resource Conservation and Recovery Act (“RCRA”), 42 U.S.C. § 6928(a)(2).
3. For the purpose of these proceedings, Respondent admits the jurisdictional allegations herein; however, Respondent neither admits nor denies the specific factual allegations and conclusions of law contained in this CAFO. This CAFO states a claim upon which relief may be granted.

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

4. The Respondent explicitly waives any right to contest the allegations and its right to appeal the proposed final order contained in this CAFO, and waives all defenses which have been raised or could have been raised to the claims set forth in the CAFO.
5. The CAFO resolves only those violations which are alleged herein.
6. Respondent consents to the issuance of the CAFO hereinafter recited, consents to the assessment and payment of the stated civil penalty in the amount and by the method set out in this CAFO, and consents to the specific stated compliance order.

II.
JURISDICTION

7. This CAFO is issued by the EPA pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928, as amended by the Hazardous and Solid Waste Amendments of 1984 (“HSWA”) and is simultaneously commenced and concluded through the issuance of this CAFO under 40 Code of Federal Regulations (“C.F.R.”) §§ 22.13(b) and 22.18(b)(2) and (3).
8. Respondent agrees to undertake and complete all actions required by the terms and conditions of this CAFO. In any action by the EPA or the United States to enforce the terms of this CAFO, Respondent agrees not to contest the authority or jurisdiction of the EPA to issue or enforce this CAFO, and agrees not to contest the validity of this CAFO or its terms or conditions.

III.
FINDINGS OF FACT AND CONCLUSIONS OF LAW

9. Respondent is an active business in the State of Oklahoma with the right to transact business.

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

10. Respondent is a “person” within the meaning of Section 1004(15) of RCRA, 42 U.S.C. § 6903(15); and the Oklahoma Hazardous Waste Management Act § 2-7-103.15 [40 C.F.R. § 260.10].
11. DLO owns and operates a Facility that is a clinical medical laboratory.
12. During the period of May 2014 through February 2015, EPA conducted a RCRA investigation and record review (“Investigation”) of DLO’s performance as a generator of hazardous waste.
13. In May 2014, EPA conducted site visits at several Treatment, Storage, and Disposal Facilities (“TSDs”) and pursuant to Section 3007 of RCRA, 42 U.S.C. § 6927 obtained additional information on DLO’s hazardous wastes that it offered for transport and treatment (“Responses”).
14. During the Investigation and review of the Responses, EPA discovered that DLO, at a minimum, generated hazardous waste including D001 (Ignitable), and F003 (Spent non-halogenated solvents).
15. The waste streams identified in Paragraph 14 are hazardous waste as defined in federal regulations incorporated by reference in Oklahoma Department of Environmental Quality (ODEQ) Regulation 252:205-3-2 [40 C.F.R. § 261.24].
16. From the Investigation, EPA determined that during the period of 2012 through 2015, DLO generated the hazardous waste streams identified in Paragraph 14 in quantities that exceed the

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

threshold amount of 1,000 kilograms of hazardous waste per month, which qualifies DLO for the large quantity generator status as established under ODEQ Regulation 252:205-3-2, [40 C.F.R. § 262].

17. The Facility is a “solid waste management facility” within the meaning of Section 1004(29) of RCRA, 42 U.S.C. § 6903(29); a “facility” and a “hazardous waste management facility” under ODEQ Regulation 252:205-3-2 [incorporating 40 C.F.R. § 260.10].

18. DLO is a “generator” of “hazardous wastes” at the Facility, as those terms are defined in Sections 1004(5) & (6) of RCRA, 42 U.S.C. §§ 6903(5) & (6), ODEQ Regulation 252:205-3-2 [incorporating 40 C.F.R. § 260.10].

19. As a generator of hazardous waste, DLO is subject to Sections 3002 and 3010 of RCRA, 42 U.S.C. §§ 6922 and 6930, and the regulations incorporated under ODEQ Regulation 252:205-3-2 [40 C.F.R §§ 262 and/or 270].

Claim 1: Notification Requirements

20. The allegations in Paragraphs 1-19 are realleged and incorporated herein by reference.

21. Within the meaning of 40 C.F.R. § 260.10, DLO is a “generator” and has been engaged in the “treatment”, “storage”, and/or “disposal” of hazardous waste.

22. Pursuant to Section 3010(a) of RCRA, 42 U.S.C. § 6930(a), any person generating a characteristic or listed hazardous waste shall file with the Administrator or authorized State a notification stating the location and general description of such activity and the identified or listed hazardous wastes handled by such person.

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

23. At the time of the Investigation, DLO had not filed with the Administrator or with the authorized State an adequate notification of hazardous waste activities in violation of Section 3010(a) of RCRA, 42 U.S.C. § 6930(a).

Claim 2: Failure to Operate within Its Stated Generator Status

24. The allegations in Paragraphs 1-23 are realleged and incorporated herein by reference.

25. During the Investigation, EPA determined that DLO declared its generator status as a small quantity generator (“SQG”).

26. Pursuant to Oklahoma Provisions incorporated at ODEQ Regulation 252:205-3-2 and 40 C.F.R. § 261.5(b), as long as a SQG generator complies with the applicable requirement under 40 C.F.R. §§ 261.5(f), (g) and (j) then the generator’s hazardous waste is not subject to regulations under 40 C.F.R. Parts 262 through 268; 40 C.F.R. Parts 270 and 124; and the requirements of Section 3010 of RCRA, 42 U.S.C. § 6930.

27. During the periods of 2012 through 2015, DLO on several occasions exceeded its declared SQG status and operated as a large quantity generator in violation of the regulations incorporated under ODEQ Regulation 252:205-3-2 and 40 C.F.R. Parts 262 and/or 270.

Claim 3: Failure to file Biennial Reports

28. The allegations in Paragraphs 1-27 are realleged and incorporated herein by reference.

29. Pursuant to federal regulations incorporated by ODEQ Regulation 252:205-3-2 [40 C.F.R. § 262.41], a generator who ships any hazardous waste off-site for treatment, storage and/or disposal, must prepare and submit a Biennial Report to EPA’s Regional Administrator.

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

30. At all times relevant to this CAFO, the EPA did not receive the requisite number of, or adequate Biennial Reports that DLO was required to file in violation of ODEQ Regulation 252:205-3-2 [Incorporating 40 C.F.R. § 262.41].

IV.
COMPLIANCE ORDER

31. Pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a), Respondent is hereby ordered to take the following actions, and within ninety (90) calendar days of the effective date of this CAFO, Respondent shall provide in writing the following:

- A. Respondent shall certify that it has assessed all its solid waste streams to determine the accurate waste codes and has developed and implemented Standard Operating Procedures (“SOP”) to ensure that DLO is operating in compliance with RCRA and the regulations promulgated thereunder, including, but not limited to, procedures for: (a) making hazardous waste determinations; (b) managing hazardous wastes; and (c) reporting, transporting, and disposing of hazardous waste;
- B. Respondent shall certify that it has accurately and adequately complied with its RCRA Section 3010 Notification; and
- C. Respondent shall provide, with its certification, a copy of Respondent’s SOPs as described in subparagraph A above.

32. In all instances in which this CAFO requires written submission to EPA, the submittal made by Respondent shall be signed by an owner or officer of DLO and shall include the following certification:

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

“I certify under the penalty of law that this document and all its attachments were prepared by me or under my direct supervision in accordance with a system designed to assure that qualified personnel properly gathered and evaluated the information submitted. Based on my inquiry of the person or persons who manage the system, or those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge and belief, true, accurate, and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fine and imprisonment for knowing violations.”

Copies of all documents required by this CAFO shall be sent to the following:

U.S. Environmental Protection Agency
Compliance Assurance and Enforcement Division
Hazardous Waste Enforcement Branch
Compliance Enforcement Section (6EN-HC)
1445 Ross Avenue
Dallas, TX 75202-2733
Attn: Dale Thrush

V.
TERMS OF SETTLEMENT

i. Penalty Provisions

33. Pursuant to the authority granted in Section 3008 of RCRA, 42 U.S.C. § 6928, and upon consideration of the entire record herein, including the above referenced Findings of Fact and Conclusions of Law, which are hereby adopted and made a part hereof, upon the seriousness of the alleged violations, and Respondent’s good faith efforts to comply with the applicable regulations, it is ordered that Respondent be assessed a civil penalty of \$79,310.00.
34. The penalty shall be made payable to the Treasurer United States.
35. The penalty shall be paid within thirty (30) calendar days of the effective date of this CAFO.
36. The following are Respondent’s options for transmitting the penalties:

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

37. Regular Mail, U.S. Postal Mail (including certified mail) or U.S. Postal Service Express

Mail, the check should be remitted to:

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

Overnight Mail (non-U.S. Postal Service), the check should be remitted to:

U.S. Bank
Government Lockbox 979077
US EPA Fines and Penalties
1005 Convention Plaza
SL-MO-C2-GL
St. Louis, MO 63101
314-418-1028

Wire Transfer:

Federal Reserve Bank of New York
ABA: 021030004
Account No. 68010727
SWIFT address = FRNYUS33
33 Liberty Street
New York, NY 10045

The case name and docket number (In the Matter of Diagnostic Laboratory of Oklahoma, LLC, Docket No. RCRA-06-2015-0918) shall be documented on or within your chosen method of payment to ensure proper credit.

38. The Respondent shall send a simultaneous notice of such payment to the following:

Lorena S. Vaughn
Regional Hearing Clerk (6RC-D)
U.S. EPA, Region 6
1445 Ross Avenue
Dallas, Texas 75202-2733

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

Mark Potts, Associate Director
Hazardous Waste Enforcement Branch (6EN-H) Compliance Assurance and
Enforcement Division
U.S. EPA, Region 6
1445 Ross Avenue
Dallas, Texas 75202-2733
Attention: Paul James

Your adherence to this request will ensure proper credit is given when penalties are received by EPA.

39. Pursuant to 31 U.S.C. § 3717 and 40 C.F.R. § 1311, unless otherwise prohibited by law, EPA will assess interest and late payment penalties on outstanding debts owed to the United States and a charge to cover the cost of process and handling a delinquent claim. Interest on the civil penalty assessed in this CAFO will begin to accrue on the effective date of the CAFO and will be recovered by EPA on any amount of the civil penalty that is not paid within thirty (30) calendar days of the civil penalty's due date and will be assessed at the rate of the United States Treasury tax and loan rate in accordance with 40 C.F.R. § 13.11(a). Moreover, the costs of the Agency's administrative handling of overdue debts will be charged and assessed monthly throughout the period the debt is overdue. 40 C.F.R. § 13.11(b). EPA will also assess a \$15.00 administrative handling charge for administrative costs on unpaid penalties for the thirty (30) day period after the payment is due and an additional \$15.00 for each subsequent thirty (30) day period the penalty remains unpaid. In addition, a penalty charge of up to six percent per year will be assessed monthly on any portion of the debt which remains delinquent more than ninety (90) days. 40 C.F.R. § 13.11(b). Should a penalty charge on the

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

debt be required, it shall accrue from the first day payment is delinquent. 40 C.F.R. § 901.9(d). Other penalties for failure to make a payment may also apply.

ii. Costs

40. Each party shall bear its own costs and attorney's fees. Furthermore, Respondent specifically waives its right to seek reimbursement of its costs and attorney's fees under the Equal Access to Justice Act (5 U.S.C. § 504), as amended by the Small Business Regulatory Enforcement Fairness Act (P.L. 04-121), and any regulations promulgated pursuant to those Acts.

iii. Termination and Satisfaction

41. When Respondent believes that it has complied with all the requirements of this CAFO, including compliance with the Compliance Order and payment of the civil penalty, Respondent shall so certify in writing and in accordance with the certification language set forth in Section IV (Compliance Order), Paragraph 32. Unless the EPA, Region 6 objects in writing within sixty (60) days of EPA's receipt of Respondent's certification, then this CAFO is terminated on the basis of Respondent's certification.

iv Effective Date of Settlement

42. This CAFO shall become effective upon filing with the Regional Hearing Clerk.

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

**THE UNDERSIGNED PARTIES CONSENT TO THE ENTRY OF THIS CONSENT
AGREEMENT AND FINAL ORDER:**

FOR THE RESPONDENT:

Date: 4-23-15



William E. Mosteller
Diagnostic Laboratory of Oklahoma, LLC

FOR THE COMPLAINANT:

Date: APR 30 2015



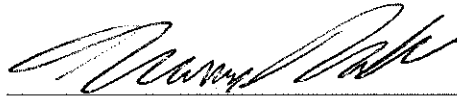
John Blevins
Director
Compliance Assurance and
Enforcement Division

Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

FINAL ORDER

Pursuant to the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties, 40 CFR Part 22, the foregoing CAFO is hereby ratified. This Final Order shall not in any case affect the right of EPA or the United States to pursue appropriate injunctive or other equitable relief or criminal sanctions for any violations of law. This Final Order shall resolve only those causes of action alleged herein. Nothing in this Final Order shall be construed to waive, extinguish or otherwise affect Respondent's (or its officers, agents, servants, employees, successors, or assigns) obligation to comply with all applicable federal, state, and local statutes and regulations, including the regulations that were the subject of this action. The Respondent is ordered to comply with the terms of settlement and the civil penalty payment instructions as set forth in the CAFO. Pursuant to 40 CFR § 22.31(b) this Final Order shall become effective upon filing with the Regional Hearing Clerk.

Date: 5-13-15



Regional Judicial Officer

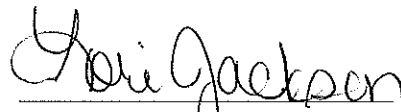
Re: Diagnostic Laboratory of Oklahoma, LLC
RCRA-06-2015-0918

CERTIFICATE OF SERVICE

I hereby certify that on the 14 day of May, 2015, the original of the foregoing Consent Agreement and Final Order was hand delivered to the Regional Hearing Clerk, U.S. EPA - Region 6, 1445 Ross Avenue, Dallas, Texas 75202-2733, and that a true and correct copy of the CAFO was sent to the following by the method identified below:

CERTIFIED MAIL - RETURN RECEIPT REQUESTED 7014015000024533870

James R. Ruger, Esq.
Quest Diagnostics Incorporated
Legal Department
3 Giralda Farms
Madison, NJ 07940


Ms. Lori Jackson
Paralegal