UNITED STATES ENVIRONMENTAL PROTECTION AGENCY Region 2

In the Matter of PSC, LLC, a/k/a Philip Services Corporation, LLC, and Chemical Pollution Control, LLC of New York, a/k/a CPC, LLC of New York,

Respondents.

Proceeding Under Section 3008 of the Solid Waste Disposal Act, as amended.

CONSENT AGREEMENT AND FINAL ORDER

Docket No. RCRA-02-2010-7101

This is an administrative proceeding instituted pursuant to Section 3008(a) of the Solid Waste Disposal Act, as amended by various statutes including the Resource Conservation and Recovery Act and the Hazardous and Solid Waste Amendments of 1984 ("HSWA"), 42 U.S.C. § 6928 (such statutes here referred to collectively as the "Act" or "RCRA"). This action was commenced to assess a civil penalty against Respondent for alleged past violations of the requirements of Subchapter III of RCRA, 42 U.S.C. §§ 6921 - 6939e, and to require future compliance with said requirements. The United States Environmental Protection Agency ("EPA") has promulgated regulations governing the handling and management of hazardous waste at 40 C.F.R. Parts 260-273, and 279.

Pursuant to Section 3006(b) of RCRA, 42 U.S.C. § 6926(b), "[a]ny State which seeks to administer and enforce a hazardous waste program pursuant to [Subchapter III, Hazardous Waste Management; 42 U.S.C. §§ 6921-6939e] may develop and...submit to the Administrator [of EPA] an application...for authorization of such program." If EPA then grants a State's request to operate such a hazardous waste program, Section 3006 further provides that "[s]uch State is authorized to carry out such program in lieu of the Federal program under this subchapter in such State and to issue and enforce permits for the storage, treatment, or disposal of hazardous waste...."

Pursuant to Section 3006(b) of the Act, 42 U.S.C. § 6926(b), the State of New York received on May 29, 1986 final authorization from EPA to administer its base hazardous waste program. Since 1986, New York State has been authorized to enforce many other hazardous waste requirements promulgated by EPA pursuant to RCRA. See 67 Fed. Reg. 49864 (August 1, 2002), 70 Fed Reg. 1825 (January 11, 2005) and 74 Fed. Reg. 31380 (July 1, 2009). New York

regulations constituting the authorized State program.

Complainant in this proceeding, the Director of the Division of Enforcement and Compliance Assistance, EPA Region 2, issued a "Complaint, Compliance Order, and Notice of Opportunity for Hearing," bearing docket number RCRA-02-2010-7101, to Respondents PSC, LLC and Chemical Pollution Control, LLC of New York, on December 29, 2009, and Respondents timely served their Answer on or about June 4, 2010. The Complaint alleged that Respondents had violated requirements of RCRA and regulations concerning the handling and management of hazardous waste. The Answer admitted some of the predicate allegations but denied the material allegations regarding liability while also requesting the Presiding Officer to set the matter for hearing.

Complainant and Respondents agree, by entering into this Consent Agreement and Final Order ("CA/FO"), that settlement of this matter upon the terms set forth in this CA/FO is an appropriate means of resolving the claims against Respondents without further litigation. This CA/FO is being issued pursuant to, and under authority of, 40 C.F.R. § 22.18(b). No admissions by Respondents have been made herein, and there has been no adjudicated findings of fact or conclusions of law. For the purposes of this CA/FO and for purposes of implementing the settlement set forth herein, Respondents neither admit nor deny the Findings of Fact or the Conclusions of Law that have been set forth below.

FINDINGS OF FACT

- 1. Respondents are a) PSC, LLC (hereinafter "PSC"), a limited liability company organized and existing under the laws of the State of Delaware, with headquarters at 5151 San Felipe, Suite 1600, Houston, Texas 77056, and b) Chemical Pollution Control, LLC of New York (hereinafter "CPC"), a limited liability company organized and existing under the laws of the State of New York; Respondent CPC is an indirect, wholly-owned subsidiary of Respondent PSC.
- 2. The existing business operations of Respondent PSC and its direct and indirect subsidiaries ("the PSC Operations") had been previously controlled by Philip Services Corporation. Through a series of organizational restructuring transactions that occurred between December 2007 and October 2008, the PSC Operations were transferred from Philip Services Corporation to Respondent PSC.
- 3. The existing business operations of Respondent CPC (the "CPC Operations") had been previously controlled by Chemical Pollution Control, Inc. of New York A 21st Century Environmental Management Company, a corporation formed under the laws of the State of New York in 1993 (also known as CPC, Inc. of New York; hereinafter, "CPC, Inc."). In October 2008, CPC, Inc. merged with and into PSC Chemical NY, LLC, with PSC Chemical NY, LLC, surviving the merger and simultaneously changing its name to "Chemical Pollution Control,

LLC of New York." As a result, Respondent CPC controls the CPC Operations.¹

- 4. Respondents' business operations include providing industrial cleaning and environmental clean-up services.
- 5. Since October 2008, Respondent PSC has owned (and continues to own) a facility, the address of which is 120 South Fourth Street, Bay Shore, New York 11706 (hereinafter the "Bay Shore facility"). The Bay Shore facility began operating in December 1976, and it was owned by the Philip Services Corporation from July 1997 to October 2008.
- 6. Since about October 2008, the Bay Shore facility has been operated (and continues to be operated) by Respondent PSC through Respondent CPC; and/or by Respondent CPC; prior to that time, the facility had been operated by the Philip Services Corporation and/or CPC, Inc.
- 7. In the course of the business operations conducted there, the Bay Shore facility has received, stored and/or treated "solid waste" (as defined in 6 NYCRR § 371.1(c)) and "hazardous waste" (as defined in 6 NYCRR § 371.1(d)).²
- 8. Pursuant to Section 3010 of RCRA, 42 U.S.C. § 6930, CPC, Inc., in July 1980 informed EPA that hazardous waste was generated at the Bay Shore facility, and, in response thereto, EPA informed CPC, Inc., that it had been assigned EPA identification number NYD082785429 for the Bay Shore facility.
- 9. Sometime prior to July 2006, the Philip Services Corporation was issued a 6 NYCRR Part 373 permit by the New York State Department of Environmental Conservation (hereinafter "NYS DEC"), bearing DEC permit number 1-4728-00086-00002, to operate the Bay Shore facility as a facility at which hazardous wastes are stored and treated. Said permit was renewed and modified as of September 3, 2008, and, as so renewed and modified, was issued to Respondent PSC.
- 10. From time to time, including during the period of calendar years 2006 through the first half of 2009, the Bay Shore facility received and stored hazardous waste from various sources, including spent fluorescent light bulbs that were classified pursuant to 40 C.F.R. § 261.24, Table 1, as D009 hazardous waste (i.e. mercury- containing hazardous waste). During each month during the period between (and including) May 2006 through May 2009, the Bay Shore facility generated more than 1,000 kilograms of hazardous waste.

¹ The information set forth in the "Findings of Fact," paragraphs 2 and 3 of this section, has been provided to EPA by Respondents.

² All words or phrases that have been defined with reference to statutory and/or regulatory provisions are used throughout the Complaint as so defined.

- RCRA Compliance Evaluation Inspection of the Bay Shore facility to determine Respondents' compliance with applicable RCRA statutory and regulatory requirements in connection with their ownership and operation of the Bay Shore facility.
- 12. On or about May 18, 2009, EPA issued to the Philip Services Corporation a combined Notice of Violation and RCRA § 3007 Information Request Letter, to which Respondent CPC submitted responses on or about June 26, 2009.
- 13. On or about at least the following dates Philip Services Corporation and/or CPC, Inc., at and in connection with their operation of the Bay Shore facility, delivered a shipment of hazardous waste to an entity identified as Supreme Recycling for transport off-site (*i.e.* away from the Bay Shore facility):
 - a) June 29, 2006;
 - b) July 20, 2006;
 - c) August 24, 2006;
 - d) October 6, 2006;
 - e) February 2, 2007;
 - f) March 13, 2007;
 - g) May 18, 2007;
 - h) August 2, 2007; and
 - i) April 28, 2008.
- 14. Each of the nine shipments listed in paragraph 13, above, included crushed and/or broken fluorescent light bulbs characterized as D009 hazardous waste (i.e. mercury-containing hazardous waste).
- 15. In each of calendar years 2006, 2007 and 2008, Supreme Recycling did not possess a valid permit under 6 NYCRR Part 364 for the transport of hazardous waste nor was it otherwise authorized to transport such waste within the meaning of 6 NYCRR § 372.2(b)(5)(ii).
- 16. For each of the nine shipments listed in paragraph 13, above, Philip Services Corporation and/or CPC, Inc. shipped hazardous waste to the Supreme Recycling facility in Lakewood, New Jersey.
- 17. At no time during calendar year 2006, 2007 or 2008 was the Supreme Recycling facility in Lakewood, New Jersey, authorized to accept crushed and/or broken fluorescent bulbs characterized as D009 hazardous waste (*i.e.* mercury-containing hazardous waste).
- 18. At no time during calendar year 2006, 2007 or 2008 was the Supreme Recycling facility in Lakewood, New Jersey, either: a) an authorized treatment, storage or disposal facility for hazardous waste characterized as D009 waste, or b) an authorized treatment, storage or disposal facility within the meaning of 6 NYCRR § 370.2(b).

- 19. On the manifests that accompanied each of the nine shipments listed in paragraph 13, Philip Services Corporation and/or CPC, Inc. failed to supply the name of a designated treatment, storage or disposal (hereinafter, "TSD") facility to which the hazardous waste described on the respective manifest was to be transported.
- 20. At no time during calendar year 2006, 2007 or 2008 had the Supreme Recycling facility in Lakewood, New Jersey, received either a) a permit from EPA to operate a TSD facility, or b) a permit from any agency of the State of New Jersey that is equivalent to a permit issued by the NYS DEC under authority of 6 NYCRR Part 373.
- 21. For none of the nine shipments listed in paragraph 13, above, did Philip Services Corporation and/or CPC, Inc. obtain either:
 - a) a written confirmation from the designated TSD facility to confirm that it (i) is authorized, (ii) has the capacity and (iii) will provide or assure that the ultimate disposal method is followed for the particular hazardous waste(s) listed on the manifest; or
 - b) a written communication from the designated transporter(s) to confirm that it/they are authorized to deliver manifested waste to the designated treatment, storage or disposal facility.

CONCLUSIONS OF LAW

- 1. Each Respondent is a "person" as that term is defined in Section 1004(15) of the Act, 42 U.S.C. § 6903(15), and in 6 NYCRR § 370.2(b).
- 2. With regard to the Bay Shore facility, a) Respondent PSC is the "owner" (within the meaning of 6 NYCRR § 370.2(b)), and b) each of Respondent PSC and Respondent CPC is an "operator" (within the meaning of 6 NYCRR § 370.2(b)).
- 3. The Bay Shore facility constitutes an "existing hazardous waste management facility" (as those words are defined in 6 NYCRR § 370.2(b)).
- 4. As a consequence of the operations at the Bay Shore facility, each of the Respondents is a "generator," as that term is defined in 6 NYCRR § 370.2(b), of hazardous waste.
- 5. In relevant part, 6 NYCRR § 372.2(b)(5)(ii) prohibits a generator of hazardous waste from delivering a shipment of such waste to a transporter unless such transporter has a valid permit under 6 NYCRR Part 364 for the transport of such waste.
- 6. Each of the instances listed in paragraph 13 of the "Findings of Fact" section, above, where the Philip Services Corporation and/or CPC, Inc. delivered a shipment of hazardous waste

for transport by Supreme Recycling, constituted a separate and distinct violation of 6 NYCRR § 372.2(b)(5)(ii).

- 7. Pursuant to 6 NYCRR § 372.2(b)(5)(iii), a generator of hazardous waste is prohibited from offering for shipment or shipping hazardous waste to other than an authorized TSD facility for hazardous waste, which is defined in 6 NYCRR § 370.2(b).
- 8. Each of the instances listed in paragraph 13 of the "Findings of Fact" section, above, where the Philip Services Corporation and/or CPC, Inc. shipped hazardous waste to the Supreme Recycling facility in Lakewood, New Jersey, constituted a separate and distinct violation of 6 NYCRR § 372.2(b)(5)(iii).
- 9. Pursuant to 6 NYCRR § 372.2(b)(1), a generator of hazardous waste who offers such waste for off-site transport must "prepare a manifest according to the instructions included in Appendix 30 of this Title," which appendix requires that the generator indicate the designated TSD facility to which the hazardous waste is to be transported.³
- 10. At no time during calendar year 2006, 2007 or 2008 was the Supreme Recycling facility in Lakewood, New Jersey, a designated TSD facility within the meaning of 6 NYCRR § 370.2(b).
- 11. Each of the instances listed in paragraph 13 of the "Findings of Fact" section, above, where the Philip Services Corporation and/or CPC, Inc. failed to supply the name of a designated TSD facility to which the hazardous waste was to be transported, constituted a separate and distinct violation of 6 NYCRR § 372.2(b)(1).
- 12. Pursuant to 6 NYCRR § 372.2(b)(2), a generator must, prior to shipping hazardous waste off the site at which such waste was generated,
 - a) confirm by written confirmation from the designated treatment, storage or disposal facility that it (i) is authorized, (ii) has the capacity and (iii) will provide or assure that the ultimate disposal method is followed for the particular hazardous waste(s) on the manifest (hereinafter referred to as the "TSD written confirmation"); and
 - b) confirm by written communication from the designated transporter(s) that it/they are authorized to deliver manifested waste to the designated treatment, storage or disposal facility (hereinafter referred to as the "transporter written communication").

Pursuant to 6 NYCRR § 370.2(b), a designated TSD facility is defined, *inter alia*, to "mean[] a hazardous waste treatment, storage or disposal facility which has received an EPA or Part 373 permit (or interim status), from an approved State...."

- 13. Each of the instances listed in paragraph 13 of the "Findings of Fact" section, above, where the Philip Services Corporation and/or CPC, Inc. failed to obtain either the TSD written confirmation or the transporter written communication, constituted a separate and distinct violation of 6 NYCRR § 372.2(b)(2).
- 14. Each of the following constitutes a requirement of Subchapter III of RCRA, 42 U.S.C. §§ 6921 6939e: a) 6 NYCRR § 372.2(b)(5)(ii); b) 6 NYCRR § 372.2(b)(5)(iii); c) 6 NYCRR § 372.2(b)(1); and d) 6 NYCRR § 372.2(b)(2).
- 16. For each of the violations listed above in this section (¶s 6, 8, 11 and 13 of the "Conclusions of Law" section), Respondents are jointly and severally liable pursuant to Section 3008(a) of RCRA, 42 U.S.C. § 6928(a).

AGREEMENT ON CONSENT

Based upon the foregoing, and pursuant to Section 3008 of RCRA, 42 U.S.C. § 6928, and 40 C.F.R. § 22.18 of the Consolidated Rules of Practice Governing the Administrative Assessment of Civil Penalties and the Revocation or Suspension of Permits, 40 C.F.R. Part 22, it is hereby agreed by and between Complainant and Respondents, and voluntarily accepted by Respondents, that, for purposes of this Consent Agreement and in the interest of settling this matter expeditiously without the time, expense or uncertainty of a formal adjudicatory hearing on the merits, Respondents: (a) admit the jurisdictional allegations of the Complaint; (b) neither admit nor deny the non-jurisdictional allegations of the Complaint; (c) neither admit nor deny the "Findings of Fact" or "Conclusions of Law" as set forth in this document; (d) consent to the assessment of the civil penalty as set forth below; (e) consent to the issuance of the Final Order accompanying this Consent Agreement; and (f) waive any right to seek or obtain judicial review of, or otherwise contest, this Consent Agreement and the Final Order accompanying it.

Pursuant to 40 C.F.R. § 22.31(b), the executed CA/FO shall become effective and binding when it is filed with the Regional Hearing Clerk of the United States Environmental Protection Agency, Region 2 (such date henceforth referred to as the "effective date").

It is further hereby agreed by and between Complainant and Respondents, and voluntarily accepted by Respondents, that there shall be compliance with the following terms and conditions:

1. Respondents shall jointly and severally pay a civil penalty in the amount of FORTY-NINE THOUSAND NINE HUNDRED NINETY (\$49,990.00) DOLLARS, to be paid within sixty (60) calendar days of the effective date.⁴ Payment in accordance with the terms and schedule set forth below shall be made by cashier's check, certified check or by electronic fund transfer (EFT). If payment is made by cashier's check or by certified check, such check shall be made payable to the "Treasurer, United States of America," and shall be identified with a

For purposes of this CA/FO, "days" shall mean calendar days.

notation thereon listing the following: In the Matter of PSC, LLC et al., Docket Number RCRA-02-2010-7101. If payment is made by either form of check, such payment shall be mailed to the following address:

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

Alternatively, if Respondents choose to make payment by EFT, Respondent shall then provide the following information to its remitter bank:

- a. Amount of Payment
- b. SWIFT address: FRNYUS33, 33 Liberty Street, New York, New York 10045
- c. Account Code for Federal Reserve Bank of New York receiving payment: 68010727
- d. Federal Reserve Bank of New York ABA routing number: 021030004
- e. Field Tag 4200 of the Fedwire message should read: **D 68010727** Environmental Protection Agency
- f. Name of Respondents: PSC, LLC and Chemical Pollution Control, LLC of New York
- g. Case docket number: RCRA-02-2010-7101
- 2. Payment instructions:
- a. Payment shall be in accordance with the instructions set forth in paragraph 1 of this section, above. If Respondents make payment by cashier's check or certified check, then such check shall be *received* at the above-listed address on or before the date specified. If Respondents make payment by the EFT method, then the EFT shall be *received* on or before the date specified.
- b. Whether Respondents make payment by cashier's check, certified check or by the EFT method, Respondents shall promptly thereafter furnish reasonable proof that such payment has been made, and such proof shall be furnished to each of:

Lee A. Spielmann Assistant Regional Counsel Environmental Protection Agency, Region 2 290 Broadway, 16th floor New York, New York 10007-1866

Karen Maples, Regional Hearing Clerk Environmental Protection Agency, Region 2 290 Broadway, 16th floor New York, New York 10007-1866

- c. Failure to pay the amount in full within the time periods set forth above may result in referral of this matter to the United States Department of Justice or the United States Department of the Treasury for collection.
- d. Furthermore, if payment is not made on or before the date when it is made due under the terms of this document, interest therefor shall be assessed at the annual rate established by the Secretary of the Treasury pursuant to 31 U.S.C. § 3717, on the overdue amount from the date payment was to have been made through the date payment has been received. In addition, a late payment handling charge of \$15.00 will be assessed for each thirty (30) calendar day period or any portion thereof, following the date payment was to have been made, in which payment of the amount remains in arrears. In addition, a 6% per annum penalty will be applied to any principal amount that has not been received by the EPA within ninety (90) days of the date for which payment was required hereto to have been made.
- 3. The civil penalty provided for in this section constitutes a penalty within the meaning of 26 U.S.C. § 162(f).
- 4. Respondents shall comply with the following provisions in the operation of the Bay Shore facility:
 - a) Where Respondents have received and accepted waste that has been previously classified, handled, managed as, and/or determined to be hazardous waste, Respondents shall handle and manage such waste as hazardous waste unless Respondents make a formal determination that such waste is not hazardous waste. Respondents shall maintain a record of any such formal determination for a period of three years and shall provide a copy of such record to EPA upon request; and
 - b) Respondents hereby certify through the signature on their behalf on this Consent Agreement that they have taken steps to prevent future violations of the requirements alleged in the Complaint to have been violated.

5. Complainant shall mail to Respondents (to the representative designated below) a copy of the fully executed CA/FO, and Respondents consent to service of the CA/FO upon it by an employee of EPA other than the Regional Hearing Clerk of EPA, Region 2:

Douglas A. Cohen, Esq. Jennifer Mullen St. Hilaire, Esq. Brown Rudnick LLP CityPlace I, 185 Asylum Street Hartford, Connecticut 06103

- 6. Respondents have read this Consent Agreement, understand its terms, consent to the issuance of the Final Order accompanying this Consent Agreement and consent to making full payment of the civil penalty in accordance with the terms and schedule set forth above.
- 7. This CA/FO is not intended, and shall not be construed, to waive, extinguish or otherwise affect Respondents' obligation to comply with all applicable federal, state and local law and regulations governing the management of hazardous waste at, in or from the Bay Shore facility.
- 8. This Consent Agreement is being voluntarily and knowingly entered into by the parties to resolve the administrative claims alleged in the Complaint bearing docket number RCRA-02-2010-7101 upon full payment of the penalty amount set forth above. Notwithstanding the above, nothing herein shall affect the right of the EPA or the United States to pursue appropriate injunctive relief or otherwise seek equitable relief or criminal sanctions for any violation(s) of law resulting from or pertaining to Respondents' operations of or at the Bay Shore facility.
- 9. Respondents hereby waive any right to seek or to obtain any hearing on the allegations made in the Complaint, on the terms and conditions set forth in the Consent Agreement and its accompanying Final Order and on the Findings of Fact or Conclusions of Law, above.
- 10. This Consent Agreement and any provision herein shall not be construed as an admission of liability in any adjudicatory or administrative proceeding, except in an action, suit or proceeding to enforce this Consent Agreement or any of its terms and conditions.
- 11. Respondents voluntarily waive any right or remedy they might have pursuant to 40 C.F.R. § 22.8 to be present during discussions with, or to be served with and reply to any memorandum or other communication addressed to, the Regional Administrator of EPA, Region 2, or the Deputy Regional Administrator of EPA, Region 2, where the purpose of such discussion, memorandum or other communication is to recommend that such official accept this Consent Agreement and issue the accompanying Final Order.

- 12. Each party shall bear its/their own costs and fees in connection with this proceeding.
- 13. The undersigned signatory for Respondents hereto certifies that: a) he or she is duly and fully authorized to enter into and ratify this Consent Agreement and all the terms, conditions and requirements set forth in this Consent Agreement, and b) he or she is duly and fully authorized to bind each of the Respondents (including any successors) to comply with and abide by all the terms and conditions of this Consent Agreement.

In re PSC, LLC et al., Docket Number RCRA-02-2010-7101

| RESPONDENTS: | BY: | M/1/2 |
|--------------|--------|---|
| | NAME: | Michael W. Ramirez |
| | TITLE: | Chief Financial Officer, Treasurer and Secretary for PSC, ILC |
| | DATE: | 12/6/2010 |

COMPLAINANT:

Dore LaPosta, Director

Division of Enforcement and Compliance

Assistance

U.S. Environmental Protection Agency -

Region 2

| RESPONDENTS: | BY: 2/1/a |
|--------------|--|
| | NAME: Michael W. Ramirez |
| | TITLE: Vice President for Chemical Pollution Control, LLC of New York |
| | DATE: 12/6/2010 |
| COMPLAINANT: | BY: Bore LaPosta, Director Division of Enforcement and Compliance Assistance U.S. Environmental Protection Agency- Region 2 DATE: DESTO |

FINAL ORDER

The Regional Administrator of EPA, Region 2 concurs in the foregoing Consent Agreement in the case of In the Matter of PSC, LLC a/k/a Philip Services Corporation, LLC and Chemical Pollution Control, LLC of New York, a/k/a CPC, LLC of New York, bearing Docket Number RCRA-02-2010-7101. Said Consent Agreement, having been duly accepted and entered into by the parties, is hereby ratified and incorporated into this Final Order, which is hereby issued and shall take effect when filed with the Regional Hearing Clerk of EPA, Region 2. 40 C.F.R. § 22.31(b). This Final Order is being entered pursuant to the authority of 40 C.F.R. § 22.18(b) (3) and shall constitute an order issued under authority of Section 3008(a) of RCRA, 42 U.S.C. § 6928(a).

DATED: Dec. (3, 2010)
New York, New York

JUDITH A. ENCK

Regional Administrator

United States Environmental Protection Agency -

Region 2

In re PSC, LLC and Chemical Pollution Control, LLC of New York <u>Docket No. RCRA-02-2010-7101</u>

CERTIFICATE OF SERVICE

I certify that I have on December 15, 2010, caused to be sent the "CONSENT AGREEMENT AND FINAL ORDER" for the above-referenced administrative proceeding, with the former having been executed by the parties on December 6 and 8, 2010, and the latter having been executed by the Regional Administrator of EPA, Region 2, on December 13, 2010, in the following manner to the addressee listed below:

Original and One Copy By Inter-Office Mail:

Office of Regional Hearing Clerk U.S. Environmental Protection Agency - Region 2 290 Broadway, 16th floor New York, New York 10007-1866

Dated: <u>December 16, 2010</u> New York, New York

ee A. Spielmann