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BEFORE THE UNITED STATES)  
ENVIRONMENTAL PROTECTION AGENCY

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HEARINGS CLERK  
EPA -- REGION 10

IN THE MATTER OF:	)	Docket No. RCRA-10-2016-0042
	)	
Petro Star Valdez Refinery	)	EXPEDITED SETTLEMENT
Valdez, Alaska 99686	)	AGREEMENT AND
EPA ID Number AK0 00038 4040	)	FINAL ORDER
	)	
	)	
Respondent	)	

**EXPEDITED SETTLEMENT AGREEMENT**

1. The U.S. Environmental Protection Agency ("EPA") is authorized to enter into this Expedited Settlement Agreement ("Agreement") pursuant to Section 3008 of the Resource Conservation and Recovery Act ("RCRA") and 40 C.F.R. § 22.13(b).
2. Petro Star Valdez Refinery ("Respondent") is the owner and/or operator of a facility at 2.5 Dayville Road Valdez, Alaska 99686 ("Facility"). The EPA inspected the Facility on August 14, 2013. The EPA alleges Respondent violated the following requirements of RCRA:
  - a. 40 C.F.R. § 262.34(a)(1)(i) references 40 C.F.R. § 265.174, which requires that areas where containers of hazardous waste are stored be inspected at least weekly. On August 14, 2013, no weekly inspections were conducted of hazardous waste accumulation areas from August 14, 2010 through May of 2013, according to documentation on site. Failure to conduct weekly inspections of hazardous waste accumulation areas is a violation of a condition set forth in 40 C.F.R. § 262.34(a)(1)(i).
  - b. 40 C.F.R. § 262.42(a)(2) requires that an exception report be submitted when a signed manifest is not returned within 45 days of shipment. On August 14, 2013, no exception reports had been submitted for manifests numbered 003470042, 003470298, 003470564, and 003470762, for which signed copies of the manifests were not returned within 45 days of shipment, in violation of 40 C.F.R. § 262.42(a)(2).
  - c. 40 C.F.R. § 262.34(a)(1) references 40 C.F.R. § 265.173(a), which requires that containers of hazardous waste be kept closed unless waste is being added or removed. On August 14, 2013, a 55-gallon drum in the 90 day accumulation area containing K051 hazardous waste was not closed, in violation of a condition set forth in 40 C.F.R. § 262.34(a)(1).
  - d. 40 C.F.R. 262.34(a)(2) and 40 C.F.R. 262.34(a)(3) allow a large quantity generator to accumulate hazardous waste in containers without a permit provided that they mark the containers with the date accumulation began and the words "Hazardous Waste." On August 14, 2013, a 20 cubic yard roll-off box containing K051 hazardous waste was not

marked with the date accumulation began and the words "Hazardous Waste," in violation of 40 C.F.R. 262.34(a)(2) and 40 C.F.R. 262.34(a)(3).

- e. 40 C.F.R. § 262.34(a)(4) references 40 C.F.R. § 265.51 (a), which requires that each owner/operator have a contingency plan for his facility. On August 14, 2013, there was no contingency plan for the Petro Star Valdez Refinery, in violation of a condition set forth in 40 C.F.R. § 262.34(a)(4).
3. The EPA has determined and Respondent agrees that settlement of this matter for a civil penalty of five thousand dollars (\$5,000.00) is in the public interest. The attached Penalty Calculation Worksheet is incorporated by reference.
4. The EPA reserves all of its rights to take enforcement action for any other past, present, or future violations by Respondent of RCRA, any other federal statute or regulation, or this Agreement.
5. Each party shall bear its own costs and fees, if any.
6. In signing this Agreement, Respondent: (1) admits that the EPA has jurisdiction over Respondent and Respondent's conduct as alleged herein, (2) neither admits nor denies the factual allegations contained herein, (3) consents to the assessment of this civil penalty, and (4) waives any right to contest the allegations contained herein in a hearing or appeal pursuant to Section 3008(b) of RCRA.
7. In signing this Agreement, Respondent certifies, subject to civil and criminal penalties for making a false submission to the United States Government, that: (1) the alleged violations have been corrected, and (2) the civil penalty has been paid. Respondent is submitting proof of payment of the civil penalty with this Agreement.
8. Upon the effective date of this Agreement, payment of the civil penalty shall constitute full settlement of the civil claims alleged herein.
9. This Agreement is binding on the parties signing below and, in accordance with 40 C.F.R. § 22.31(b), is effective upon filing.

IT IS SO AGREED,

**RESPONDENT:**

Name (print):

Doug Chapados

Title (print):

CEO/President

Signature:



Date:

1/22/16

**EPA REGION 10:**



Edward J. Kowalski, Director  
Office of Compliance and Enforcement  
U.S. Environmental Protection Agency, Region 10

Date: 1/13/2016

**IT IS SO ORDERED:**



M. Socorro Rodriguez, Regional Judicial Officer  
U.S. Environmental Protection Agency, Region 10

Date: February 4, 2016

**Certificate of Service**

The undersigned certifies that the original of the attached **EXPEDITED SETTLEMENT AGREEMENT AND FINAL ORDER, In the Matter of: Petro Star Valdez Refinery Docket No.: RCRA-10-2016-0042**, was filed with the Regional Hearing Clerk and served on the addressees in the following manner on the date specified below:

The undersigned certifies that a true and correct copy of the document was delivered to:

Jack Boller  
1200 Sixth Avenue, OAWT-1500  
Suite 900  
Seattle, Washington 98101

Further, the undersigned certifies that a true and correct copy of the aforementioned document was placed in the United States mail certified/return receipt to:

Mr. Rick Farrar  
Petro Star Valdez Refinery  
P.O. Box 3389  
Valdez, Alaska 99686

DATED this 4 day of February, 2016

Teresa Luna  
Signature

Teresa Luna  
Regional Hearing Clerk  
EPA Region 10