

FOCUSED COMPLIANCE INSPECTION REPORT

GENERAL INFORMATION

Company Name: **Veolia ES Technical Solutions, L.L.C.**
Formerly known as
ONYX ENVIRONMENTAL SERVICES, L.L.C.
ADVANCED ENVIRONMENTAL SERVICES, L.L.C.

Facility Address: 1704 West First Street
Azusa, California 91702-3203

Telephone Number: (626) 334-5117

EPA ID No: CAD 008 302 903

Inspected by: Beatris Karaoglanyan, Environmental Scientist
Mehdi Nobari, Environmental Scientist

Regulatory Status: Permitted Hazardous Waste Facility

Facility Reps: Ron Daerr, Environmental Health and Safety Manager
John Flaminio, General Manager California Branch
Paul Atkinson, Facility Manager

Type of Inspection: Focused Compliance Inspection

Dates of Inspection: October 30, November 6, 13 and 14 of 2014

Type of Business: The facility is a hazardous waste storage and treatment facility, authorized to treat, store and transfer hazardous wastes from outside commercial sources as well as household hazardous waste and waste produced from on-site operations.

Consent given by: Ron Daerr, Environmental Health and Safety Manager

I. CONSENT:

Consent to conduct an inspection that involves: taking photographs, reviewing and copying records, questioning personnel and inspecting hazardous waste handling areas.

Consent provided by: Ron Daerr, Environmental Health and Safety Manager

II. DOCUMENTS REVIEWED:

- 1. Manifests, Bills of Lading, LDR's, Exception Reports.** Manifests were reviewed for the first two weeks of June, 2014, for rejected waste (Attachment 5) and at random. Veolia ES Technical Solutions L.L.C (Veolia) failed to note in the Discrepancy Indication Space any discrepancies between the waste described on the manifest and the waste actually received at the facility. Copies of manifests: 002492262GBF, 013421283JJK, 009347323JJK, 000652037VES are in the attachments of this report (Attachment 5 and 7). The Hazardous Waste came in with high PCBs or Halogens; however Discrepancy Indication Space, Item18a on the manifest was left blank on all of these manifests. In addition, Veolia failed to submit the manifest discrepancies to the Department. The manifest discrepancy letters went to the USEPA instead.
- 2. Contingency Plan:** Reviewed and in order.
- 3. Training Plan and Records:** Reviewed and a violation was observed for Mark Britt, who was 5 weeks overdue on his annual review (Attachment 14).
- 4. Incident Report:** None to report.
- 5. Waste Analysis Plan (WAP) and Records:** Partially reviewed.
- 6. Operation Log:** Partially reviewed.
- 7. Inspection Records:** Not reviewed.
- 8. Tiered Permitting Applications and Authorization Letters:** Not reviewed.
- 9. Annual/Biennial Reports:** Not reviewed during this inspection.
- 10. SB 14:** Not reviewed.
- 11. Closure and Closure Cost Estimates and Updates:** Not reviewed.
- 12. Financial Responsibility:** Not reviewed.

13. **Part B:** Partially reviewed during this inspection.
14. **POTW Compliance Data:** Not reviewed.
15. **Tank and/or Containment Certifications:** Not reviewed during this inspection.
16. **Permit:** A copy of Hazardous Waste Facility Permit dated March 31, 2011 is attached. (See Attachment 15)
17. **Variations:** There were no variations reviewed during this inspection.
18. **Recycling Records:** Not reviewed during this inspection.
19. **Lab Results Logbook:** Some were reviewed. (Attachment 11).
20. **Quarterly Reports:** Not reviewed during this inspection.
21. **Transporter Registration:** Not reviewed during this inspection.

III. **Owner/Operator**

Veolia ES Technical Solutions, L.L.C. changed its name from ONYX Environmental Services, L.L.C. in July 2006. Veolia ES Technical Solutions, L.L.C., is also formerly known as Advanced Environmental Services L.L.C. dba Oil and Solvent Process Company (OSCO). Veolia is entirely owned and operated by Veolia ES Technical Solutions L.L.C.

Veolia is a multi-national company with one core business, namely environmental services, and operates in four complementary business segments, which includes water and waste management, energy services and passenger transportation.

IV. **Background**

Effective March 31, 2011, a hazardous facility permit was issued to Veolia ES Technical Solutions L.L.C. Azusa Facility. Currently, Veolia ES Technical Solutions L.L.C. (Veolia) owns and operates the facility.

Veolia is located within the boundaries of the City of Azusa in an industrial area and is surrounded by several other industrial businesses. Miller Brewery is located to the north of the facility across First Street; Norac, to the south (a vacant lot storing Norac-owned materials); several small industrial firms along Peckham Street to the west; and Reichold Chemical Company is to the east. Veolia owns the physical site and has acquired the property immediately to the

east (from Reichold Chemical) for office space. The facility currently operates five days per week, and 24 hours per day.

The primary business of the facility is the recycling of solvent wastes to recover reusable products. Spent solvent wastes arrive at the site in containerized or bulk form and are unloaded at the drum storage area or into the bulk waste storage and treatment tanks, respectively. Reusable solvent products are reclaimed by means of settling, physical separation, distillation, thin film evaporation, fractionation tower, and de-watering. Other activities included fuel blending, waste consolidation and wastes transfer for incineration or landfill.

Permitting History

On November 19, 1980, the Department was notified of the facility's hazardous waste offsite storage and treatment activities. On April 3, 1981, the Department issued an Interim Status Document (ISD) to OSCO.

January 13, 1983: Upon Department of Health Services (DHS) request, OSCO submitted its Part B Permit Application.

August 9, 1983: DHS issued OSCO a Hazardous Waste Facility Permit as a hazardous waste treatment, storage, disposal and transfer facility.

December 20, 1986: Chemical Waste Management (CWM) purchased OSCO.
December 7, 1987 CWM/OSCO submitted a revised Part B permit application to the Department.

December 2, 1988 CWM/OSCO applied for permit renewal. CWM/OSCO's permit expired on August 9, 1988, but CWM/OSCO was allowed to continue to operate under the terms of the expired permit.

December 18, 1991: CWM/OSCO initiated a Class I permit modification for its distillation unit, Unit #1. The modification was to approve the addition of a bottoms cooler (heat exchanger) to the fractionation unit.

April 1, 1992: CWM/OSCO initiated a second Class I permit modification. The modification would update the Inspection Plan & Closure Plan to keep the permit current.

August 7, 1992: CWM/OSCO initiated a third Class I permit modification. The modification was as follows: 1) updating the Contingency Plan & Training Plan to keep the permit current; and 2) changing the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan.

August 31, 1992: The facility initiated Class I permit modification #4 for its Distillation Unit #1 and Truck Loading/Un-Loading Area. The modification approved the addition of two transfer lines to replace flexible hoses used in the truck loading/offloading operations.

September 17, 1992: The Department initiated a Class 1 permit modification. The modification included the following changes: 1) changing the Waste Analysis Plan to specify a timeframe for the storage of laboratory samples; and 2) implementing a plan for the selection of proper respiratory protection to be used during an emergency response involving a waste solvent spill that contained methylene chloride.

December 4, 1992: The facility initiated a Class I and Class II permit modification #5. The modification amended the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan. The Class II modification was as follows: 1) the addition of new listed waste codes to the permit; 2) amendment of the Waste Analysis Plan to include acceptance of commonly generated waste streams under standard profiles without a representative sample; and 3) revision of the Contingency Plan to reflect the designation of the on-site Fire Brigade Team to the Emergency Response Team.

February 04, 1993: The facility initiated Class I permit modification #6. The modification amended the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan. The facility also initiated Class I permit modification #7 for Blending Tank T-104. The modification allowed the replacement of the grinding pump in blending tank T-104.

April 19, 1993: DTSC acknowledged that the facility initiated Class I permit modifications #8 and #9 for the addition of new listed waste codes to the permit. The facility did receive final approval for the modifications from USEPA

September 19, 1993: The facility initiated Class I permit modification #10. The modification included the following changes: 1) changing the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan; and 2) the relocation of the wheeled fire extinguisher adjacent to the drum pad.

October 28, 1993: DTSC issued a public notice of comment period for the proposed Class 3 permit modifications for OSCO.

March 18, 1994: DTSC approved a Class III modification of the following: 1) the construction of a waste storage and transfer station; 2) the construction of an aqueous waste treatment unit to treat dilute aqueous organic and inorganic wastes; 3) the construction of up to 32 tanks associated with aqueous waste

treatment unit; 4) the addition of a vapor control reduction system or cryogenic system to minimize the air emissions; and 5) the consolidation of current state and federal permits into a single state permit.

April 29, 1994: The facility initiated Class I permit modification #11. The modification included the following changes: 1) changing the site name from Oil & Solvent Process Co. Facility (OSCO) to Chemical Waste Management, Inc.-Azusa Facility; 2) updating the Inspection Plan to clarify that inspections are performed by individuals trained in specific areas; 3) changing the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan; 4) updating the Training Plan to keep the permit current; 5) usage of metal screw type augers to remove sludge contents from containers; 6) usage of mixers mounted on containers in order to make the contents more pump able; 7) usage of a table to separate out solid pieces for inspection; and 8) usage of different size containers for repackaging.

April 25, 1994: The facility initiated Class I permit modification #12. The modification included the following changes: 1) changing the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan; 2) clarifying the language in the Operation Plan for the management of empty containers; and 3) clarifying the language in the Operation Plan concerning the installation of lighting in the facility work area.

June 27, 1994: DTSC acknowledged Class I permit modification # 13. The modification was as follows: 1) changing the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan; and 2) changing the Emergency Coordinator Authority letter in the Contingency Plan.

November 23, 1994: The facility initiated Class I permit modification #14. The modification included the following changes: 1) updating the Part-A Application to keep the permit current; 2) changing the Certification and Signatory and Waste Minimization Certification authority; and 3) changing the Emergency Coordinator Authority letter in the Contingency Plan.

May 15, 1995: The facility initiated Class I permit modification #15, which allows compositing samples from different generators for PCB fingerprinting analysis.

June 30, 1995: The facility initiated Class I permit modification #16. The modification included the following changes: 1) correction of typographical errors in the Operation Plan & Part B Permit; 2) the correction of containment capacity calculations; 3) the replacement of functionally equivalent components on distillation units 2 and 3; 4) updating closure cost estimates to reflect closure of several hazardous waste tanks and the addition of a reliquification unit; 5) changing the Contingency Plan to reflect the addition of emergency showers and eye wash; and 6) the revision of the truck loading/unloading procedures in section VIII of the Operation Plan.

August 28, 1995: The facility initiated Class I permit modification #17. The modification included the following changes: 1) the modification entailed the addition of new listed waste codes to the permit; 2) changing the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan; and 3) changing the Operation Plan to reflect the change in the facility contact.

December 9, 1995: The facility initiated Class I permit modification #18. The modification included the following changes: 1) updating the Part-A Application to keep the permit current; 2) changing the Certification and Signatory and Waste Minimization Certification authority; 3) changing the Emergency Coordinator Authority letter in the Contingency Plan; and 4) changing the Closure Plan to keep the permit current.

January 9, 1996: The facility initiated Class I permit modification #19. The modification included the following changes: 1) updating the Part-A Application to keep the permit current; 2) changing the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan; and 3) amending the notification list in the Contingency Plan.

September 11, 1996: The facility initiated Class I permit modification #20. The modification included the following changes; 1) updating the Part A Application to keep the permit current; 2) changing the Certification and Signatory and Waste Minimization Certification authority; 3) updating the Operation Plan to keep the permit current; 4) changing the Emergency Coordinator Authority letter in the Contingency Plan; and 5) changing the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan.

May 26, 1998: The facility initiated Class I permit modification #23, which entailed amended the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan. The Operation Plan was also modified to reflect personnel changes. There was no correspondence from DTSC approving the modification.

June 11, 1998: The facility initiated Class I permit modification #21 and #22. Modification #21 amended the following: 1) the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan; and 2) resolved the inconsistencies between the approved operation plan and the modified permit regarding the listing of hazardous waste codes.

May 30, 1999: DTSC approved Class I permit modification # 22 for the ownership and operator change from Oil and Solvent Process Company (OSCO) to AETS, L.L.C

On August 23, 1999, AETS, L.L.C. sent a letter and a revised Part-A application to DTSC requesting to change the facility name to ONYX Environmental Services, L.L.C.

September 7, 1999: The Department approved Hazardous Waste Facility Permit, Class I permit modification #22. The modification entailed changing the ownership and operator of the facility from AETS, L.L.C. to Onyx Environmental Services L.L.C.

March 2, 2000: The facility initiated Class I permit modification #24, which amended the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan.

October 1, 2001: The facility initiated Class I permit modification #25, which amended the names, addresses and phone numbers of the emergency coordinators in the facility's Contingency Plan.

December 7, 2001: The facility initiated Class I permit modification #26 for the Drum Storage Unit. The modification addresses the upgrade of equipment with the installation of a waste transfer line from the drum pad area to fuel blending tank #104 in the storage/treatment tank area.

March 11, 2002: The facility initiated Class I permit modification #27 for Distillation Unit #1. The modification entails reclaiming high boiler solvents from the bottom of the facility's distillation column (C-100). This involves the installation of a heat exchanger (cooler) to cool the stream coming directly off the bottom of the distillation column (C-100). In addition, Onyx proposes to add a new waste feed line to the distillation column (C-100). These changes are being implemented in order to eliminate odor and color problems currently associated with recycling high boiler solvents.

May 24, 2002: The facility initiated Class I permit modification #28 for its Thin Film Evaporation Unit. The modification was the replacement of a Roper gear pump (P-413) with an equivalent Goulds centrifugal pump.

December 18, 2002: The facility initiated Class I permit modifications #29 and #30. The modifications included the following changes: 1) the personnel and phone number changes on the Contingency Plan; 2) added California Waste Code 792 (liquids with pH \leq 2 with metals); 3) changed the typographical error of listing California Waste Code 371 to California Waste Code 271; 4) replaced the existing can crushing unit with a functionally equivalent can crushing unit; and 5) waived the requirement of the waste analysis plan for a heat value analysis when the water content of the waste is at or above 50%.

June 30, 2003: The facility initiated Class II permit modification #31. The modification included the following changes: 1) the First Responder's address and telephone number in the contingency plan; 2) acknowledged the modification of the existing suction line by adding an in-line strainer and isolation valve to the carbon-steel distillation column; and 3) changed the form format of the Daily Facility Inspection Forms; and added a glass distillation system to the facility.

February 25, 2004: The facility initiated Class I permit modification #32. The modification included the following changes: 1) a change to one of the first responder's address and telephone number in the contingency plan; and 2) allowed the modifications of the following existing piping; from the tank storage (TS) tanks to the transfer pumps, from the pump discharge to a jumper line, and from the line to the main feed tank for the distillation system.

June 28, 2006: The facility initiated Class I permit modification #33. The Hazardous Waste Facility Permit effective December 29, 1989 was modified to; 1) address an administrative change to some of the first responder's address and telephone numbers in the contingency plan; and 2) increase the current closure cost estimate to \$3,800,000.00.

November 26, 2007: The Class I permit modification #34 was for the name change to Veolia ES Technical Solutions LLC.

July 10, 2008: The Department issued the Notice of Deficiency (NOD).

March 31, 2011: The renewed Hazardous Waste Facility Permit was in effect for ten years, with four proposed new units and doubles the container storage capacity.

May, 2012: The proposed roll-off bin pad has been constructed and received approval from the Department to operate.

Compliance History

May 15, 1985: Mason (DHS inspector), inspected the facility, and a few manifests discrepancies were observed.

September 25, 1985: DHS wrote a letter to OSCO requesting an explanation for the manifests discrepancies observed.

January 21, 1986: Pearson (DHS inspector), conducted a Compliance Evaluation Inspection (CEI) at the facility. No violations were found.

November 4, 1986: DHS issued a Notice of Violation (NOV) to OSCO for not having liability coverage. There was no document in the files that the facility had liability coverage.

March 23, 1988: Lile and Schwarztbart (DHS inspectors), conducted a CEI at the facility. Violations observed included: Inadequate documentation of training given to new employees and the removal and replacement of two waste storage and/or treatment tanks without prior notification to DHS. In response to the Report of Violations (ROV), CWM/OSCO attempted to justify the existence of the unauthorized storage and /or treatment tanks as generator tanks which are exempt from regulations.

February 21, 1989: DHS issued a NOV to CWM/OSCO for inadequate closure cost estimates. The NOV was rescinded by the Department due to a mistake calculating the closure cost estimates.

September 29, 1989: Oluabunwa, Jones, Peterson and Vega (DHS inspectors), conducted a CEI at the facility. Violations observed included: false representation on a manifest; incomplete hazardous waste labeling on three (3) drums containing used oil; and operating hazardous waste mixing tanks without prior approval from DHS.

November 8, 1989: DHS issued a ROV for the above mentioned violations.

November 26, 27 & 29, 1990: Kou and Suzuki (DHS inspectors) conducted a CEI at the facility. Violations observed included: incomplete (missing date on the transporter section) manifest; illegal storage of laboratory samples; inadequate training program; and storing hazardous waste in open and unlabeled containers.

January 3, 1991: DTSC issued a ROV for the above mentioned violations.

June 20, 1991: DTSC issued a Corrective Action Order (CAO) to the facility that included a penalty assessed at \$41,000.

October 28, 29, 30, & December 16, 1991: Lile (DTSC inspector) conducted a CEI at the facility. A violation was cited for storing hazardous waste in a container that was not securely closed. On January 27, 1992, DTSC issued a ROV for the violation found during the inspection.

September 15, 1992: the Enforcement Order issued on June 20, 1991 was settled for \$12,000.

December 10 & 11, 1992: Kou conducted a CEI at the facility. Violations noted included: labeling violations and storage of ignitable waste less than 50 feet of the property line.

December 15, 1992: DTSC Field Order 92/93-152 was issue to CWM for a transporter violation for invalid registration. Penalty assessed was \$200.

January 13, 1993: DTSC Field Order 92/93-153 was issued to CWM/ OSCO for violations noted during a CEI conducted in December 1992. The penalty assessed was \$4,200.

February 16, 1993: DTSC Field Order 92/93-153 was settled for \$3,200.

June 20 & 21, 1995: Rayas (DTSC inspector) conducted a CEI at the facility. No violations found.

June 25 & 26, 1996: Pinon (DTSC inspector) conducted a CEI at the facility. Class II and Minor violations were found.

June 25 & 27, 1997: Pinon conducted a CEI at the facility. Violations observed included: storage of reactive wastes less than 50 feet from the facility property line; failure to provide training records; failure to notate problems observed during an inspection in the inspection records; and failure to notify import shipments of hazardous wastes. March 16, 1998: A Consent Order was issued and settled for \$5,000.

June 26, 30 & July 7 & 8, 1998: Ortega and Rayas (DTSC inspectors) conducted a CEI at the facility. A Summary of Violations (SOV) was issued on July 8, 1998. Violations observed included: open hazardous wastes containers; failure to minimize the potential for release of hazardous wastes; storage of ignitable waste within 50 feet of the facility property line; use of an unauthorized treatment unit; storage in an unauthorized storage area; failure to follow the waste analysis plan; failure to note observed problems and corrective measures taken in the inspection logs; failure to provide description of training required for personnel; and failure to submit the original signed closure certificate of insurance.

July 15, 1998: OSCO sent a response to DTSC for the SOV issued on July 8, 1998 to the facility.

December 17, 1998: DTSC issued an Enforcement Order, Docket Number HWCA 98/99-3020 (Order), for the violations observed during the above mentioned CEI.

February 22, 1999: OSCO signed a Stipulation and Order settling the violations from the June 1998 inspection for \$3,500.

June 16, 21 & 24, 1999: Rosana and Stuck (DTSC inspectors) conducted a CEI at the facility. Violations observed included: failure to submit the DTSC closure insurance policy with the face amount at least equal to the closure cost estimate.

June 13, 22 & 28, 2000: Cecilia Rosana and Carlos Ortega conducted a CEI at the facility. Violations observed included: failure to appropriately separate incompatible wastes and storing hazardous waste for over one year without authorization from the Department.

May 16, 17 and 31, 2001: Steven Korenstein, Talitha Sweeney (May 16 & 17), Carlos Ortega (May 16 & 17) and Cecilia Rosana (May 31) conducted a CEI at the facility. Violations observed included: failure to appropriately separate incompatible waste, failure to maintain secondary containment free of cracks or gaps and failure to note observed problems during inspection and the corrective measures taken in the inspection logs.

January 8, 2002: DTSC issued an Enforcement Order to ONYX for the May 2001 Compliance Evaluation Inspection violations.

February 25, 2002: DTSC and ONYX signed a Consent Order settling the violations cited during the May 2001 inspection for \$23,000.

June 24, 25 & 26, 2002: DTSC conducted annual CEI at the facility. The following three minor violations were noted: "No smoking" signs were not posted; ONYX failed to minimize the possibility of a release; and ONYX failed to follow the permitted waste analysis plan.

January 27, 28, 29, 2003 February 3, 4, 5, & 21, 2003: DTSC conducted a Compliance Evaluation Inspection of the facility and found the following four minor violations; failure to record the inspection in an inspection log or summary, failure to obtain all analysis information before accepting the wastes, failure to develop a schedule and procedure for assessing the tank condition, and failure to record the quantity and location of each hazardous waste received.

November 13, 2003: DTSC conducted a complaint investigation. No violation observed.

June 9, 10, and 15, 2004: DTSC conducted a CEI and observed two minor violations; failure to write the accumulation start date on the labels on the roll-off bins and failure to update the list to include the alternate emergency coordinator. All violations were corrected during the inspection.

January 25, 2005: DTSC conducted an annual CEI and facility was in compliance with the permit requirements.

February 7, 8, 9, 10 & 14, 2006: DTSC conducted a CEI and observed three Class I violations – failure to follow the loading/unloading requirement for hazardous waste; storage of hazardous waste at an unauthorized location; and failure to record the quantity and location of the waste received. In addition, there were three minor violations – incomplete contingency plan; failure to properly conduct tank inspection and failure to prepare tank assessment procedures.

December 11, 2006: DTSC and Veolia signed a Consent Order settling the violations discovered during the February 2006 inspection for \$14,792.

March 15, 22, 29, 30 & April 15, 2007: DTSC conducted a CEI and observed two minor violations and one Class II violation – failure to properly conduct tank inspection; failure to prepare adequate tank assessment procedures and failure to record the quantity and location of the waste received.

July 25, 2007: DTSC conducted a complaint investigation regarding the manifesting procedure, and noticed that the violation had been corrected since January 2007.

October 24, 25, 31, November 1, 9, & 16, 2007: DTSC conducted annual CEI and observed two violations – unauthorized storage and failure to record the quantity and location for the wastes received.

November 18, 19, 20, & 24, 2008: DTSC conducted annual CEI and observed four violations – failure to properly conduct tank inspection, failure to maintain the monitoring device, made false representation on manifest and failure to record the location for the wastes received and the quantity at each location.

October 14, 2009: Consent Order (HWCA 2008-1688) to correct violations (observed in 2007) was issued without penalty to resolve the miscommunication among Veolia, DTSC permitting, and DTSC EERP.

December 8, 9, 10, 15, & 17, 2009: DTSC conducted annual CEI and observed two violations – failure to record the remedial action taken and failure to record the location of each waste within the facility and the quantity at each location.

April 26, 2010: Consent Order (HWCA 2008-1929) was issued to correct violations observed in 2008 and 2009. Penalty assessed at \$10,000.

December 15, 2011: Consent Order (HWCA 2011-3869) was issued to correct four violations observed during the CEI conducted on 4/12/2011. Penalty assessed at \$14,000.

June 12, 13, & 14, 2012: DTSC conducted an annual CEI and observed one minor violation and three other violations –failure to record the quantity at each location for the waste received, handling hazardous waste at an un-authorized area, and stored hazardous waste at an un-authorized area.

June 18, 2013: DTSC conducted an annual CEI and observed one violation for failure to record the quantity at each location for the waste received.

August 23, 2013: DTSC received a self-disclosure letter from the facility for the off-loading holding period over 10 days. This violation had been addressed in the CEI conducted in June 2012.

April 7, 2014: Consent Order (HWCA 2014-6509) was issued for the two violations observed during the CEI conducted on 6/12/2012. Penalty assessed at \$7,000.

V. Hazardous Waste Status

Veolia ES Environmental Services L.L.C., EPA Identification No. CAD008302903, is the owner and operator of a treatment and storage facility. The hazardous waste facility permit was in effect on March 31, 2011. Veolia is authorized to treat, store and transfer hazardous wastes from outside commercial sources as well as household hazardous waste and waste produced from on-site operations.

Veolia has twenty-three (23) hazardous waste management units, and currently eighteen (18) units exist. Two proposed units are modifications or replacements to existing units. Three proposed new units are planned to be constructed and operated. The three container units AA2, AA4, and AA16 have a total capacity of 256,210 gallons. After the modifications and additions, the proposed increase container capacity is 266,015 gallons, and brought the total capacity up to 522,225 gallons. Veolia has 37 permitted tanks of various capacities ranging from 2,000 to 30,000 gallons for storage and treatment of hazardous wastes. The contaminated water is treated by filtration through activated carbon filters and tested before the water is discharged to the sewer.

Regulated Units:

Container Storage Areas

- AA2 Storage and Processing Unit 1 (Slab) – Maximum capacity of 3306 x 55-gallon drums (181,830 gallons)
- AC2 Storage and Processing Unit 1 – modified increase beyond existing AA2 with additional 1332 x 55-gallon drums (73,260 gallons)
- AA4 Storage and Processing Unit 2 (Frac Bay) – 6 x 50-cuyd bins + 238 x 55-gallon drums double-stacked (73,690 gallons)

- AA16 Cryogenic Unit – 2 x 345-gallon stainless steel totes (690 gallons)
- AC23 Roll-Off Storage / Processing Unit – 12 x 50-cuyd bins (121,200 gallons)

Proposed Container Storage Areas

- AB20 Production, Processing, and Storage Unit 1 South (increase in addition to other units sharing the containment area) – additional 1080 x 55-gallon drums (59,400 gallons)
- AB21 Production, Processing, and Storage Unit 2 North (increase in addition to other units sharing the containment area) – additional 221 x 55-gallon drums (12,155 gallons)

Bulk Storage/Treatment Tanks

- AA5 ~ AA12 consisted 37 hazardous waste Storage/Treatment Tanks – Total capacity of 441,000 gallons
- 2 Sewer Equalization Tanks

Loading/Unloading Area

- Truck Dock – 2 80 X 55-gallon containers (17,600 gallons)
- Railcar Loading/Unloading Area – Six railcars with capacity of 20,000 gallons each.

Waste treatment systems

- Fractionation Distillation Unit
- Thin Film Distillation Unit
- Glass Column Distillation Unit
- Cryogenic Unit
- Universal Waste Handling Unit
- Aerosol Recycling Unit
- Sewer Equalization Tanks
- Fluidized Bed Bio-Reactor (Proposed)

Permit Status: Permit effective March 31, 2011

VI. Hazardous Waste Activity Description

Veolia in Azusa is a solvent recycling company which provides services to various industrial companies, including aerospace, automotive, electronics, metal cleaning, packing, and paint companies ...etc. Local household hazardous wastes are also managed by Veolia. Contaminated solvents and pump able still bottoms are received in drums and tank trucks from various generators and are unloaded either at the Drum Storage Area or into the Waste Storage/Treatment

tanks to wait for further processing. The constituents of these waste include, tetrachloroethylene, ether, ethyl benzene, toluene, pentachlorophenol ...etc.

Waste management units at the existing facility include two container storage areas, waste storage/treatment tanks, a laboratory waste tank, blending tanks, a fractionation distillation unit, a thin film distillation unit, a glass column distillation unit, a truck dock, a universal waste handling unit, a rail transfer station, and sewer tanks. Reusable solvent products are reclaimed by settling, physical separation; distillation/thin film evaporation, and dewatering. Recycled oils were produced in the similar processes. Treatment produces aqueous and sludge waste by-products. Recycled solvents are sold or exchanged for reuse. Non-recyclable wastes and wastes generated by recycling activities are manifested off-site for use as supplemental fuels for destructive incineration or for disposal.

Wastes entering the facility are sampled and analyzed to determine if they can be accepted on site for treatment. Bulk load samples are collected as soon as the truck enters the facility, whereas samples from containers are not taken until the containers have been off-loaded at the Drum Storage Unit. Once the drums are placed in the Drum Storage Unit, containers are sampled, analyzed, and /or inspected prior to further processing.

Compatible and physically similar wastes are pumped into a cone-bottom tank from drums or bulk liquid vehicles. Solids and semi-solids are settled in the bottom of the tank and different fractions are separated according to their densities. After sufficient time has elapsed to allow for the completion of these physical treatment processes, different waste fractions are drawn off for recycling via the distillation unit, fractionation tower, thin film distillation (solvent fractions), incineration, and other means of treatment (aqueous fraction and tank bottoms).

Container Storage Areas

The Drum Storage Unit 1 (AA2) is located on the west side of the facility and has secondary containment walls capable of holding the equivalent of 3,306 drums. Currently the expansion Storage and Processing Unit 1 (AC2) has increased beyond existing AA2 with additional 1332 x 55-gallon drums (73,260 gallons). A bermed truck unloading area is located adjacent to the north. The Drum Storage Unit is fully bermed and slopes toward the southernmost part of the facility, where incidental precipitation and spills can drain. The accumulated liquid is then pumped into the sewer equalization tank for analysis prior to discharge into the sewer.

Storage and Processing Unit 2 (AA4) is the Fraction Bay located north of the fractionation distillation unit and TS tank farm. Currently, this area can store six 50-cubic yard bins, and 238 55-gallon drums for double-stacking. The

containment for this area was part of the share tank containment, and the total capacity for the containers is 73,690 gallons.

Roll-Off Storage and Processing Unit (AC23) is the newly constructed roll-off bin storage area located at northwest end of the asphalt paved parking lot. This containment area has capacity of 12 50-cuyd bins (121,200 gallons).

Storage/Treatment Tanks

Various steel tanks are used for the storage and treatment of solvent or oily wastes before treated through the recycling units. Their individual capacities range from 2,500 to 30,000 gallons and all tanks are located within secondary containment areas.

Rail Transfer Station

The rail transfer station, located next to the rail spur, presently has two 30,000 gallon tanks used for hazardous waste storage. The rail spur inside the facility can park seven railcars at one time. The entire area is surrounded by a concrete berm to contain spills.

Laboratory Tank

The horizontal above ground laboratory tank holds laboratory wastes generated from the rinsing of glassware and equipment. Wastes generated by the facility's laboratory typically are dilute aqueous waste from rinsing glassware and other equipment. The rinsate is managed as hazardous waste. Located next to the laboratory, is a 250-gallon tank that has metal dikes for secondary containment.

TREATMENT IN TANKS:

Fuel Blending

Veolia has a 4,200-gallon and a 28,000-gallon vertical blending tanks which are used to blend still bottoms, off-site paints, and other non-recyclable wastes to a consistency and BTU content for supplemental fuel. Solvent waste destined for use as supplemental fuel is pumped into one of the blending tanks using grinding and particular-sizing pumps. The tank contents are blended and the particulates are kept in suspension by top-mounted agitators. After the material has been blended sufficiently to meet the viscosity requirement, it is pumped directly into the tank trucks for off-site use as supplemental fuel. The viscosity requirement is typically accomplished by blending a flammable sludge consisting of still bottoms, residues, and resinous material with dirty, low yielding lacquer thinner.

Distillation/Fractionation

Treatment operations are performed using a distillation unit, a fractionation tower and one thin film evaporation unit. Solvent wastes from drums or bulk delivery vehicles are pumped into a 5,000-gallon cone-bottom waste storage/treatment tank to separate recyclable from non-recyclable materials (tank bottoms and aqueous fractions). Non-recyclable waste is sent off-site for treatment and /or disposal. Recyclable materials are pulled through a heat exchanger, and the solvent is vaporized by hot oil and directed to the distillation column. The solvent fractions are drawn by vacuum through the splash still/distillation column to water-cooler condensers, where they are condensed in the liquid phase. Condensed liquids are collected in six receiving/rundown tanks.

During the distillation process, the still bottoms are pumped into waste tanks where they are held for processing as either supplemental fuel blend or shipped off-site as hazardous waste under a manifest to a permitted TSDF. When the distillation process is completed, the distillate is pumped into an accumulation tank. In the accumulation tank, the moisture is removed with potassium carbonate. Separated water is then pumped into a waste tank where it can be blended with other waste prior to off-site treatment and/or disposal. When the distillate drying process is complete, the clean solvent is then pumped into a product solvent storage tank.

Thin Film Distillation

Waste fed from the storage/treatment tanks are preheated in the heat exchanger before entering the thin film processor. The hot feed enters the thin film processor through a distributor, which directs the flow down the wall by gravity and the more volatile materials will vaporize while the higher boiling point components, including solids, will exit through the bottom. Distribution of the feed on the wall is aided by the centrifugal and wiping action of the blades that are located on a concentric rotating shaft. The essentially clean solvent is condensed through a series of condensers and collected in the rundown tanks. The contaminants (bottoms) are removed for further processing or shipped off-site as supplemental fuel or for destructive incineration.

Glass Column Distillation

The Glass Column operates similar to the distillation unit. Small amounts (one or two 55-gallon drums) of solvent wastes are processed in the unit. Currently, Veolia is experimenting in extracting biodiesel with this unit.

Sewer Tanks

Two 30,000 gallon vertical tanks store wastewater generated by the facility, including rainwater collected from the secondary containment areas. All contaminated water is filtered through activated carbon filters and tested before it is discharge to the local sewer system. Walls and a concrete pad coated with chemical resistant materials serve as secondary containment for the tanks.

VII. NARRATIVE OF OBSERVATIONS/DISCUSSION WITH OPERATOR:

On October 30, 2014, Mehdi Nobari and I, Beatris Karaoglanyan inspected Veolia ES Technical Solutions, LLC (Veolia) located at 1704 W. First Street, Azusa. We arrived at the facility at approximately 10 a.m. After we signed in, we met Mr. Ron Daerr, Environmental Health & Safety Manager and Paul Atkinson, Facility Manager. I asked for a briefing about the activities at the facility before the walk-through and explained that this is a Focused Compliance Inspection and we will be focusing only on the used oil / waste oil operations. I asked for and received consent from Ron Daerr to conduct the focused inspection.

Ron Daerr joined us in the conference room and gave us a description of the facility's waste oil activities. He explained that the used oil goes into pre-approval first and then it is profiled. When it arrives at the facility, they do a sample analysis and then it goes into the tanks, usually the 500 tank series (Attachment 13). The oily water gets profiled too, Mr. Daerr explained, and then it's recycled through the distillation unit and discharged into sanitary sewer. Antifreeze, he added, goes into their fuel blending program or gets recycled.

Mr. Daerr explained that the TS-03 is the receiving tank at the moment and it is a 15,000 gallon tank. The used oil gets filtered on the way into the receiving tank and the filtered waste goes to disposal as hazardous waste. The 500 tank series are blending tanks and are used for used oil.

They have a WIP, which is a waste profile associated with each generator. Envirochem Lab, which is a lab on their premises, analyzes the used oil after the sample is received, then Veolia certifies the oil. Once it's sampled the container is closed until it's off loaded at the facility.

Mr. Daerr said that if the PCBs are high they reject the loads and keep a copy of the rejected manifest. He said that they sign the manifest before they reject it. However, he added, if the used oil has PCBs at levels that are between 2 and 49 ppm then it can be accepted for fuel blending, if the generator is willing to pay for the fuel blending.

Mr. Daerr explained that if the Halogens are high, then Veolia offers the generator the option to accept the used oil for fuel blending or reject it. During our inspection, 7 out of

8 tanks from the 500 series were being used for used oil. The used oil product goes to Chem Oil in tanker trucks and in rail cars go to Bango in Nevada.

Walkthrough

We asked Mr. Daerr to take us on a walkthrough of the used oil portion of the facility. During our walkthrough Mehdi Nobari took photographs (Attachment 1, Photo Log).

Here is a list of the photographs taken during the walkthrough:

1. Photograph of sampling equipment used to take samples of used oil.
2. Photograph of the 500 tank series located on the south east corner of the facility. These tanks were being used to store used oil during the inspection.
3. Photograph of the 500 tank series located on the south east corner of the facility. These tanks were being used to store used oil during the inspection.
4. Photograph of tank 521 from the 500 tank series located on the south east corner of the facility. There was a small oil stain near the tank. I asked Jude Luis to place a bucket under the leaking hose during the inspection, which he did.
5. Photograph of tank 521 from the 500 tank series located on the south east corner of the facility. There was a small oil stain near the tank. I asked Jude Luis to place a bucket under the leaking hose during the inspection, which he did.
6. Photograph of an oil stain amongst hoses within the secondary containment of the 500 tank series located on the south east corner of the facility.
7. Photograph of the secondary containment of the 500 tank series located on the south east corner of the facility.
8. Photograph of tanks 520 and 521 of the 500 tank series located on the south east corner of the facility. These tanks had "Used Oil" labels.
9. Photograph of a bucket placed under a leaking hose of the 500 tank series located on the south east corner of the facility. There is a small oil stain under the bucket.
10. Photograph of tank 506 and a label showing that it contains F codes. This tank was storing used oil during our inspection, but did not have a "Used Oil" label.
11. Photograph of tank TS – 03 and the writing on this tank showing that it contains F codes. This tank was storing used oil during our inspection, but did not have a "Used Oil" label.

12. Photograph of tank TS – 03 and the writing on this tank showing that it contains F codes. This tank was storing used oil during our inspection, but did not have a “Used Oil” label.

13. Photograph of lab equipment inside the facility laboratory.

In the beginning of our walkthrough we walked by the weigh scale, where the trucks are weighed and the samples are taken. June Luis, Facility Supervisor, showed and explained to us how the used oil sampling procedure works (Attachment 1, photo 1).

Then we observed and inspected the 500 series tanks (Attachment 1, photo 2, 3, 4, 5, 6, 7, 8, 9 and 10). Mr. Daerr explained that once a tank is full, Mr. Luis makes that determination, they take a sample. There is no agitator in the tanks, so the used oil is blended.

Mr. Daerr tested the eyewash and shower station adjacent to the 500 tank series.

I noticed that there were drip pans and a bucket under some hoses connected to the 500 tank series. We asked Mr. Daerr if we could review the logs or inventory for the 500 tank series to see what kind of waste has been in there (Attachment 3).

Mr. Daerr said that tank 506 had used oil in it and recently got cleaned. We asked to see the documents for this tank (Attachment 4). Mr. Luis added that tank 507 is currently only storing water.

As we walked around the 500 tanks series we noticed that these tanks had F codes on them and most of the tanks didn't have “Used Oil” labels (Attachment 1, photos 2, 3, 11 and 12). Behind the 500 tank series there were rail cars. We inspected the rail cars as well.

Then, we walked up to the loading area and Mr. Luis explained that tank 34 as well as tank TS – 03 were being used to accept used oil. We asked why these tanks didn't have a “Used Oil” label on them and he explained that all of the tanks on their site are permitted to accept any of the wastes that the facility is permitted to accept. I observed F codes of tank 34 as well as on tank TS – 03 (Attachment 1, photos 11 and 12).

After the walkthrough we walked back into the offices and put together a document review list that included:

- Inventory Logs for October 30 and June of 2014;
- Profiles for the first 2 weeks of June, 2014;
- Inspection Logs for the first 2 weeks of June, 2014;
- Sample Analysis for Waste Oil Certification for the first 2 weeks of June, 2014;
- Daily inspections for June, 2014;

- Manifests for rejected loads of used oil for 2014 and 2013;
- Manifests for used oil with high PCB's from 2 to 49 ppm accepted for fuel blending for 2014;
- Manifests for high halogens accepted for fuel blending for 2014;
- Documents for the latest tank clean out service;
- Manifests for the first 2 weeks of June, 2014.

Mr. Daerr brought 2 manifests that were accepted for fuel blending in the past few months for us to review, manifest # 002492262GBF (Attachment 7) dated 7/22/2014 and manifest # 013421283JJK dated on 10/22/2014. At this point we concluded the inspection for the day.

On November 6, 2014, Mehdi Nobari and I, Beatris Karaoglanyan, went back to the facility and received consent from Mr. Daerr to continue our inspection. We reviewed manifests for the first 2 weeks of June 2014. We also reviewed documents for rejected waste, including profiles and manifests.

Four of the manifests were rejected and went to a Veolia owned facility in Port Arthur, Texas, because they had PCBs above 50 ppm. I got copies of these manifests and their accompanying documents (Attachment 5). These manifests did not have anything noted in the discrepancy indication space, manifest line item 18a. We explained to Mr. Daerr that Veolia must note in this space any discrepancies between the waste described on the manifest and the waste actually received at the facility (Attachment 2, SOV). We also noticed that the manifest correction letters were sent to the US EPA, rather than the DTSC (Attachment 5).

During our review of the permit we discovered that there is a discrepancy between the Hazardous Waste Facility Permit (Permit) (Attachment 15), dated March 31, 2011, Part V. Special Conditions 9 (G); and the actual operation of the facility. The facility accepts used Oil with PCBs from a concentration of 5 ppm to 49 ppm for Fuel Blending. However, the Permit, dated March 31, 2011, Part V. Special Conditions 9 (G) states that if any retained sample is at or above the 5 ppm limit for the PCBs, the entire contents of the storage tank shall be shipped to a facility permitted to accept PCBs-contaminated hazardous waste pursuant to all applicable requirements, including those of TSCA. A modification to the Permit is necessary to make the Permit consistent to the actual facility operation. This is included as an Unresolved Issue in the Summary of Violations (Attachment 2, SOV).

We reviewed lab results (Attachment 11) and chain of custody letters. Then we reviewed the training records and the list of all the employees and their job titles. During the training review we discovered that Copy of a Certificate of Completion of an 8 hour HAZWOPER refresher training was dated October 5, 2013 for Mark Britt (Attachment 14). This means he was 5 weeks overdue. We brought this up to Mr. Ron Daerr and he responded by explaining that Mark Britt will take his refresher around November 20th (Attachment 2, SOV).

Then, we reviewed the tank inventory (Attachment 3) and observed that tank TS 34 was storing used oil from World Wide Recovery. But, we were told by Jude Luis that it had antifreeze in June. We asked to see manifests and tracking slips showing the change from used oil to antifreeze and got copies of these documents (Attachment 6). Jude Luis said that "they don't always flush the tanks if the waste is similar". He explained that the tanks don't get flushed between glycol and used oil. We asked to see a paper trail for flushing a tank, however there was none.

Tank 506 did get serviced and fully flushed and we got a copy of the work order (Attachment 4). At this point we concluded the inspection for the day.

On November 13, 2014, Mehdi Nobari and I, Beatris Karaoglanyan, went back to the facility, and received consent from Mr. Daerr to continue our inspection. We continued our review of the tank inventory and manifests. We asked Mr. Luis's to explain the transferring of waste to us. Mr. Luis said that the used oil that has high PCBs goes to tank 105 and is blended with high benzene or high flash waste. Then it goes to a railcar and is transferred to be used as a supplemental fuel to make concrete. We got a copy of documents for one of the used oil wastes that went for fuel blending due to high PCBs (Attachment 7).

We continued to review manifests and observed a manifest showing that a Veolia railcar came back to Veolia with sludge. Mr. Daerr said that they added more of the same material, but cleaner, and the waste went to Green America Recycling, LLC. (Attachment 8). At this point we concluded the inspection for the day.

On November 14, 2014, Mehdi Nobari and I, Beatris Karaoglanyan, went back to the facility, and received consent from Mr. Daerr to continue our inspection. We continued to review more manifests and waste rejections. We observed an Unmanifested Waste Report showing that an aqueous emulsion degreaser was shipped as a Non-Hazardous Waste on a Non-Hazardous shipping paper (Attachment 9).

We got a copy of the list of codes that Veolia uses for its wastes and the description of the wastes (Attachment 10). We also reviewed some analytical lab results and lab reports (Attachment 11).

After our document review was complete we discussed our findings and observations gathered during the inspection with Ron Daerr, John Flaminio and Jude Luis, the facility representatives. Subsequently, I prepared a Summary of Violations (SOV) (Attachment 2) and discussed it as I read through it. I answered all of the questions of the facility representatives at this Exit Interview. After I went over all of the violations and other issues/concerns, Ron Daerr signed the SOV and made a copy of the SOV for himself. At this point, we thanked everyone who helped us during our inspection and concluded our inspection.

VIII. VIOLATIONS:

Non-Minor Violations

Count 1 – Manifest Discrepancy

California Code of Regulations, title 22, section 66264.72 and U.S. EPA Form 8700-33 Uniform Hazardous Waste Manifest, Item 18a Discrepancy Indication Space.

California Code of Regulations, title 22, section 66264.72 and U.S. EPA Form 8700-33 Uniform Hazardous Waste Manifest, Item 18a Discrepancy Indication Space, in that on or about 10-30-2014, Veolia failed to note in this space any discrepancies between the waste described on the manifest and the waste actually received at the facility.

Evidence: Copies of manifests: 002492262GBF, 013421283JJK, 009347323JJK, and 000652037VES. The Hazardous Waste came in with high PCBs or Halogens; however Discrepancy Indication Space, Item 18a on the manifest was left blank on all of these manifests. In addition, Veolia failed to submit the manifest discrepancies to the Department (The manifest discrepancy letters went to the USEPA instead.

Schedule for Compliance: Effective immediately, Veolia shall note in Item 18a Discrepancy Indication Space of a Uniform Hazardous Waste Manifest any discrepancies between the waste described on the manifest and the waste actually received at the facility and submit the manifest discrepancy letters to the Department.

Count 2 – Labels on Tanks

Code of Federal Regulations, title 40, section 279.54, subsection (f)

Code of Federal Regulations, title 40, section 279.54, subsection (f), in that on or about 10/30/2014, Veolia failed to have a the aboveground tanks used to store or process used oil at its facility labeled or marked clearly with the words "Used Oil".

Evidence: Observations and photographs by inspectors of tanks with F codes holding Used Oil. Statements by Ron Daerr.

Schedule for Compliance: Within 14 days, Veolia shall label or mark clearly the aboveground tanks used to store or process used oil at its facility with the words "Used Oil".

Count 3 - Training

California Code of Regulations, title 22, section 66264.16, subsection (c)

California Code of Regulations, title 22, section 66264.16 (c), in that on or about 11/3/2014, Veolia failed to have a facility personnel take part in an annual review of the initial training required in California Code of Regulations, title 22, section 66264.16, subsection (a).

Evidence: Copy of a Certificate of Completion of an 8 hour HAZWOPER refresher training dated October 5, 2013 for Mark Britt, so he is 5 weeks overdue. Statement by Ron Daerr that Mark Britt will take his refresher around November 20th.

Schedule for Compliance: Effective immediately, Veolia shall have all facility personnel up to date on their annual review of the initial training required in California Code of Regulations, title 22, section 66264.16, subsection (a).

IX. UNRESOLVED ISSUES / CONCERNS:

There is a discrepancy between the Hazardous Waste Facility Permit (Permit), dated March 31, 2011, Part V. Special Conditions 9 (G); and the actual operation of the facility. The facility accepts used Oil with PCBs from a concentration of 5 ppm to 49 ppm for Fuel Blending. However, the Permit, dated March 31, 2011, Part V. Special Conditions 9 (G) states that if any retained sample is at or above the 5 ppm limit for the PCBs, the entire contents of the storage tank shall be shipped to a facility permitted to accept PCBs-contaminated hazardous waste pursuant to all applicable requirements, including those of TSCA. A modification to the Permit is necessary to make the Permit consistent to the actual facility operation.

X. ATTACHMENTS

1. Photo Log
2. Summary of Violations (SOV)
3. Tank Inventory
4. Tank 506 Service Documents
5. Documents for Rejected Wastes
6. Documents tracking change of used oil to antifreeze in tank TS 34.
7. Documents for High PCB waste that went for fuel blending.
8. Manifests and tracking slips for sludge in a railcar.
9. Shipping Document for ER service that ended up being a hazardous waste.
10. Waste description codes.
11. Lab Reports and analytical.

12. Copies of waste profiles.
13. Facility map.
14. Training Records.
15. Hazardous Waste Facility Permit.

Original signed



Beatris Karaoglanyan
Environmental Scientist
Enforcement and Emergency Response Division

12/29/14
Date