



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

ELECTRONIC MAIL
DELIVERY RECEIPT REQUESTED

Mr. Mark Ellison
Operations Manager
Qualawash Holdings, LLC
1102 North First Street
East St. Louis, Illinois 62201
Mellison@quala.us.com

Re: **Warning Letter: Notice of Potential Violations**
Qualawash Holdings, LLC
EPA I.D.: ILD981191190
East St. Louis, Illinois

Dear Mr. Ellison:

On March 22, 2022, the U.S. Environmental Protection Agency conducted an RCRA compliance evaluation inspection of Qualawash Holdings, LLC ("Quala," "facility," or "you") located in East St. Louis, Illinois. The purpose of the inspection was to evaluate Quala's compliance with certain provisions of RCRA and its implementing regulations related to the generation, treatment, and storage of hazardous waste and used oil. We have attached a copy of the inspection report for your convenience.

Information currently available to EPA suggests that Quala may be in violation of RCRA. By this letter, EPA is extending to you an opportunity to advise the Agency, in person or in writing, of any further information EPA should consider with respect to the potential violation(s).

We request that you voluntarily submit a response in writing to us no later than 30 calendar days after receipt of this letter documenting the actions, if any, which you have taken since the inspection to address the potential violations identified below or demonstrating why the violation(s) have not occurred. At this time, EPA does not plan additional enforcement action under RCRA in response to the potential violations identified in this letter assuming Quala demonstrates full compliance. EPA, however, reserves its rights to take additional actions under RCRA including issuing an information request, seeking a penalty, and issuing an order.

Storage of Hazardous Waste without a Permit or Interim Status Which Potentially Violated Section 3005 of RCRA, 42 U.S.C. § 6925(a) and State Permitting Requirements

During the inspection, EPA observed Quala's failure to comply with the RCRA permit exemption conditions, below. When a hazardous waste generator fails to comply with the

conditions for a permit exemption, the generator becomes an operator of a hazardous waste storage facility without a permit in violation of Ill. Admin. Code tit. 35 §§ 703.121(a) and (b); 703.180(c); and 705.121(a) [40 C.F.R. §§ 270.1(c), and 270.10(a) and (d)]. Many of the RCRA permit exemption conditions are also independent requirements that apply to permitted and interim status hazardous waste management facilities that treat, store, or dispose of hazardous waste (TSD requirements). When a hazardous waste generator loses its permit exemption due to a failure to comply with an exemption condition incorporated from Ill. Admin. Code tit. 35 Part 725, the generator: (a) becomes an operator of a hazardous waste storage facility; and (b) simultaneously violates the corresponding TSD requirement. For purposes of remedying potential noncompliance or preventing future violations, EPA recommends that Qualla comply with the conditions below instead of applying for a hazardous waste storage permit.

1. Hazardous Waste Container Labeling

Under Ill. Admin. Code tit. 35 §§ 722.134(a)(3)[†] and (c)(1)(B), a large quantity generator must label or clearly mark each container holding hazardous waste with the words “Hazardous Waste.” At the time of the inspection, one container of hazardous waste in Bay 5 was missing the required label. See photograph 24 of the enclosed inspection report.

The permit exemption conditions identified below (items 2-4) are also independent TSD requirements:

2. Use and Management of Containers

Under Ill. Admin. Code tit. 35 §§ 722.134(c)(1)(A)[†] and 725.273(a), a large quantity generator must always keep a container holding hazardous waste closed during storage, except when it is necessary to add or remove waste. At the time of the inspection, four containers of hazardous waste located at Bays 2, 5, 8 and 10 were left open when waste was not being added or removed. See photographs 4, 7, 16-17, 24, and 26-27.

3. Contingency Plan

Under Ill. Admin. Code tit. 35 §§ 722.134(a)(4)[†] and 725.152, a large quantity generator must have a contingency plan, that includes, among other items:

- A description of arrangements agreed to by local police department, fire departments, hospitals, contractors, and State and local emergency response teams to coordinate emergency services, pursuant to Ill. Admin. Code tit. 35 § 725.137.

[†] We note that on November 19, 2018, the State of Illinois promulgated revised regulations which have not yet been authorized by EPA. EPA authorized an earlier edition of the Illinois hazardous waste regulations which contained a provision at Ill. Admin. Code tit. 35 § 722.134 that remains the RCRA authorized Large Quantity Generator provision in Illinois.

- A list of all emergency equipment at the facility (such as fire extinguishing systems, spill control equipment, communications and alarm systems (internal and external), and decontamination equipment) where this equipment is required. This list must be kept up to date. In addition, the plan must include **the location and a physical description of each item on the list and a brief outline of its capabilities.**
- An evacuation plan for facility personnel where there is a possibility that evacuation could be necessary. This plan must **describe signals to be used to begin evacuation, evacuation routes, and alternate evacuation routes** (in cases where the primary routes could be blocked by releases of hazardous waste or fires).

At the time of the inspection, Quala's written contingency plan did not include the above items. EPA notes that with respect to the evacuation plan, Quala's contingency plan references the posting of evacuation routes in work areas and identifies the locations of outside assembly points by name. However, the **primary/secondary evacuation routes** and the **signals to be used to begin evacuation** are not described in the plan.

4. Training

Under Ill. Admin. Code tit. 35 §§ 722.134(a)(4)[†] and 725.116(d) and (e), a large quantity generator of hazardous waste must have a program of classroom instruction or on-the-job training that teaches facility personnel to perform their duties in a way that ensures the facility's compliance with requirements of RCRA. With respect to this training program, a large quantity generator must maintain the following documents and records at its facility for employees filling a position related to hazardous waste management: (1) the job title for each position at the facility and the name of the employee filling each job; (2) a written job description for each position; (3) a written description of the type and amount of both introductory and continuing training that will be given; and (4) records that document that the training or job experience described above has been given to and completed by facility personnel. Training records on current personnel must be kept until closure of the facility. Training records on former employees must be kept for at least three years from the date the employee last worked at the facility.

On May 10, 2022, the EPA inspector requested from Quala (via email) employee names/job titles, training descriptions, and training documentation to the years 2019 through 2022. Quala responded by email on May 16, 2022 (email response).

Quala stated that pre-acquisition of the facility (December 2021), employees received RCRA-related training en masse during quarterly safety meetings. Quala provided sign-in rosters for certain training in 2019, 2020, and 2021; and certificates for two employees

(Mr. Ellison and Mr. Flores) for training in 2022. Quala stated that during the pandemic, most training was suspended due to serious health and safety concerns.

The training records provided for 2019 are limited to 2 employees. Quala's email response indicates more than two employees have duties relevant to hazardous waste management. 2019 is prior to the outbreak of the pandemic.

Mr. Shane Stock is listed as an emergency coordinator in the contingency plan and Quala described his duties as including "overall management of facility operations including directing employees to handle RCRA operations." Mr. Mike Veath is listed as the tertiary emergency coordinator. No RCRA-related training records were provided for Messrs. Stock and Veath.

Actions Requested

In order to ensure compliance, by no later than 30 calendar days from the date of this letter, please provide information documenting the actions, if any, which you have taken since the inspection to address the identified potential violations or demonstrating why the violation(s) have not occurred.

Please send all reports requested by this letter by electronic mail to:

r5lecab@epa.gov

and

brown.todd@epa.gov

The subject line of all email correspondence must include Quala's EPA I.D. number: ILD981191190. All electronically submitted materials must be in final and searchable format, such as Portable Document Format (PDF) with Optical Character Recognition (OCR) applied. If you are unable to send a response to these email addresses due to email size restrictions or other problems, contact Todd Brown, of my staff, to make additional arrangements for transmission of the response.

This letter is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks information from specific individuals or entities as part of an administrative investigation.

You may assert a claim of business confidentiality under 40 C.F.R. Part 2, Subpart B for any part of the information you submit to EPA in response to this letter. Information subject to a business confidentiality claim is available to the public only to the extent, and by means of the procedures, set forth at 40 C.F.R. Part 2, Subpart B. If you do not assert a business confidentiality claim when you submit the information, EPA may make this information available to the public without further notice.

If you are unable to respond timely because of impacts related to the COVID-19 pandemic, please submit a written extension request via email to Todd Brown explaining the specific impacts on your ability to respond.

In addition, EPA notes Quala developed a Quick Reference Guide for its contingency plan. Please note the document does not include all the information required under Ill. Admin. Code tit. 35 § 722.362(b). Specifically, Quala's Quick Reference Guide does not include: (1) Estimated maximum amount of each hazardous waste that may be present at any one time; (2) Facility map showing where hazardous wastes are generated and accumulated; (3) Routes for accessing hazardous waste; and (4) Locations of water supply. EPA is noting this for you information only, and does not require a written response to this finding,

The EPA contact in this matter is Todd Brown. You may contact him at (312) 886-6091 or brown.todd@epa.gov if you have additional questions. Thank you for your prompt attention to these concerns and your efforts to protect human health and the environment.

Sincerely,

Michael D. Harris
Division Director
Enforcement and Compliance Assurance Division

Attachment

cc: James Jennings, Illinois EPA (james.m.jennings@illinois.gov)
Paul Eisenbrandt, Illinois EPA (paul.eisenbrandt@illinois.gov)