



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, ILLINOIS 60604**

SUBJECT: CLEAN AIR ACT INSPECTION REPORT
Metalworking Lubricants Company, Indianapolis, Indiana

FROM: Linda H. Rosen, Environmental Engineer
AECAB (IL/IN)

THRU: Nathan Frank, Section Supervisor
AECAB (IL/IN)

TO: File

BASIC INFORMATION

Facility Name: Metalworking Lubricants Company

Facility Location: 1509 South Senate Avenue, Indianapolis, Indiana

Date of Inspection: March 3, 2023

EPA Inspector(s):

1. Linda H. Rosen, Environmental Engineer

Other Attendees:

1. Robert Peachey, Attorney, Office of Regional Counsel, EPA Region 5
2. Richard Gladstein, Attorney, Environmental Enforcement Section, U.S. Department of Justice
3. Matthew Chaifetz, Office of Air Quality (OAQ), Compliance and Enforcement Section, Indiana Department of Environmental Management (IDEM)
4. Valerie Tachiritis, Attorney, IDEM
5. Kyle Burns, Attorney, IDEM
6. Brian Williams, OAQ-Permits, IDEM
7. Andy Belt, OAQ-Permits, IDEM
8. Leigh Anne Harvey, Office of Land Quality, Compliance, IDEM
9. Trent Bennett, Attorney, Indiana Attorney General
10. Keith Johnson, Plant Manager, Metalworking Lubricants Company
11. Adam Bujoll, Vice-President, Metalworking Lubricants Company
12. Bill Souders, Assistant Plant Manager, Metalworking Lubricants Company (tour only)
13. Colin Connor, Attorney for Metalworking Lubricants Company

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14. Amy Romig, Attorney for Metalworking Lubricants Company (via phone)

Contact Email Address: abujoll@metalworkinglubricants.com

Purpose of Inspection: To observe Metalworking Lubricants Company's (MLC) current operations in relation to Consent Decree requirements and its Federally Enforceable State Operating Permit (FESOP).

Facility Type: tank facility

Regulations Central to Inspection: *U.S. and the State of Indiana vs. Metalworking Lubricants Company*, Consent Decree entered 9/20/2022, Civil No. 1:22-cv-01560-JMS-DLP, and MLC's FESOP

Arrival Time: 9:00 a.m.

Departure Time: 2:45 p.m.

Inspection Type:

- ☐ Unannounced Inspection
- ☒ Announced Inspection

OPENING CONFERENCE

- ☒ Presented Credentials
- ☒ Stated authority and purpose of inspection
- ☐ Provided Small Business Resource Information Sheet
- ☒ Small Business Resource Information Sheet not provided. Reason: Previously Provided
- ☒ Provided CBI warning to facility

The following information was obtained verbally from MLC's representatives unless otherwise noted.

Process Description:

MLC operates a blending operation where raw materials (e.g., Brite stock high viscosity lube oil, hydraulic oils and blending stock) are mixed with additives (e.g., rust and oxidation inhibitors, demulsifying agents, anti-wear package, and R & O package) in Tanks M1-M5 to make product oils including lubrication oils for bearings, gear oils, and hydraulic oils. MLC also takes in off spec fuel from various customers in the smokestack industries and ships it back out. MLC stated that the fuel product goes out as it comes in, but the diagram provided on February 15, 2023 by MLC indicates that chemicals are added. The M Tanks are currently unheated due to the on-site boiler being inoperable. The M tanks are normally heated to up to 190 degrees Fahrenheit (°F). The M tanks are agitated and are not connected to the scrubber. All purchased raw material oils come from virgin crude. Products are shipped out in tank wagons of various sizes from 55 gallon to 7500 gallons or are stored in the B tanks.

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The facility operates a tank wagon flushing operation. The inside of tank wagons containing residual oil and solids are flushed with ambient-temperature water for about 20 minutes. When the boiler becomes operational, the water will be heated to 100-140°F. After the flush, the vehicles are sent to an off-site commercial truck washing facility. The water is sent to the facility's trench system and then to the small pit in the wastewater treatment plant (WWTP) where it is reprocessed for reuse or shipped off-site. The truck flushing operation is uncontrolled.

In-house water processing takes stormwater and in-house wastewater from the small pit and treats it with chemicals under heat (maximum 140°F when the boiler becomes operational) in the SHT2 tank, which is vented to the scrubber. The wastewater off this process is sent to the WWTP and the solids are shipped out for disposal.

The WWTP takes in water from the in-house water process operation and from the dewatering process (discussed below) and treats it so that it can be shipped off site. Wastewater from the small pit is returned to in-house water processing or the big pit for storage. No equipment is controlled in the WWTP.

The wet solids from the FET1-FET4 settling tanks in the WWTP and from in-house water processing are dewatered in the Geo Tube tank. Wet solids from the WWTP are heated in the W8 tank to 140°F (when the boiler is operational) to produce oil which is sent to the customer or off-site disposal and wastewater is sent to the WWTP. The W8 tank is connected to the scrubber. The Geo Tube is not connected to the scrubber.

Staff Interview: The facility currently sends out about two wagons of product per week. The B tanks are being used mostly for raw materials. The dryers are no longer operating. Some of the P tanks still contain material but have not been processing since November 12, 2022. In addition, Tanks W2-W7 are no longer operating. SHT2 and W8 are operating and connected to the scrubber. The FET tanks are operating but are not controlled and do not meet fixed roof tank requirements. The tanks are not being used for industrial wastes but essentially are recovering rainwater. Seven tanks were to be removed and 5 were to be added but no tanks have been removed partly due to the boiler not being operational. MLC does not intend to install a new carbon adsorption system, as required by the Consent Decree.

MLC provides centrifuges to facilities and provides consulting services so that these facilities can process their waste at their location and sell the product to MLC.

TOUR INFORMATION

EPA Tour of the Facility: Yes

Data Collected and Observations:

I observed the loading and load out operation which consisted of two manifolds (Photos 1-8). I observed a tank wagon used for product (Photos 9-10). Inside the blending room, I observed the M tanks (Photo 11). They are 4500 to 6000 gallons each. They were not operating. I observed the pump that is used to bring liquids from the tank farm to the top of the tank (Photo 12), During

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the tour, MLC clarified that they have not been testing incoming materials per the FESOP since November 2022. They rely on the customers specifications or the results of previous testing.

I observed tank liquid overflow and vents for gas (Photos 13-16). The vents work similarly to a hot water heater. I saw a silver tank wagon that they were using for storage at the truck flush station (Photos 17-18). The truck flush was not operating during the inspection.

It was raining on the day of the inspection and there were copious amounts of oil, sludge, mud and water on the ground of the facility (Photos 19-22).

I observed the processing tanks (Photos 23-24). They were not processing although about 60 percent of them still contain material. I observed an out of service trailer (Photos 25-26), used drums (Photos 27-30) and a tank truck with nothing in it (Photos 31-32). From the east side of the facility, I observed the processing tanks (Photos 33-34).

MLC stated that the scrubber was still operating and that the P tanks were still connected to the scrubber. I observed the scrubber, existing carbon box and stack (Photos 35-41).

Next, we went inside and observed the WWTP, specifically, the DAF (Photo 43) and the clarifier (Photo 44). There was a lot of oily water and sludge throughout the plant (Photos 45-49 and 52). I observed where the water circulates from the DAF (Photo 50). I observed the Big Pit which was covered (Photo 51), a caustic chemical tank which MLC claims is no longer used (Photo 53), one of the FET tanks (Photo 54), and the SHT2 tank (Photos 55-57).

Photos and/or Videos: were taken during the inspection.

Field Measurements: were not taken during this inspection.

RECORDS REVIEW

During the inspection, MLC provided a facility diagram and schematic diagrams of the following processes. These diagrams are located in EPA's Electronic Records Center.

- WWTP
- Dewatering Process
- Truck Flush Process
- In-house Water Processing
- Finished Product Blending

CLOSING CONFERENCE

☒ Provided U.S. EPA point of contact to the facility

Requested documents:

- MLC's redline proposed changes to the CD based on changes in operations;
- Updated, current diagrams of what equipment is operating;

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- Quantity and type of all incoming materials and all outgoing products/materials;
- Monthly report of emissions instead of quarterly as required by the FESOP;
- Names of the customers where work is done offsite;
- Stack test report done 3/8/22; and
- Water generation points at the facility and quantities

We stated that we would be sending them an email with requested documents that may include others not listed here.

DIGITAL SIGNATURES

Report Author: Linda H. Rosen

Section Supervisor: Frank, Nathan
Digitally signed by Frank, Nathan
Date: 2023.04.27 13:18:34 -05'00'

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APPENDICES AND ATTACHMENTS

1. Digital Media Appendix

Facility Name: Metalworking Lubricants Company
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APPENDIX A: DIGITAL IMAGE LOG

1. Inspector Name: Linda H. Rosen	2. Archival Record Location: Region 5 Electronic Records Center
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Image Number	File Name	Date and Time	Description
1	IMG_0324.JPG	2023:03:03 10:29:55	Loadout; oil slick on ground
2	IMG_0325.JPG	2023:03:03 10:29:56	Loadout; oil slick on ground
3	IMG_0326.JPG	2023:03:03 10:30:17	Loadout; oil slick on ground
4	IMG_0327.JPG	2023:03:03 10:30:17	Loadout; oil slick on ground
5	IMG_0328.JPG	2023:03:03 10:33:21	Loadout; oil slick on ground
6	IMG_0329.JPG	2023:03:03 10:33:21	Loadout; oil slick on ground
7	IMG_0330.JPG	2023:03:03 10:33:27	Loadout; oil slick on ground
8	IMG_0331.JPG	2023:03:03 10:33:27	Loadout; oil slick on ground
9	IMG_0332.JPG	2023:03:03 10:34:19	Tank wagon
10	IMG_0333.JPG	2023:03:03 10:34:19	Tank wagon
11	IMG_0334.JPG	2023:03:03 10:36:23	M Tank
12	IMG_0335.JPG	2023:03:03 10:38:16	Pump for M tank
13	IMG_0336.JPG	2023:03:03 10:38:20	Tank overflow pipe
14	IMG_0337.JPG	2023:03:03 10:53:52	Tank overflow pipe
15	IMG_0338.JPG	2023:03:03 10:54:48	Tank overflow pipe
16	IMG_0339.JPG	2023:03:03 10:54:53	Tank overflow pipe
17	IMG_0340.JPG	2023:03:03 11:03:54	Tanker wagon at truck flush
18	IMG_0341.JPG	2023:03:03 11:03:54	Tanker wagon at truck flush
19	IMG_0342.JPG	2023:03:03 11:07:44	Water and oil on ground
20	IMG_0343.JPG	2023:03:03 11:07:44	Water and oil on ground
21	IMG_0344.JPG	2023:03:03 11:08:09	Water and oil on ground
22	IMG_0345.JPG	2023:03:03 11:08:10	Water and oil on ground
23	IMG_0346.JPG	2023:03:03 11:09:49	Processing tanks
24	IMG_0347.JPG	2023:03:03 11:09:50	Processing tanks
25	IMG_0348.JPG	2023:03:03 11:12:41	Out of service trailer
26	IMG_0349.JPG	2023:03:03 11:12:42	Out of service trailer
27	IMG_0350.JPG	2023:03:03 11:13:37	Used drums
28	IMG_0351.JPG	2023:03:03 11:13:38	Used drums
29	IMG_0352.JPG	2023:03:03 11:14:17	Used oil drums
30	IMG_0353.JPG	2023:03:03 11:14:17	Used oil drums
31	IMG_0354.JPG	2023:03:03 11:17:36	Tanker not being used
32	IMG_0355.JPG	2023:03:03 11:17:36	Tanker not being used
33	IMG_0356.JPG	2023:03:03 11:17:54	P tanks
34	IMG_0357.JPG	2023:03:03 11:17:54	P tanks
35	IMG_0358.JPG	2023:03:03 11:25:15	Carbon box
36	IMG_0359.JPG	2023:03:03 11:25:16	Carbon box

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37	IMG_0360.JPG	2023:03:03 11:25:21	Scrubber
38	IMG_0361.JPG	2023:03:03 11:25:21	Scrubber
39	IMG_0362.JPG	2023:03:03 11:25:57	Scrubber/carbon box stack
40	IMG_0363.JPG	2023:03:03 11:25:57	Scrubber/carbon box stack
41	IMG_0364.JPG	2023:03:03 11:26:01	Scrubber
42	IMG_0365.JPG	2023:03:03 11:26:01	Scrubber
43	IMG_0366.JPG	2023:03:03 11:28:05	DAF in WWTP
44	IMG_0367.JPG	2023:03:03 11:28:14	Clarifier in WWTP
45	IMG_0368.JPG	2023:03:03 11:28:47	Oil, water and sludge
46	IMG_0369.JPG	2023:03:03 11:28:52	Oil, water and sludge
47	IMG_0370.JPG	2023:03:03 11:28:56	Oil, water and sludge
48	IMG_0371.JPG	2023:03:03 11:29:45	Oil, water and sludge
49	IMG_0372.JPG	2023:03:03 11:29:58	Oil, water and sludge
50	IMG_0373.JPG	2023:03:03 11:30:42	Re-circulating water DAF
51	IMG_0374.JPG	2023:03:03 11:31:41	Big pit
52	IMG_0375.JPG	2023:03:03 11:32:10	Oil, water and sludge
53	IMG_0376.JPG	2023:03:03 11:34:16	Caustic chemical tank
54	IMG_0377.JPG	2023:03:03 11:37:12	FET
55	IMG_0378.JPG	2023:03:03 11:37:35	SHT2
56	IMG_0379.JPG	2023:03:03 11:37:36	SHT2
57	IMG_0380.JPG	2023:03:03 11:37:39	SHT2