



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

**ELECTRONIC MAIL
DELIVERY RECEIPT REQUESTED**

Mr. Bill Souders
Plant Manager
Metal Working Lubricants
1509 South Senate Avenue
Indianapolis, Indiana 46225
bsouders@metalworkinglubricants.com

Re: Notice of Potential Violation and Opportunity to Confer
Compliance Evaluation Inspection Report and Description of Areas of Concern
Metal Working Lubricants
EPA I.D.: IND000646950
Indianapolis, Indiana

Dear Mr. Souders:

On April 25-28, 2022, the U.S. Environmental Protection Agency conducted an RCRA compliance evaluation inspection of the Metal Working Lubricants facility ("facility" "you," or "MWL") located in Indianapolis, Indiana. The purpose of the inspection was to evaluate MWL'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 enclosed a copy of the inspection report for your convenience.

Information currently available to EPA suggests that MWL 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 areas of concern.

During the inspection, EPA observed several areas of concern, described below. The description of the areas of concern is not a final determination regarding the Facility's compliance with RCRA. EPA requests that you respond 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 areas of concern described below. Please also respond to the question(s) found in the "Additional Information" section below.

Areas of Concern

Except as provided at 329 IAC 13-3-2, the regulations at 329 IAC Article 13, “Used Oil Management,” applies to used oil, and to materials identified in 329 IAC 13-3-1 as being subject to regulation as used oil, whether or not the used oil or material exhibits any characteristics of hazardous waste identified in 40 CFR 261, Subpart C, revised as of July 1, 2005.

Under 329 IAC 13-3-1(e)(2), materials produced from used oil that are burned for energy recovery (e.g., used oil fuels) are subject to regulation as used oil.

During the inspection, EPA observed the following areas of concern:

1. Under 329 IAC 13-7-3, used oil processing facilities must be maintained and operated to minimize the possibility of a fire, explosion, or any unplanned, sudden, or nonsudden release of used oil to air, soil, or surface water that could threaten human health or the environment.
 - On April 25, 2022, used oil was observed overflowing down the side of tank P-23 (see photographs 5-6). The overflow was observed again on April 27, 2022 (see photograph 106).
 - On both April 25 and April 27, 2022, used oil was present in the secondary containment of the Process Tank Farm and the stairs leading into the tank farm (see photographs 7-9, 105, 107-108).
 - On April 26, 2022, used oil was observed in the secondary containment to the Blending Tank Farm (see photographs 21-22, 31, 34-35, and 37).
 - On April 26, 2022, evidence of past overflow was observed on the sides of Tanks B5 through B-8, and B-55 (see photographs 32-36).
 - On April 26, 2022, Tank B-8 was leaking (see photographs 38-39).
 - On April 27, 2022, used oil was present in the secondary containment to the East Tank Farm (see photographs 70-71, 114-115).
 - On April 27, 2022, releases were observed at the Process Loading Pad (see photograph 101).
 - On April 27, 2022, releases were observed at the C-Pad (see photographs 102-104).
2. Under 329 IAC 13-7-5(c), containers and above ground tanks used to store or process used oil at processing and re-refining facilities must: (1) be in good condition with no severe rusting, apparent structural defects, or deterioration; and (2) not be leaking (no visible leaks).

At the time of the inspection:

- Used oil was observed to be flowing down the side of tank P-23 (see photographs 5-6, and 106).
 - An active leak was observed from Tank B-8 (see photographs 38 and 39).
 - Tank B-24 was damaged (see photograph 23). The inventory indicated it contained 2,560 gallons “oil + solids.”
 - Tank B31 was damaged (see photograph 44 and 45). The inventory indicated it contained 5,200 gallons “oil + solids.”
 - Tanker Trailer T-6 was damaged (see photographs 56 and 57).
 - The support leg to Tanker Trailer T-72 was sunken into the ground and the container was leaning (see photographs 61-63).
3. Under 329 IAC 13-7-5(d), containers used to store or process used oil at processing and re-refining facilities must be equipped with a secondary containment system and meet the following requirements:

The secondary containment system must consist of, at a minimum:

(A) dikes, berms, or retaining walls, and a floor that must cover the entire area within the dike, berm, or retaining wall; or (B) an equivalent secondary containment system. The entire containment system, including walls and floor, must be sufficiently impervious to used oil to prevent any used oil released into the containment system from migrating out of the system to the soil, ground water, or surface water.

The secondary containment system must be able to contain either at least ten percent (10%) of the total volume of the containers used to store used oil or the volume of the largest container used to store used oil at processing or re-refining facilities, whichever is greater.

- At the time of the inspection, a tanker trailer labeled, “Used Oil,” and reportedly containing “phoster oil” was located along the west side of the property and was not provided secondary containment as described at 329 IAC 13-7-5(d) (see photograph 53). Mr. Souders stated this trailer remained on-site and was not used for transportation.
- Tanker trailer numbers 82, 56, 58, 6, 85, 45, 88, and 72 were parked along the north side of the facility. Tanker 72 was located on a gravel/dirt surface. The other tanker trailers were located on a concrete pad, without dikes, berms or retaining walls. All the afore-mentioned tankers reportedly contained oily rag/sludge from

oil processing and residual oil/sludge from customer loads. These trailers were not provided with secondary containment as described at 329 IAC 13-7-5(d).

- Tanker trailer numbers, 93, 90, 70, 57, 66, 59, 65, and 42, were located along the east side of the property. They reportedly contained oily rag/sludge. These trailers were parked on a gravel/dirt surface, and were not provided with secondary containment as described at 329 IAC 13-7-5(d).
4. Under 329 IAC 13-7-5(g)(1), containers and aboveground tanks used to store or process used oil at processing and re-refining facilities must be labeled or marked clearly with the words "Used Oil".

At the time of the inspection, the following tanker cars of used oil were not labeled with the words, "Used Oil." Tanker trailer numbers: 82, 56, 58, 6, 85, 45, 88, 72, 93, 90, 70, 57, 66, 59, 65, and 42.

5. Under 329 IAC 13-7-3(b)(2) a used oil processor must have a contingency plan that includes, among other times:
- A description of the arrangements agreed to by local police departments, fire departments, hospitals, contractors, and state and local emergency response teams to coordinate emergency services under 329 IAC 13-7-3(a)(6);
 - An up-to-date list of names, addresses, and office and home phone numbers of all persons qualified to act as emergency coordinator as described in subdivision (6). Where more than one (1) person is listed, one (1) must be named as primary emergency coordinator and others must be listed in the order in which they will assume responsibility as alternates;
 - An up-to-date list of all emergency equipment at the facility, such as fire extinguishing systems, spill control equipment, communications and internal and external alarm systems, and decontamination equipment, where this equipment is required. 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; and
 - An evacuation plan for facility personnel where there is a possibility that evacuation could be necessary. This plan must describe the signal or 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 used oil or fires.

If the owner or operator has already prepared a spill prevention, control, and countermeasures (SPCC) plan in accordance with 40 CFR Part 112, or some other emergency or contingency plan, the owner or operator need only amend that plan to incorporate used oil management provisions that are sufficient to comply with the requirements of this article.

MWL's June 2021 SPCC plan:

- Does not include a description of the arrangements agreed to by local police departments, fire departments, hospitals, contractors, and state and local emergency response teams to coordinate emergency services;
 - Does not include the home addresses of emergency coordinators, and lists Mr Bernie Ingle, who is no longer employed at MWL;
 - Does not include an up-to-date list of all emergency equipment at the facility that includes the location and physical description of each item on the list and a brief outline of its capabilities. A list of equipment with general locations is included on page 1-13. Equipment capabilities are not provided there. Fire extinguisher locations are provided as, "Throughout Plant." The contents of spill kits are not described.
 - Does not include an evacuation plan for facility personnel describing the signal or 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 used oil or fires. Evacuation routes are not described, other than to instruct employees to leave through "nearest plant exit" and to identify the assembly point.
6. Under 329 IAC 3.1-13-1 and 3.1-13-3(a) and (d), any person who is required to have a permit, including a new applicant and a permittee with an expiring permit, shall complete, sign, and submit an application to the commissioner as described in this section and 40 CFR §§ 270.70 through 270.73.

MWL does not have a permit for storage of hazardous waste.

- At the time of the inspection, MWL was storing hazardous spent caustic waste in Tanker Trailer Number T-0532.
- At the time of the inspection, there were four (4) totes labeled, "used caustic" (photographs 81-86) and three totes of caustic die cleaning solution (photographs 87-89) located at the "A Pad."
- At the time of the inspection, MWL was storing hazardous spent caustic waste in Tanks C2, C3, D3, K1, K2, P2, ST9, ST10 and ST14.

According to waste profiles provided at the time of the inspection, the spent caustic waste had a pH greater than 12.5. It therefore possessed the characteristic of corrosivity.

According to waste profiles provided at the time of the inspection, the spent caustic contained arsenic, chromium, lead, mercury, selenium, and silver above their respective toxicity characteristic leaching procedure concentrations listed at 329 IAC 3.1-6-1. The spent caustic therefore possessed the toxicity characteristic. As such the spent caustic waste is a hazardous waste. The spent caustic was received off-site for intended use in wastewater treatment. At the time of the inspection, Mr. Souders stated the spent caustic

waste could not be used in wastewater treatment due to its effect on wastewater treatment plant effluent quality.

Additional Information

1. Provide the volume and weight of spent and/or used caustic, from off-site sources, on site at the beginning of calendar year 2022, along with supporting documentation (e.g., tank inventory records).
2. Provide the volume and weight of spent and/or used caustic, from offsite sources, used or recycled on-site by MWL in calendar year 2022.
3. Describe how MWL used or recycled the spent and/or used caustic, from offsite sources, in calendar year 2022.
4. Provided the volume and weight of spent and/or used caustic, from offsite sources, from currently on site, and identify which units the caustic is currently stored.
5. Provide shipping documents for all spent and/or used caustic from off-site sources, that was sent off-site for treatment, storage, disposal, or recycling from January 1, 2022, to the date of your receipt of this request for information.
6. Provide all analytical reports, waste profiles, or other documents that describe the chemical composition and properties of the spent and/or used caustic, from off-site sources, stored on site by MWL in calendar year 2022.

Actions Requested

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 areas of concern, as well as any additional information requested.

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 your EPA I.D. Number (IND000646950). 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 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.

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

Enclosure

cc: Jennifer Reno, Indiana Department of Environmental Protection Agency
(jreno@idem.in.gov)