

STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

Northwest Regional Office • 3190 160th Ave SE • Bellevue, WA 98008-5452 • 425-649-7000 711 for Washington Relay Service • Persons with a speech disability can call 877-833-6341 July 27, 2015

Mr. Jagroop S. Gill Campbell Land Corporation 2360 Corporate Circle, Suite 400 Henderson, NV 89074-7722

Mr. Jagroop S. Gill Farrington Financial Corporation 2360 Corporate Circle, Suite 400 Henderson, NV 89074-7722

Mr. Jagroop S. Gill Treoil Industries Ltd. 61-8355 Delsom Way Delta BC V4C 0A 9 Canada

Re: Administrative Order

Order Docket #	11685
Site Location	4242 Aldergrove Road, Ferndale, WA 98248
EPA/State ID #	none
Facility/Site ID #	2919

Dear Mr. Gill:

The Department of Ecology (Ecology) has issued the enclosed Administrative Order requiring the above named entities, collectively referred to herein as "Treoil," to comply with:

- Chapter 70.105 Revised Code of Washington (RCW), Hazardous Waste Management
- Chapter 173-303 Washington Administrative Code (WAC), Dangerous Waste Regulations

Ecology granted multiple extensions of the compliance due date after the September 2014 Dangerous Waste Compliance Inspection and Treoil has not yet returned to compliance in eight month's time. For this reason, the time frames listed in this order will not be extended.

Mr. Jagroop S. Gill July 27, 2015 Page 2

If you have questions please contact Susan Dier at (425) 649-7137 or susan.dier@ecy.wa.gov.

Sincerely,

Raman Iyer

Section Manager

Hazardous Waste and Toxics Reduction Program

Northwest Regional Office

Enclosure: Administrative Order

May 27, 2015 Fish Bioassay Test Results

May 27, 2015 TCLP/VOA and Semi-VOA Test Results

By certified mail:

9171 9690 0935 0107 0050 11

9171 9690 0935 0107 0050 28

By registered mail:

RE 135 204 333 US

STATE OF WASHINGTON DEPARTMENT OF ECOLOGY

ADM AGA Treoi & Jagro &	HE MATTER OF AN INISTRATIVE ORDER INST I Industries Ltd op S. Gill obell Land Corporation)))	ADMINISTRATIVE ORDER DOCKET #11685
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&	ngton Financial Corporation		
To:	Mr. Jagroop S. Gill Treoil Industries Ltd. 61-8355 Delsom Way Delta BC V4C 0A 9 Canada		
	Mr. Jagroop S. Gill Campbell Land Corporation 2360 Corporate Circle, Suite 400 Henderson, NV 89074-7722		
i dia	Mr. Jagroop S. Gill Farrington Financial Corporation 2360 Corporate Circle Ste 400 Henderson, NV 89074-7722		

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EPA/State ID #	None	
Facility/Site ID #	2919	

The Department of Ecology (Ecology) has issued this Administrative Order (Order) requiring Treoil Industries Ltd, Jagroop S. Gill, Campbell Land Corporation, Farrington Financial Corporation, and TG Energy, herein referred to collectively as "Treoil," to comply with:

• Chapter 70.105 Revised Code of Washington (RCW), Hazardous Waste Management Act

• Chapter 173-303 Washington Administrative Code (WAC), Dangerous Waste Regulations

Chapter 70.105 RCW authorizes the Department of Ecology (Ecology) to issue Orders requiring compliance whenever it determines that a person has violated any provision of Chapter 70.105 RCW.

DETERMINATION OF VIOLATION(S) AND ORDER TO COMPLY

Ecology has determined that one or more violations have occurred based on the facts provided below.

For these reasons, and in accordance with RCW 70.105.095, it is ordered that Treoil Industries Ltd. take the corrective actions listed after each violation. These corrective actions are required at the location known as Treoil Industries Ltd, 4242 Aldergrove Road, Ferndale, WA 98248.

Violation 1: WAC 173-303-170(1)(a) and by reference WAC 173-303-070(3): Failure to Designate Solid Waste as Dangerous Waste or Extremely Hazardous Waste or Non-Hazardous Waste.

As a regulated generator of dangerous waste, this facility was required to designate its waste in accordance with WAC 173-303-070 and 170.

On May 27, 2015, Ecology sampled a tote identified as representative of all of the tall oil onsite, and learned that the tall oil designates as a state only toxic dangerous waste with a waste code of WT02. However, numerous tanks and containers of wastes identified in the September 2014 inspection remain undesignated, including:

- Eastern Facility Boundary
 - ➤ Blue 55-gallon drum labeled "Guardol" of unknown waste (photographs 2, 510 and 511).
 - A 55-gallon steel drum with unknown black residue suspected to be tall oil wastes (photograph 6, and 525).
 - > A green 55-gallon poly drum closed top with an unknown waste (photographs 7, 8, 528, 529).
- Northern Facility Boundary
 - > A hopper with unknown contents (photograph 641).

Plant Perimeter

- A red 55-gallon steel closed top drum of unknown liquid (photograph 13, 536, 538).
- > An unknown white powder residue in an old piece of equipment (photograph 16, 544).
- A 55-gallon drum of unknown liquid (photograph 16).
- A 55-gallon drum of unknown waste (photo 552).
- > Two tanks with unknown contents placarded UN1230 for methanol (photographs 558-559).
- > Several tanks with unknown contents (photograph 644).

• Fabrication Building Exterior

- ➤ Eleven totes of black waste reported as tall oil or tall oil derivatives (photographs 19, 20, 560-566, 568-570, 698-701). Moved inside since 2014 inspection. Unknown if tall oil or bio-oil.
- > An unknown 5-gallon cylinder (photograph 567).
- > A 55-gallon drum of unknown waste (photograph 21 and 566).

• Fabrication Building

- > Two cylinders of an unknown waste (photograph 22).
- > Four 1-gallon jugs of an unknown red liquid (photograph 23).
- > Approximately eleven 55-gallon drums of spill clean-up debris (photographs 25, 26, 580).
- > Two 55-gallon drums of unknown wastes (photographs 581-582).
- > Approximately ten drums of refractory waste (photographs 27, 31, 37, 583, 585-588).
- > Two 5-gallon poly buckets of "Econoset 50TC" waste (photograph 28).
- > A pile of refractory waste debris (photographs 29, 593-596).
- Numerous 5-gallon poly buckets contaminated with unknown black liquids (photographs 30, 592).
- > Sediment and liquid accumulated in the Fabrication building trench drain sump (photograph 34, 605, 606).
- > A cylinder of oxygen gas (photograph 35).
- > A cylinder of an unknown waste (photograph 36, 590).

- > Approximately ten 30-gallon fiber drums with unknown contents on the mezzanine (photographs 32, 599-601).
- > A 55-gallon drum and boxes of unknown waste (photograph 610).

• Western Facility Boundary

- > Three blue poly drums of unknown liquid: one 55-gallon and two 30-gallon (photograph 38).
- > A green 55-gallon poly drum with an unknown liquid waste (photograph 39, 612, 613).
- > Twelve 55-gallon drums of suspected tall oil spill cleanup debris (photographs 41-43, 617-619, and 623-629).
- > Two poly and two steel 55-gallon drums of unknown liquid waste (photograph 44, 630).
- > One shipping container full of unknown waste and numerous drums of suspected biological oils (photograph 46, 631).
- > Three 55-gallon open topped drums of an unknown waste (photograph #47).
- > A steel tote of an unknown liquid waste (photograph 48, 633, 634).

• Control Building

- > Three 1-gallon glass containers of unknown liquids (photograph 59).
- > A 2-liter poly container of an unknown blue liquid (photograph 60).
- > A 1-liter poly container of an unknown green liquid (photograph 61).
- > A 5-gallon white poly bucket of an unknown waste (photograph 63).
- Numerous small (approximately 1-gallon or less) unmarked or reused containers of unknown waste (photographs 64, 65, 679-682).
- > Six 5-gallon white poly buckets of an unknown waste (photograph 69).
- Approximately thirteen 55-gallon steel drums of unknown wastes (photographs 70, 71, 675-679).
- > Four 1-gallon containers of waste paint (photograph 62).
- > A 5-gallon poly bucket labeled "Chemax-480" (photograph 66).

Processing Plant and Tanks

> Numerous tanks and drums exist on the property both within the processing plant and scattered throughout the grounds. The contents of each tank must be identified and designated.

• Incinerators

At least three incinerators were observed on the property on the Eastern Boundary, Processing Plant Perimeter, and within the Fabrication building. The contents of each incinerator must be designated. See photographs 33, 524, and 537.

Southern Warehouse

Numerous totes not mentioned in the September 2014 report, including on placarded as 1830 that exhibited a "ghost flame" during hazard categorizing.

Unidentified Wastes

Also due to the size of the facility and the large quantity and diversity of wastes and equipment onsite, our inspection was unable to identify every waste stream at the facility. Although not all wastes on site were identified during the inspection, Treoil is responsible for designation and management of all waste streams at the facility.

Violation 2: WAC 173-303-141(1): Designated dangerous waste must be offered to a treatment, storage, and disposal (TSD) facility operating under a permit, or to a facility otherwise authorized to receive waste under this chapter.

Approximately 300 tons of tall oil, and tall oil derivatives which testing in June of 2015 showed designates as Washington state-only toxic dangerous waste, has been stored on site for about 15 years, far in excess of the 90 days allowed for large quantity generators. Dangerous waste may only be sent to permitted hazardous waste treatment, storage, or disposal (TSD) facilities. The September, 2014 compliance inspection listed the following as "unknown" wastes that appear to be tall oil toxic dangerous waste (WT02):

• Eastern Facility Boundary

> Tank labeled "Thickener Tank" of unknown black waste (photographs 3, 512-514).

- > Three totes of contaminated suspected tall oil waste (photographs 5, 520-523). Now moved inside.
- > A tank with unknown contents, apparently leaking (photograph 9).
- Northern Facility Boundary
 - A tank with unknown contents (photograph 11 and 533).
 - > A tank with unknown contents (photograph 534).
- Plant Perimeter
 - > Two tanks with unknown contents (photograph 14).
 - Four tanks with unknown contents (photograph 539-542).
 - A black liquid in a tank along the edge of the main plant (photograph 17, 550). An unknown black liquid in an open blue 55-gallon drum (photograph 18, 555). Five Totes of unknown wastes (photographs 543-546).
 - Five 55-gallon drums of unknown wastes (546-551).
 - Several tanks with unknown contents (photograph 644).
- Fabrication Building
 - A 55-gallon drum of an unknown black liquid (see photograph 24).

Corrective Action:

1. Designation: WAC 173-303-170(1)(a) and by reference WAC 173-303-070(3)

Within 30 days of the date of the order, Treoil must designate the wastes listed in Violation 1 above, and submit a report to the Department of Ecology detailing the designation pursuant to WAC 173-303-220(3).

Include laboratory analytical results in the report to the Department of Ecology. If you use generator knowledge, provide a written explanation of how you arrived at your decision. (Please note that generic material safety data sheets do not necessarily pertain to the specific waste you have on site and will not suffice.)

2. Obtain a RCRA Site Identification (ID) Number: WAC 173-303-060(1)

Within 40 days of the date of the order, obtain a RCRA Site ID Number.

Call the Annual Reporting Hotline at 1-800-874-2022 for assistance with this action.

3. Proper Disposal: WAC 173-303-141(1)

Dispose of all dangerous waste on site to a permitted treatment, storage, and disposal facility (TSD) within 60 days. If the above wastes listed under Violation 1 designate as dangerous waste, within 60 days of the date of the order, Treoil must have properly disposed of all hazardous waste on site.

Within 65 days of the order, submit a report to the Department of Ecology detailing the proper transport and disposal of the wastes. Attach manifests and bills of lading for the transport and disposal of the wastes to the report.

4. Dangerous Waste Annual Report: WAC 173-303-170(2) and by reference 060(5) and 220(1)

Within 75 days of the date of the order, Treoil Industries must submit the Dangerous Waste Annual Report for 2015 to the Department of Ecology.

Call the Annual Reporting Hotline at 1-800-874-2022 for assistance with this action.

ELIGIBILITY FOR PAPERWORK VIOLATION WAIVER AND OPPORTUNITY TO CORRECT

Under RCW 34.05.110, small businesses are eligible for a waiver of a first-time paperwork violation and an opportunity to correct other violations.

Ecology has determined the violations described in this Order are not paperwork violations under RCW 34.05.110 and therefore you are not eligible for a waiver for a first-time paperwork violation.

Ecology has determined that you are not eligible for an opportunity to correct under RCW 34.05.110 because:

• On November 1, 2014 you were provided the opportunity to correct Violation 1 above, by December 1, 2014. You received due date extensions to January 30, 2015, March 31, 2015,

and April 15, 2015 and did not do so by the reasonable time period of five months. As a result, Violation 1 and Violation 2 have occurred.

• The effect of the violations poses a potentially significant threat to human health or the environment or causes serious harm to the public interest.

FAILURE TO COMPLY WITH THIS ORDER

Failure to comply with this Order may result in the issuance of civil penalties of up to \$10,000 per day or other actions, administrative and/or judicial, to enforce the terms of this Order.

YOUR RIGHT TO APPEAL

You have a right to appeal this Order to the Pollution Control Hearing Board (PCHB) within 30 days of the date of receipt of this Order. The appeal process is governed by Chapter 43.21B RCW and Chapter 371-08 WAC. "Date of receipt" is defined in RCW 43.21B.001(2).

To appeal you must do both of the following within 30 days of the date of receipt of this Order:

- File your appeal and a copy of this Order with the PCHB (see addresses below). Filing means actual receipt by the PCHB during regular business hours.
- Serve a copy of your appeal and this Order on Ecology in paper form by mail or in person. (See addresses below.) E-mail is not accepted.

You must also comply with other applicable requirements in Chapter 43.21B RCW and Chapter 371-08 WAC.

ADDRESS AND LOCATION INFORMATION

Street Addresses	Mailing Addresses		
Department of Ecology Attn: Appeals Processing Desk 300 Desmond Drive SE Lacey, WA 98503	Department of Ecology Attn: Appeals Processing Desk PO Box 47608 Olympia, WA 98504-7608		
Pollution Control Hearings Board 1111 Israel Road SW STE 301 Tumwater, WA 98501	Pollution Control Hearings Board PO Box 40903 Olympia, WA 98504-0903		

CONTACT INFORMATION

Please direct all questions about this Order to:

Susan Dier Department of Ecology Northwest Regional Office 3190 160th Ave SE Bellevue, WA 98008-5452 (425) 649-7137 susan.dier@ecy.wa.gov

MORE INFORMATION

- Pollution Control Hearings Board Website www.eho.wa.gov/Boards PCHB.aspx
- Chapter 43.21B RCW Environmental and Land Use Hearings Office Pollution Control Hearings Board http://app.leg.wa.gov/RCW/default.aspx?cite=43.21B
- Chapter 371-08 WAC Practice and Procedure http://app.leg.wa.gov/WAC/default.aspx?cite=371-08
- Chapter 34.05 RCW Administrative Procedure Act http://app.leg.wa.gov/RCW/default.aspx?cite=34.05
- Chapter 70.105 RCW Hazardous Waste Management http://app.leg.wa.gov/RCW/default.aspx?cite=70.105
- Chapter 173-303 WAC Dangerous Waste Regulations www.ecy.wa.gov/biblio/wac173303.html

SIGNATURE

Raman Iyer

Section Manager

Hazardous Waste and Toxics Reduction Program

Northwest Regional Office