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Hazardous Waste Enforcement: Arkansas Department of Energy and Environment - Division of Environmental Quality and Russellville Engine Camshaft Manufacturer Enter into Consent Administrative Order

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The Arkansas Department of Energy and Environment – Division of Environmental Quality (“DEQ”) and Mahle Engine Components USA, Inc. (“Mahle”) entered into a March 20th Consent Administrative Order (“CAO”) addressing alleged violations of Arkansas Pollution Control and Ecology Commission Regulation (“APC&EC”) No. 23 (Hazardous Waste Management). See LIS No. 20-139.

The CAO provides that Mahle operates a facility (“Facility”) in Russellville, Arkansas that manufactures various types of engine camshafts for large diesel engines from raw steel billets.

The Facility is stated to generate listed and characteristic hazardous waste from the camshaft production process and through normal daily activities associated with site operations. In a 2018 Hazardous Waste Annual Report submitted by the Facility, it was described as a small quantity generator (“SQG”) of hazardous waste.

DEQ is stated to have conducted a Compliance Evaluation Inspection (“CEI”) on March 6, 2019 at the Facility. The CEI allegedly identified the following violations of Regulation No. 23:

- Failure to make a hazardous waste determination prior to shipment as described in § 262.11
- Failure to prepare a manifest for hazardous waste prior to transport as described in § 262.20(a)(1)

Mahle responded in August 7, 2019 correspondence to DEQ that the oily water was evaluated and determined to qualify for the used oil exemption listed in 40 C.F.R. 279, given the TCLP analytical sampling taken on December 14, 2018 reported chromium at 9.25 ppm, below the maximum allowable limit of 10 ppm identified in 40 CFR 279.11. Further, the company is stated to have indicated the oily water was transported by Heritage Crystal Clean to their facility in Little Rock, Arkansas, offloaded into their tank farm, and then transported to their Kilgore, TX facility. At this facility the treatment process is stated to have included the removal and dewatering of the used oil. The used oil was stated to have then been sent to the Crystal Clean re-refinery for recycling into a base lube product.

The CAO further provides APC&EC Regulation No. 23 § 279.11 applies to used oil burned for energy recovery, and any fuel produced from used oil. Mahle states the used oil is being sent for re-refining into a

base lubricant product. The used oil is not being burned for energy recovery or being produced as a fuel, therefore, APC&EC Regulation No. 23 Section 279.11 is not applicable.

DEQ is stated to have completed a review of the August 7, 2019 response and determined that Mahle did not make a proper waste determination in accordance with Regulation No. 23 Section 262.11.

The CAO requires that Mahle within 30 days of its effective date submit standard operating procedures to DEQ documenting that all hazardous waste streams are properly managed, including documentation of proper disposal. Further, upon the effective date of the CAO, the company is required to conduct an Internal Compliance Audit of all hazardous waste management units and related activities. The audit is required to be of sufficient scope to identify any instances of noncompliance with applicable hazardous waste management requirements, whether identified by the CEI report or not.

A report is also required to be submitted within 30 calendar days of the effective date of the CAO describing actions taken to achieve and maintain compliance with respect to any instances of noncompliance discovered by the audit. The report will be subject to DEQ approval. If the actions are deemed insufficient, additional actions must be achieved.

The CAO also requires within 60 calendar days of the effective date of the CAO that a Pollution Prevention Study ("PPS") be submitted which indicates ways to reduce the amount of waste from the Facility and submit a Report of Findings specific to the PPS to DEQ for review and approval.

A civil penalty of \$5,500 is assessed which could have been reduced to \$2,750 if the document was signed and returned to DEQ within 20 calendar days of its receipt.

A copy of the CAO can be downloaded [here](#).