



Los Angeles Regional Water Quality Control Board

March 5, 2020

Mr. Timothy W. Hayes
Director, Pipeline and Terminal Operations
Tesoro Logistics Operations LLC
1300 Pier B Street
Long Beach, CA 90813

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED
CLAIM NO. 7018 3090 0000 5247 2659

CT Corporation System
Agent for Service of Process for
Tesoro Logistics Operations LLC
200 East Hardin Street
Findlay, OH 45840

VIA CERTIFIED MAIL
RETURN RECEIPT REQUESTED
CLAIM NO. 7018 3090 0000 5247 2666

RESPONSE TO REQUEST FOR ALLEGED VIOLATION REVIEW – TESORO LOGISTICS OPERATIONS LLC, CARSON CRUDE TERMINAL, 1300 PIER B STREET, LONG BEACH, CA (ORDER NO. R4-2014-0189-A01, NPDES PERMIT NO. CA0060232, CI NO. 6810)

Dear Mr. Hayes:

Thank you for your email submission dated November 18, 2019 regarding Settlement Offer No. R4-2019-0072 for Tesoro Logistics Operations LLC (Permittee), which assessed mandatory minimum penalties (MMPs) for effluent violations. This letter addresses your comments in this regard.

Issue:

The Permittee asserts that no industrial activities at the terminal cause or contribute to the bacteria exceedances in the storm water collected at the pond.

Response:

The Permittee discharges storm water from the Carson Crude Terminal under Order No. R4-2014-0189-A01 (Order), NPDES Permit No. CA0060232. Section IV.A.1.b of the Limitations and Discharge Requirements of the Order contains bacteria effluent limitations for storm water discharges from the Carson Crude Terminal. The Permittee must comply with the effluent limitations included in the Order. The bacteria effluent limitations were exceeded for fecal coliform on February 4, 2019, March 5, 2019, and March 7, 2019, and for enterococci on February 4, 2019 and March 7, 2019 (see Exhibit "1"- Notice of Violation). These violations are chronic violations in accordance with California Water Code (CWC) section 13385(i). CWC section 13385(i) also requires the

IRMA MUÑOZ, CHAIR | RENEE PURDY, EXECUTIVE OFFICER

Los Angeles Regional Water Quality Control Board (Regional Board) to assess an MMP of \$3,000 for each chronic violation, not counting the first three chronic violations. In accordance with the CWC, the Regional Board assessed a total liability amount of \$9,000 for the violations listed on Exhibit "1". Settlement Offer No. R4-2019-0072 addressed only the MMPs required by the CWC and the Regional Board has no discretion in the assessment. Therefore, all violations listed in Exhibit "1" of Settlement Offer No. R4-2019-0072 are meritorious and remain.

Since Tesoro Logistics Operations LLC requested an additional review of these violations, the Regional Board has established new deadlines. If you intend to participate in the Expedited Payment Program, you must sign and return the Acceptance of Conditional Resolution and Waiver of Right to Hearing form by **April 6, 2020**. By signing the revised Acceptance and Waiver, Tesoro Logistics Operations LLC agrees to pay the penalty of \$6,000 as indicated on Exhibit "1" – Notice of Violation and waives the right to a hearing.

If you do not elect to sign the Acceptance and Waiver, you will be contacted regarding formal enforcement action that will be initiated with regard to the contested violations.

Should you have questions regarding this matter, please contact Enforcement Unit staff Mr. Jim Covin at (213) 576-6614 / jim.covin@waterboards.ca.gov or Mr. Russ Colby at (213) 620-6375 / russ.colby@waterboards.ca.gov.

Sincerely,



Hugh Marley
Assistant Executive Officer

Enclosure

Exhibit "1" - Notice of Violation
Acceptance of Conditional Resolution and Waiver of Right to Hearing; (proposed)
Order

cc: (via e-mail)
Kailyn Ellison, Office of Enforcement, State Water Resources Control Board

Violation Date	Monitoring Period	Violation Type	Parameter	Reported Value	Permit Limit	Units	Pollutant Category	% Exceeded	Serious/Chronic	Water Code Section 13385	Penalty
02/04/19	1st Quarter 2019	Daily Maximum	Fecal Coliform	540	400	MPN/100ml	OEV	N/A	Chronic	(i)1	\$0
02/04/19	1st Quarter 2019	Daily Maximum	Enterococci	180	104	MPN/100ml	OEV	N/A	Chronic	(i)1	\$0
03/05/19	1st Quarter 2019	Daily Maximum	Fecal Coliform	540	400	MPN/100ml	OEV	N/A	Chronic	(i)1	\$0
03/07/19	1st Quarter 2019	Daily Maximum	Fecal Coliform	930	400	MPN/100ml	OEV	N/A	Chronic	(i)1	\$3,000
03/07/19	1st Quarter 2019	Daily Maximum	Enterococci	220	104	MPN/100ml	OEV	N/A	Chronic	(i)1	\$3,000
										Total	\$6,000

Settlement Offer No. R4-2019-0072
CI No. 6810, NPDES Permit No. CA0060232

**ACCEPTANCE OF CONDITIONAL RESOLUTION
AND WAIVER OF RIGHT TO HEARING; (proposed) ORDER**

Tesoro Logistics Operations LLC
Settlement Offer No. R4-2019-0072
NPDES Permit No. CA0060232

By signing below and returning this Acceptance of Conditional Resolution and Waiver of Right to Hearing (Acceptance and Waiver) to the Los Angeles Regional Water Quality Control Board (Regional Board), Tesoro Logistics Operations LLC (Permittee) hereby accepts the "Offer to Participate in Expedited Payment Program" and waives the right to a hearing before the Regional Board to dispute the allegations of violations described in the Notice of Violation (NOV), which is attached hereto as Exhibit "1" and incorporated herein by reference.

The Permittee agrees that the NOV shall serve as a complaint pursuant to Article 2.5 of the California Water Code and that no separate complaint is required for the Regional Board to assert jurisdiction over the alleged violations through its Chief Prosecutor. The Permittee agrees to pay the penalties required by California Water Code section 13385 in the sum of \$6,000 (Expedited Payment Amount) which shall be deemed payment in full of any civil liability pursuant to California Water Code sections 13385 and 13385.1 that otherwise might be assessed for the violations described in the NOV. The Permittee understands that this Acceptance and Waiver waives its right to contest the allegations in the NOV and the amount of civil liability for such violations.

The Permittee understands that this Acceptance and Waiver does not address or resolve liability for any violation that is not specifically identified in the NOV.

Upon execution by the Permittee, the completed Acceptance and Waiver shall be returned to:

Jim Covin, Enforcement I Unit
Expedited Payment Program
Los Angeles Regional Water Quality Control Board
320 West 4th Street, Suite 200
Los Angeles, CA 90013

The Permittee understands that federal regulations set for by title 40, Code of Federal Regulations, section 123.27(d)(2)(iii) require the Regional Board to publish notice of and provide at least thirty (30) days for public comment on any proposed resolution of an enforcement action addressing NPDES permit violations. Accordingly, the Acceptance and Waiver, prior to execution by the Regional Board Executive Officer, will be published as required by law for public comment.

If no comments are received within the notice period that causes the Regional Board Executive Officer to question the Expedited Payment Amount, the Regional Board Executive Officer will execute the Acceptance and Waiver.

Settlement Offer No R4-2019-0072
CI No. 6810, NPDES Permit No. CA0060232

The Permittee understands that if significant comments are received in opposition to the Expedited Payment Amount, the offer on behalf of the Regional Board to resolve the violations set forth in the NOV may be withdrawn. In that circumstance, the Permittee will be advised of the withdrawal and an administrative civil liability complaint may be issued and the matter may be set for a hearing before the Regional Board. For such a liability hearing, the Permittee understands that this Acceptance and Waiver executed by the Permittee will be treated as a settlement communication and will not be used as evidence in that hearing.

The Permittee further understands that once the Acceptance and Waiver is executed by the Regional Board Executive Officer, the full payment required by the deadline set forth below is a condition of this Acceptance and Waiver. In accordance with California Water Code sections 13385(n)(1) and 13385.1(c)(1), funds collected for violations of effluent limitations and reporting requirements pursuant to sections 13385 and 13385.1 shall be deposited in the State Water Pollution Cleanup and Abatement Account. Accordingly, the \$6,000 liability shall be paid by a cashiers or certified check made out to the "State Water Pollution Cleanup and Abatement Account". The payment must be submitted to the State Water Resources Control Board no later than thirty (30) calendar days after the date the Acceptance and Waiver is executed by the Regional Board Executive Officer.

Please mail the check to:

State Water Resources Control Board
ATTN: ACL PAYMENT
Division of Administrative Services, Accounting Branch
1001 I Street, 18th Floor, [95814]
P.O. Box 1888
Sacramento, California 95812-1888

I hereby affirm that I am duly authorized to act on behalf of and to bind the Permittee in the making and giving of this Acceptance and Waiver.

Tesoro Logistics Operations LLC

By:


(Signed Name)

03-13-2020
(Date)

Shawn M. Lyon
(Printed or Typed Name)

Vice President, Tesoro Logistics Operations LLC
(Title)



IT IS SO ORDERED PURSUANT TO CALIFORNIA WATER CODE SECTION 13385

By:

Renee Purdy
Executive Officer

(Date)