



# Florida Department of Environmental Protection

Northeast District Office  
7825 Baymeadows Way, Suite B200  
Jacksonville, Florida 32256-7590

Charlie Crist  
Governor

Jeff Kottkamp  
Lt. Governor

Mimi A. Drew  
Secretary

October 26, 2010

Mr. Harry Lewis, Jr., Vice President  
H.R. Lewis Petroleum Co.  
Post Office Box 40763  
Jacksonville, FL 32203

**Re: Proposed Settlement of Lewis Environmental  
1432 Cleveland Street, Jacksonville, Florida 32203  
EPA/DEP ID: FLR 000 048 561  
OCG File No.: 10-2610  
Duval County – Hazardous Waste Program**

Dear Mr. Lewis:

Enclosed for your implementation is the fully executed and filed Consent Order in the above-referenced case. Please familiarize yourself with the compliance dates and terms of the Consent Order so that the complete and timely performances of those obligations are accomplished.

Should you have any questions concerning the Consent Order, please contact Jenna Perry at the letterhead address or at 904.807.3382.

Sincerely,

Ashwin B. Patel, Supervisor  
Hazardous Waste Program

jp/lp

Enclosure(s)

cc: Lea Crandall, OGC, MS #35  
NED Data Entry



# Florida Department of Environmental Protection

Northeast District  
7825 Baymeadows Way, Suite B200  
Jacksonville, Florida 32256-7590  
Phone: 904/807-3300 ♦ Fax: 904/448-4366

Charlie Crist  
Governor

Jeff Kottkamp  
Lt. Governor

Mimi A. Drew  
Secretary

October 22, 2010

Mr. Harry Lewis Jr, Vice-President  
H.R. Lewis Petroleum Co  
Post Office Box 40763  
Jacksonville, Florida 32203

**RE: Proposed Settlement of Lewis Environmental  
1432 Cleveland St, Jacksonville, Florida 32203  
EPA/DEP ID: FLR 000 048 561  
OGC File No.: 10-2610  
Duval County – Hazardous Waste**

Dear Mr. Lewis:

The purpose of this letter is to complete the resolution of the matter previously identified by the Florida Department of Environmental Protection (Department) in the Warning Letter dated February 3, 2010, a copy of which can be found in Exhibit I, attached. The Department finds that you were in violation of the rules and statutes cited in the attached Warning Letter. The corrective actions required to bring your facility into compliance have been performed. In order to resolve the matter identified in the attached Warning Letter, you are assessed civil penalties in the amount of \$24,930.00, along with \$250.00 to reimburse the Department costs, for a total of \$25,180.00. The civil penalty in this case includes five violations of \$2,000.00 or more.

In lieu of paying the entire civil penalty, the Department has determined that \$18,697.50 of the civil penalty may be offset through the implementation of the Pollution Prevention Project (P2 Project) that is described in Exhibit 2, attached. This amount is referred to as the "allowable amount." Respondent shall pay the remaining civil penalties of \$6,232.50 and the Department's costs of \$250.00, for a total of \$6,482.50, within 30 days of the effective date of this Consent Order. The payment must be made payable to the Florida Department of Environmental Protection by cashier's check or money order and shall include the OGC File Number assigned above and the notation "Ecosystems Management and Restoration Trust Fund." Payment shall be sent to the Florida Department of Environmental Protection at 7825 Baymeadows Way, Suite B200, Jacksonville, Florida 32256. The Department acknowledges that the payment of these civil penalties by you, does not constitute an admission of liability.

As provided in the previous paragraph, the Department is giving you the option to offset the allowable amount of the civil penalty with a P2 Project, which is described in Exhibit 2. This option requires that you strictly comply with the requirements and deadlines for implementing, completing, and submitting a Final Report to the Department. Upon signing this letter, you shall implement the approved P2 Project in accordance with the requirements of Exhibit 2. The P2 Project must be started no later than 30 days and completed no later than 90 days of your signing this letter. Your failure to timely start or complete the approved P2 Project or timely provide the Department with the Final Report will cause the P2 Project option to be forfeited and the balance of the civil penalty, \$18,697.50, shall be due within ten days of notice from the Department.

Your signing this letter constitutes your acceptance of the Department's offer to resolve this matter on these terms. If you elect to sign this letter, please return it to the Department at the address indicated above. The Department will then countersign the letter and file it with the Clerk of the Department. When the signed letter is filed with the Clerk, the letter shall constitute final agency action of the Department, which shall be enforceable pursuant to Section 120.69 and 403.121, Florida Statutes.

THE REMAINDER OF THIS PAGE INTENTIONALLY LEFT BLANK

If you do not sign and return this letter to the Department at the District address within 10 days of receiving it, the Department will assume that you are not interested in settling this matter on the above described terms, and will proceed accordingly. None of your rights or substantial interests are determined by this letter unless you sign it and it is filed with the Department Clerk.

Sincerely,



Gregory J. Strong  
District Director

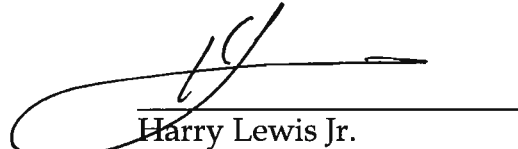
MF

GJS/np

I, Harry Lewis Jr., HEREBY ACCEPT THE TERMS OF THE SETTLEMENT OFFER IDENTIFIED ABOVE.

FOR THE RESPONDENT

Date: 10 | 22 | 2010

  
\_\_\_\_\_  
Harry Lewis Jr.  
With authority to bind  
H.R. Lewis Petroleum Co

FOR THE DEPARTMENT:

Date: 10/25/2010

  
\_\_\_\_\_  
Gregory J. Strong  
District Director

Entered into this 25<sup>TH</sup> day of OCTOBER 2010, in Jacksonville, Florida.

Attachments

ec: Lea Crandall, OCG MS-35  
Ollie Henderson, DEP NED

"FILED, on this date, pursuant to Section 120.52, F.S., with the designated Department Clerk, receipt of which is hereby acknowledged."

Linda Parker 10/26/10  
Clerk Date

## NOTICE OF RIGHTS

Persons who are not parties to this Consent Order but whose substantial interests are affected by this Consent Order have a right, pursuant to Sections 120.569 and 120.57, Florida Statutes, to petition for an administrative hearing on it. The Petition must contain the information set forth below and must be filed (received) at the Department's Office of General Counsel, 3900 Commonwealth Boulevard, MS-35, Tallahassee, Florida 32399-3000, within 21 days of receipt of this notice. A copy of the Petition must also be mailed at the time of filing to the District Office named above at the address indicated. Failure to file a petition within the 21 days constitutes a waiver of any right such person has to an administrative hearing pursuant to Sections 120.569 and 120.57, Florida Statutes.

The petition shall contain the following information:

(a) The Department's Consent Order identification number and the county in which the subject matter or activity is located; (b) The name, address, and telephone number of each petitioner; the name, address, and telephone number of the petitioner's representative, if any, which shall be the address for service purposes during the course of the proceeding; (c) An explanation of how the petitioner's substantial interests will be affected by the Consent Order; (d) A statement of when and how the petitioner received notice of the Consent Order; (e) A statement of all material facts disputed by petitioner, if any; (f) A statement of the specific facts the petitioner contends warrant reversal or modification of the Consent Order; (g) A statement of which rules or statutes the petitioner contends require reversal or modification of the Consent Order; and (h) A statement of the relief sought by the petitioner, stating precisely the action petitioner wishes the Department to take with respect to the Consent Order.

If a petition *is* filed, the administrative hearing process is designed to formulate agency action. Accordingly, the Department's final action may be different from the position taken by it in this Notice. Persons whose substantial interests will be affected by any decision of the Department with regard to the subject Consent Order have the right to petition to become a party to the proceeding. The petition must conform to the requirements specified above and be filed (received) within 21 days of receipt of this notice in the Office of General Counsel at the above address of the Department. Failure to petition within the allowed time frame constitutes a waiver of any right such person has to request a hearing under Sections 120.569 and 120.57, Florida Statutes, and to participate as a party to this proceeding. Any subsequent intervention will only be at the approval of the presiding officer upon motion filed pursuant to Rule 28-106.205, Florida Administrative Code.

Mediation under Section 120.573, Florida Statutes, is not available in this proceeding.

# EXHIBIT 1

F



## Florida Department of Environmental Protection

Northeast District Office  
7825 Baymeadows Way, Suite 200B  
Jacksonville, Florida 32256-7590

Charlie Crist  
Governor

Jeff Kottkamp  
Lt. Governor

Michael W. Sole  
Secretary

FEB 03 2010

E-CERTIFIED MAIL NO. 91 7108 2133 3936 4225 5598  
RETURN RECEIPT REQUESTED

Mr. Harry Lewis, President  
Lewis Environmental  
P.O. Box 40763  
Jacksonville, Florida 32203

Re: **Lewis Environmental**  
**1432 Cleveland St, Jacksonville, FL**  
**Warning Letter WL09-2488HWSNY16NED**  
**EPA/DEP ID: FLR 000 048 561**  
**Duval County - Hazardous Waste**

Dear Mr. Lewis:

The purpose of this letter is to advise you of possible violations of law for which you may be responsible and to seek your cooperation in resolving the matter. A hazardous waste program compliance inspection conducted on October 30, 2009, indicates that violations of Florida Statutes and Rules may exist at your facility. Florida Department of Environmental Protection (DEP) personnel made observations described in the attached inspection report. The "Summary of Potential Violations" section of the report lists the alleged violations.

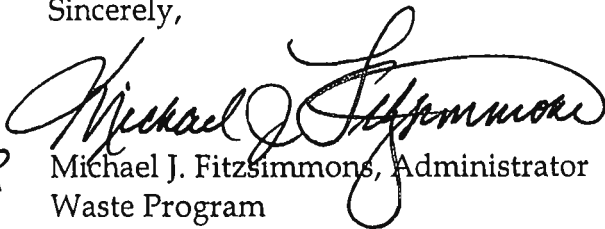
Section 403.727, Florida Statutes, provides that it is a violation to fail to comply with rules adopted by the DEP. The activities observed during the DEP's field inspection and any other activities at your facility that may be contributing to violations of Florida Statutes or Rules should be ceased.

**You are requested to contact Jenna Perry at 904.807.3382 within 15 days of receipt of this Warning Letter to arrange a meeting to discuss this matter. The DEP is interested in reviewing any facts you may have that will assist in determining whether any violations have occurred. You may bring anyone with you to the meeting that you feel could help resolve this matter.**

PLEASE BE ADVISED that this Warning Letter is part of an agency investigation, preliminary to agency action in accordance with Section 120.57(5), Florida Statutes. If after further investigation, the DEP's preliminary findings are verified, this matter may be resolved through the entry of Consent Order, which will include a compliance schedule, an appropriate penalty, and reimbursement of the DEP's costs and expenses. In accordance with Section 403.727(3), Florida Statutes, the penalties, which could be assessed in hazardous waste cases, are up to \$50,000 per day per violation. DEP costs are a minimum of \$250.00.

If this investigation confirms that your facility is significantly out of compliance, and the case is not resolved through a timely entry of a Consent Order, under the DEP's agreement with the EPA, a formal referral for judicial action must be made to the DEP's Office of General Counsel. We look forward to your cooperation in completing the investigation and resolving this matter.

Sincerely,

  
Michael J. Fitzsimmons, Administrator  
Waste Program

BBP

MJF:jp

Enclosure(s)



Florida Department of  
Environmental Protection  
Hazardous Waste Inspection Report

---

**FACILITY INFORMATION:**

**Facility Name:** Lewis Environmental  
**On-Site Inspection Start Date:** 10/30/2009      **On-Site Inspection End Date:** 10/30/2009  
**ME ID#:** 33637      **EPA ID#:** FLR000048561  
**Facility Street Address:** 1432 Cleveland St, Jacksonville, Florida 32209-6400  
**Contact Mailing Address:** PO Box 40763, Jacksonville, Florida 32203-0763  
**County Name:** Duval      **Contact Phone:** (904) 356-0731

**NOTIFIED AS:**

Non-Handler  
Used Oil

**INSPECTION TYPE:**

Routine Inspection for Used Oil Transporter facility  
Routine Inspection for Used Oil Marketer facility  
Routine Inspection for Used Oil Generator facility  
Routine Inspection for CESQG (<100 kg/month) facility  
Routine Inspection for Used Oil Transfer Facility

**INSPECTION PARTICIPANTS:**

**Principal Inspector:** Jenna Perry, Environmental Specialist III  
**Other Participants:** Jerry Stapp, Vice President, Compliance Officer

**LATITUDE / LONGITUDE:** Lat 30° 20' 27.6597" / Long 81° 40' 17.49"

**SIC CODE:** 4212 - Trans. & utilities - local trucking, without storage

**TYPE OF OWNERSHIP:** Private

**Introduction:**

Lewis Environmental (LE) was inspected on October 30, 2009, as an unannounced hazardous waste compliance evaluation inspection. The facility last notified the DEP as a used oil transporter/transfer facility, used oil filter transporter/transfer facility, and used oil marketer in July of 2009. The facility was last inspected on 3/21/01, when this EPA ID number was assigned to Lewis Petroleum (still on-site). Both LE and Lewis Petroleum (same owners) were inspected on this date. LE is currently operating as a used oil transporter/transfer facility, used oil filter transporter/transfer facility, and used oil marketer. Because its used oil storage capacity has exceeded 25,000 gallons, LE is also currently operating as a used oil processor.

The facility sells product oil, lubricants, diesel, and gas. LE also transports used oil, used oil filters, and spent antifreeze. LE has four employees and operates two tanker trucks and one box truck with two drivers. The facility consists of a tank farm, maintenance shop, tank painting area, a drum storage warehouse, and an old gray storage building.

After the inspection, the facility provided documentation on 11/30/09 and again on 12/18/09, which relayed the facility's return to compliance efforts.



Inspection Date: 10/30/2009

**Process Description:****Tank Farm**

---

The Tank Farm area is split into two sections, used oil tanks and product tanks. In the used oil tank area, there were three 6,000-gallon tanks and one 12,000-gallon tank for used oil. All of these tanks were properly labeled and were in secondary containment. Immediately outside the secondary containment was one 5-gallon bucket containing used oil that dripped from the pump (Photo 1) [Rule 62-710.401(6), FAC] [corrected 11/30/09]. According to Mr. Stapp, this bucket is placed inside the secondary containment at the end of each day and is pumped out when full. The bucket was not properly labeled [40 CFR 279.22(c)(1)] [corrected 12/18/09].

Inside the containment for the product tanks was one 250-gallon tank for used oil. Mr. Stapp stated that this tank is used when customers drop-off used oil at the facility. The tank was closed, but it was not labeled (Photo 2) [40 CFR 279.22(c)(1)] [corrected 11/30/09].

**Maintenance Shop**

---

Light maintenance on company fleet vehicles is performed in this area. Some used oil and used oil filter changes are done on-site. One square black used oil pan and one mobile used oil cart were not properly labeled (Photos 3 and 4) [40 CFR 279.22(c)(1)] [corrected 11/30/09]. The pan and cart are emptied into a 30-gallon drum, which is then pumped to a tank outside the Shop. The 30-gallon drum was not properly labeled (Photo 5) [40 CFR 279.22(c)(1)] [corrected 11/30/09]. The tank outside is a 275-gallon tank, which was labeled "Waste Oil." Mr. Stapp said he thought the tank was double-walled but that he was not sure. This is an area of concern [addressed 11/30/09].

Adjacent to the 30-gallon used oil drum was one 55-gallon drum for used oil filters, which was not properly labeled (Photo 6) [Rule 62-710.850(5)(a), FAC] [corrected 11/30/09]. The concrete floor around the used oil filter and used oil drums was stained with what appeared to be used oil (Photo 7). It appeared as though the facility made no attempts to clean up the release [40 CFR 279.22(d)].

The Shop had one Dyna Clean parts washer, which Mr. Stapp said is not used and is empty of solvent.

One non-empty aerosol can was found in the solid waste trash [40 CFR 261.5(g)(3)] [corrected 11/30/09]. Aerosols are, at a minimum, a D001 hazardous waste.

According to Mr. Stapp, facility rags are consolidated into 55-gallon drums, which will be sent for incineration. Mr. Stapp also said that no solvents are used on the rags and that the rags only contain oil and grease. This is an area of concern [addressed 11/30/09].

Waste batteries are taken to Napa for disposal.

**Tank Painting Area**

---

Tanks are painted and prepped for customer use in this Area. According to an area employee, the tanks are painted using rollers, which are then cleaned with Acme Finish 1 Economy Thinner FT220 (7% toluene, 2% ethylbenzene, 12% xylene, 9% methanol, 13% acetone, 8% MEK, 2% methyl isobutyl ketone, flash point 21° F). Spent thinner, which is a D001/F003/F005 hazardous waste, is placed into a "slop" tank located behind the shop. According to an area employee, the facility generates approximately one gallon of spent thinner every three to four months. The "slop" tank outside was closed, but was not labeled. According to Mr. Stapp, the contents of the slop tank are pumped out and added to the facility's bulk used oil tanks.

Inspection Date: 10/30/2009

The facility uses a mixture of diesel and mineral spirits to test the pumps on customer tanks prior to delivery. Once wasted, the spent diesel/mineral spirits is placed into the "slop" tank.

Tanks are painted on a concrete pad outside (Photo 8). Adjacent to the pad, on dirt, was a used oil filter that was not containerized [Rule 62-710.850(5)(a), FAC] [corrected 10/30/08]. Mr. Stapp placed the used oil filter in the used oil filter drum in the Maintenance Shop during the inspection.

#### Drum Storage Warehouse

---

Mostly product and empty drums are stored in this area; however, some waste is off-loaded here as well. There was one 300-gallon used oil tank near an open bay door, which was properly labeled (Photo 9). Mr. Stapp stated that he believed the tank to be double-walled; however, he was not sure. This is an area of concern [addressed 11/30/09]. Mr. Stapp said that the used oil in this tank comes from the purging of hose lines in the tankers. Adjacent to the tank was a large release of what appeared to be used oil. The facility had covered a portion of the release with oil dry; however, it was not sufficient to soak up the release and the facility did not clean up the soiled oil dry [40 CFR 279.22(d)] [corrected 12/18/09].

Used oil filters are also stored in this area in drums; however, none were present at the time of the inspection.

Adjacent to the used oil tank were four 300-gallon totes, which contained a black liquid (Photo 10). During the inspection, Mr. Stapp stated that he did not think it was used oil based on the consistency, but that he was not sure what the liquid was. In an email dated 12/18/09, Mr. Stapp stated that the totes contained a mixture of used oil and water. He stated that the water has since been drawn off the bottom and the used oil added to one of the used oil tanks. At the time of the inspection, none of the totes were labeled, and none were stored within secondary containment [40 CFR 279.22(c)(1)][Rule 62-710.401(6), FAC] [both corrected 12/18/09].

#### Old Gray Storage Building

---

The facility uses this building for storage of non-hazardous wastes and used oil overflow that the tanks in the Tank Farm cannot hold. At the time of the inspection, there were seven totes of used oil in this building (Photo 11). The roof of the building was falling down and missing in some places, allowing rain water to enter the building. None of the totes were in secondary containment and five of the totes were not closed [Rule 62-710.401(6), FAC] [corrected 12/18/09]. Also, none of these totes were properly labeled [40 CFR 279.22(c)(1)] [corrected 12/18/09]. On 11/30/09, Mr. Stapp stated in an email that the used oil in the totes had been transferred to 55-gallon drums. On 12/18/09, Mr. Stapp stated in another email that these 55-gallon drums had been moved to the Drum Storage Warehouse and were properly labeled.

Adjacent to the totes was one 55-gallon drum containing used oil with a few used oil filters inside. This drum was not labeled and was not in secondary containment (Photo 12) [40 CFR 279.22(c)(1)] [Rule 62-710.401(6), FAC] [corrected 11/30/09 and 12/18/09].

There were two 55-gallon drums in the area which, according to Mr. Stapp, contained wastes from Allied Printing, Inc, which was previously operating on-site, but had moved locations several years ago. When asked what they planned to do with the waste, Mr. Stapp stated that it would be disposed of as non-hazardous waste. The facility has not performed a hazardous waste determination on the contents of the drums, though they have been present on-site for several years [40 CFR 262.11]. Mr. Stapp stated in an email on 11/30/09, that the two drums will be disposed of as hazardous waste.

Inspection Date: 10/30/2009

The Storage Building also contained approximately 40 drums of lubricating grease waste, which will be burned off-site in an incinerator.

## Record Review

---

LE is a used oil transporter/transfer facility, used oil filter transporter/transfer facility, and a used oil marketer. Mr. Stapp stated during the inspection that LE began operating as a used oil transporter and marketer in July of 2009; however, facility records indicate that operation began in April of 2009. The facility has a used oil storage capacity of 30,000 gallons, which means that LE meets the definition of a used oil processor in accordance Section 62-710.201, FAC. LE does not have a permit to operate a used oil processing facility and has never submitted the required Used Oil Processing Facility Permit Application, DEP Form 62-710.901(6), to the DEP. This is a violation of Rule 62-710.800(2), FAC.

According to Mr. Stapp, LE delivers on-spec used oil to Atlantic Coast Asphalt in Jacksonville and delivers off-spec used oil to Oil Recovery in Georgia. During a phone call to Oil Recovery on 2/1/10, a representative of Oil Recovery stated that all the used oil delivered from LE is on-spec and that LE makes the on-spec determination.

According to Mr. Stapp, LE delivers about 8,000 gallons of used oil to Atlantic Coast Asphalt two to three times each month, which that facility burns on-site. Mr. Stapp also stated that LE delivers about 6,000 gallons of used oil to Oil Recovery two to three times each month. Records for October 2009 show that 24,000 total gallons of used oil was delivered to Atlantic Coast Asphalt over six deliveries. October 2009 records also show that 25,767 total gallons of used oil was delivered to Oil Recovery over four deliveries.

According to Mr. Stapp, the facility collects used oil from the generator, and then LE is first to make the claim that the used oil is on-specification. Mr. Stapp stated that LE only performs analyses on the used oil if the end user requests it. Mr. Stapp supplied records of all of the analyses run in the past year. Analyses were performed only on 4/21/09, 5/13/09, 6/30/09, 7/15/09, and 8/12/09. The results from 4/21/09 and 5/13/09 show the used oil to be on-spec; however, the other three analyses did not include tests to detect the concentrations of arsenic, cadmium, chromium, or lead [40 CFR 279.72(a)]. In order for used oil to be determined to be on-spec, analysis is required for each individual batch of oil prior to delivery of the oil to the end user. LE did not perform the required analyses on the used oil delivered to Atlantic Coast Asphalt and Oil Recovery in order to determine that the used oil that is to be burned for energy recovery meets the fuel specifications of 40 CFR 279.11 [40 CFR 279.72(a)].

A few of the delivery records to Atlantic Coast Asphalt incorrectly listed the Asphalt company as the generator/shipper of the used oil and not the designated facility. This is an area of concern.

The facility was not maintaining used oil records on DEP Form 62-710.901(2) or on a substantially equivalent form which contains at least the same information as the Department form [Rule 62-710.510(1), FAC] [corrected 12/10/09]. The facility provided documentation on 12/08/09, showing that it has begun using DEP Form 62-710.901(2); however, columns E and F were blank, and column G listed LE as the designated facility. In an email dated 12/10/09, the facility stated that it will fill in the columns as required.

The facility either did not perform or did not have a record of halogen screening for one used oil acceptance record from 10/16/09 [40 CFR 279.44(a)] [corrected 11/30/09].

The used oil transporter training appeared adequate, although the facility did not train in the use of the halogen sniffer. Mr. Stapp stated that the drivers were trained last year by Atlantic Industrial Services, with whom they were previously employed. Mr. Stapp also stated that he plans to include halogen screening training in next year's review.

The facility has the required insurance for used oil transporters through Empire Fire and Marine

Inspection Date: 10/30/2009

**Insurance Company.**

The facility did not display the validated used oil transporter/transfer, used oil filter transporter/transfer, used oil marketer registration form and identification number from the DEP in a prominent place at the facility [Rule 62-710.500(4), FAC] [corrected 11/30/09].

Lewis Environmental has been assigned the EPA ID number FLR 000 048 561. Please use this number on all correspondence with the DEP.

---

**Areas of Concern:**

1. Mr. Stapp was not sure of whether the used oil tanks in the Maintenance Shop and the Drum Storage Building were double-walled. The facility submitted documentation on 11/30/09, showing that these two tanks have been removed from service and were replaced with 55-gallon drums, which will be kept inside a sound structure.
2. According to Mr. Stapp, facility rags are consolidated into 55-gallon drums, which will be sent for incineration. The facility should make sure that there are no solvents being used on the rags, and it should determine whether any of the rags are a hazardous waste. The DEP recommends that all facility rags be laundered at a facility which discharges to a Publicly Owned Treatment Works (POTW).
3. A few of the used oil delivery records to Atlantic Coast Asphalt incorrectly listed the Asphalt company as the generator/shipper of the used oil and not the designated facility. The facility should correctly identify the generator and designated facility on all used oil acceptance and deliver records.

**New Potential Violations:**

Type: Violation  
 Rule: 40 CFR 261.5(g)(3)  
 Explanation: The facility failed to properly dispose of one non-empty aerosol can when it disposed of it in the solid waste trash. (corrected)  
 Corrective Action: No further action is required. The facility has returned to compliance on 11/30/09.

---

Type: Violation  
 Rule: 40 CFR 279.22(c)(1)  
 Explanation: The facility failed to properly label the following used oil containers:  
 1. One 5-gallon bucket in front of the Tank Farm Area.  
 2. One 250-gallon tank in the Tank Farm Area.  
 3. One square black oil pan in the Maintenance Shop.  
 4. One mobile used oil cart in the Maintenance Shop.  
 5. One 30-gallon drum in the Maintenance Shop.  
 6. Four totes in the Drum Storage Warehouse.  
 7. Seven totes in the Old Gray Storage Building.  
 8. One 55-gallon drum of used oil with filters in the Old Gray Storage Building.  
 Corrective Action: No further action is required. The facility returned to compliance with numbers 2-5 and 8 on 11/30/09 and with numbers 1,6, and 7 on 12/18/09.

Inspection Date: 10/30/2009

---

Type: Violation  
Rule: Rule 62-710.850(5)(a), FAC  
Explanation: The facility failed to label one 55-gallon drum of used oil filters in the Maintenance Shop. The facility also failed to containerize one used oil filter, which was in the Drum Painting Area. (corrected)  
Corrective Action: No further action is required. The facility has returned to compliance.

---

Type: Violation  
Rule: 40 CFR 279.22(d)  
Explanation: The facility failed to adequately clean up a release of used oil in the following areas:  
1. Around the used oil filter and used oil drums in the Maintenance Shop.  
2. Next to the used oil tank in the Drum Storage Warehouse.  
Corrective Action: The facility has returned to compliance with item 2.  
  
In order to return to compliance with item 1, the facility should immediately perform the following steps upon detection of a release of used oil to the environment:  
1. Stop the release of used oil.  
2. Contain the released of used oil.  
3. Clean up and properly manage the released used oil and remove any contaminated materials or soil for proper disposal.  
4. If necessary to prevent future releases, repair or replace any equipment leaking used oil before returning the equipment to service.

---

Type: Violation  
Rule: Rule 62-710.401(6), FAC  
Explanation: The facility failed to provide secondary containment for the following containers:  
1. One 5-gallon bucket near the Tank Farm area.  
2. Four totes of used oil in the Drum Storage Warehouse.  
3. Seven totes in the Old Gray Storage Building. In addition, five of the totes were open and unprotected from the weather.  
4. One 55-gallon drum that contained used oil and used oil filters in the Old Gray Storage Building.  
Corrective Action: No further action is required. The facility returned to compliance with item 1 on 11/30/09 and with items 2 through 4 on 12/18/09.

---

Type: Violation  
Rule: Rule 62-710.500(4), FAC  
Explanation: The facility failed to display the validated registration form and identification number provided by the Department in a prominent place at the facility's location. (corrected)  
Corrective Action: No further action is required. The facility returned to compliance on 11/30/09.

Inspection Date: 10/30/2009

---

Type: Violation  
Rule: 40 CFR 279.44(a)  
Explanation: The facility failed to conduct a halogen screening test prior to accepting used oil on a manifest dated 10/16/09. (corrected)  
Corrective Action: No further action is required. The facility returned to compliance on 11/30/09.

---

Type: Violation  
Rule: Rule 62-710.510(1), FAC  
Explanation: The facility failed to maintain used oil acceptance and delivery records on DEP Form 62-710.901(2). (corrected)  
Corrective Action: No further action is required. The facility returned to compliance on 12/10/09.

---

Type: Violation  
Rule: 40 CFR 279.72(a)  
Explanation: The facility failed to analyze used oil shipments for each batch sent to Atlantic Coast Asphalt and Oil Recovery to determine if the used oil was on-spec according to 40 CFR 279.11. The facility has performed only five analyses on batched shipments of used oil; however, the facility failed to run analyses for arsenic, cadmium, chromium, or lead on three of the five tests from 6/30/09, 7/15/09, and 8/12/09.  
Corrective Action: In order to return to compliance, the facility should begin testing collections of each batch of used oil that is to be burned for energy recovery to determine if it meets the on-specification fuel specifications of 40 CFR 279.11. Each analysis should show the level of arsenic, cadmium, chromium, and lead in the used oil, as well as the flash point and the amount of total halogens. The facility should maintain each record of analysis on-site for at least three years.

---

Type: Violation  
Rule: Rule 62-710.800(2), FAC  
Explanation: At the time of the inspection, the facility had a used oil storage capacity of 30,000 gallons, which meets the definition of a used oil processor. The facility did not have a permit from the DEP to operate as a used oil processor.  
Corrective Action: In order to return to compliance, the facility should either:  

1. Apply for a permit using DEP Form 62-710.901(6), the Used Oil Processing Facility Permit Application. The facility should also submit DEP Form 62-710.901(7), the Used Oil Processing Facility Closing Cost Estimate Form. Used oil processors should comply with 40 CFR 279 Subpart F and Chapter 62-710 of the FAC.

or

2. Remove one of the used oil storage tanks from the facility. The facility should be aware that any used oil storage capacity over 25,000 gallons is considered a used oil processor.

Inspection Date: 10/30/2009

Type: Violation

Rule: 40 CFR 262.11

Explanation: The facility failed to perform a hazardous waste determination on the contents of two drums left by a printing company. The drums have been present on-site for several years.

Corrective Action: In order to return to compliance, the facility should either dispose of the containers of waste liquids being accumulated at the facility as a hazardous waste or complete a hazardous waste determination on the contents of the containers.

On 11/30/09, the facility stated that it would dispose of the drums as a hazardous waste. A copy of the manifests for this disposal should be provided to the DEP.

**Summary of Potential Violations:**

Potential Violations

Rule Number	Area	Date Cited	Explanation
261.5(g)(3)		10/30/2009	The facility failed to properly dispose of one non-empty aerosol can when it disposed of it in the solid waste trash. (corrected)
279.22(c)(1)		10/30/2009	The facility failed to properly label the following used oil containers: 1. One 5-gallon bucket in front of the Tank Farm Area. 2. One 250-gallon tank in the Tank Farm Area. 3. One square black oil pan in the Maintenance Shop. 4. One mobile used oil cart in the Maintenance Shop. 5. One 30-gallon drum in the Maintenance Shop. 6. Four totes in the Drum Storage Warehouse. 7. Seven totes in the Old Gray Storage Building. 8. One 55-gallon drum of used oil with filters in the Old Gray Storage Building.
62-710.850(5)(a)		10/30/2009	The facility failed to label one 55-gallon drum of used oil filters in the Maintenance Shop. The facility also failed to containerize one used oil filter, which was in the Drum Painting Area. (corrected)
279.22(d)		10/30/2009	The facility failed to adequately clean up a release of used oil in the following areas: 1. Around the used oil filter and used oil

Inspection Date: 10/30/2009

Rule Number	Area	Date Cited	Explanation
62-710.401(6)		10/30/2009	<p>drums in the Maintenance Shop.</p> <p>2. Next to the used oil tank in the Drum Storage Warehouse.</p> <p>The facility failed to provide secondary containment for the following containers:</p> <ol style="list-style-type: none"><li>1. One 5-gallon bucket near the Tank Farm area.</li><li>2. Four totes of used oil in the Drum Storage Warehouse.</li><li>3. Seven totes in the Old Gray Storage Building. In addition, five of the totes were open and unprotected from the weather.</li><li>4. One 55-gallon drum that contained used oil and used oil filters in the Old Gray Storage Building.</li></ol>
62-710.500(4)		10/30/2009	The facility failed to display the validated registration form and identification number provided by the Department in a prominent place at the facility's location. (corrected)
279.44(a)		10/30/2009	The facility failed to conduct a halogen screening test prior to accepting used oil on a manifest dated 10/16/09. (corrected)
62-710.510(1)		10/30/2009	The facility failed to maintain used oil acceptance and delivery records on DEP Form 62-710.901(2). (corrected)
279.72(a)		10/30/2009	The facility failed to analyze used oil shipments for each batch sent to Atlantic Coast Asphalt and Oil Recovery to determine if the used oil was on-spec according to 40 CFR 279.11. The facility has performed only five analyses on batched shipments of used oil; however, the facility failed to run analyses for arsenic, cadmium, chromium, or lead on three of the five tests from 6/30/09, 7/15/09, and 8/12/09.
62-710.800(2)		10/30/2009	At the time of the inspection, the facility had a used oil storage capacity of 30,000 gallons, which meets the definition of a used oil processor. The facility did not have a permit from the DEP to operate as a used oil processor.
262.11		10/30/2009	The facility failed to perform a hazardous waste determination on the contents of two drums left by a printing company. The drums have been present on-site for several years.

---



Inspection Date: 10/30/2009

Photo 1

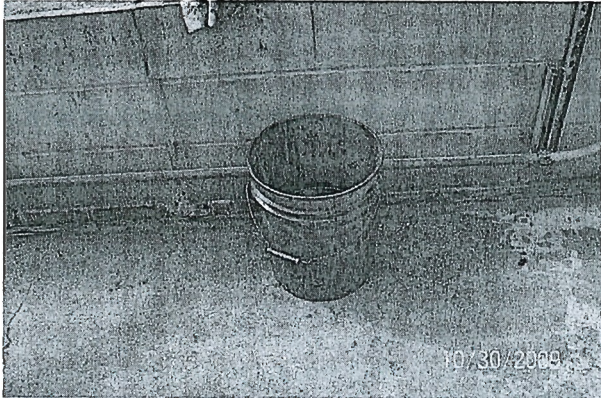


Photo 2

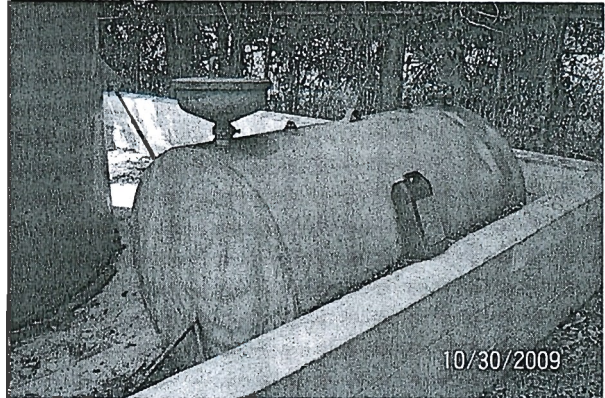


Photo 3

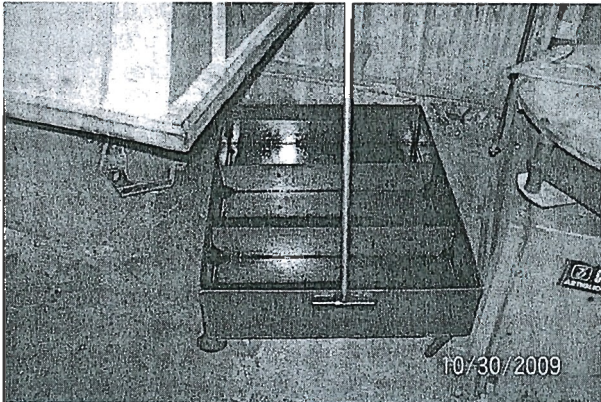


Photo 4

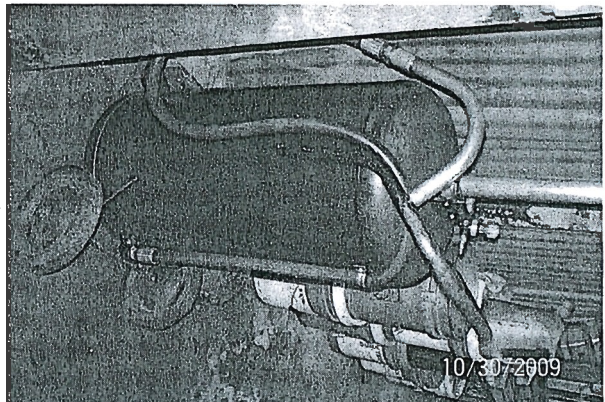


Photo 5

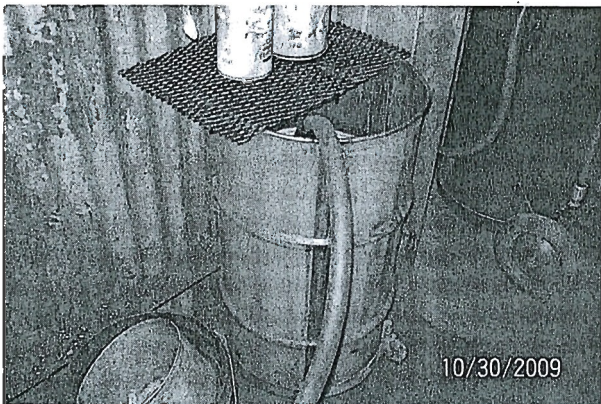


Photo 6





Inspection Date: 10/30/2009

Photo 7

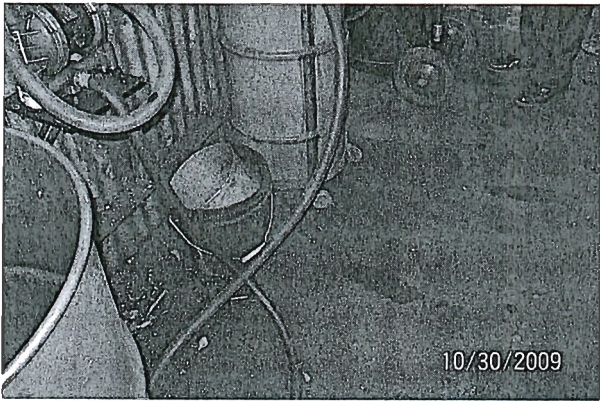


Photo 8

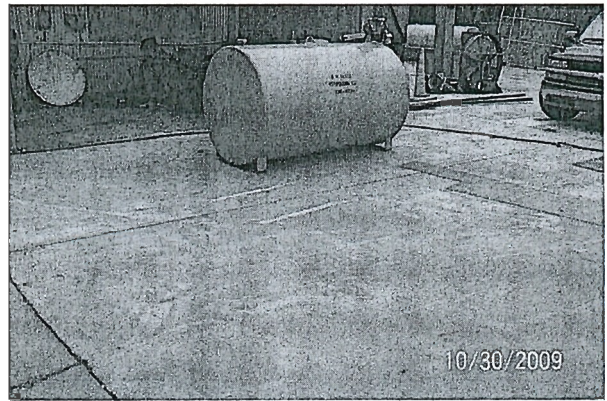


Photo 9



Photo 10

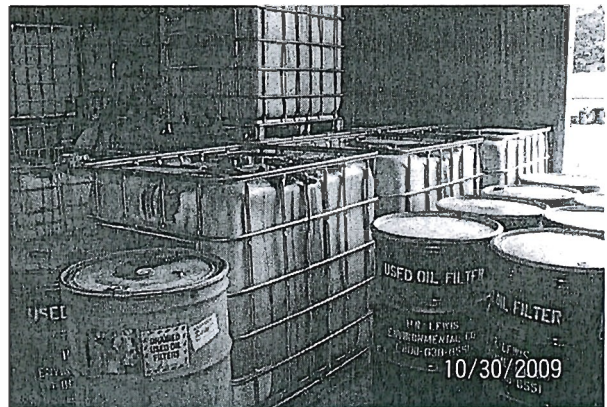


Photo 11

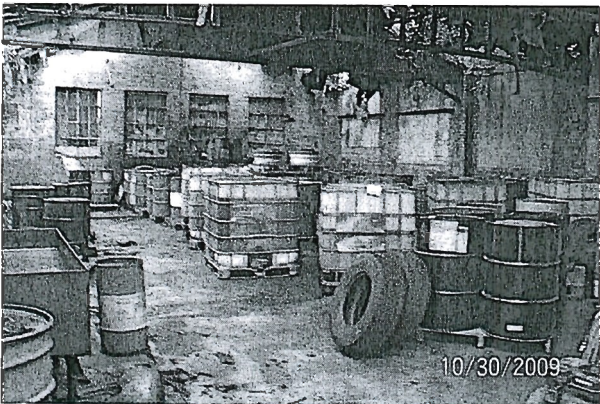


Photo 12




Inspection Date: 10/30/2009

**Signed:**


A hazardous waste compliance inspection was conducted on this date, to determine your facility's compliance with applicable portions of Chapters 403 & 376, F.S., and Chapters 62-710, 62-730, 62-737, & 62-740 Florida Administrative Code (F.A.C.). Portions of the United States Environmental Protection Agency's Title 40 Code of Federal Regulations (C.F.R.) 260 - 279 have been adopted by reference in the state rules under Chapters 62-730 and 62-710, F.A.C. The above noted potential items of non-compliance were identified by the inspector(s).

This is not a formal enforcement action and may not be a complete listing of all items of non-compliance discovered during the inspection.

Jenna Perry	Environmental Specialist III
<b>PRINCIPAL INSPECTOR NAME</b>	<b>PRINCIPAL INSPECTOR TITLE</b>
	
<b>PRINCIPAL INSPECTOR SIGNATURE</b>	
	FDEP
	<b>ORGANIZATION</b>
	2/2/2010
	<b>DATE</b>

Jerry Stapp	Vice President, Compliance Officer
<b>REPRESENTATIVE NAME</b>	<b>REPRESENTATIVE TITLE</b>
NO SIGNATURE	
<b>REPRESENTATIVE SIGNATURE</b>	
	Lewis Environmental
	<b>ORGANIZATION</b>

**Report Approvers:**

Vicky Valade	Environmental Manager
<b>SUPERVISOR NAME</b>	<b>SUPERVISOR TITLE</b>
	
<b>SUPERVISOR SIGNATURE</b>	
	FDEP
	<b>ORGANIZATION</b>
	2/2/2010
	<b>DATE</b>

NOTE: By signing this document, the Site Representative only acknowledges receipt of this Inspection Report and is not admitting to the accuracy of any of the items identified by the Department as "Potential Violations" or areas of concern.

## Exhibit 2

### P2 Project Summary

A. **Project Description:** H.R. Lewis Petroleum Company ("Facility") will install a 2,450 watt SUNWORKS SOLAR photovoltaic system. The system will include (14) 4175B BP 175W Photovoltaic modules, Grid-Tie Inverters, rack, permitting and installation. This system will tie into an existing 6,240 WATT solar system bringing the total solar energy output to 8,690 watts.

B. **Environmental and Economic Benefits:** Carbon Dioxide (CO<sub>2</sub>) is a colorless, odorless non-flammable gas and is the most prominent Greenhouse gas in Earth's atmosphere. Facility currently uses 6,590 kW hours of energy from the Jacksonville Electric Authority, a coal fire power plant. According to SUNWORKS SOLAR and EPA estimates, over the lifetime (25 years) of the new installation (2,450 watts), there will be an offset of 98 Tons of Accumulated Carbon Dioxide. The total system (8,690) will provide a reduction of 348 Tons of Accumulated Carbon Dioxide.

C. **Project Cost:** \$19,800.00 plus tax.

D. **Progress and Final Reports**

1. Within 60 days of completion of the P2 Project, the Respondent shall submit to the Department a Final Report that includes a statement that the P2 Project was successfully completed and an expense report, receipts, and other documents itemizing costs expended on preparing and implementing the project, which are described below.

2. The Department shall review the Final Report and determine:

a. Whether the project was properly implemented; and

b. Which expenses apply toward pollution prevention credits.

3. If the P2 Project Plan is approved by the Department and properly implemented, a \$1.00 pollution prevention credit for each \$1.00 spent on applicable costs will be applied against the portion of the civil penalty that can be offset.

a. The following costs are allowable to offset the allowable amount of the civil penalty:

i. Preparation of the P2 Project;

- ii. Design of the P2 Project;
- iii. Installation of equipment for the P2 Project;
- iv. Construction of the P2 Project;
- v. Testing of the P2 Project;
- vi. Training of staff concerning the implementation of the P2 Project; and
- vii. Capital equipment needed for the P2 Project.

b. The following costs shall not apply toward P2 credit:

- i. Costs incurred in conducting a waste audit;
- ii. Maintenance and operation costs involved in implementing the P2 Project;
- iii. Monitoring and reporting costs;
- iv. Salaries of employees who perform their job duties;
- v. Costs expended to bring the facility into compliance with current law, rules and regulations;
- vi. Costs associated with a P2 Project that is not implemented;
- vii. Costs associated with a P2 Project that has not been approved by the Department; and
- viii. Legal costs.

c. If any balance remains after the entire P2 credit is applied to the allowable portion of the civil penalty, Respondent shall pay the difference within 30 days of written notification by the Department to the Respondent that the balance is due.

d. The Department may terminate the P2 Project at any time during the development or implementation of it, if the Respondent fails to comply with the requirements in this document, act in good faith in preparing and implementing the

project, or develop and implement the P2 Project in a timely manner. The Respondent may terminate the P2 Project at any time during its development or implementation.

e. If the P2 Project is terminated for any reason, Respondent shall pay the full balance of the allowable portion of the civil penalty within 30 days of written demand by the Department.