

Issuance Date: February 19, 2008
Expiration Date: February 19, 2013

SLUDGE DISPOSAL FACILITY PERMIT

WASHINGTON STATE DEPARTMENT OF ECOLOGY
P.O. BOX 47600
OLYMPIA, WASHINGTON 98504-7600

IN COMPLIANCE WITH THE PROVISIONS OF
Chapter 70.95 RCW and Chapter 173-350 WAC

FACILITY TYPE: Sludge Disposal Facility

FACILITY NAME: Tesoro Refining And Marketing Company, Anacortes Refinery
Sludge Disposal Site

FACILITY LOCATION: Tesoro Refining And Marketing Company
10200 March Point Road, Anacortes,
WA 98221

FACILITY OPERATOR: Tesoro Anacortes Refinery
Tesoro Refining And Marketing Company
PO .Box 700
Anacortes, WA 98221

Tesoro Refining And Marketing Company is authorized to operate and maintain the aforementioned Facility in accordance with the special and general conditions, which follow.

Carol Kraege, P.E.
Manager, Industrial Section
SWFA

This permit is issued by the Department of Ecology and may be suspended or revoked with the opportunity for appeal upon violation of any rules or regulations applicable hereto. This permit is issued to the owner/operator for the specific facility indicated above and is not transferable without written notice to the Department and its concurrence based on the agreement of the new owner to comply with the permit conditions. The permit must be renewed every 5 years as provided in WAC 173-350.

The Operation Plan for the Tesoro Refinery landfarm sludge disposal site is incorporated by reference as part of the terms and conditions of this permit. Any deviations or changes must be made in writing for review and approval prior to implementation or noted upon application for renewal as provided in WAC 173-350.

This facility will comply with the conditions of this permit, WAC 173-350 and other applicable regulations. If there are any conflicts between any of the applicable regulations, the more restrictive regulation shall apply.

The permit includes operational, environmental monitoring, closure, post closure, and financial assurance requirements that will apply to the Sludge Disposal Facility as permitted under WAC 173-350-490, Other methods of solid waste handling (Other). There are no specific permit requirements under the Other subsection, therefore the applicable requirements are drawn from the Limited Purpose Landfill subsection WAC 173-350-400.

PERFORMANCE STANDARDS

The following standards of performance are the enforceable objectives of this permit. The permittee shall:

- a. Adhere to the approved Plan of Operation.
- b. Operate and close the facility in a manner that does not pose a threat to human health or the environment;
- c. Comply with chapter 90.48 RCW, Water Pollution Control and implementing regulations, including chapter 173-200 WAC, Water Quality Standards for Ground Waters of the State of Washington;
- d. Conform to the approved local comprehensive solid waste management plan prepared in accordance with chapter 70.95 RCW, Solid Waste Management -- Reduction and Recycling, and/or the local hazardous waste management plan prepared in accordance with chapter 70.105 RCW, Hazardous Waste Management;
- e. Not cause any violation of emission standards or ambient air quality standards at the property boundary of any facility and comply with chapter 70.94 RCW, Washington Clean Air Act; and

- f. Comply with all other applicable local, state, and federal laws and regulations.
- g. Runoff from the landfarm disposal site shall be diverted into the catch basin/collection sump and routed back to the wastewater treatment plant. Any leachate produced from the sludge must be disposed of into the refinery sewer. The facility storm water system must be maintained and shall not contaminate surface waters at or adjacent to the facility site.
- h. All sludge intended for disposal within the landfarm site shall be confined in receiving area(s) until the sludge can be land applied. Any leachate from the sludge must be applied to the land application site or back into the wastewater treatment system.

OPERATING STANDARDS

The following requirements, taken from the limited purpose landfill section, shall apply to the Sludge Disposal Facility.

WAC 173-350-400:

- (4) Operating standards
 - (a) Operate the facility to:
 - (ii) Provide approach and exit roads of all-weather construction
 - (vi) Provide communication between employees working at the LTF and management offices.
 - (xi) Ensure that reserve operational equipment shall be available to maintain and meet these standards.
 - (xii) Ensure that operations do not endanger any containment or monitoring structures such as liners, leachate collection systems, surface water control, and monitoring wells.
 - (c) Inspect the facility to prevent malfunctions and deterioration, operator errors and discharges, which may cause or lead to the release of waste to the environment or a threat to human health. Inspections shall be conducted monthly. An inspection log or summary shall be kept at the facility or other convenient location if permanent office facilities are not on-site, for at least five years from the date of inspection. Inspection records shall be available to the Department of Ecology upon request.
 - (d) Maintain daily operating records on the weights or volumes and types of wastes received. Facility inspection reports shall be maintained.
 - (e) Prepare and submit a copy of an annual report to the Department of Ecology by April 1st of each year. The annual report shall include following items (i) through (vi) from WAC 173-350-400 (4) (e).

- (i) Name and address of the facility;
- (ii) Calendar year covered by the report;
- (iii) Annual quantity and type of waste accepted in tons, or cubic yards with an estimate of density in pounds per cubic yard;
- (iv) Results of ground water monitoring in accordance with WAC 173-350-500;
- (v) Applicable financial assurance reviews and audit findings in accordance with WAC 173-350-600; and
- (vi) Any additional information required by the Department of Ecology as a condition of the permit.

(f) Develop, keep, and abide by a plan of operation approved as part of the permitting process. The plan shall include following items (i) through (vi) from WAC 173-350-400 (4) (f).

- (i) A description of the types of solid waste to be handled at the facility;
- (ii) A description of how solid wastes are to be handled on-site during its active life including:
 - (A) The acceptance criteria that will be applied to the waste;
 - (B) Procedures for ensuring only the waste described will be accepted;
 - (C) Procedures for handling unacceptable wastes; and
 - (D) Unloading and staging areas, transportation, routine filling, compaction, grading, cover or other vector controls, and housekeeping;
- (iii) A description of how equipment, structures and other systems, including leachate collection, gas collection, run-on/runoff controls, and hydraulic gradient control systems, are to be inspected and maintained, including the frequency of inspection and inspection logs;
- (iv) Safety and emergency plans including:
 - (A) Procedures for fire (including subsurface fires) prevention, a description of fire protection equipment available on-site and actions to take if there is a fire or explosion;
 - (B) Actions to take if leaks are detected or for other releases, such as failure of runoff containment system, if such systems are required;
- (v) The forms for recording weights and volumes; and
- (vi) Other such details to demonstrate that the landfill will be operated in accordance with this subsection and as required by the Department of Ecology.

(5) Ground water monitoring

The monitoring results for the report year for the current set of parameters – pH, specific conductance, temperature, depth to water, alkalinity, benzene, toluene, ethylbenzene, xylenes, gasoline, total coliform, sulfate, chloride, COD, total dissolved solids, total organic carbon, nitrite as N, nitrate as N, nitrite+nitrate as N, ammonia as N, dissolved metals Fe, Zn, Mn, Mg, Na, Ni, Sb, Ca, Cr, Pb; and a statistical analysis of the report year results and past monitoring results including a discussion of statistically significant changes (both temporal and locational) must be submitted in the monitoring report. Ground water quality will be determined at

each monitoring well quarterly during the active life of the Biosludge Landfarm (Site 2) unless a parameter has been below the Groundwater Cleanup Level (or statistically equivalent to the background groundwater quality) for four or more consecutive quarters at which point the monitoring frequency will drop to semiannually. Any parameter that is monitored semiannually that exceeds its water quality standards will revert to quarterly monitoring. For the purpose of Site 2, well 94-3 is considered to be representative of background groundwater quality.

(6) Closure requirements

An updated closure plan must be developed and submitted. All requirements in this section must be met, with exception to design requirements. As we have discussed, an alternative closure design may be approved.

(7) Post-closure requirements

All of these requirements will apply to your facility following closure.

(8) Financial Assurance

The financial assurance requirements as outlined in 173-350-600 will be required.

REGULATORY INSPECTIONS

- a. Any duly authorized officer, employee, or representative of the Department of Ecology may, upon the presentation of credentials and such other documents as may be required by law, enter and inspect any property, premises or place on or related to the Sludge Disposal Facility at any reasonable time for the purpose of determining compliance with this permit and solid waste statutes and regulations, to inspect or copy any records that must be kept under the terms and conditions of this permit, or for obtaining samples of groundwater, surface water, leachate, or gaseous emissions.
- b. This permit shall be subject to suspension at any time the Department of Ecology determines that the Sludge Disposal Facility located on the site is being operated in violation of Chapter 70.95 RCW; Chapter 173-350 WAC; local laws and regulations, or the conditions set forth in this permit.

COMPLIANCE SCHEDULE

This permit may be amended by letter from the Department of Ecology at any time prior to its expiration date should circumstances or conditions arise which require immediate compliance for the protection of the public health, welfare, or safety.

GENERAL CONDITIONS

- G1. There shall be no open burning without the concurrent written permission of the Jurisdictional Fire District and the Washington State Department of Ecology.

- G2. Storage of sludge shall be controlled so as not to create a nuisance, allow vermin inhabitation, create a safety hazard, create malodors, create water pollution, allow insect infestation, or otherwise adversely affect the public health.
- G3. The permittee shall insure that adequate reserve operational equipment shall be available to maintain and meet the conditions of this permit.
- G4. The permittee shall institute an adequate maintenance program for all site and facility related equipment to insure the conditions of this permit are continuously and efficiently met.
- G5. The permittee shall provide direct communications between employees working at the composting facility site, and management offices on-site and off-site to handle emergencies.
- G6. The permittee shall notify the Department of Ecology whenever any change or alteration of the permitted site and facility is contemplated. This permit may be amended by letter from the Department of Ecology prior to its intended date of expiration in order to accommodate necessary changes.
- G7. The Department of Ecology may establish specific monitoring requirements beyond those identified in this permit by letter from the Department.
- G8. In the event the permittee is unable to comply with any of the conditions of this permit due to any cause, the permittee shall:
 - (A) Immediately take action to stop, contain and clean up any unauthorized discharges or spills and correct the problem.
 - (B) Immediately notify the Department of Ecology of the failure to comply.
 - (C) Submit a detailed written report to the Department of Ecology describing the nature of the violation, corrective action taken and/or planned, steps taken or to be taken to prevent a recurrence, and any other pertinent information.
- G9. If any part, section, sentence, or paragraph of this permit should be suspended by appropriate action of the Department of Ecology, or found to be invalid by court decision, the remainder of this permit shall not be affected thereby.
- G10. Nothing in this permit shall be construed as excusing the permittee from compliance with any applicable federal, state or local statutes, ordinances, or regulations.
- G11. All persons involved with managing the day-to-day operation of the site shall be familiar with the provisions of this permit and the plan of operation.