

INDIANA DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

We Protect Hoosiers and Our Environment.

100 N. Senate Avenue • Indianapolis, IN 46204

(800) 451-6027 • (317) 232-8603 • www.idem.IN.gov

Eric J. Holcomb

Governor

Brian C. Rockensuess

Commissioner

June 24, 2024

VIA CERTIFIED MAIL#9589 0710 5270 0682 2479 98

Patriot Rail Services LLC, Member Lakeshore Railcar & Tanker Services LLC 10752 Deerwood Park Blvd., Suite 300 Jacksonville, FL 32256

Re: Adoption of Agreed Order

Commissioner, Indiana Department of

Environmental Management

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Lakeshore Railcar & Tanker Services

LLC

Plant ID No. 089-00469 East Chicago, Lake County Case No. 2024-30194-A

Dear Patriot Rail Services LLC:

This is to inform you that the Agreed Order in the above-referenced case has been approved and adopted by the Indiana Department of Environmental Management. A copy of the Agreed Order is enclosed.

Please note the terms of compliance contained in the Agreed Order. The time frames for compliance are effective upon your receipt of this correspondence. Please note that the civil penalty is due within fifteen (15) days after the effective date of the Agreed Order. Payment should be made payable to the Environmental Management Special Fund and sent to:

Indiana Department of Environmental Management Accounts Receivable IGCN, Room 1340 100 North Senate Avenue Indianapolis, IN 46204

Please include the Case Number on the front of the check. If you have any questions, please contact Natalie Ruiz at 317-752-7860 or nsruiz@idem.in.gov.



Sincerely,

David P. McIver, Chief Enforcement Section Office of Air Quality

Pavid P. Medner

Enclosure

cc: Clint Morris, General Manager, Clint.morris@patriotrail.com
Lake County Health Department
Natalie Ruiz, Compliance and Enforcement Branch, Office of Air Quality
Cliff Yukawa, Compliance and Enforcement Branch, Office of Air Quality
Randy Hoffman, Compliance and Enforcement Branch, Office of Air Quality

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Respondent Name: Lakeshore Railcar & Tanker Services LLC

Case Number: 2024-30194-A

AGREED ORDER

Complainant and Respondent desire to settle and compromise this action without hearing or adjudication of any issue of fact or law, and consent to the entry of the following Findings of Fact and Order. <u>Pursuant to IC 13-30-3-3</u>, entry into the terms of this Agreed Order does not constitute an admission of any violation contained herein. Respondent's entry into this Agreed Order shall not constitute a waiver of any defense, legal or equitable, which Respondent may have in any future administrative or judicial proceeding, except a proceeding to enforce this order.

I. FINDINGS OF FACT

- 1. Complainant is the Commissioner ("Complainant") of the Indiana Department of Environmental Management ("IDEM"), a department of the State of Indiana created by Indiana Code ("IC") 13-13-1-1.
- 2. Respondent is Lakeshore Railcar & Tanker Services LLC ("Respondent"), which owns and operates the stationary rail tank car, railcar, and truck tanker cleaning facility with Plant ID No. 089-00469, located at 1150 E 145th St in East Chicago, Lake County, Indiana ("Site").
- 3. IDEM has jurisdiction over the parties and the subject matter of this action.
- 4. Pursuant to IC 13-30-3-3, IDEM issued a Notice of Violation ("NOV") via certified mail to:

Patriot Rail Services LLC, Member Lakeshore Railcar & Tanker Services LLC 10752 Deerwood Park Blvd., Suite 300 Jacksonville, FL 32256

Corporation Service Company, Registered Agent 135 North Pennsylvania Street, Suite 1610 Indianapolis, IN 46204

- 5. Based on IDEM's review, the following violation was in existence or identified by a representative of IDEM's Office of Air Quality ("OAQ").
 - a. Pursuant to Federally Enforceable State Operating Permit No. 089-43729-00469 ("Permit"), Condition D.1.7, Respondent shall perform emissions



Lakeshore Railcar & Tanker Services LLC

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testing of the pressurized rail tank car purging/degreasing operation controlled by the flare not later than five (5) years from the most recent valid compliance demonstration.

Respondent failed to perform emissions testing of the pressurized rail tank car purging/degreasing operation controlled by the flare no later than March 13, 2023, in violation of Permit Condition D.1.7.

6. In recognition of the settlement reached, Respondent waives any right to administrative and judicial review of this Agreed Order.

II. ORDER

- 1. This Agreed Order shall be effective ("Effective Date") when it is adopted via signature by Complainant or Complainant's delegate, and the adopted Agreed Order has been received by Respondent. This Agreed Order shall have no force or effect until the Effective Date. This offer to settle the allegations contained in this Agreed Order does not bind or obligate the parties of this enforcement action if the Agreed Order is not adopted.
- 2. Respondent is assessed a civil penalty of Five Hundred Dollars (\$500.00). Respondent shall pay said penalty amount no later than fifteen (15) days after the Effective Date ("Due Date"). In the event that the civil penalty is not paid by the Due Date, Respondent shall pay interest on the unpaid balance at the rate established by IC 24-4.6-1-101.
- 3. In the event the terms and conditions of this Agreed Order are violated, Complainant may seek additional relief.
- 4. Civil penalties are payable by check to the "Environmental Management Special Fund." Checks shall include the Case Number of this action and shall be mailed to:

Indiana Department of Environmental Management Accounts Receivable IGCN, Room 1340 100 North Senate Avenue Indianapolis, IN 46204

- 5. This Agreed Order shall apply to and be binding upon Respondent and its successors and assigns. Respondent's signatories to this Agreed Order certify that they are fully authorized to execute this Agreed Order and legally bind the party they represent. No change in ownership, corporate, or partnership status of Respondent shall in any way alter its status or responsibilities under this Agreed Order.
- 6. In the event that any terms of this Agreed Order are found to be invalid, the remaining terms shall remain in full force and effect and shall be construed and enforced as if this Agreed Order did not contain the invalid terms.

Lakeshore Railcar & Tanker Services LLC

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- 7. This Agreed Order is not and shall not be interpreted to be a permit or a modification of an existing permit. This Agreed Order, and IDEM's review or approval of any submittal made by Respondent pursuant to this Agreed Order, shall not in any way relieve Respondent of its obligation to comply with the requirements of its applicable permit or any applicable Federal or State law or regulation.
- 8. Complainant does not, by its approval of this Agreed Order, warrant or aver in any manner that Respondent's compliance with any aspect of this Agreed Order will result in compliance with the provisions of any permit, order, or any applicable Federal or State law or regulation.
- 9. Nothing in this Agreed Order shall prevent or limit IDEM's rights to obtain penalties or injunctive relief under any applicable Federal or State law or regulation, except that IDEM may not, and hereby waives its right to, seek additional civil penalties for the same violations specified in the NOV.
- 10. Nothing in this Agreed Order shall prevent IDEM or anyone acting on its behalf from communicating with the United States Environmental Protection Agency ("EPA") or any other agency or entity about any matters relating to this enforcement action. IDEM or anyone acting on its behalf shall not be held liable for any costs or penalties Respondent may incur as a result of such communications with the EPA or any other agency or entity.
- 11. The parties were free to consult with their respective counsel regarding entry into this Agreed Order to the extent each deemed necessary.

REMAINDER OF PAGE LEFT BLANK INTENTIONALLY

Page 4 of 4 TECHNICAL RECOMMENDATION: **RESPONDENT:*** Department of Environmental Lakeshore Railcar & Tanker Services Management LLC By: Jennifer Bailey, Printed: Senior Environmental Manager Enforcement Section Office of Air Quality Date: <u>June 7, 2024</u> Date: APPROVED AND ADOPTED BY THE INDIANA DEPARTMENT OF **ENVIRONMENTAL MANAGEMENT THIS** 24th _____ , 20 24 DAY OF June

Lakeshore Railcar & Tanker Services LLC

Case No.: 2024-30194-A

For the Commissioner:

Matthew Stuckey, Assistant Commissioner

Office of Air Quality

Indiana Department of Environmental

Management

^{*} In the event that Respondent does not accept the settlement offer contained in this Agreed Order, IDEM notes that this document is a qualified offer of settlement, and therefore Rule 408 of Indiana Rules of Evidence applies to this document, rendering it inadmissible.

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