

CERTIFIED MAIL - RETURN RECEIPT REQUIRED

March 17, 2023

Jordan Creel
Director of Quality
Aersale, Inc.
703 E Challenger
Roswell, New Mexico 88203

RE:

NOTICE OF VIOLATION WITH PROPOSED PENALTIES

AERSALE, INC.

EPA ID# NMR000023705

Dear Mr. Creel:

On April 7, 2021, the New Mexico Environment Department ("NMED") conducted a hazardous waste Compliance Evaluation Inspection ("Inspection") at Aersale Inc. ("Aersale"), located at 703 E Challenger, Roswell, New Mexico ("Facility"). Aersale is an aircraft storage, disassembly, maintenance, and overhaul facility at the Roswell Municipal Airport. Aersale generates hazardous waste flammable liquids and fuels, waste flammable solids, spent oxygen generators, and used oil.

Based on observations and review of the information obtained, NMED has determined that Aersale is a Large Quantity Generator of hazardous waste as defined in 40 Code of Federal Regulations ("CFR") 262.13. Furthermore, NMED has determined that Aersale has violated the New Mexico Hazardous Waste Management Regulations ("HWMR") 20.4.1 New Mexico Administrative Code ("NMAC") as specified below.

NMED inspectors observed the following violations:

 Failure to keep containers of hazardous waste closed during accumulation, except when adding waste, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.17(a)(1)(iv)(A). Specifically, NMED observed two open 55-gallon containers of waste Jet A fuel and three open 55-gallon containers of hazardous waste flammable solids in the maintenance hangar. See attached photo sheet, photos #5, 8, 10 and 12.

Corrective Action: Aersale must provide NMED with documentation, such as photographs, of the Central Accumulation Area ("CAA") demonstrating proper waste

container closure practices.

2. Failure to operate the Facility to minimize the possibility of fire, explosion, or sudden or non-sudden releases of hazardous waste constituents, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.251. Specifically, NMED observed spills of hazardous waste flammable liquids in the maintenance hangar resulting from overflow and poor handling of open containers. See attached photo sheet, photos #1 and 4.

Corrective Action: Aersale must provide NMED with documentation, such as photographs, of the CAA demonstrating proper waste container closure and handling practices.

3. Failure to conduct weekly inspections of the hazardous waste central accumulation area, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.17(a)(1)(v). Specifically, Aersale was not conducting weekly inspections of containers stored in the maintenance hangar CAA.

Corrective Action: Aersale must provide NMED with documentation demonstrating weekly inspections of the CAA are being conducted.

4. Failure to label containers of hazardous waste with the words "hazardous waste", which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.17(a)(5)(i)(A). Specifically, NMED observed two 55-gallon containers of waste Jet A fuel and three 55-gallon containers of hazardous waste flammable solids in the maintenance hangar CAA that were not labeled with the words "hazardous waste". See attached photo sheet, photos #5, 8, 9, 10, and 12.

Corrective Action: Aersale must provide NMED with documentation, such as photographs, of the CAA demonstrating proper waste container labeling practices.

5. Failure to label containers of hazardous waste with an indication of the hazard(s) presented by the waste, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.17(a)(5)(i)(B). Specifically, NMED observed eight 55-gallon containers of ignitable hazardous wastes in the maintenance hangar CAA that did not have an ignitable hazard indicator marked. Several of these containers were inappropriately marked as an oxidizer. See attached photo sheet, photos #1, 3, 4, 5, 8, 9, 10, and 12.

Corrective Action: Aersale must provide NMED with documentation, such as photographs, of the CAA demonstrating proper waste container labeling practices.

6. Failure to mark containers of hazardous waste with the date upon which accumulation began, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR

§ 262.17(a)(5)(i)(C). Specifically, NMED observed eight 55-gallon containers of hazardous wastes in the maintenance hangar CAA that were not marked with an accumulation start date. See attached photo sheet, photos #3, 4, 5, 8, 9, 10, and 12.

Corrective Action: Aersale must provide NMED with documentation, such as photographs, of the CAA demonstrating proper waste container dating practices.

7. Failure to perform regular testing of emergency response equipment, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.253. Specifically, a fire extinguisher at the maintenance hangar CAA had lapsed in its monthly inspection record. See attached photo sheet, photo #11.

Corrective Action: Aersale must provide NMED with documentation demonstrating emergency equipment used at/for the current hazardous waste storage area(s) are given regular inspections per manufacturer recommendations.

8. Failure to develop and submit a Quick Reference Guide to emergency response authorities, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.262(b). Specifically, Aersale had not developed a Quick Reference Guide section for the Facility Contingency Plan.

Corrective Action: Aersale must revise the Facility Contingency Plan to include a Quick Reference Guide containing content specified in 40 CFR § 262.262(b), submit copies to local emergency response authorities that have entered agreements for emergency services, and provide NMED a copy of the Quick Reference Guide and documentation of submittal to local emergency response authorities.

9. Failure to respond to the release of used oil, which is a violation of 20.4.1.1002 NMAC, incorporating 40 CFR § 279.22(d). Specifically, NMED observed a used oil release from overflow and poor handling of open containers in the maintenance hangar CAA. See attached photo sheet, photo #1.

Corrective Action: Aersale must provide NMED with documentation, such as photographs, of the used oil storage area, as well as the maintenance hangar demonstrating remediation of the used oil release.

10. Failure to label containers of used oil with the words "used oil", or with other wording to identify contents, which is a violation of 20.4.1.1002 NMAC, incorporating 40 CFR § 279.22(c)(1) and 20.4.1.1003(A) NMAC. Specifically, NMED observed two 55-gallon containers of used oil in the maintenance hangar. One of these containers was unlabeled and the other labeled as universal waste. Also, NMED observed an unlabeled 350-gallon tank of used oil in the maintenance hangar. See attached photo sheet, photos #1, 2, 6, 7, and 9.

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Corrective Action: Aersale must provide NMED with documentation, such as photographs, of the current used oil storage area(s) of the facility demonstrating proper used oil labeling practices.

NMED is requesting that Aersale provide to NMED within thirty (30) days of receipt of this letter a written description of the actions taken by Aersale to address the violations described above or a schedule for implementation of corrective actions not yet completed.

In accordance with New Mexico Statutory Authority 1978, Section 74-4-10, NMED may: (1) issue a Notice of Violation requesting voluntary compliance within a specified time period; (2) issue a Compliance Order requiring compliance immediately or within a specified time period or assess a civil penalty for any past or current violations of up to \$10,000 per day of non-compliance for each violation, or both; or (3) commence a civil action in District Court for appropriate relief, including a temporary or permanent injunction.

Due to the nature of the violations listed above, NMED proposes a civil penalty for these violations in a separate Notice of Proposed Penalty letter (attached), a settlement privileged document in accordance with NMED's Civil Penalty policy, dated March 2017.

If you have any questions regarding this letter, please contact Aaron Coffman of my staff at (505) 690-5211 or by email at aaron.coffman@env.nm.gov. Please address any written response to the attention of Aaron Coffman at the address in the letterhead.

Sincerely,

Dave Cobrain Acting Chief

Hazardous Waste Bureau

cc: Aaron Coffman, NMED HWB

Michael Kesler, NMED District III Manager David Archibeque, Aersale, EH&S Manager

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