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**SETTLEMENTS REACHED WITH KINDER MORGAN AND
CALIFORNIA RESOURCES CORPORATION RELATED TO
THE DELIVERY OF HAZARDOUS WASTE TO AN
UNPERMITTED SITE IN BAKERSFIELD**

BAKERSFIELD – District Attorney Cynthia Zimmer announced today, February 17, 2021, that her office has obtained settlements from California Resources Corporation (CRC) and Kinder Morgan Liquids Terminals LLC (Kinder Morgan) arising out of the delivery of hazardous waste to a Bakersfield facility that is not permitted to accept hazardous waste.

The hazardous waste from these companies was sent to the facility operated by LPOD, Inc., dba Las Palmas Oil & Dehydration (Las Palmas) located at 3121 Standard Street in Bakersfield. Las Palmas is not permitted to accept hazardous waste. Las Palmas, however, has admitted in court filings that it received hazardous waste. (See *LPOD, Inc. et al. v. Kinder Morgan Liquids Terminals, LLC*, Kern County Superior Court Case No. BCV-20-102503; *LPOD, Inc. et al. v. Schnitzer Steel Industries, Inc. et al.*, Kern County Superior Court Case No. BCV-20-102282; *LPOD, Inc. et al. v. C.L. Knox, Inc. et al.*, Kern County Superior Court Case No. BCV-19-102513.)

California's Hazardous Waste Control Law (HWCL) regulates the handling of hazardous waste from the time of its generation; through its storage, treatment, and transportation; to its final disposal. This "cradle to grave" system protects the public and the environment from the risks posed by hazardous wastes by, among other things, requiring that hazardous waste be treated, stored, and disposed of only at facilities that have been vetted and permitted by the Department of Toxic Substances Control (DTSC).

The Kern County Environmental Health Division began to investigate Las Palmas following the receipt of an anonymous complaint. As part of its investigation, Environmental Health checked into several material streams being sent to Las Palmas. Environmental Health eventually referred the matter to the District Attorney's Office, which has been further investigating the matter with DTSC's assistance.

The investigations conducted by Environmental Health and the District Attorney's Office revealed that Kinder Morgan has been sending to Las Palmas MTBE-laden gasoline that has been pulled up from the ground and otherwise recovered as part of an ongoing groundwater remediation project at Kinder Morgan's Carson, California terminal. In agreeing to settle, Kinder Morgan will pay \$240,000 in penalties and \$30,000 to reimburse the agencies for the cost of their investigations.

CRC sent to Las Palmas tank bottoms related to CRC's oilfield production operations, which CRC contends Las Palmas represented it could accept. CRC has agreed to pay \$140,000 in penalties and \$25,000 in costs.

In addition to the monetary relief referenced above, each settling company must comply with an injunction that requires it to follow California's laws concerning the safe management of hazardous waste. Each settling company also has agreed to cooperate with the District Attorney Office's ongoing investigation.

District Attorney Cynthia Zimmer stated:

"This case involves many different hazardous wastes being sent to Las Palmas over many years in violation of the Hazardous Waste Control Law. The law requires the proper transportation and disposal of hazardous waste and is designed to protect all communities against improper disposal of hazardous waste.

Investigation conducted by the Kern County Environmental Health Division and California Department of Toxic Substances Control was essential in identifying the improper handling of hazardous waste in our community. The diligence of Kern County's Environmental Health investigation into streams of hazardous waste to the Las Palmas facility in Bakersfield allowed for effective resolution of these cases.

When presented with the investigation, the companies involved agreed to settlements consistent with their responsibility and we are grateful for their cooperation in ensuring compliance in the future.

The investigation is ongoing, and the District Attorney's Office intends to hold accountable other actors involved in the improper handling of hazardous waste."

The cases are:

- *People v. California Resources Corporation*, Kern County Superior Court Case No. BCV-21-100286.
- *People v. Kinder Morgan Liquids Terminals LLC*, Kern County Superior Court Case No. BCV-21-100234.