
SECOND INTERVIEW OF:

TODD AALTO

TAKEN DECEMBER 19, 1997 AT 10:40 A.M.

MILO BALLINGRUD
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SECOND INTERVIEW OF TODD AALTO, taken pursuant to agreement of and between parties at, Koch Industries, Inc., P.O. Box 64596, St. Paul, Minnesota, at approximately 10:40 a.m. on Friday, December 19, 1997 before Milo Ballingrud, Notary Public, County of Hennepin, State of Minnesota.

APPEARANCES:

Present from the Minnesota Pollution Control Agency:

DON L. BRIENS, P.E.

MARY L. HAYES

GREGORY BERGER

ALAN MITCHELL, Attorney at Law

RICK COOLEY, Attorney at Law

Present from the law firm Green Espel:

SUSAN K. WIENS, Attorney at Law

I N D E X

BY MR. BERGER:

Q. Todd, I'll start out this morning. My name is Greg Berger, as you remember. I won't repeat my introduction, but to give you a quick version of it, this is totally voluntary on your part to answer our questions and the information we receive here may be used in a criminal, civil or administrative action against Koch, the Refining company. This investigation is of Koch Refining and not any individuals.

Todd, I want to talk to you about an area that we didn't cover when we talked to you the first time, and that's in regards to the non-oily water sewer system. Would you tell me your understanding of that non-oily water sewer system, the purpose, what it's used for?

A. It's supposed to be used for exactly that, non-oily water, mainly from the RO skids in the boiler house, the water that's too hard to use, just clean well water that we can't use. It goes down and doesn't need processing, it comes out of the ground clean.

Q. And storm water?

A. Well, yeah.

Q. Are you say RO skids, is that reverse osmosis?

A. Correct.
Q. Are you aware of other materials being released to the non-oily water sewer system like acids and caustics and other waste materials?
A. Occasionally, yeah. We get pH swings on our board all the time, so there's got to be swinging in there that's swinging the pH meter, anywhere from 2 to 12 roughly daily.
Q. Do you know what is causing those pH swings?
A. Not specifically. I haven't worked in the boiler house enough to know, you know. It has to be something operationally because, you know, it's a regular occurrence where the pH is swinging, but I couldn't tell you specifically where it's coming from. I don't have that knowledge.
Q. You see this on a daily basis, or you saw it on a daily basis?
A. I still see it. I mean, there is still pH swings. You look on a strip chart, there's a lot of times they sit in the 6.6 to 7 range. But there are times routinely when they bounce around.
Q. So you have a strip chart recorder right in the boiler house that you --

A. No, in the waste water.
Q. Oh, okay.
A. So when it comes down to our end we can see it moving.
Q. Where does it pick up the reading?
A. What is technically called the NOWS basin just to the south side of the sand filter building. It used to be a caustic addition building with sand filters in there and some pH adjustment years and years ago before my time. Now all it is is a maintenance shop. There's four bays that the water goes through with some mixtures in it and two pH probes. There's nothing added there anymore, it's just a wide spot in the line with some pH probes in it.
Q. All right. I'm going to show you a few logs quickly, and this is one we talked about before, it's dated 3/30/95 and it's number 5037.

It reads boiler house sending 200 gallons high pH to NOWS (indicating). The second one here is dated 7/17/96 and is number 573. It states boiler house called, bleed open sending acid to NOWS for approximately four hours (indicating).

A. There's acid injection on the skids. You know,

if you spring a leak it's going to the floor, which -- we had an open floor and that's where all the water comes from. I'm sure it happens, you know.

Q. And then the third one here is dated 3/16/95, boiler house draining acids to NOWS to make repair on V65. Then it states in parentheses pit had to be drained.

A. I believe that's the acid tank up there, V65 is.

Q. So in your estimation are these situations that would cause that swing in pH?

A. It would be more abnormal, but, you know, they're not the daily reason. These are maintenance occurrences most likely, you know, maybe they have to make a repair on a tank. So that's an out of the ordinary occurrence.

A bleed -- they most likely found a bleed that was left open, which is not standard operating procedure, you know. There are occasions when -- like I said, the pH swings all the time, but if it stays in one position for a long period of time then we'll make some phone calls and try to find out why. If there's something like a tank leaking, a line broken somewhere, just get people up and walking around

and looking at their things. This four hour one may have been one of those occurrences where we saw, you know, the 2 pH for a long period and started making some phone calls to find out why. I don't know why because it doesn't state it, but this shouldn't stay down that long, that's not normal. I don't know, high pH, other than to do with their caustic system up there, there's not enough here for me to judge.

Q. Okay. Could these releases have gone to the oily water sewer?

A. With my limited knowledge of the boiler house, some might have been able to, but in the RO area all that floor drain system, that's all clean water sewer to my knowledge. I don't believe they have like a bypass to swing that flow into an oily water area. If you wanted to truck it I suppose everything could go to the oily water sewer. You know, it's hard to say.

Q. All right. I want to get to another source of releases to the NOWS, and that's from tanks, more specific tanks. I have a couple of logs here, and the first one is dated 4/21/96 and is number 330. It states caustic, then a dash, tank 304 and then there's an arrow to B5 and it

states poly dumping 500 gallons per minute to NOWS.

And then the second one is dated 7/12/96 and it's number 560. This states 27 units sending to storm sewer soda ash mix from vessel for approximately two hours. Your name is on the first one, Todd, as an operator (indicating).

A. (Views document.)

Q. Could you describe for me what is going on there?

A. I'm trying to think where tank 304 is.

MS. WIENS: Is that your writing?

THE WITNESS: No, that's Mark's writing. Mark apparently took the phone call, being he wrote it down and judging from this. I know there are several areas in the plant where a spill or whatever can make its way to the storm sewer and down the oily water sewer. I don't know if -- I can't remember if I ever knew where 304 is, but it's not coming to me right now. As far as the 500 gallons a minute, their area is up in the poly and the old crude that goes to the NOWS. We know that from previous problems, but this specific one I'm not sure on.

BY MR. BERGER:

Q. Does that appear to be a tank 304 dump to you, a caustic tank dump?

A. That's what it appears to me. It would be easy enough to find out what's in 304. Apparently it's caustic. 500 gallons a minute seems to be fairly excessive. I don't recall the specific incident though.

Q. Look at the second one there, Todd. Is that a pretty common thing to have happen?

A. Well, we found -- specifically this last summer we found areas of the newer part of the plant, 25 unit platformer, 27 unit area, flows that end up in the storm water sewer that we didn't really think went to the storm water sewer.

Q. What flows are these?

A. We've noticed when we've had fire monitors on vessels to keep them cool we have seen excess flows into the coker pond. After hunting it down and shutting off these monitors and seeing the flows drop off we figured these are going to the coker ponds. So, you know, I guess I don't dispute the fact that -- this isn't a common occurrence, but, you know, I don't dispute it happened.

Q. You're talking about these flows, and what type of flows are you talking about? Is it water, oily water or some other hydrocarbon waste?
A. In my experience going from manhole to manhole water and rich gas smell, and I don't know what it was, green in color and gasoline in vapor smell. We really couldn't pinpoint where it was coming from.
Q. But it was getting into the NOWS?
A. Well, it was getting into the storm water system.
Q. But not the NOWS?
A. Well, the 27 unit, that end of it would go to the coker pond. Everything from that end, on that side of the plant would end up at the coker ponds. That's what kind of surprises me, that some of those flows were going there. But like the previous one, the poly and old crude area, that goes toward the NOWS. So you've got kind of a line there where it splits and goes two ways.
Q. All right. I don't have anymore.

EXAMINATION

BY MR. KRIENS:

Q. Todd, you can probably help clarify some things

for us. I made some charts here which chart out the waste water treatment plant flow, polishing pond flow and production levels and that type of thing, and weekend flows versus weekday flows.

This particular chart plots out -- it's a chart which plots out production levels of barrels per day, production at the refinery, and also plots out OSWTP flow (indicating). The production rates are confidential, but I'm showing this for illustration here.

A. We see them daily anyway as operators.

Q. All right. I wanted to point it out because we have agreed to keep that confidential in our files.

The dark one is the production level, the lighter gray one is the OSWTP flow. Correct me if I'm wrong, but my understanding is the OSWTP flow would be the flow that is measured after the treatment plant or the clarifiers, it would be the flow going to the polishing ponds from the waste water plant?

A. I believe that's what they're measuring, yes.

Q. Also my understanding is, and correct me if I'm wrong, if this flow is lower then it would mean -- lower than expected, it would mean it

would be diverted to the B5 pond. Is that how you would understand that?

A. Well, in certain circumstances it could be, or our plant flow could just be down. Our plant flow swings wildly for no apparent reason sometimes.

Q. Yeah, I understand that could be the case, too. Looking at February of '97 specifically, you can see in that month it has an inverse relationship here between production and flow (indicating). The other months the production level is lower than the OSWTP flow. They have almost the same flow, linear relationship, which we calculated.

In February it shows that the OSWTP flow is lower, the inverse of the other months. However, in that month the influent flow to the plant was, if anything, high. Meaning production was up and the waste water flow to it was not lower, it was actually as expected or even to some extent higher. The average flow, based on data at the rapid mix area that Barr provided, was three million gallons per day. Do you know what went on to have caused what seems to me to be an atypical relationship here?

A. I don't know. February of '97, so it's a few

months ago.

Q. In that month we know that -- we have documented at least three instances where the waste water was discharged via the hydrant system because it was backed up to B5. My question is do you know of any other incidents in February of '97 where that was done that would tend to clarify this and explain why that flow was recorded so much less?

A. I can't think of anything specifically right at this moment that we haven't covered in logs.

Q. All right.

MS. WIENS: Don, can we get copies of your charts?

MR. KRIENS: I don't know.

MS. WIENS: If we don't get copies of them then maybe you shouldn't show them to him and have him testify about them. I would like everything to be part of the record, and if we can't have them --

MR. KRIENS: Yeah. We'll have to discuss that.

MR. MITCHELL: The files have been closed, they're not open.

MS. WIENS: Then I would like him to

testify about what he knows and not looking at your charts if you're not going to let us have them.

MR. KRIENS: Well, this is data that's based on information Koch has provided to us that they are clearly capable of producing themselves. So this is data that's in the Barr Engineering report and other information, in discharge monitoring reports, that is submitted by the waste water plant and Koch.

MS. WIENS: I understand that. You can talk to him about the data you have, but if you're not going to let us have the charts then he is not going to be to able to look at the charts.

MR. KRIENS: I just don't agree with that at all.

MR. MITCHELL: Do you want him to orally tell him the information rather than the aid of looking at the thing?

MS. WIENS: I would like our record to show what it is that he is looking at, and I would like to be able some day to go back and see what he's talking about. I can't do that if I don't have that documented.

MR. MITCHELL: You can listen and read the record.

MS. WIENS: If we were in any other kind of setting you would have to make this a part of the record.

MR. MITCHELL: Not in this environment.

MS. WIENS: Then he's not going to look at it.

MR. MITCHELL: Are you going to tell him not to answer, not to look at the chart?

MS. WIENS: I'm going to tell him to answer the question and he's not going to look at the chart.

MR. MITCHELL: Ask your question, Don, and if Todd doesn't look at the chart he doesn't look at the chart.

BY MR. KRIENS:

Q. The polishing pond flow in February of '97, based on the chart that I'm holding, shows that the polishing pond monthly average flow was 3.33 million gallons a day, much lower than any other month during this period we studied, this year and a half beginning January of '96. It has a daily maximum flow, however, that is about

average with the other daily maximum flows, and it also has a weekend flow that is much higher than the 3.33. We've found that -- in fact, the weekend flow is 18 percent high than the weekday flow in February of '97.

The first question I have is do you know why the monthly average flow would be so low and where this extra water went? Some of the water went to the river on the weekends at a higher rate, but on the average for the month there still seems to be a lot of water, to me at least, that is unaccounted for.

A. Well, we're talking the same month as previous?

Q. Right, February of '97.

A. The only explanation is it didn't get there, obviously it was backed up into other areas of the plant. It's not going it evaporate, so -- you know.

Q. Koch has previously told us there was so much water they had to deal with to get rid of, but it's not reflected here in the water that's monitored out to the river. So do you think it was disposed of by other means via the hydrant?

A. Well, the hydrants were used at certain times. Obviously I can't tell you exactly when, but to

my knowledge, yes, the hydrants were used.

MR. KRIENS: Okay. That's all.

BY MS. HAYES:

Q. I just have one quick question about a log that I believe you authored from September 24, 1996. It's number 722, the same one that was discussed in the previous interview.

It starts with the manhole overflow, and I assume that's probably tank 500.

A. Yeah, the coker ponds.

Q. The EPA audit of water to the polishing ponds and then safety will be flushing fire mains tonight. Would you take a look at that (indicating)?

A. Yeah, that's the coker pond flow, manhole going to the clean water sewer or non-oily water sewer.

Q. Do you remember that audit? Do you remember what you're referring to there from last fall?

A. Yeah, I vaguely remember that, you know, the people, your department or someone was -- the department in the plant. I didn't talk to them per se, but yes, they were in there.

Q. Was there anything in particular you did to prepare for that kind of an audit, do you

recall?

A. Different occurrences. If audits are announced per se there's certain things we do, you know, like clean the place up a little bit more, if things are laying around you make it look a little more tidy. Just the things that need to be cleaned up basically, a little more push on them. Is this a federal audit or your department?

Q. That was the EPA.

A. Okay. I know some of the guys write down --

Q. Yeah. I didn't know when I first read it either, and then I realized they actually did one in September and we did not.

A. That's a normal occurrence when somebody announces they're going be in the plant.

Q. To clean it up?

A. Right.

Q. The previous interview said that sometimes you might cut the hydraulics in the plant?

A. Depending on where we're at, you know, and depending on what's going on specifically. Obviously you want things to look as good at first glance as possible.

Q. Sure, that's makes a lot of sense to me, uh-huh.

But no other kinds of instructions or -- nothing that seemed out of the ordinary beyond regular routine sort of things?

A. Nothing that comes to mind right now.

Q. What about in terms of your documentation on the logs, you are real thorough about documentation? Did you ever hear anything or get any instructions about how to do the documentation on the waste water logs?

A. Yeah, there have been occasions where we've been told -- how was it put to us? Don't put opinions in was one of the things, put only operational facts, don't put your opinions or how you perceived things. Like say if somebody thought that something we were doing was -- it may have been maybe a legal loophole, but was it ethically okay. They might write their opinion in there. Well, they don't want that stuff in there, they told us that. You know, try to stick to the point more or less, write down only pertinent facts of the operation.

MS. HAYES: Okay. Thanks, that's all I have.

FURTHER EXAMINATION

BY MR. BERGER:

Q. A follow up on the issue that I was talking about, Todd. I have a documentation here in the logs of hydro water being drained or pumped to the NOWS. I'll just read these quickly. This one states tank 23 being pumped about 500 gallons per minute to NOWS and there is a question mark there. The log before that one states pumpers drain tank 23 hydro H2 to NOWS. I believe in that second one they're talking about hydro water, too.

MS. HAYES: That's May 22 and 23 of '95.

BY MR. BERGER:

Q. Right. Then one from 2/14/95 states -- it's got Schlomka and then an arrow, line up tank 12, H20 and to area to NOWS via neutralization basin at 1100. It's apparently that hydro water goes to --

A. Yeah, NOWS or lower lagoon.

Q. Are you aware of any testing of that water for hazardous constituents?

A. We're not in charge for that. You know, they would just tell us it's coming. As far as testing, I assume you would have to ask someone in the pumping department.

Q. You're not aware of any?
A. They never say, you know, it's tested okay we are sending it to you, they basically say here it comes.
Q. The west storm pond, are you aware of the west storm pond going down by itself without being pumped, it would just go down? Have you ever heard of that problem or seen that problem?
A. Well, yeah, I've seen the level decrease in it, but I don't know if it was evaporation or what. You can tell kind of by the rings around it. You get a build up of calcium or whatever it is. But I don't know why, if it was all evaporation or what.
Q. Did you think the reason might be a leak in that basin?
A. Personally it's nothing I would think of.
Q. You more or less attributed it to evaporation?
A. Yeah. I figured it's a fairly new basin and should be secure. If there were a leak in it there's so much dirt in the bottom you can't see the liner anyway from the dirt washed into the basin from the hydrant flushing.
Q. We might have asked you this question when we first interviewed you, but I wanted to be sure

we covered it. There was a process of taking a hose and moving coker pond water to the sump in the west storm pond and from that sump it went up to the waste water treatment plant.

A. Right.

Q. There was documented a number of times this sump overflowing. Are you aware of that problem happening?

A. Yes.

Q. How many times are you aware of that problem happening?

A. More than I could -- frequent.

Q. It was a frequent problem?

A. Yeah.

Q. What was the fix to that?

A. Well, there's no permanent fix per se. There were things put in place that from my personal point of view are band-aids, but there's nothing that's going to stop it from happening if we ever have to go that way again.

Q. You have to manually go down there and adjust the valves, don't you?

A. No, the pump runs on a level. There's two pumps, one starts before the level -- one pumps starts at high level setting and you can change

those settings. You're relying on instrumentation. They put an alarm system, a so-called alarm system, that doesn't give us an audible alarm, it's a small flashing light located at the pond, which if you're not standing at the pond to see the light no one is going to know it's a high level.

Q. Do you know what the specific problem was that caused those overflows?

A. Well, the very first overflow we ever had down there was basically a supervisor telling the contractor to start the flow without ever telling the operators what was going on. They never checked with the operator to see if the pumps were operational. That was way back years ago when we first started using that system for that purpose. Other times it was instrumentation failure, pumps being in the off position rather than auto, things like that.

MR. BERGER: That's all.

(Whereupon, the interview concluded at 11:10 a.m.)

* * *

STATE OF MINNESOTA)
) Ss:
COUNTY OF HENNEPIN)

BE IT KNOWN, that I, MILO BALLINGRUD, Court Reporter, a Notary Public in and for the County of Hennepin, State of Minnesota, certify that the foregoing is a true record of the interview of Todd Aalto, and reduced to writing in accordance with my stenographic notes made at said time and place.

I further certify that I am not a relative or employee or attorney or counsel of any of the parties or a relative or employee of such attorney or counsel;

That I am not financially interested in the action and have no contract with the parties, attorneys, or persons with an interest in the action that affects or has a substantial tendency to affect my impartiality;

IN WITNESS WHEREOF, I have hereunto set my hand on this 24th day of December, 1997.

MILO BALLINGRUD,
Notary Public, Hennepin County, Minnesota
My Commission Expires January 31, 2000.