INTERVIEW OF:

LARRY ECKLOFF

TAKEN NOVEMBER 17, 1997 AT 1:21 P.M.

KIMBERLY HORMANN EAGLE REPORTING SERVICES 2104 Glenhurst Road Minneapolis, Minnesota 55416 (612) 920-3109

EAGLE REPORTING SERVICES

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DISK ENCLOSED Interview of LARRY ECKLOFF, taken pursuant to agreement of and between parties at. Koch Industries, Inc., P.O. Box 64596, St. Paul, Minnesota, at approximately 1:21 p.m. on Monday, November 17, 1997 before Kimberly Hormann, Notary Public, County of Hennepin, State of Minnesota.

APPEARANCES:

Present from the Minnesota Pollution Control Agency: DON L. KRIENS, P.E.

MARY L. HAYES

GREGORY BERGER

Present from Koch Industries:

JAMES K. VOYLES, Attorney at Law

Present from the law firm Green Espel:

LARRY D. ESPEL, Attorney at Law

SUSAN K. WIENS, Attorney at Law

I N D E X

EXAMINATIONS:

By Mr. Kriens: page 11, 18

By Ms. Hayes:

By Mr. Berger: page 4, 7, 10, 12

KOCH JOB HISTORY: pages 5-7

CURRENT POSITION: page 5

1	MR. BERGER: I'm going to start out
2	here, Larry, I just have a little introductory part
3	that we are reading to all Koch employees that we're
4	talking to. As you are aware, the Minnesota
5	Pollution Control Agency is conducting a civil
6	investigation that is focusing on Koch Refinery
7	operations and a number of environmental issues
8	that surfaced when we were here or started back when
9	we were here in April of '97. We are seeking your
10	cooperation in obtaining some information about
11	these environmental issues. And we want you to know
12	at this time that this is totally voluntary on your
13	part. You do not have to answer these questions if
14	you don't want to. The information we obtain in
15	this investigation may be use in a criminal, civil
16	or administrative enforcement action against Koch
17	Refinery. And we want to emphasis that this
18	investigation is just of Koch Refinery, the company.
19	It is not looking at any individuals at this time.
20	Do you have any questions?
21	THE INTERVIEWEE: No.
22	EXAMINATION BY MR. BERGER:

23 Larry, could you start out by stating your name, and just giving us a description of your work experience 24 here at Koch? Be pretty specific in describing your 25

1		duties over your time here.
2	A.	Do you want to go back to day one, is that what
3		you're talking about?
4	Q.	Yeah, briefly and then get more specific as you get
5		more current.
6	A.	Larry Eckloff. I started here in July 12 of 1977.
7		I think the first two months I was probably just a
8		general laborer. I think the next year, year and a
9		half, I was a loader, which dealt with loading all
10		the products out of here via truck, railroad cars,
11		et cetera, barges at that point in time. From that
12		time, probably late '79 to early 80, I became a
13		pumper, products handling pumper until, I believe
14		that was until 19 let's say '90. At that time, I
15		became a day No. 1 in products handling, basically
16	•	dealing with maintenance.
17		In 1993, I became a supervisor. And I've
18		been a supervisor ever since in many, many
19		capacities; contractor, coordinator, units
20		supervisor, maintenance supervisor, basically that's
21		where we are today.
22		MS. WIENS: What is the date on that?
23		THE INTERVIEWEE: 1993, I believe in
24		May, I think, probably. These dates might be
25		somewhat off but they are pretty close.

1	MS. HAYES: Were there more than the
2	contractor, coordinator and the unit supervisor,
3	what was the other?
4	THE INTERVIEWEE: I was a maintenance
5	supervisor, products handling supervisor. I've had
6	many, many titles.
7	MS. HAYES: Can you give us more of them
8	for that time period?
9	THE INTERVIEWEE: Well, basically that's
10 .	it.
11	MR. KRIENS: How about wastewater
12	treatment plant, any supervision there?
13	THE INTERVIEWEE: I became a unit
14	supervisor in the wastewater treatment plant I would
15	say late June of this year. And basically my
16 ·	dealings with the wastewater treatment plant and the
17	boiler house and utilities area was primarily a,
18	let's say personnel issues.
19	MR. KRIENS: In late June, you became
20	the supervisor, would that be replacing Rick Legvold
21	then?
22	THE INTERVIEWEE: Well, that's Rick
23	Legvold left, I believe, being unit supervisor oh
24	boy probably March. And then, I think, there was
25	a combination of people that, they weren't unit

1		supervisors, but they were down there. I think some
2		of the shift foreman were down there. I think Ruth
3		Estes was probably there, probably Tom Hoyland, but
4		they weren't on a full-time basis as I recall.
5		MR. KRIENS: Do you mean Ruth Estes and
6		those people would have also had supervision there;
7		is that what you mean?
8		THE INTERVIEWEE: They were down there
9		and they were management people, so I would assume
10		they had some sort of supervision.
11		MS. HAYES: They were like interim or
12		something like that, acting?
13		THE INTERVIEWEE: When Rick left until
14		they probably put me down there in late June, I
15		don't recall if there was anybody there. I could be
16		wrong, but I don't recall.
17 -	EXAMINA	TION BY MR. BERGER:
18	Q.	Have you had any duties involved with hazmat over
19		the years?
20	A.	Yes, I have.
21	Q.	Could you describe those?
22	A.	Basically there again probably dealing with
23		personnel issues. Basically the day-to-day
24		operations basically had been held by, I suppose by
25		Leslie Skelly, Doug Nowicki, those kinds of

- people.
- 2 Q. Can you describe to me, in regards to spill cleanup,
- 3 what hazmat's function is?
- 4 A. Basically to go in and basically clean up whatever
- 5 had been on the ground, the ground itself and
- 6 replace it with other products, you know, gravel,
- 7 sand, whatever.
- 8 Q. That's for any type of spill?
- 9 A. No, not -- well, I would assume probably most any
- type of spill.
- 11 Q. In the whole complete refinery?
- 12 A. I would guess anything that has got to the ground
- itself, yes, they would go in and clean it
- 14 up.
- 15 Q. Did you work in that area directly then?
- 16 A. No.
- 17 Q. You supervised?
- 18 A. The people, the personnel people, that's correct.
- 19 There's times probably I went out and looked at
- various spills that had occurred or something to
- give my judgement on how would be the best way to
- 22 clean it up or whatever, whether using a bobcat or
- 23 back hoe versus hand work or something.
- 24 Q. Could you explain to me how that process works from
- a spill, the first notification? Who talks to who?

- Who calls who? Can you explain that whole process?
- 2 A. Basically the way it is, whoever would come upon the
- 3 spill first or notice the spill first, would call
- 4 the shift foreman, shift supervisors. After they
- 5 have the spill stopped, if they can stop it or
- 6 whatever, the shift foreman then would call the
- 7 environmental personnel on call, and they would
- 8 contact all of the necessary agencies and get the
- 9 proper people out here.
- 10 Q. And then while this is going on -- how big is the
- 11 hazmat crew?
- 12 A. Hazmat crew today would be, it was three people. As
- of today, it's probably two. As a matter of fact, I
- 14 know it's two of Koch personnel.
- 15 Q. So you interact with environmental to decide how the
- spill should be cleaned up?
- 17 A. At times.
- 18 Q. At times. Okay.
- 19 A. That would be, I would guess probably ten percent of
- the time. Usually the main people would, probably
- 21 Leslie Skelly is in that capacity today.
- 22 Q. And the other times you just go ahead and do what
- 23 you think has to be done, or what?
- 24 A. Basically environmental usually makes that call
- completely.

- 1 Q. Okay. Thanks.
- MS. HAYES: You mean, once they have got
- 3 notification that there was a spill, then they would
- 4 need to call you if they need your services?
- 5 THE INTERVIEWEE: No, they would call
- 6 me if they thought they needed me. But there has
- 7 been very, very few times that anyone has ever
- 8 contacted me. Environmental usually takes care of
- 9 everything because they are the main contact on off
- hours, and for everything else, they have a person
- on call.
- 12 EXAMINATION BY MR. BERGER:
- 13 Q. What's your feeling about how spills are handled
- here at Koch; are they properly addressed and
- environmentally in a professional manner?
- 16 A. I believe so. I believe so.
- 17 Q. It's best for the environment?
- 18 A. Yes, I believe, yes. They are at this point in
- 19 time.
- 20 Q. Back in 1994, we have received information about a
- 21 spill down by the barge docks at tanks 200, 201 and
- 22 202. It was in, like I say, 1994; do you recall a
- spill, quite a large spill back then in '94 of
- Tolulene, fuel oil and, I believe it was alcohol?
- 25 A. Boy, I can't, no, I can't, '94 at the barge docks

1	and flush tanks. There's two tanks standing side by
2	side that were flush tanks. Nope, I can't really
3	say as I can.
4	MS. HAYES: Would it have been
5	reasonable, I mean, would that be under your purview
6	at that time would you say?
7	THE INTERVIEWEE: No. Basically the
8	barge dock, and I'm just trying to think who
9	probably had control of the barge dock back in those
10	days, and I can't really honestly tell you. The
11	products '94, I can't tell you. I think Denny
12	Dyer took over there later than that. I'm not
13	really sure who really had direct control of it.
l 4	MR. BERGER: Well, the information we
15	had was three to four years ago, so it could have
16	been late '93 early '94, somewhere in '94.
17	THE INTERVIEWEE: That doesn't ring a
18	bell at all to me.
19	MR. BERGER: Do either of you two have
20	any further questions on spill response? I don't.
21	MR. KRIENS: Just one.
22	EXAMINATION BY MR. KRIENS:
23	Q. Is there any generalized policy concerning what
24	quantity of spill has to be reported?
25	A Dight now avagething that gots to the guard has to

- be reported, period.
- 2 Q. Any volume at all?
- 3 A. Any volume.
- 4 Q. And that's reported to the environmental department?
- 5 A. The first call, like I say, is the person that
- 6 finds it or notices it, calls the shift
- 5 supervisors, they're here around the clock. They
- 8 then go and report it to the environmental person on
- 9 call.
- 10 Q. When you mean right now, does that mean -- was there
- 11 a different procedure before?
- 12 A. No. Before, the only -- I guess the biggest
- difference I would say is, thinking back, it didn't
- go to the shift supervisor before, it went to the
- 15 products handling shift supervisors, the pumper
- foreman, but the time is always there if you find
- something that needs to be reported to the proper
- channels. But it's just that the products handling
- shift supervisors, they're no longer here now. So
- now the shift supervisors are on call.
- MR. BERGER: Is that it then?
- MR. KRIENS: Yes.
- 23 EXAMINATION BY MR. BERGER:
- 24 Q. Larry, I want to talk about another area in regards
- 25 to the oily-water sewer system. I don't know what

- your knowledge is on this. I'm just kind of taking
 a chance here and maybe you don't have --
- 3 A. -- basically, I would have some but it would be very
 4 limited to be honest with you.
- Well, let's just explore that a little bit. Can you tell me what your knowledge is of the oily-water sewer system, what it's for, what it's used for?
- 8 A. Basically to put down any product that contains any
 9 hydrocarbon, water mixed in with it.
- 10 Q. Mixtures?
- 11 A. It's not rainwater or anything like that so I would 12 imagine so. The oily-water sewer is strictly for 13 water, hydrocarbons and things like that.
- 14 Q. Process wastewater, that's the term I would use.
- Well, water that's used, you know, in the production of the materials.
- 17 A. If it has hydrocarbon and stuff in it.
- 18 Q. Are you aware of materials that are pure
- 19 hydrocarbons that are disposed through the
- 20 wastewater, oily-water sewer system?
- 21 A. That are pure being -- what do you mean?
- 22 Q. Well, let's say -- my knowledge of this, your
- 23 production, is very limited. But from what I've
- 24 picked up in the last couple weeks, there are
- 25 situations where vessels are cleaned out. And at

1		times it appears that pure, let's say naptha,
2		methanol, oil is just, the valves are open and it's
3		just run right out of the vessel right into the
4		oily-water sewer system instead of that material
5		being drummed up or piped somewhere else or
6		re-entered into the system here. And I have a
7		number of wastewater treatment plant logs that
8		indicate, at least to me, that that has been going
9		on. Can you address that at all?
10	Α.	To be honest with you, I've never worked in the
11		process unit myself. Whether this would happen,
12		could it happen, I suppose it could. Has it
13		actually happened? That I can't honestly answer.
14		It has got the possibility, it could be done or it
15		could be mixed with water, flushed or whatever. You
16	•	know, they could use vacuum trucks to suck out the
17		vessels or whatever, too. That would I guess
18		you'd have to almost look at the particular
19		operations to see how it was handled.
20	Q.	What's your knowledge about the API separator, what
21		that is used for?
22	Α.	The API separator?
23	Q.	Yeah.
24	A.	That's basically to remove the, what should we say,
A =		

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the free-floating oil off it.

25

- 1 Q. The heavier solids and oils?
- 2 A. Would be removed, yeah, with the skimmer, yeah.
- 3 Q. With the skimmer.
- 4 A. Years back I used to work down there. And I'm
- 5 talking years and years back at the wastewater plant
- 6 when I was a products handling person, years and
- 7 years back, probably, I would guess mid 80s was
- 8 probably when I left there.
- 9 Q. When you were working there, was that common to have
- 10 materials come down the oily-water sewer like that,
- 11 like I mentioned naptha?
- 12 A. I'm sure, yeah, probably there was different times.
- 13 Q. You'd get a call from maybe one of the units, they
- 14 would tell you that --
- 15 A. You could have stuff coming down there that's
- 16 certainly a possibility.
- 17 Q. That wasn't just wastewater, that was --
- 18 A. I imagine at times there was different types of oil
- in there. There again, like I say, I'm speaking now
- from, not today being an operator and everything
- 21 else.
- 22 Q. In your work here at Koch, have you had any
- connection or any supervision over staff at the
- 24 boiler house?
- 25 A. Yes, I have.

		\cdot
1	Q.	Are you aware of any mercury spills in the last few
2		years at the boiler house?
3		MS. HAYES: From old instruments and
4		that kind of stuff?
5		THE INTERVIEWEE: I can't wo've had
6		some mercury spills out here, but where they have
7		been, I cannot, I don't know if it would have been
8		in the boiler house or not because, if memory serves
9	•	me correct, I think the mercury spills that I'm
10		thinking of probably occurred maybe up in the lab.
11		Because I remember, and this would be back a year or
12		two years ago, that I had to order some small
13		mercury kits.
14		MR. KRIENS: Would those spills have
15		been reported to environmental as well?
16	•	THE INTERVIEWEE: I would assume they
17		Were, yes.
18		MR. BERGER: But you can't recall any
19		connection with the mercury spills at the boiler
20		house?
21		THE INTERVIEWEE: Not that I can and
22		I guess, what time frame are you looking at? If
23		you're anything prior to late June of this year, I
24		would have no knowledge of that.
25		MR. BERGER: Oh, I see. Okay.

1	MR. KRIENS: These would be actually
2	prior to that.
3	THE INTERVIEWEE: Because anything, late
4	June to July 1 of this year, I would have basically
5	no involvement there whatsoever.
6	MR. KRIENS: Okay. This would have been
7	in, I think it was February of '97 and then about
8	the same, February or so in '96.
9	THE INTERVIEWEE: And basically, I have
10	no
11	MR. KRIENS: It was April of '96 and
12	April of '97.
13	MR. BERGER: Yeah, Larry, the incidents
14	I'm talking about are April 3 of '97. I guess it's
15	just the one I have right now, so you wouldn't be
16	aware of it?
17	THE INTERVIEWEE: Basically,
18	no.
19	MR. BERGER: I don't have much else.
20	That's about it.
21	MS. HAYES: Are you aware of the
22	problems with the sewer system here?
23	THE INTERVIEWEE: Am I aware of it?
24	I've heard a lot of discussion about it. Engineers
25	are looking at how to fix different things, re-route

1	different things but basically			
2	MS. HAYES: Because of deterioration?			
3	THE INTERVIEWEE: That's talked of,			
4	yeah, deterioration. Like I said, I never really			
5	got involved with it much. Basically operations and			
6	products handling was basically two different units,			
7	and basically I have always been in products			
8	handling until June, July of this year.			
9	MR. KRIENS: And then you went into			
10	operations?			
11	THE INTERVIEWEE: Now I'm a combination			
12	of both. At one time here, I had control of the			
13	products handling, the tanks, you know, some other			
14	things and basically the boiler house, wastewater			
15	treatment plant and stuff, maintenance people and			
16	stuff, with everybody coming and going here, I mean			
17				
18	MS. HAYES: What area of the refinery			
19	then are the people that are initiating the sewer			
20	rehab project, where do they come from?			
21	THE INTERVIEWEE: Utilities. And that's			
22	also at this present time being revamped, people are			
23	taking on different roles.			
24	EXAMINATION BY MR. KRIENS:			
25	Q. So the utilities would have been in the operations			

area like with Brian Roos? 1 Brian Roos, John Holmstrom, probably those types of 2 Α. people that deal with steam, sewers, things like 3 Now with the revamp, Mark Tessier is going to 5 be over that. Did you in your capacity in the products handling, 6 Q. when you became supervisor in 1993, did that involve 7 hydrostatic testing of tanks and that sort of thing? 8 Yes, it did. That wasn't under my direct control. 9 Α. 10 Basically when I first came on board as a supervisor, I was basically dealing with, let's say 11 getting the contractors to do probably work more 12 responsible, more efficient, stuff like that. 13 14 That subcontracted out the actual testing or is that 0. 15 the cleaning? 16 Α. The cleaning of tanks is always subcontracted out. And then the hydrostatic test is something that Koch 17 Q. 18 does; is that right? 19 Basically we do that ourselves, yes. Α. 20 Ο. Were you involved with that part of it then?

of the state of th

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where did they discharge to? I know it depends on

involved in a good share of it probably.

Some of it I was and some of it -- we've had some

Were those tanks then -- when you had that water,

tank managers that did part of this. I've been

- 1 where they're located.
- 2 A. That's right. Every tank would be different, you'd
- have to give us a specific, and we'd have to go out
- 4 and basically look.
- 5 Q. Okay. What types, would they go to non-oily sewer
- at times as well as the oily-water sewer?
- 7 A. I guess it could be a combination of either.
- 8 Q. How about to the lower lagoon area?
- 9 A. I believe there might have been some that went down
- 10 over the years.
- 11 Q. Do you know what I mean by the lower lagoon? It's
- 12 that lagoon by the wastewater plant.
- 13 A. Yep.
- 14 Q. And you became the unit supervisor of the wastewater
- treatment plant late June '97, this year?
- 16 A. Yep.
- 17 Q. Prior to that, were you involved or do you know of
- 18 any of these activities where the wastewater was
- 19 discharged? Do you know, Larry, about the discharge
- of the wastewater through the hydrant system; in
- other words, where wastewater or water, wastewater
- 22 was taken from the fire water ponds and was flushed
- 23 out through hydrants on land areas?
- 24 A. You mean by just flushing the hydrants?
- 25 Q. Not flushing the hydrants, but actually using the

1		hydrants to dispose of wastewater, not flushing
2		though.
3	Α.	No, I can't say as I would. I know we flushed
4		hydrants. I know that. And basically the purpose
5		and stuff, I really couldn't honestly answer that.
6		That would be between the safety department and
7		utilities or wastewater treatment plant or whatever.
8		MR. KRIENS: I don't have anything
9		additional.
10		MR. BERGER: Just one further question,
11		Larry. Can you tell me, do you know tank 304, what
12		tank 304 is used for?
13		THE INTERVIEWEE: No. sir, I
14		cannot.
15		MR. BERGER: Okay.
16	•	THE INTERVIEWEE: And I would assume.
17		just off the top of my head, that's probably in the
18		unit some place, it's probably a chemical storage
19		tank or something like that, and that could be
20		entirely false. But that's not one that's out in
21		the immediate tank farm area.
22		MR. BERGER: You can just tell by the
23		number?
24		THE INTERVIEWEE: Basically I've the
25		304 doesn't stand out as a, not that I no, I

1	can't honestly say.
2	MR. BERGER: Okay. Thank you.
3	THE INTERVIEWEE: You can ask me a lot
4	of other ones, and I can tell you right where it's
5	sitting, that one I don't think
6	MR. BERGER: That's it.
7	MS. HAYES: That's all. Thanks very
8	much, Larry.
9	(WHEREUPON, the interview concluded at
10	approximately 1:45 p.m.)
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1.	STATE OF MINNESOTA	CERTIFICATE
2	COUNTY OF HENNEPIN	CERTIFICATE
3		
4	I, KIMBERLY J. HORMANN, hereby reported the interview of LARRY ECKLOF	
5		
6	and for the County of Hennepin, State	
7	That the foregoing transcript o	f 22 pages is
8	notes in said matter, transcribed unde	
9	and control;	
10	charged to the party who noticed the d	eposition, and
l 1 l 2	at the same rate for such copies;	ve been charged
13	That I am not related to nor an any of the attorneys or parties hereto	, nor a
14	relative or employee of any attorney o employed by the parties hereto, nor fi interested in the outcome of the actio	nancially
15	contract with the parties, attorneys o an interest in the action that affect	r persons with or has a
16	substantial tendency to affect my impa	rtiality;
17	WITNESS MY HAND AND SEAL this 1 December, 1997.	st day of
18	Frenkish	Warman)
19	Notary	Public
20		
21	KIMBERLY HORMANN	
22	Notary Public Minnesota My Commission Expires Jan. 31, 2000	
23		
24		