
INTERVIEW OF:

KAREN HALL

TAKEN ON NOVEMBER 4, 1997 AT 10:00 A.M.

EAGLE REPORTING SERVICES

1 INTERVIEW OF KAREN HALL, taken pursuant to
2 agreement of and between parties at, Koch
3 Industries, Inc., P.O. Box 64596, St. Paul,
4 Minnesota, at approximately 10:00 a.m. on Tuesday,
5 November 4, 1997 before Kimberly Hormann, Notary
6 Public, County of Hennepin, State of Minnesota.

7

8 APPEARANCES:

9 Present from the Minnesota Pollution Control Agency:
10 DON L. KRIENS, P.E.
11 MARY L. HAYES
12 GREGORY BERGER

13

14 Present from Koch Industries:
15 No one was present at this time.

16

17 Present from the law firm Green Espel:
18 LARRY D. ESPEL, Attorney at Law
19 SUSAN K. WIENS, Attorney at Law

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I N D E X

EXAMINATIONS:

By Mr. Kriens: page 16, 35, 43, 45, 48, 49, 50,
52, 59, 60

By Ms. Hayes: page 5, 13, 17, 19, 21, 58

By Mr. Berger: page 23, 27, 31, 33, 37, 61, 62

KOCH JOB HISTORY: page 5-7

CURRENT POSITION: page 5

1 MR. BERGER: Karen, just a little
2 introductory part that we're doing for everyone that
3 we're talking to. As you are well aware, a civil
4 investigation is being conducted by the Minnesota
5 Pollution Control Agency which is focusing on Koch
6 Refinery operations and a variety of pollution
7 environmental-related situations regarding those
8 operations. We are seeking your cooperation in
9 obtaining this information, but we would like you to
10 know that you do not have to answer these questions.
11 It is totally voluntary at this time.

12 THE INTERVIEWEE: Right.

13 MR. BERGER: The information obtained in
14 this investigation may be used in an administrative,
15 civil or criminal enforcement action against Koch
16 Refinery Company. The MPCA is free to choose any of
17 these options. If we choose one in the future, it
18 doesn't preclude us from choosing another one in the
19 future. Any questions about that?

20 THE INTERVIEWEE: I was sort of under
21 the impression that the MPCA had said they were not
22 looking at criminal action.

23 MR. BERGER: We are not at this time.

24 MS. HAYES: We can't be sure that we
25 wouldn't uncover something that would lead us to

1 need to go down another path.

2 MR. KRIENS: I think, and correct me if
3 I'm wrong, I think information could be obtained
4 from us and used by others as well.

5 EXAMINATION BY MS. HAYES:

6 Q. Karen, my name is Mary Hayes. I work in the
7 division of water quality. Would you state for us
8 your position, how long you've been in that position
9 and if you've had others, those as well, and then
10 give us a brief sketch of your responsibilities in
11 those positions, please?

12 A. Sure. My name is Karen Hall. Right now I'm the
13 assistant manager of environmental engineering. I
14 supervise the waste and water group. We're divided
15 basically into three groups in the department. One
16 is air compliance and permitting, one is waste and
17 water and the other is remediation. So that gives
18 you sort of an idea of how we are fit together.

19 I've been in this position since March of
20 1996. Before that, I worked in the air quality
21 group, and air compliance and permitting. I started
22 with Koch March 9 of 1992 in the air group and
23 stayed there. I actually had a couple of different
24 jobs in the air group. I don't know if you want all
25 the details about that stuff or not. Basically I

1 moved from a staff engineer to a supervisory
2 engineer, just got more work, not enough more pay,
3 and so I was there until March of '96.

4 Q. Would you elaborate a little bit on your more recent
5 responsibilities in your current position?

6 A. When I moved to the waste and water group in March
7 of '96, my basic responsibility was to do
8 development for the people in that group, which
9 included both engineers and technicians.

10 That means, you know, doing performance
11 evaluations and coaching and making sure that they
12 had the appropriate training, that's my primary
13 function as a supervisor. As the assistant manager,
14 I work with the water group, which basically
15 consists of Heather Faragher.

16 Heather has by far much more expertise than I
17 do. I came into the group as a novice, and I
18 basically defer to her in basically all technical
19 matters. And she just keeps me informed on what is
20 going on in the water group, and I ask questions and
21 that's basically how I've been learning. I've had
22 no formal training at all in water.

23 In waste, I supervise. I've been working
24 more closely with that group, which is Dawn Wurst,
25 Eric Askeland and our hazardous waste technicians.

1 The program, the waste program needed more attention
2 at the time that I moved over there. So that's
3 where I've spent most of my time since I moved.
4 Also one of my primary responsibilities when I moved
5 to the waste group, was to complete the refinery
6 health risk assessment. I was the project manager
7 for that. And I also worked very extensively for
8 the first six months that I was in the group with
9 Mary Nielson and the other people in EPRO on the
10 title 5EAW working on risk stuff for that. So for
11 the first six months that I had the title of
12 assistant manager, I really wasn't functioning fully
13 in that capacity. Is that enough; too much?

14 Q. No. So you actually are out on-site some of the
15 time? How much of the time would you say you're out
16 there?

17 A. Probably less than anybody else in the group, maybe
18 five percent. I don't really go out very much
19 anymore.

20 Q. I'm going to start, Karen, and I'm going to, we're
21 probably going to cover generally all of the issues
22 that we have with you because you're assistant
23 manager of environmental, so it seems reasonable
24 that we would talk to you just about everything that
25 we're concerned about. And I'd like to start by

1 discussing overflows, the B5 overflow issue. And
2 what I'd like to do is reference a memo that we
3 received with document, the number is 3812. And I'd
4 like to have you take a look at this. This is in
5 regard to the discharge incident, the hydrant
6 discharge incident from Saturday, January 4, 1997.
7 One question I have immediately is, do you know what
8 the approximate date is that you authored that memo?

9 A. Yeah, the next Monday or Tuesday.

10 Q. So it was right --

11 A. Right after the fact, which is really a good thing
12 because I don't know that I would have remembered
13 this much detail if I had not written this.

14 Q. Right, right. And the memo basically discusses,
15 it's primarily concerned with the hydrant discharge,
16 but I would just like to reference the portion there
17 that discusses the B5 overflow from the week before.

18 And while I'm talking about the B5 overflow,
19 I would also like to talk, I'm going to go back and
20 forth between the issue of the oily-water sewer into
21 the non-oily water sewer and the B5 overflow. And
22 so you were aware -- it appears to me that you were
23 aware of an overflow, it must have been about
24 sometime in the end of December, probably right
25 after Christmas it looks like, because this way, you

1 reference an incident that happened the week before.

2 A. Right.

3 Q. Can you tell me anything about that incident?

4 A. I did not go out there to see, you know, what the
5 problem was, but Heather's office is right next to
6 mine, and she frequently just pops in and tells me,
7 you know, what's going on in the plant when she goes
8 out there. And she told me that she had seen B5
9 overflow to the north.

10 And to the best of my recollection from that
11 conversation, she said that she had told the
12 wastewater treatment plant operators that they
13 couldn't do that anymore and they needed to keep a
14 much better eye out on the ponds. The weather was
15 so bizarre last January. We had so many thaws. We
16 had like three or four consecutive days of really
17 warm weather and then it rained on this particular
18 day. And we had just a lot of water because of the
19 unseasonable warmth and that, I assume, was one of
20 the causal factors.

21 Q. Okay. That was one of the factors?

22 A. Yes.

23 Q. Can you elaborate on any others?

24 A. No. That's all I know. She just told me that she
25 had been out there and had seen it overflow.

- 1 Q. You're not aware then of the practice of stacking?
2 You don't think that it would be attributed to that,
3 Karen?
- 4 A. Oh, I'm sure. I'm sure if we had water stacked in
5 the plant, you know, that wouldn't help either.
- 6 Q. So when you and Heather discussed the incident from
7 the week before that, of the overflow of the B5, did
8 you discuss what kind of action was taken subsequent
9 to that, like a remedial action, cleanup, that kind
10 of thing?
- 11 A. No.
- 12 Q. In terms of the B5?
- 13 A. No.
- 14 Q. No. So let me see, you guys didn't talk about it.
15 Who would be responsible to talk about what to do
16 around something like that?
- 17 A. I'm not sure I understand exactly what you're
18 asking.
- 19 Q. Well, I'm asking, you know, you're in environmental
20 and you've got an overflow from the B5, is it under
21 your responsibility to be concerned with the
22 remediation of an overflow like that?
- 23 A. Sure, if it's, you know, if it's something that, I
24 guess I would have assumed that since it was just
25 storm water, it wouldn't require a cleanup.

1 MR. KRIENS: Although your memo states
2 just, you explain you had discussed this with Ruth
3 at the time. Ruth says, so what's the big deal,
4 it's just storm water. And you said, I explained
5 that since there was wastewater in it, in there, it
6 probably needed to be discharged to the river
7 according to the permit.

8 THE INTERVIEWEE: Yeah, well, it's
9 treatment effluent there in B5 treatment. But
10 treated water, you know, I guess I just, I don't see
11 that that requires or would require like a hazmat
12 crew to go out and clean it up like we would a spill
13 of oil or gasoline.

14 MR. KRIENS: I think we need to point
15 out one part of this in consideration of the fact
16 that there was very frequent overflows of the
17 process sewer to the clean water sewer, which leads
18 to B5, quite frequent and that is obviously
19 contaminated wastewater.

20 THE INTERVIEWEE: I was unaware of that
21 at the time.

22 MR. KRIENS: Of the overflows?

23 THE INTERVIEWEE: Yeah.

24 MS. HAYES: The oily water into the
25 non-oily water, you knew nothing about tank 500 at

1 that point?

2 INTERVIEWEE: Right.

3 MR. KRIENS: Those had been occurring
4 very often and memos were written back and forth
5 concerning that, those overflows but --

6 MS. HAYES: In fact, let me ask about
7 that because --

8 MR. KRIENS: But to finish, just
9 briefly, that thought in consideration of the fact
10 that that occurred very commonly and the fact that
11 the wastewater treatment effluent was stacked or
12 backed up into the storm water system quite often
13 and at times at quite high levels of ammonia, and
14 the fact that the site north of B5 shows pretty
15 heavy contamination of soils.

16 It would be our position, and I think any
17 reasonable person would agree in that field, that
18 you would indeed call that wastewater and not storm
19 water in the normal sense.

20 THE INTERVIEWEE: You know, I may agree
21 with you now, but at that point, at the point in
22 January, when all of this came up, this was really
23 my first involvement with the storm water issue. I
24 had just, you know, basically heard Heather the week
25 before saying, you know, B5 was overflowing, that

1 was a poor practice. At the point, I don't think I
2 even knew that we could route all of our wastewater
3 through all of the wastewater system, you know, to
4 the south storm pond, you know, through the hydrant
5 system. Heather basically runs the water program.
6 And while I have, you know, responsibility for
7 making sure she has good professional development,
8 I don't have the technical skills that she has, and
9 at that point, I didn't really have the knowledge.
10 And I just assumed it was storm water that was
11 overflowing. And, you know, from my perspective at
12 that point, it just didn't occur to me.

13 MR. KRIENS: Well, we'll get back to
14 that. I'm sorry to interrupt you.

15 EXAMINATION BY MS. HAYES:

16 Q. No, that's fine. So since then, so that was January
17 of '97 and then in March of '97, we have wastewater
18 treatment logs that are consecutive days of
19 treatment logs. You've got, let me see, on March
20 20 -- well, they're not consecutive, there's a
21 couple that are. March 20, '97, No. 1153, the
22 coker; cutting back on coker pond flow, manhole is
23 overflowing.

24 March 24, '97, pinch back, No. 1162, pinch
25 back coker pond from 1200 to 800 GPM, due to

- 1 overflowing by tank 500. And then on March 25,
2 1997, that I don't have a number on, we've got
3 report, safety report of B5 running over north end.
4 So -- okay. So you didn't know about the issue in
5 January, but you have an issue like this going on in
6 March that's a subsequent issue?
- 7 A. Right.
- 8 Q. What if any discussions were going on at this point
9 to be dealing with this?
- 10 A. With the manhole?
- 11 Q. With both the manhole and the potential then
12 implication for the overflow at B5 and the running
13 over in the contamination?
- 14 A. I wasn't involved with any discussions about any of
15 the things. I wasn't really aware of the manhole
16 overflows until you guys came out in April. You
17 have got to understand that, I guess, in
18 environmental engineering, we're more consultants to
19 the operations people. And we didn't, I didn't
20 really understand that this was a continuing problem
21 because we don't get this kind of information on a
22 day-to-day basis.
- 23 Q. Who's the audience then for the wastewater
24 treatment logs, for example?
- 25 A. The operations people who run the treatment plant.

- 1 Q. Okay. Where do you --
- 2 A. Heather probably looks at it more than anybody in
3 environmental, but I don't look at them ever.
- 4 Q. Where do you connect though with operations then,
5 there must be some kind of a connection there?
- 6 A. We're sort of like a dotted line to operations. We
7 function sort of as an in-house consulting firm.
8 And you know, we can certainly tell people, you
9 know, you shouldn't do this or this is a really bad
10 idea or this is flat-out illegal. And they pay
11 attention to us, but we don't run the place, they
12 do. We're like consultants to them.
- 13 Q. When have you discussed something being flat-out
14 illegal, Karen?
- 15 A. Oh, that's just hypothetical, I mean, I don't --
- 16 Q. Yeah, this is confusing because you said, it seems
17 like you said that Heather said that she went and
18 talked to the wastewater treatment operators about
19 the north end overflowing. So in that case she felt
20 liberty and you are in a position to be able to go
21 talk to the operators?
- 22 A. Right. Well, she speaks with them pretty much every
23 day. Heather's position is very unusual in
24 environmental. She's the only person who functions
25 not only as an environmental engineer, but as the

1 process engineer for the unit. The process engineer
2 basically has responsibility for trouble-shooting
3 day to day. And so she did that as well as perform
4 the environmental function.

5 Q. So if Heather is looking at the logs, she's the
6 person who ends up looking at the logs and these
7 logs are just peppered with this problem of tank
8 500, they're all over. I think we have, well, we
9 have 69 logs that pertain to the issue, or so.
10 She's looking at the logs, she works for you, but
11 you guys don't discuss the tank 500 when the
12 oily-water sewer has --

13 A. Yeah, I have -- I have not discussed that with her
14 at all.

15 Q. Okay. Prior to our coming out in April, did you or
16 Steve David or Heather, or did you guys talk about
17 the tank 500 thing prior to our coming out, have a
18 meeting about that?

19 A. No, not that I remember.

20 Q. Or after, did you have any kind of a meeting about
21 the tank 500 issue afterwards?

22 A. Oh, after you guys came out and we, you know, we
23 basically understood what you were looking at, yeah,
24 then we started talking about it.

25 EXAMINATION BY MR. KRIENS:

1 Q. Who does Heather report to then normally in the
2 wastewater area?

3 A. She reports to the process owner, who would be Rick
4 Legvold at that time -- I'm sorry, Brian Rusch.
5 Rick Legvold was the unit supervisor.

6 Q. So she works for Brian Rusch?

7 A. She works sort of in a dual capacity. She works for
8 Brian Rusch as a process engineer. And she works
9 for Steve David and me as an environmental engineer.

10 MR. KRIENS: Okay.

11 EXAMINATION BY MS. HAYES:

12 Q. Back to the oily water into the non-oily water.
13 We've got a memo from Joe Butzer that we, that we
14 talked with Joe about last week when we interviewed
15 him. And in the memo he discusses the problem. And
16 he, this is what he states -- I gave the number
17 before, it's 2977. But he says, the OWS manhole by
18 tank 500 has been a continuous problem. Every time
19 the flow from the coker pond is increased to the
20 API, the manhole overflows into the NOWS by tank
21 500. Is the manhole necessary? Can we replace it
22 with just a straight pipe? Can the area sewers be
23 disconnected from the NOWS?

24 And when we showed this to him he said, I
25 think he said something like -- and I'm

1 paraphrasing -- can you note my irritation in this
2 memo? And it's a little bit like, the flavor of it
3 is a little bit of like what we're seeing in the
4 wastewater treatment logs from some of the
5 operators. It's overflowing again, nobody notified
6 us that there was a problem. So it's continuous,
7 it's an issue like that.

8 And then I've got an incident reporting form
9 from B crew, the date is January 13, 1996, the
10 number is 65. And in this one they're discussing,
11 well, there's a description of the incident. On my
12 round, noticed oil in the NOWS. Then it's under the
13 results of initial supervisory investigation.

14 It says, two causes possible, manhole by tank
15 500 or 12E2 and 1685 water let overflow. And then I
16 think Joe Butzer signed this incident report, too.
17 Addressed problem at tank 500 where coker water
18 comes out of manhole, have large oil slick boom
19 available at 5B.

20 So Joe Butzer in '95 is aware that, you know,
21 when you've got the overflow, then you might also
22 have this implication of it going to the B5. And I
23 asked this question last week but I'm still not
24 clear about it, and I'm not trying to be redundant,
25 and I guess I can ask you anyway again. This kind

1 of, these kinds of documents here, Karen, again
2 thinking about your responsibility --

3 MS. WIENS: Are they ones you've seen?

4 THE INTERVIEWEE: No.

5 EXAMINATION BY MS. HAYES:

6 Q. This kind of thing, though, are you -- who would be
7 the audience for this kind of incident report form?

8 A. Operations.

9 Q. Okay. So environmental doesn't get a log like this
10 if it's pertaining to, or a report form like this if
11 it's pertaining to environmental incidents?

12 A. No.

13 Q. Why would that be?

14 A. If it pertains to environmental incidents, it
15 depends on who's, I hesitate to even speculate about
16 this, but it depends on who the environmental
17 representative is in the area and it depends on
18 who's filling out the incident.

19 Q. What do you mean by who the environmental rep. is
20 for the area? I don't understand that.

21 A. Well, there are several, the company is sort of
22 broken down into, or it was at the time all this
23 stuff was happening, broken down into five different
24 areas that are called profit centers or business
25 areas. And each one of those had an environmental

1 person that worked with the profit center people on
2 whatever their environmental issues were and the
3 coker people, Heather was not the environmental
4 representative to the coker people, so I don't know
5 at all if Heather even knew about this.

6 MR. KRIENS: Knew about?

7 THE INTERVIEWEE: The tank 500 manhole
8 overflows. You'd have to ask her that, I guess.
9 And this doesn't even say --

10 MR. KRIENS: Well, I know Steve David
11 knew about it. We talked to him about it on the
12 phone. He said it was a continuous problem. We do
13 know that in other cases that environmental was
14 referenced, but are you saying then that some of
15 these issues never get to the environmental
16 department?

17 THE INTERVIEWEE: Bingo.

18 MR. KRIENS: It's just dead ends and
19 it's not taken care of?

20 THE INTERVIEWEE: Yeah. And if we don't
21 hear about them, there is nothing we can do about
22 them.

23 MR. KRIENS: It seems like not a very
24 good reliable system to handle environmental
25 problems.

1 THE INTERVIEWEE: You're right there.

2 I'll agree with that.

3 EXAMINATION BY MS. HAYES:

4 Q. Is there no mechanism, so like I kind of -- when I
5 talked to Joe Butzer about this, I mean -- so you've
6 got a problem with communication. I mean, I think
7 it sounds like you'd agree with that?

8 A. Yes.

9 Q. But there is also, you know, where issues pertain to
10 you, you don't have a mechanism where people can
11 like, you know, you've got somebody like Joe Butzer,
12 you've got some of the operators I think who had
13 some ideas about, and frustration about the issue,
14 where they can, you know, be heard. I mean, you've
15 got some kind of suggestion box, TQM, something that
16 would work?

17 A. Well, we do. We did some very basic environmental
18 education training about two years ago. And we put
19 out an environmental suggestion form at that time
20 and made sure it was in all the control rooms. And
21 we did get some stuff back from that. But I don't
22 remember ever seeing anything about the tank 500
23 manhole.

24 Q. In the meeting that you had subsequent to the
25 inspection that we did in April, Karen, what was

1 your discussion about tank 500?

2 A. That we probably needed to fix it as soon as
3 possible. And I know that Heather spearheaded the
4 team to get that done. I think she wrote you guys a
5 letter in conjunction with all the EAW stuff
6 explaining what they did.

7 Q. So this was the first then, our coming out in
8 April, was the first that you were made aware -- I'm
9 saying, you, environmental people?

10 MR. KRIENS: You, personally?

11 THE INTERVIEWEE: Well, actually I went
12 out there maybe three or four years ago on --
13 somebody called me when I was on call, and I went
14 out there and looked at that manhole and there had
15 been an overflow. But at that time, as far as I
16 knew, it had not overflowed to the sewer, it was
17 just some stained soil, which we picked up and had
18 analyzed and had shipped off site, but I wasn't
19 aware that it was a continuing problem until you
20 guys came out and did your investigation and
21 inspection.

22 EXAMINATION BY MS. HAYES:

23 Q. When you went out there in '94 and you saw the stain
24 on the ground, were you aware of the sewer that was
25 next to it, the clean water sewer?

- 1 A. No.
- 2 Q. So Heather spearheaded this plan to take care of the
3 tank 500 and from that you -- one solution that
4 you've presented to us is to divert the cooling
5 tower blowdown and that was through her looking at
6 the issues, that was the --
- 7 A. And a bunch of process, I don't know who was on the
8 team, you'd have to ask Heather, but I'm assuming
9 there were some process engineering people and some
10 operations people on the team as well.
- 11 Q. It's a relatively simple solution to a problem that
12 had been going on for a long time. What's your
13 understanding of what was, you know, now that you
14 know about it, what's your understanding of what was
15 the protocol around it when it was happening, have
16 you had a chance to go back and take a look at that?
- 17 A. No.
- 18 Q. No. Do you know anything about the tank 502
19 overflow; is that different, Karen?
- 20 A. I know where tank 502 is, but that's basically all I
21 know.
- 22 MS. HAYES: Okay. I don't need to ask
23 anymore questions because I think that you
24 established when you found out about this.
- 25 EXAMINATION BY MR. BERGER:

1 Q. Karen, I'm going to touch on an area regarding
2 hazardous waste issues, and that's an area that I'm
3 very concerned about regarding disposal of
4 potentially hazardous waste to the oily-water sewer
5 system. I'm going to show you first here, I'll read
6 the logs or the memos, and then I'll give them to
7 you. The first one is from 1994. It's dated
8 8-22-94. There's no document number on it. It's a
9 wastewater treatment plant log. And it states,
10 hazmat people will be dumping about 20-30 gallons
11 slowly of xylene and then in parentheses, paint
12 thinner down at the 8th Street sump, with all of the
13 dilutions, we shouldn't even see it. Another
14 wastewater treatment plant log dated 2-26/27-97;
15 it's document No. 1269.

16 A. What's the date on that, I'm sorry?

17 Q. 2, February 26/27-97. It states, Poly called --
18 said they would be dumping 200 to 300 gallons each
19 time of medium to heavy naptha down the sewer at a
20 few different times today.

21 I have a log of 3-12-97, there's no document
22 number. It says, Alky sending, A-L-K-Y, sending
23 high PH from pit, and then in parentheses, slowly.
24 This is a log of 2-27/28-97. No document number.
25 It states, 1500 gallons caustic to OWS from Alky

1 unit, very slow.

2 A. Okay.

3 Q. I guess my first question is, were you aware of
4 these types of discharges to the oily-water sewer
5 system?

6 A. No. I don't see this kind of material. But I don't
7 know what you want me to say about this.

8 Q. Do you have some concerns with that?

9 A. No.

10 Q. Now that you see it?

11 A. No.

12 Q. You don't?

13 A. If it's regular process material, I mean, there are
14 a lot of things that get discharged to the
15 oily-water sewer. They get handled at the waste
16 treatment plant, they're either recycled into the
17 slop system and recovered or they're treated in the
18 treatment plant.

19 Q. That first one that talks about xylene --

20 A. This one I'm not aware of at all. I mean, I wasn't
21 even in the group at this time, the waste and water
22 group.

23 Q. Okay. The one about with the medium to heavy
24 naptha, we have talked to another person during
25 these interviews that said that that waste was

1 probably separate in that it was generated from a
2 sand filter, that it wasn't a process waste.

3 A. That I don't really know, it doesn't really say on
4 here.

5 Q. Right, it doesn't say, but that's --

6 A. It's good actually that they called, though, and
7 they told the treatment plant that something was
8 coming. We've been trying to get the people in
9 operations to do that for a long time, to make sure
10 that if they send stuff -- you know, that's unusual
11 because of unusual process conditions, that they
12 actually called the treatment plant and told them
13 ahead of time.

14 MR. KRIENS: Did they do that in the
15 past a lot?

16 THE INTERVIEWEE: What?

17 MR. KRIENS: Send stuff down?

18 THE INTERVIEWEE: I don't know. I
19 assume, you know, when there's a plant upset, a lot
20 of stuff goes to the sewer that doesn't normally
21 go there.

22 MR. KRIENS: I'm confused, because you
23 just said they used to do that in the past. So you
24 either knew they did it in the past or they didn't
25 or -- I'm not following you.

1 THE INTERVIEWEE: I'm assuming that they
2 did, but I can't tell you specific instances.

3 MR. KRIENS: Okay.

4 EXAMINATION BY MR. BERGER:

5 Q. Would the two that deal with, the two logs there
6 that deal with the caustic being disposed or dumped
7 into the sewer system, oily-water sewer, do you know
8 what the source of generation of those wastes are;
9 do you have any idea?

10 A. The Alky unit, it says. The Alkylation unit
11 basically functions by taking very small hydrocarbon
12 molecules and hooking them together to make longer
13 chain hydrocarbon molecules that can be used in
14 fuels. You know, the really small molecules we
15 can't blend into anything because they vaporize
16 immediately.

17 So we take those little tiny molecules and
18 stick them together in chains so that we can blend
19 it into products. And the catalyst that's used in
20 that process is sulfuric acid. And I'm assuming
21 that whatever this is, is some sort of waste that
22 they've tried to neutralize. You know, maybe some
23 acid that has been neutralized that they're putting
24 to the sewer.

25 Q. Well, it sounds like it's caustic, it's not

1 neutralized.

2 A. Yeah, I don't, haven't seen these before, so I don't

3 know that I can comment.

4 Q. Do you understand what my concern is, that it may be

5 improper disposal of hazardous waste; does that --

6 A. Well, if we put it into the sewer and it is treated

7 under the Clean Water Act -- I don't understand, I

8 guess.

9 Q. Can't be done. Koch is not permitted to take

10 hazardous waste and dispose it into their oily-water

11 sewer, not a drop.

12 A. That's the first I understand of that.

13 Q. Okay. I have a document, it's a, oh, six-or

14 eight-page memo from Rick Legvold. It's document

15 No. 01854. It's a memo dated March 14 of '96. Its

16 subject is, Water Weekly Update, and there's no page

17 number but on the page, he's making, Rick is making

18 a number of comments about different projects

19 related to the wastewater at the facility. And

20 there must be, well, there's 123 different bullets

21 he has here regarding different projects. And No.

22 88 states, suggestion to dump barrels of flake

23 caustic into system. This is an attempt to avoid

24 disposal costs. What are concerns? 10-4. Have you

25 ever seen this before?

- 1 A. Huh-uh, no, I haven't. No, I didn't get a copy of
2 this.
- 3 Q. So you're not aware of --
- 4 A. -- huh-uh --
- 5 Q. -- these things going on or being discussed or --
- 6 A. No, if I don't see the documents, I don't typically,
7 I mean, people don't come and talk to me about
8 things like that.
- 9 Q. Do you think they should?
- 10 A. Well, it would be nice to know everything that goes
11 on but I don't.
- 12 Q. So you don't have any contact with Rick Legvold
13 about issues, environmental issues in the facility?
- 14 A. No, not usually. Sometimes he'll copy me on some
15 things. Well, he used to, he doesn't work there
16 anymore. He used to send me occasionally copies or
17 Heather would forward them to me, but I haven't seen
18 that one.
- 19 Q. What is Rick's position?
- 20 A. He used to be the unit supervisor at the waste
21 treatment plant. So he basically ran, you know,
22 supervised the crews that run the waste treatment
23 plant. He's the operations guy.
- 24 Q. I have a memo here written by Heather Faragher dated
25 April 8, 1996. It's document No. 1909. It's

1 titled, or the subject is Neutralization Basin
2 Cleanout. In the past -- it states, in the past,
3 when the neutralization basin has been cleaned out,
4 the material removed was placed in an area north of
5 B5. From this moment on, whenever the
6 neutralization basin is cleaned, the material should
7 be brought to the bundle pad. Later on in the memo
8 it states, the material north of B5 will be removed
9 at some later date. The material has already been
10 sampled and tested. Are you aware of the material
11 from that neutralization being taken up and disposed
12 on the ground north of B5?

13 A. No. I have read this memo, though, before. And I
14 don't remember if it was recently over the last
15 couple of weeks when I've been going through all
16 these documents or if it was before then. But I do
17 know that I have seen this before. The
18 neutralization basin, and my understanding of how
19 the system works is pretty sketchy, but the
20 neutralization basin is a basin that is sort of like
21 an API for the non-oily-water sewer. It's a place
22 where if there's any, you know, residual oil or any
23 contaminants can be skimmed off the top.

24 I'm assuming that refers to like the salts
25 that would collect in the bottom and scale and

1 hardness and stuff like that, but I haven't been out
2 there to look and see. I'm not aware of any results
3 of sampling, because it wasn't addressed to me, so I
4 don't really, I mean, that's the sum total of what I
5 know about that. Heather will know, though.

6 MS. HAYES: Did you have a chance to
7 talk about this memo with Heather at all?

8 THE INTERVIEWEE: No.

9 MS. HAYES: Did you talk to anybody
10 about this memo?

11 THE INTERVIEWEE: I don't think so.
12 Maybe one of these guys -- oops, I can't remember,
13 Susan or Jodeen.

14 EXAMINATION BY MR. BERGER:

15 Q. The concern here is that with the problem with the
16 oily-water sewer overflowing to the non-oily-water
17 sewer, you might have potential illicit hazard waste
18 collected in that basin.

19 A. Right, I understand that now. And you know, as soon
20 as -- this sort of illustrates the problem that
21 we've had in dealing with being consultants to
22 operations, so we don't find out about a lot of
23 stuff until after the fact. And then this is the
24 kind of thing that happens. You know, we say, you
25 guys can't do that. Let's be thinking about this a

1 little bit, so --

2 Q. I guess just on a general scene, we're kind of
3 talking about the overall situation with
4 communication and how materials, whether they're
5 hazardous or not, are being handled.

6 I have another memo here from, it is written,
7 it's from Mark Stevens. It's dated February 4,
8 1996. It's document No. 109. The subject just
9 states, tank 336. It's an update memo regarding a
10 couple of problems over the weekend and how to
11 handle these problems. The memo talks about having
12 a reliable gauge on this tank, but then it states,
13 thus the need for a -- it's called an S-A-B-B,
14 Sabb-type gauge is proven again. Cost
15 justification, look up the hazmat clean-up bill.

16 The language there, the verbiage doesn't make
17 sense. Cost justification, look up the hazmat
18 clean-up bill. The part I want to get to, plus a
19 call to the proper environmental agencies, which
20 should be minimized as much as possible, clean
21 records make it easier to obtain permits when
22 needed.

23 A. What? I haven't seen this before.

24 Q. I don't know if you're even on the memo there.

25 A. No, I'm not. I haven't seen this before.

1 Q. Any comment on that?

2 A. Clean records make it easier to obtain permits. I
3 have -- no, I have never seen this before. I'm
4 surprised, actually, that he's still working here.

5 MR. KRIENS: Who was it from?

6 THE INTERVIEWEE: Mark Stevens.

7 MR. ESPEL: Do you want to go off the
8 record?

9 MR. KRIENS: Sure.

10 (WHEREUPON, there was a discussion off
11 the record.)

12 EXAMINATION BY MR. BERGER:

13 Q. Okay. I want to bring to your attention -- let's
14 see, I kind of lost my place here. I have a memo
15 here from Robert Bishop, and this is dated February
16 7 of 1996. It says -- document No. 1660 -- I just
17 want to see if you're on this, Karen.

18 A. I wasn't even in the water group at that time, so
19 I'd be really surprised.

20 Q. Well, again this goes to the same general issue that
21 this last memo alluded to, I guess, or whatever you
22 want to say. This memo is in regards to, the
23 subject is, cooling tower chemicals. Pete Ihms has
24 asked if we can handle the cooling tower chemical
25 with hexachrome in it. They need to get rid of

1 their supply before March 7 for regulatory reasons.
2 They would like to turn up the usage through the
3 cooling towers to get rid of it. This is by far the
4 easiest and cheapest way to use up this chemical.
5 However, since hexachrome is a permit parameter, I
6 would like to monitor what the increase in this
7 chemical is doing to us.

8 And then further down it states, if there are
9 any problems or if you see an upward trend in
10 hexachrome, we'll cut back on the chemical feed.
11 Let me know if there is a problem. I will monitor
12 the trends. We do not want to exceed our limit for
13 hexachrome. So if you see a problem, we'll dispose
14 of the cooling tower chemicals in a different
15 manner.

16 A. That one I know something about. Because I was
17 involved in the cooling tower issue because it
18 was -- we phased out hexachrome because of MACTQ.
19 And we made our deadline date. We did have some
20 extra drums of cooling tower chemicals, and we sent
21 them off site for treatment. I mean, we disposed of
22 them appropriately, so I don't know. I've never
23 seen this.

24 MR. KRIENS: Do you have a manifest for
25 that?

1 THE INTERVIEWEE: Yeah, oh, I'm sure we
2 do.

3 MR. KRIENS: We'd like to see that.

4 EXAMINATION BY MR. KRIENS:

5 Q. That was a zinc dichromium?

6 A. It's zinc, dichromic and chromic acid. It's Nalco
7 70 something.

8 Q. This was about in March of 1996 when that was done?

9 A. Yeah, we made our MACT deadline by like three days
10 or four days. We sent our certification letter in,
11 too. Yeah, it should have been on your annual
12 report, also, probably as corrosion inhibitor, I
13 would guess.

14 Q. So you're not aware of the subject of this memo
15 that --

16 A. Well, I'm assuming that's the drums that they were
17 talking about, because we did have some extra
18 chemical on-site, but it was mixed specifically for
19 us, so I'm sure that they wouldn't take it back,
20 Nalco wouldn't take it back.

21 Q. So are you saying, you disposed of that as hazardous
22 waste?

23 A. Yeah, right.

24 Q. And that none of it was put down the sewer?

25 A. Not as far as I know. I can get you the manifest

1 and show you.

2 MR. BERGER: Okay.

3 MR. ESPEL: This doesn't imply it was
4 put down the sewer. I don't know why you are
5 suggesting that. It's just cooling tower
6 use.

7 THE INTERVIEWEE: It would go in the
8 cooling tower.

9 MR. KRIENS: However, that would be
10 discharged to the sewer as a blowdown from the
11 towers.

12 THE INTERVIEWEE: Right.

13 MR. ESPEL: But this is product that had
14 been used all along until it couldn't be used, I
15 assume; am I not right on that?

16 MR. KRIENS: Right. This was stuff that
17 was left over. At that time, they had to terminate
18 use to the cooling towers.

19 MR. ESPEL: This is before the deadline
20 has expired. As the deadline was approaching,
21 they're thinking about it. That's the impression I
22 get.

23 THE INTERVIEWEE: I don't see that that
24 would be a problem.

25 MR. KRIENS: They would like to turn up

1 usage through the cooling towers to get rid of it,
2 get rid of the extra chemical, I presume. Which
3 would have -- at least in our view, would have been
4 an improper way to dispose of the extra chemical,
5 even though you were using that chemical in that
6 system. We had asked you this in a meeting in May,
7 maybe you recall, and you told us then that it was
8 disposed of as a hazardous waste and that's all we
9 needed to know.

10 MR. BERGER: And if we can see the
11 manifest?

12 THE INTERVIEWEE: I'll dig that out, not
13 a problem.

14 EXAMINATION BY MR. BERGER:

15 Q. Okay. The next thing I want to talk about is the
16 boiler house. We have received information from the
17 complainants, and also there is indication in some
18 of the documents of mercury spills at the boiler
19 house. Are you aware of any spills of mercury at
20 the boiler house?

21 A. Not specifically, but I am aware of the situation.
22 I told you a little while ago that we had instituted
23 the environmental suggestion form stuff, and we got
24 one. And I can't remember who it was from, might
25 have been, maybe it was Ken Denison, I'm not sure.

1 Anyway, somebody sent us an environmental
2 suggestion form. And Heather looked at the issue of
3 mercury in the boiler house very carefully. And I
4 know there are some old switches in there that are
5 mercury switches. It's really outdated technology.
6 I mean, the boiler house has really not been
7 upgraded significantly since it was built. And she
8 looked at what was down there. I know she found
9 some small bottles of mercury that were handled
10 appropriately.

11 We also put some spill kits down there, or at
12 least one, maybe more spill kits, and trained the
13 operators on how to use them. This all took place
14 at least a year ago.

15 And we also sampled the sewer to see if there
16 were any issues, you know, if there was any mercury
17 that was just residing in the sewer that wasn't
18 getting flushed out because mercury is so heavy and
19 didn't find anything. Although I don't actually
20 remember seeing the analytical results. I remember
21 Heather telling me there wasn't anything in the
22 sewers. And our effluent hasn't shown any mercury
23 problems forever, so I think we've covered that
24 pretty well.

25 Q. If there were spills that did occur at the boiler

- 1 house, do you know if they were reported?
- 2 A. I don't know of any spills.
- 3 Q. You don't know?
- 4 A. Huh-uh. I don't remember it in the years that I've
5 been on call, that I've ever had a mercury spill
6 incident.
- 7 Q. Well, just for your information here is a day shift
8 report dated 4-3-97. It's No. 4765 and 4766 to
9 page -- well, it's a day shift and it's a night
10 shift report.
- 11 A. For the boiler house?
- 12 Q. Yeah, for the boiler house. And it states, 1400
13 hours, mercury spill boiler house. And then on the
14 night shift report, it states, clean up mercury
15 spill. It's a project list and then it states, 100
16 percent completed. Just so you're aware of that.
- 17 A. I haven't seen this before, 4-3-97. No, I'm not
18 aware of this.
- 19 Q. Okay. We received information, Karen, regarding a
20 spill down at the barge docks back -- this goes back
21 a few years, and I don't know if you have any
22 recollection of this. But back in, we believe it
23 was '94 or '95, there was a large spill, actually
24 three chemicals, Tolulene, acetone, I believe, and
25 fuel oil spill at tanks 200, 201 and 202. Do you

1 have any recollection of a spill back three or four
2 years ago at the barge dock regarding those tanks?

3 A. No. I've only reported one barge dock area spill,
4 and I think that was asphalt. When I was on call, I
5 was in the air group back then. So unless I was on
6 call at that time, I wouldn't probably have
7 knowledge of that.

8 Q. Could you tell me in general how do you integrate
9 with hazmat in regards to a spill; what's the
10 process? Let's say there's a spill right now, how
11 does the process work? Who calls who? How does
12 environmental get involved?

13 A. When a spill gets identified, the shift supervisors
14 are called, typically. And I don't know if you've
15 talked to any of them yet, you'll be talking to them
16 maybe this afternoon, a couple of them. They get
17 the information, and they call environmental, and
18 then we make appropriate notifications. They give
19 us as much information as they have, and we make our
20 initial notifications based on the information we
21 get from them.

22 So they'll talk to whoever reports to them,
23 you know, if it's a pumper or loader or an
24 operations person in the units, they'll say, what
25 was spilled, how much, what happened? And the

- 1 shifties will sometimes call out hazmat or they'll
2 call us and the person -- they'll call Leslie
3 Skelly, she's our hazardous waste technician and she
4 pretty much runs the hazmat crew on a day-to-day
5 basis. And she'll dispatch them depending on what
6 else they're doing and what the stuff is to go clean
7 up, whatever needs to be done.
- 8 Q. And then based on that initial information that you
9 receive, you make the proper notifications?
- 10 A. Right.
- 11 Q. And then do you then log this, is there --
- 12 A. Yeah.
- 13 Q. How far back do those records go?
- 14 A. I don't know. A ways, couple years, several years.
- 15 Q. So every spill theoretically --
- 16 A. -- theoretically --
- 17 Q. -- that's happened here at Koch should be in your
18 log books?
- 19 A. Right.
- 20 Q. Does it state the decided remediation or --
- 21 A. Not necessarily. Basically they're just for
22 notification purposes to record that we've done the
23 appropriate notifications and what was told to the
24 people that we made notifications to.
- 25 Q. Okay.

1 A. So it doesn't necessarily list follow up, some of
2 them do, some of them don't.

3 MS. HAYES: I think that eventually we'd
4 like to see those logs, too, Karen?

5 THE INTERVIEWEE: All of them?

6 MS. HAYES: They go back, how far?

7 THE INTERVIEWEE: I don't know, I'd have
8 to go look.

9 MS. WIENS: Which log books?

10 THE INTERVIEWEE: They're notification
11 logs, on-call notification logs.

12 MS. HAYES: What do you think we need to
13 look at there?

14 MR. KRIENS: Are they, the notification
15 internally or is it notification to agencies?

16 THE INTERVIEWEE: To agencies, although
17 there are some also that are just internal.

18 MS. HAYES: Maybe what we should do is
19 ask you for a sample of those, also, and then make a
20 decision about whether we need more of them. And
21 why don't we go back to, like, why don't you just go
22 to the beginning of '96, let's say?

23 THE INTERVIEWEE: From January 1, 1996
24 forward?

25 MS. HAYES: No, I should have been more

1 specific. How about like the first quarter of '96
2 or something like that.

3 THE INTERVIEWEE: Okay.

4 MR. KRIENS: Would it be the normal
5 procedure with respect to notification to notify the
6 MPCA of an 1800-gallon fuel oil spill or a
7 500-gallon gasoline spill?

8 THE INTERVIEWEE: You bet, yep, and
9 probably the local sheriff as well.

10 MR. KRIENS: And I'm speaking of the
11 spill onto land areas below tanks or whatever?

12 THE INTERVIEWEE: Right.

13 MR. BERGER: I think that's it for me
14 right now.

15 MS. HAYES: Do you need a break, Karen?

16 THE INTERVIEWEE: Yeah, I could use a
17 quick five minutes or less.

18 (WHEREUPON, a short break was taken.)

19 EXAMINATION BY MR. KRIENS:

20 Q. Karen, this is Don Kriens from the MPCA. I want to
21 talk to you about the issue related to discharge of
22 wastewater through the fire hydrant system. And we
23 have a number of, we've reviewed all the documents.
24 We've come across a number of documented instances
25 where that occurred. We don't believe we have

1 necessarily all of them because we've been told by
2 Koch that they weren't all recorded in the safety
3 logs or recorded in any other document that we know
4 of. I want to start with just a brief question on
5 one in October of '94, where some green water was
6 discharged via the hydrant system, do you know
7 anything about that particular incident?

8 A. Green water?

9 Q. Green water was --

10 A. I have no idea.

11 Q. Throughout the plant we've talked to others about
12 that. I won't go through it if you're not familiar
13 with it.

14 A. No, I was in the air group at that point. I don't
15 have any information at all.

16 Q. Let's jump ahead to '96. In 1996, through April or
17 so of 1997, there were a number of hydrant
18 discharges of wastewater. There were a number of
19 hydrant discharges to land areas. The first that we
20 have knowledge of is June 18 and June 19 of '96.
21 And then there were others subsequent to that one
22 occurring November 3 and November 4 of '96; another
23 one November 16 and November 17 of '96, and then the
24 one on January 4 of 1997, and then three on
25 consecutive days, February 25, February 26 and

1 February 27 of 1997 and then one on March 26 of
2 1997. But I want to talk first about the one in
3 November, November 3 and November 4; are you aware
4 of that one?

5 A. I am now, but I wasn't at that time.

6 Q. Okay. Were you aware at that time that Bioassay was
7 scheduled for the November 4?

8 A. Bioassay?

9 Q. Bioassay.

10 A. A wet test?

11 MS. HAYES: A wet test.

12 THE INTERVIEWEE: An effluent, no --
13 well, I probably was, but I just get copied on that
14 stuff for information.

15 EXAMINATION BY MR. KRIENS:

16 Q. Okay. I notice a memorandum from Heather on October
17 24 of '96, in which you were copied. And Heather
18 talks about the annual toxicity testing. And she
19 states that the sample collection will start on the
20 4th of November and last through the 7th. So the
21 scheduling of the Bioassay was November 4, which was
22 a Monday. I've kind of listed the chronology of
23 events dating up to this particular discharge, and
24 I'll just briefly recite those. The first one was
25 Heather's memo of October 24, '96, which notifies

1 the Bioassay will be conducted November 4. And
2 November 2, there's an operating wastewater
3 treatment plant operating log that discusses
4 specials were sent to the lab from the S7, and then
5 also notation that they were backing water up into
6 B5 from the wastewater treatment plant effluent.

7 Then on November 3, there is another
8 operating log, again it talks about special
9 analytical tests on S7 sent to the lab for TSS and
10 ammonia. And the results of that were that the
11 ammonia was 110 parts per million and the TSS was 72
12 parts per million. In that log also there's a
13 statement, drop off a copy of Heather's letter, the
14 one I referred to or in a memorandum, to the
15 shifties for toxicity sampling and testing, which
16 starts Monday, November 4. And then they cut the
17 river flow, the flow to the river, rather, of the S7
18 discharge to 1.7 units.

19 And then on November 3, there's another log
20 that talks about more special analytical tests being
21 done. Then on November 3 there is also a memorandum
22 from Dave Gardner, which requests limiting flow to
23 the river to two units. And then a statement, I
24 hope these moves prove sufficient in light of
25 tomorrow's annual toxicity testing.

1 Then on November 3, there's an operating log
2 that states, safety to open three hydrants in the
3 west tank farm on ground to help get rid of water.
4 And this discharge occurred from 1900 hours, which
5 is 7:00 p.m. on November 3 to 7:00 a.m. on November
6 4. And then there's a safety log November 4, which
7 states, there is flowing water in the west tank
8 farm.

9 So this kind of sets the chronology of this
10 event. Do you know why the wastewater would have
11 been flushed through a hydrant at that time?

12 A. No, I wasn't involved in that decision at all.

13 Q. Do you know who was involved with that decision?

14 A. Heather was, I know.

15 Q. Anyone else?

16 A. Jim Voyles.

17 Q. I'm talking about the November 4 of '96?

18 A. Those are the only two that I know for absolute
19 certain. Well, I take that back. I think Mike Nash
20 might have been involved, he's a corporate waste
21 guy.

22 MS. HAYES: He was with us in April,
23 wasn't he, Karen?

24 THE INTERVIEWEE: Yeah, right, you met
25 him. And maybe Steve, but I wasn't involved in

1 that.

2 EXAMINATION BY MR. KRIENS:

3 Q. I wanted to reiterate this is not the January --

4 A. -- right --

5 Q. -- or whatever?

6 A. Yeah, this is November.

7 Q. This is November 4, the day before the Bioassay.

8 A. Sorry, I can't help you.

9 MS. HAYES: Can I stop for just a
10 second. I'd like to ask you, you did state, though,
11 that Heather, Jim Voyles, Mike Nash, Steve David --
12 you think possibly Steve David were involved in
13 making this decision?

14 THE INTERVIEWEE: I believe so.

15 MS. WIENS: Which decision are we
16 talking about?

17 MS. HAYES: To spray the hydrants.

18 MR. KRIENS: To spray the hydrants.

19 MS. HAYES: How do you know that, Karen?

20 THE INTERVIEWEE: Heather told me.

21 MS. HAYES: Okay. So are you saying
22 that Heather told you about a meeting or something,
23 is that what you're --

24 THE INTERVIEWEE: A conference call.

25 MS. HAYES: Okay. Prior to the flushing

1 of the hydrants and --

2 THE INTERVIEWEE: Right. Well, I don't
3 know if it was, when it was. But I just remember
4 talking with her briefly about that.

5 EXAMINATION BY MR. KRIENS:

6 Q. In decisions, I know with Heather and the Koch
7 staff, it has been at least our perception that the
8 discussions -- in fact, we asked you this at a
9 meeting about any discussions prior to January 4,
10 that incident, whether discussions were held to see
11 if this was an appropriate method to get rid of
12 wastewater or not. At that time we were told that,
13 no, no discussions or meetings had been held.

14 A. You asked me if I had been involved in discussions,
15 and I said, no, I had not.

16 Q. And we did ask Steve David that, also -- so, okay.

17 A. This incident was the first that I was involved with
18 any of the flushing stuff, because I was on -- I was
19 actually, unfortunately, here that Saturday doing
20 other work.

21 Q. Now, you're talking about the January 4 incident
22 when you referred to this, your memo?

23 A. Yeah.

24 Q. But you were aware of the November 4 one, 3rd and
25 4th one, also then, or you weren't? I'm trying to

1 understand --

2 A. At this time I had probably talked with Heather
3 about it, but I was not involved in the situation at
4 all.

5 Q. Okay. Given your understanding of a meeting with
6 those staff --

7 MS. HAYES: -- the conference call.

8 EXAMINATION BY MR. KRIENS:

9 Q. Or conference call, what was the purpose of deciding
10 upon a discharge? In other words, why did they
11 decide to do that during the night of a discharge?

12 A. I don't know, I wasn't really involved. It would be
13 better for you to ask the people who were there.

14 Q. We interviewed Ruth Estes concerning this issue, as
15 well. And my understanding is that Ruth Estes --
16 not necessarily be it her interview -- but from
17 other information was involved with the discharge in
18 November, also.

19 A. I don't have any --

20 Q. Do you know anything about that?

21 A. No.

22 Q. Okay.

23 MS. HAYES: Can I ask a question? Don,
24 prefaced this with, did you mention the high ammonia
25 around that time? In any of the discussions that

1 came up around this, Karen? I mean, and I'm talking
2 secondhand, too. I'm aware you weren't involved in
3 the conference call. Was there discussion about
4 implications for the consent decree? You're aware
5 of your consent decree?

6 THE INTERVIEWEE: No, I don't remember
7 talking about that at all.

8 MS. HAYES: Not a word has come up about
9 that because the idea here is that you're under
10 consent decree for effluent violations under the
11 permit. And you're discharging from hydrants when
12 ammonia levels are very, very high. So, naturally,
13 we're questioning. We have heard the argument that
14 it was environmentally preferential to discharge to
15 the ground albeit unpermitted. However, there's
16 certainly this other thing that seems to be really
17 obvious and glaring, which is that Koch is under
18 consent decree and, in fact, paid money for a
19 violation of ammonia -- I think, it was last fall.
20 I believe it was last fall.

21 THE INTERVIEWEE: Last fall we had an
22 un-ionized ammonia exceedance at the river because
23 of an algae bloom.

24 MS. HAYES: Well, the idea is it's
25 effluent. So I just wanted to mention that

1 because --

2 THE INTERVIEWEE: Was there a question?

3 MS. HAYES: Yeah, there was a question.

4 I was wondering whether the discussion ever came up?

5 THE INTERVIEWEE: Oh, right.

6 MR. KRIENS: Were you aware on the

7 November --

8 MR. ESPEL: Just to make this clear,

9 you're acknowledging the question, you weren't

10 saying that it happened, were you?

11 THE INTERVIEWEE: No.

12 MS. HAYES: I didn't take it as she --

13 EXAMINATION BY MR. KRIENS:

14 Q. At that time, November 3 of '96, you also, the plant

15 also had a very high load of ammonia to the

16 wastewater plant, were you aware of that?

17 A. No.

18 Q. Are you aware, were you aware of any of the problems

19 with ammonia at the wastewater plant?

20 A. No. I'll tell you at that time I was working mostly

21 with the waste group and trying to finalize some of

22 the title 5EAW stuff. Heather was pretty much

23 working on all of that stuff. Also the risk

24 assessment was winding down to the final end stage

25 stuff. And I was doing a lot of preparation for the

- 1 public meetings for that and a lot of just wrapping
2 up stuff. So I wasn't really involved in the water
3 side of stuff really until this issue came up in
4 January.
- 5 Q. Do you know who would have been responsible or
6 involved with going out to manage the hydrants and
7 flush wastewater, what department?
- 8 A. Safety.
- 9 Q. Safety would do that?
- 10 A. Safety manages the hydrants.
- 11 Q. Would the shifties also be responsible at times?
- 12 A. I don't think so. They might talk with safety about
13 water levels in the plant, but safety mans the
14 hydrants.
- 15 Q. Who would be responsible on weekends?
- 16 A. Good question, I don't know.
- 17 Q. Our understanding is the shifties would be
18 responsible on weekends to man each --
- 19 A. I don't think they go out and mess with the
20 hydrants, though. They get safety people to do
21 that, at least that would be my guess.
- 22 Q. Well, I'm talking the decision-making part of it?
- 23 A. Decision making, I thought you meant actually
24 handling the equipment.
- 25 Q. Who would be making the decisions on the weekends?

- 1 A. On the weekends, probably the shifties.
- 2 Q. Well, let's talk about the January 4 one. Was that
3 the first time you became aware of the practice?
- 4 A. Yes.
- 5 Q. Did you become involved then with discussions of the
6 policy on that or the practice?
- 7 A. After the fact, as soon as Heather made the
8 calculations the following Monday, and we realized
9 that we had a reportable incident. And that
10 prompted me to say, look, we need to understand
11 this. We need to get a policy here.
- 12 Q. My understanding is that that was the first time
13 that any calculations or analysis of the water was
14 done that was discharged via the hydrants.
- 15 A. As far as I know, that's true.
- 16 Q. Why was this particular one analyzed on January 4?
- 17 A. Good question, I don't know. You'd have to ask
18 Heather.
- 19 Q. It mentions in your memorandum that you stopped in
20 the shifties' office with Gary Ista and Tim Rusch to
21 discuss an odor issue. And then did Ruth Estes
22 then bring this to your attention that this was
23 going on at that point?
- 24 A. No, I talked to her. We were commenting about how
25 crazy the weather was because it was raining in

1 January. And I made the comment that I hoped B5
2 wasn't overflowing. And she said that she didn't
3 believe B5 could overflow to the north. She said
4 that's not the low point in the system.

5 She called the wastewater treatment plant
6 operators and they apparently said, yeah, it does
7 overflow to the north. She said, oh, well, we do
8 have a lot of water in the plant. And I said
9 something like, it's not a good idea to do that. We
10 should make sure we don't.

11 She said, well, maybe then we should stop
12 flushing through the hydrants. And I hadn't really
13 understood that that practice was ongoing or was
14 routine. And she said, we do it all the time. We
15 have to flush our hydrants once a year. When the
16 water levels are high, it's a good time to flush
17 because we have got a lot of water.

18 And she's a shiftie. I was, I just bowed to
19 her expertise basically. She has also worked in
20 the wastewater treatment plant, too, so I figured
21 she knew what she was talking about. And as far as
22 I knew from having talked with Heather about the
23 November stuff, that we didn't have a policy.
24 Q. Right. I know when we talked about the flushing of
25 hydrants at the time we did our inspection, we asked

- 1 about that. And we, the answer we were given was
2 that that was a very uncommon practice. In fact, in
3 terms of flushing the hydrants for safety purposes,
4 that was done typically in the fall. So to do it in
5 January would be very unusual.
- 6 A. Right, I know that now. But I didn't know that
7 then.
- 8 Q. So when Ruth Estes says that was a very common
9 practice, is that in reference to flushing the
10 hydrants to dispose of water?
- 11 A. Well, I don't know. She just said, we do it all the
12 time. And you know, I didn't have any frame of
13 reference beyond that, so I said, okay.
- 14 Q. So what was the eventual decision then when you, on
15 the January 4, Ruth said it was occurring and then
16 was the decision made then to allow it to continue?
- 17 A. Yeah, I basically just caved in.
- 18 Q. Okay. Was there, at the time these have occurred,
19 was it common practice then to stack the water? I
20 mean, you've called it stacking where water is
21 backed up from S7 into the B5. And then later that
22 can be transferred to the south or west storm ponds?
- 23 A. Was it common practice when?
- 24 Q. Throughout -- let's say throughout '96 or the end of
25 '96, let's say July of '96 through April of '97?

1 A. Heather would be a better person to ask, but it's my
2 understanding, yeah, that we, that we used the
3 capacity that we had to make sure that we didn't
4 exceed our environmental limits.

5 Q. Okay. I want to ask you about, there was three
6 incidents in February, February 25, 26, 27 where
7 wastewater was discharged through the hydrants, do
8 you know of that?

9 A. No.

10 Q. Serious?

11 A. I wasn't involved in that either. I mean, this is
12 pretty much the sum total of my involvement with the
13 hydrant flushing.

14 Q. The January 4?

15 A. Yes.

16 MS. HAYES: So this is the first you've
17 heard of the March flushing, Karen?

18 MS. WIENS: You said, February.

19 MS. HAYES: Oh, I'm sorry, February.

20 THE INTERVIEWEE: I might have been
21 aware but, you know, I get copied on a lot of stuff
22 and I get a lot of information that -- I mean,
23 frankly, I get stuff I don't read. I just don't
24 have time. So I don't remember.

25 MS. HAYES: Can I ask a question?

1 MR. KRIENS: Sure.

2 EXAMINATION BY MS. HAYES:

3 Q. What is your understanding of the policy on the
4 reportable quantities, Karen? I mean, you said that
5 in January there was testing done of the wastewater
6 after the event, that would be like the January 4.
7 And I think it was probably the 6th that you wrote
8 the memo on it?

9 A. Right, yeah.

10 Q. What was your understanding of the rationale, you
11 know, you said you found out this was reportable;
12 can you elaborate on that, please?

13 A. Heather did calculations based on the information
14 that she received from the sampling of the
15 wastewater, or of the treated effluent in B5. And I
16 believe she also sampled the south fire pond, but
17 I'm not certain of that. And based on those
18 calculations and the volume of water that was
19 discharged through the fire hydrants, we exceeded
20 the 100 pound reportable quantity for ammonia;
21 therefore, it was reportable.

22 Q. Your memo, I think you state in here some place that
23 it would be better to discharge it to the river,
24 don't you -- something like that -- I don't know?

25 A. Well, basically I think it's poor form to overflow

1 ponds, you know, that can leave a very poor
2 impression. It's always better, you know, to put it
3 where it's supposed to go.

4 EXAMINATION BY MR. KRIENS:

5 Q. I think your memorandum states you explained that
6 since there was wastewater in there, it probably
7 needed to be discharged to the river according to
8 the permit.

9 A. Well, wastewater means, in my mind, treated
10 effluent, not untreated wastewater; so don't
11 misinterpret that. Yeah, it is better to discharge
12 it to the river than to overflow the ponds.

13 MS. HAYES: Do you have any awareness of
14 the requirement to notify us in the event of a
15 bypass?

16 THE INTERVIEWEE: Oh, yeah, yep.

17 MR. KRIENS: How about in the event of a
18 spill overflow from ponds?

19 THE INTERVIEWEE: That's less clear.
20 Now, we do notify you guys, but I don't think that
21 was policy back then.

22 MS. HAYES: When you had discussions
23 about defining these as reportable, did you make the
24 connection, did you think about the bypass
25 notification issue on the permit?

1 THE INTERVIEWEE: I'm sorry, can you --

2 MS. HAYES: When you had discussions
3 about subsequent to the January event, and that one
4 we were notified about, and you talked about this in
5 terms of reportable quantities, were you aware of,
6 did you make a connection or did you -- did you
7 discuss the, also the issue that there's a bypass
8 notification requirement in the permit?

9 THE INTERVIEWEE: No, I didn't make that
10 connection.

11 MS. HAYES: Okay. So you haven't had
12 any discussions about that?

13 THE INTERVIEWEE: Not that I'm aware of.

14 EXAMINATION BY MR. KRIENS:

15 Q. I just have another thing. Karen, are you involved
16 with the Bioassay or the whole effluent toxicity
17 testing?

18 A. No, Heather runs that with the technician who helps
19 with the sampling.

20 Q. And she sends it off to the lab in Colorado or
21 whatever?

22 A. Yes. And you've got the results, I gave them to
23 Mary this morning.

24 Q. Do you review the results on those then?

25 A. I didn't last year. I did this year only because we

1 didn't pass the first time around, and I didn't
2 review them in detail.

3 MR. KRIENS: Okay.

4 MS. HAYES: Do you have any hunches
5 about what the problem was with this one?

6 THE INTERVIEWEE: No. I asked Heather,
7 she's got a lot more technical understanding of how
8 the treatment plant works, and I asked her if there
9 was anything out of wack in the treatment. She
10 said, no. She went back as soon as she got the
11 results, went back and looked at all the data and
12 nobody understands exactly what the problem was.
13 Her theory was that since the ceriodaphia dubia test
14 was done under CO2 head space, if that might have
15 been part of the problem; but I don't know enough
16 about the procedure to comment beyond that.

17 MR. HAYES: That's all I have.

18 Greg?

19 EXAMINATION BY MR. BERGER:

20 Q. I just have one or two more questions. Karen, do
21 you know where Auto Avenue is, what Auto Avenue --

22 A. Yeah, it's a terminal in St. Paul.

23 Q. Okay. This is a memo from Heather dated March 11,
24 1996.

25 MS. WIENS: Do you have a document.

1 number on it?

2 MR. BERGER: Yeah, it's 2326.

3 EXAMINATION BY MR. BERGER:

- 4 Q. And it's to Eric Askeland. And it's -- well it
5 states, Eric, during class No. 3, many questions
6 arose concerning hazardous waste, spills, manifests,
7 et cetera. The specific questions were, and then it
8 lists four questions. And then the fourth question
9 is, what is the operator's liabilities slash
10 responsibility concerning the sign in of hazardous
11 waste manifests, or the ones from Auto Avenue. The
12 ones from Auto Avenue were from the State of
13 Minnesota, and then it's question mark. This
14 brought up specific questions from operators with
15 regard to signing those forms in their liability.
- 16 A. I haven't seen this. I don't know anything about
17 this.
- 18 Q. I guess I take that to mean that there is manifested
19 hazardous waste coming from Auto Avenue to Koch?
- 20 A. I'm not the right person to be asking about this. I
21 wasn't even in the -- well, I was like in the group
22 for five days at that point. I mean, I was like the
23 most neophyte of neophytes possible at that point.
24 So I'd rather not even speculate.
- 25 Q. So Auto Avenue, again, is a terminal in St. Paul?

1 A. It's a Koch terminal.
2 Q. Where in St. Paul?
3 A. On Auto Avenue. It's --
4 Q. North, south?
5 A. It's north, it's north of the river. I could
6 probably show you on a map, it's about 20 minutes
7 from here. It's in the south part of St.
8 Paul.
9 Q. I guess I'll mention this one, too. This is a log
10 dated 9-8-95, there's no document number. It
11 states, environmental contacted us to sign manifest
12 for pipeline trucks to unload high benzene material
13 to tank 63 upon arriving to show driver how to
14 unload, there was a noticeable H2S odor.
15 A. Nope, I've never seen this either. This was long
16 before I came into the group. I don't even know who
17 these people are.
18 Q. You don't know whether they're talking about an
19 internal manifest or hazardous waste manifest or
20 anything about that?
21 A. No, I don't, sorry.
22 MR. BERGER: Okay. That's fine. That's
23 it. Thanks very much, Karen.
24 (WHEREUPON, the interview concluded at
25 approximately 11:45 a.m.)

1 STATE OF MINNESOTA

2

CERTIFICATE

3 COUNTY OF HENNEPIN

4

5 I, KIMBERLY J. HORMANN, hereby certify that I
6 reported the interview of KAREN HALL on the 4th day
of November, 1997, St. Paul, Minnesota.

7 That I was then and there a Notary Public in
8 and for the County of Hennepin, State of Minnesota;

9 That the foregoing transcript of 63 pages is
10 a true and correct transcript of my stenographic
notes in said matter, transcribed under my direction
and control;

11 That the cost of the original has been
12 charged to the party who noticed the deposition, and
that all parties who ordered copies have been charged
13 at the same rate for such copies;

14 That I am not related to nor an employee of
15 any of the attorneys or parties hereto, nor a
relative or employee of any attorney or counsel
16 employed by the parties hereto, nor financially
interested in the outcome of the action and have no
17 contract with the parties, attorneys or persons with
an interest in the action that affect or has a
substantial tendency to affect my impartiality;

18 WITNESS MY HAND AND SEAL this 16th day of
19 November, 1997.

20

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23

24

25

Kimberly J. Hormann
Notary Public

