



Penny Newman Grain Co.

Update on Environmental Compliance



June 2026

Background

Penny Newman Grain Company is a bulk cargo terminal facility for grain and agriculture byproduct storage and transloading located at 1805 Harbor St, Stockton, CA 95203. Community members are concerned about potential pollution sources from the facility's operations and exposure to pollution that may impact public health.

Is the facility subject to environmental requirements?

Penny Newman is subject to local, state, and federal requirements related to air emissions, water quality, and hazardous materials and waste.

Who is involved in this matter?

Multiple agencies at the local, state, and federal level are responsible for regulating Penny Newman and have been engaged in inspection and enforcement activities. The following agencies have met to coordinate on environmental compliance activities:

- San Joaquin County Certified Unified Program Agency (SJC CUPA)
- San Joaquin Valley Air Pollution Control District (San Joaquin Valley APCD)
- Central Valley Regional Water Quality Control Board
- State Water Resources Control Board
- Department of Toxic Substances Control (DTSC)
- California Air Resources Board (CARB)
- California Environmental Protection Agency (CalEPA)
- United States Environmental Protection Agency, Region 9 (US EPA)

San Joaquin CUPA Actions

The San Joaquin County Certified Unified Program Agency (SJC CUPA) has regulatory jurisdiction over the use and disposal of hazardous materials within San Joaquin County, California. The SJC CUPA is the primary local agency concerning hazardous materials and is a subordinate unit within the San Joaquin County Environmental Health Department (SJC EHD). Penny Newman Grain is under the SJC CUPA jurisdiction and has been subject to its oversight since the CUPA's creation. Penny Newman Grain is prominently placed within Stockton's deep-water port and near the

confluence of Interstate-5, State Highway 4, and the San Joaquin River. As the facility is located at such a critical intersection of infrastructure and people, it is closely monitored by the SJC CUPA.

- 4/27/2021: December 18th, 2020 California Environmental Reporting System (CERS) submittal was processed and rejected by the SJC CUPA. The submittal was rejected due to the use of obsolete hazard categories by Penny Newman Grain.
- 8/16/2021: April 27th, 2021 California Environmental Reporting System (CERS) submittal was processed and accepted by the SJC CUPA.
- 1/11/2022: December 23rd, 2021 CERS submittal was processed and accepted by the SJC CUPA.
- 3/18/2022: About 15-gallons of hydraulic fluid were reported by the facility to have been accidentally released from the booster pump aboard a tanker vessel. The hydraulic oil flowed down the vessel, and some made it in the Delta waters. An emergency shut off was engaged upon observation to stop the release. Additionally, oil pads and booms were deployed to contain the spread. All oil that was recoverable was recovered and allegedly disposed of in a proper manner.
- 6/20/2022: A complaint was referred to the SJC CUPA concerning the leaching of copper runoff into the nearby water. During the on-site investigation on June 21st, 2022, no copper was observed to have been leached into the nearby water. Additionally, the facility was noted to take precautions during operations, including plugging the near-by storm drains, to prevent copper from leaching from the facility and negatively affecting the environment.
- 6/21/2022: A Hazardous Material Business Plan (HMBP) inspection was conducted. During the inspection three violations were overserved. These violations pertained to errors with the required CERS submittals. All these violations were corrected the day of the inspection.
- 6/21/2022: A hazardous waste inspection was conducted with three violations being cited. These violations concerned improper handling and labeling of hazardous waste, and a failure to retain all the required disposal records. All the violations were corrected by September 21st, 2022.

- 2/2/2023: December 14th, 2022 CERS submittal made by Penny Newman Grain was accepted by the SJC CUPA. The facility was subsequently added to the Above-ground Petroleum Storage Act (APSA) program at the SJC EHD.
- 8/15/2023: February 3rd, 2023 CERS submittal made by Penny Newman Grain was processed and accepted by the SJC CUPA.
- 2/7/2024: December 26th, CERS submittal made by Penny Newman Grain was processed and accepted by the SJC CUPA.
- 11/25/2024: The latest CERS submittal made by Penny Newman Grain was processed and accepted by the SJC CUPA.
- 6/5/2025: A routine HMBP inspection was conducted by the SJC CUPA. Two violations were observed during the inspection. The observed violations pertained to inaccurate CERS reporting. Both violations were corrected the day of the inspection.
- 6/5/2025: A routine hazardous waste inspection was conducted by the SJC CUPA. Two violations were observed during the inspection. These violations concerned a hazardous waste container open when not being used and the improper labeling of hazardous waste. Both violations were corrected the day of the inspection.
- 12/15/2025: Review of hazardous waste disposal records collected by the Department of Toxic Substances Control (DTSC). The review was prompted due to observations made during the June 5th, 2025 hazardous waste inspection. It was determined that the facility no longer meets the threshold for regulatory enforcement under the Large Quantity Hazardous Waste Generator (LQG) program. The facility was removed from the LQG program and added to the Small Quantity Hazardous Waste Generator (SQG) program.
- 2/12/2026: December 11th, 2025 CERS submittal made by Penny Newman Grain was processed and accepted by the SJC CUPA.

San Joaquin Valley APCD Actions

The San Joaquin Valley APCD is a public health agency whose mission is to improve the health and quality of life for all Valley residents through efficient, effective, and entrepreneurial air quality management strategies,

which include the adoption and enforcement of rules intended to control sources of air pollution. In addition to public complaint investigations and joint inspections with other agencies, District enforcement staff perform field inspections at Penny Newman Grain Company to ensure the facility's strict adherence to applicable District Rules, as well as state and federal regulations, which include District Rules 1070, 2201, 4001, 4101, 4102, 4201, 4305, 4306, 4320, 4801, and 40 CFR Part 60 requirements.

From 2021 through 2025, District staff conducted seven inspections and other field operations at Penny Newman Grain Company for compliance under the regulations listed above. Additional enforcement actions on Penny Newman and other facilities in the Stockton community can be found on the District's website through the following link:

community.valleyair.org/media/z53nfts4/stockton-appenf_enforcement.pdf

Ongoing enforcement updates in both English and Spanish can also be found here:

community.valleyair.org/selected-communities/stockton/reports-and-document-archive

- 2021: 1 inspection, 0 enforcement actions taken, and 1 complaint was received.
 - Complaint: "Lint like material in the air coming from Penny Newman." The complaint was not confirmed, and no enforcement action was taken.
- 2022: 1 inspection, 0 enforcement actions taken, and 1 complaint investigated.
 - Complaint: "Visible floating particles coming from location." Complaint investigation did not confirm visible emissions in the air; complaint was not confirmed and no enforcement action was taken.
- 2023: 1 inspection, 0 enforcement actions taken, and 0 complaints investigated.
- 2024: 1 inspection, 0 enforcement actions taken, and 0 complaints investigated.
- 2025: 1 inspection, 0 enforcement actions taken, and 0 complaints investigated.

State and Regional Water Board Actions

Penny Newman Grain Corp is required to comply with California's General Permit for Stormwater Discharges Associated with Industrial Activities (General Permit Order No. 2014-0057-DWQ (NPDES No. CAS000001) issued by the State Water Resources Control Board (State Water Board). Waste Discharge Identification (WDID) 5S39I016946). The Facility is currently in Level I ERA status for Copper and Nitrite Plus Nitrate (N+N) for exceeding EPA benchmarks.

- Regional Water Quality Control Board staff (Board staff) conducted an inspection of the Penny Newman facility in November 2022 as a follow-up to a complaint the Water Board received. The complaint alleged the Facility was discharging copper to the Stockton Deep Water Ship Channel (DWSC) on the San Joaquin River. During the inspection Staff found corrective actions that needed to be addressed. The Discharger addressed the corrective actions within a week of the inspection, and Board staff continued to coordinate with Penny Newman to address minor issues until they were resolved.
- The General Permit requires Penny Newman to conduct one Annual Comprehensive Facility Compliance Evaluation (Annual Evaluation) for each reporting year. Stormwater sampling and visual observations are required during qualified storm events.
- Stormwater sampling at the Facility includes the following parameters: Oil and Grease, pH, Total Suspended Solids (TSS), Total Aluminum, Total Copper, Total Iron, Total Lead, Total Zinc, Biochemical Oxygen Demand (BOD), Chemical Oxygen Demand (COD), Dissolved Oxygen, Dissolved Silica, (as SiO₂), Ammonia, Total (as N), and Nitrite Plus Nitrate (as N).
- The Stormwater Pollution Prevention Plan (SWPPP) was last revised and updated in October 2024. Prior to that, the SWPPP was revised in December 2022 to note the facility ceased storage and handling of copper ore material at that time. Annual Reports have been submitted on time since permit coverage began.

CARB Actions

The Clean Truck Check program, established in Title 13, CCR §§ 2195–2199.1, is California's statewide emissions inspection and maintenance system for heavy duty vehicles over 14,000 pounds Gross Vehicle Weight Rating (GVWR), requiring both in state and out of state trucks and buses operating in California to register with CARB, pay annual compliance fees, and undergo periodic emissions testing—typically twice per year—using On-Board Diagnostic (OBD) data or tailpipe/opacity tests depending on vehicle type. CARB enforces compliance through roadside inspections, remote sensing, and administrative penalties, and vehicles found to have malfunctioning or tampered emissions systems, or that fail to register or test, may be restricted from operating in the state until issues are corrected. The regulations also define program applicability, testing procedures, enforcement authority, compliance timelines, and recordkeeping obligations, all aimed at ensuring heavy duty vehicles maintain properly functioning emissions control systems to reduce NO_x, particulate matter, and other pollutants across California.

- Penny Newman is registered in the Clean Truck Check database and currently has a fleet of 42 vehicles. Of these, 36 are compliant, while 6 are non-compliant due to past-due periodic testing requirements. Currently, these 6 non-compliant vehicles do not have an ARB hold.

DTSC Actions

DTSC regulates the generation, handling, transportation, storage, treatment, and disposal of hazardous wastes. These wastes are shipped under a hazardous waste manifest to offsite treatment, storage, or disposal facilities. No recent enforcement activities in the Office of Criminal Investigations or the Enforcement and Emergency Response Division.

CalEPA Actions

CalEPA is the parent agency to six boards, departments, and offices charged with protecting public health and the environment, including DTSC, CARB, and the Water Boards. The HMBP/California Accidental Release Prevention (CalARP) Unit at CalEPA oversees the implementation of the HMBP and CalARP Program at the

state level. CalEPA has not exercised independent enforcement authority over activities at Penny Newman. CalEPA is focused on providing support as well as ensuring enforcement and compliance activities are consistent, effective, and coordinated.

US EPA Actions

Penny Newman Grain has several aboveground storage tanks used for various forms of oil, which fall under EPA's federal Oil Pollution Prevention Regulations as follows:

- Statute: Clean Water Act (CWA) 311
- Regulation: Spill Prevention, Control and Countermeasure (SPCC) at 40 Code of Federal Regulations Part 112 and includes Facility Response Planning (FRP) requirements that apply to Penny Newman. The SPCC Rule and FRP programs are direct implementation by EPA. SPCC is (mostly) mirrored by the Aboveground Petroleum Storage Act (APSA) implemented by the CUPAs. The regulation: <https://www.ecfr.gov/current/title-40/chapter-I/subchapter-D/part-112?toc=1>
- EPA conducted a SPCC inspection in 2019 and they returned to compliance in 2022.
- EPA conducted offsite compliance monitoring efforts in 2020 and 2022 to review their SPCC and FRP plans.
- EPA entered into a Consent Agreement with Penny Newman for failure to develop and implement a Facility Response Plan. They returned to compliance as of May 12, 2023.

For More Information Contact:

San Joaquin CUPA

Michael Suszycki, Lead Senior Registered Environmental Health Specialist
msuszycki@sjgov.org

San Joaquin APCD

Samuel Palmquist, Sr. Air Quality Inspector
Samuel.Palmquist@valleyair.org

Janis Mein, Compliance Manager
Janis.mein@valleyair.org

State and Regional Water Boards

Selina Cole, Senior Environmental Scientist (Specialist)
selina.cole@waterboards.ca.gov

John Baum, Assistant Executive Officer
John.Baum@Waterboards.ca.gov

CARB

Krisneil Nair, Air Pollution Specialist
Krisneil.Nair@arb.ca.gov

DTSC

Ashley Gage, Senior Environmental Scientist Specialist - North California
Ashley.Gage@dtsc.ca.gov

Bonny Lew, Senior Environmental Scientist Supervisor
Bonny.Lew@dtsc.ca.gov

Environmental Justice and Tribal Affairs (EJTA)
Envjustice@dtsc.ca.gov

CalEPA

Elizabeth Brega, Senior Environmental Scientist, Supervisor
elizabeth.brega@calepa.ca.gov

US EPA

Pete Reich, Environmental Protection Specialist
Reich.peter@epa.gov