



MICHELLE LUJAN GRISHAM  
GOVERNOR

JAMES C. KENNEY  
CABINET SECRETARY

**CERTIFIED MAIL - RETURN RECEIPT REQUIRED**

March 24, 2023

Anthony Sosa  
Stage Management Specialist  
Netflix Studios, LLC  
5650 University Boulevard SE  
Albuquerque, New Mexico 87106

Brian Henington  
Studio Environmental Health and Safety Manager  
Netflix Studios, LLC  
5650 University Boulevard SE  
Albuquerque, New Mexico 87106

**RE: NOTICE OF VIOLATION WITH PROPOSED PENALTIES  
NETFLIX STUDIOS, LLC  
EPA ID# NMR000012567**

Dear Messrs. Sosa and Henington:

On August 20, 2021, the New Mexico Environment Department (NMED) conducted a hazardous waste Compliance Evaluation Inspection (Inspection) at Netflix Studios, LLC (Netflix Studios), located at 5650 University Boulevard SE, Albuquerque, New Mexico (Facility). Netflix Studios provides and maintains filming space to various Netflix productions, and currently manages production wastes and makes waste disposal arrangements. Netflix is an online streaming service for third-party and Netflix-exclusive movies and television series. These activities generate hazardous waste paints, solvents, and other paint-related materials.

Based on observations and review of the information obtained, NMED has determined that Netflix Studios is a Small Quantity Generator of hazardous waste as defined in 40 Code of Federal Regulations (CFR) 262.13. Furthermore, NMED has determined that Netflix Studios has violated the New Mexico Hazardous Waste Management Regulations (HWMR) 20.4.1 New Mexico Administrative Code ("NMAC") as specified below.

NMED inspectors observed the following violations:

1. Failure to label containers of hazardous waste with the words "Hazardous Waste", which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(6)(i)(A). Specifically, at the three Central Accumulation Areas (CAAs) NMED observed a total of five 55-gallon drums containing hazardous waste paints and paint-related materials that were not labeled with the words "Hazardous Waste". See Photos #3, 4, 5, 6, and 7 in the site photos.

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Hazardous Waste Bureau - 2905 Rodeo Park Drive East, Building 1 Santa Fe, New Mexico 87505-6313  
Telephone (505) 476-6000 - [www.env.nm.gov](http://www.env.nm.gov)

**Corrective Action:** Netflix Studios must provide NMED with documentation, such as photographs, demonstrating that hazardous waste containers on site are properly labeled.

2. Failure to label containers of hazardous waste with an indication of the relevant hazard(s), which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(6)(i)(B). Specifically, at the three CAAs NMED observed a total of five 55-gallon drums containing hazardous waste paints and paint-related materials labeled as either “flammable liquids”, or “flammable rags/solids”. Review of hazardous waste manifests obtained by NMED listing Netflix as the generator shows that hazardous paint-related wastes generated by Netflix Studios is profiled as being both characteristically ignitable, but also toxic for chromium and lead. None of the five hazardous waste drums observed were labeled with an indication of this toxicity hazard. See Photos #3, 4, 5, 6, and 7 in the site photos.

**Corrective Action:** Netflix Studios must provide NMED with documentation, such as photographs, demonstrating that hazardous waste containers on site are properly labeled.

3. Failure to keep containers of hazardous waste closed when not adding or removing waste, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(2)(iii)(A). Specifically, NMED observed an open 55-gallon drum containing hazardous waste paint-related liquids at the main mill CAA. See photos #7 and 8 in the site photos.

**Corrective Action:** This violation was corrected at the time of inspection.

4. Failure to attempt to make arrangements with local emergency response authorities, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.16(b)(8)(vi). Specifically, during the records request phase of the inspection Netflix Studios could not provide records of attempts to make arrangements with applicable local emergency response authorities.

**Corrective Action:** Netflix Studios has provided NMED with copies of letters sent to local emergency response authorities following the inspection demonstrating that this violation has been corrected.

5. Failure to properly complete hazardous waste manifests, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.20(a)(1). Specifically, during review of records available from the EPA RCRAinfo database, NMED observed nine manifests from Calendar Year 2019 where Netflix Studios provides an incorrect EPA ID# in Box 1 of the manifest. The correct EPA ID# should be NMR000012567, the number that was provided on these 9 manifests waste NMD000220627. The EPA ID#

NMD000220627 does not correspond to any facility registered in RCRAinfo, and neither EPA nor NMED has issued that EPA ID# to any facility.

**Corrective Action:** Netflix Studios must make arrangements with the relevant hazardous waste Treatment, Storage, and Disposal Facilities to perform manifest corrections for all applicable manifests shipped from Netflix Studios for the past three years. Netflix Studios must provide copies of all hazardous waste manifests shipped from Netflix Studios to NMED for the past three years before and after the corrections, as well as correspondence or other documentation showing that the relevant Treatment, Storage and Disposal Facilities acknowledge the corrections.

6. Failure to retain copies of hazardous waste manifests, which is a violation of 20.4.1.300 NMAC, incorporating 40 CFR § 262.44(a). Specifically, during the records review phase of the inspection, Netflix Studios could not provide copies of hazardous waste manifests. Data available from the Generator Report provided by Netflix Studios shows that Netflix Studios was an SQG during Calendar Years 2018, 2019, and 2021.

**Corrective Action:** Netflix Studios must provide NMED copies of all hazardous waste manifests for waste shipped from Netflix Studios for the past three years. The copies must include all manifests from both before and after the corrections were made.

7. Failure to pay annual hazardous waste fees incurred as a Small Quantity Generator in Calendar Years 2018 and 2019, by the due dates of August 1, 2019 and August 1, 2020, respectively, which is a violation of 20.4.3.500 NMAC. Specifically, NMED determined during review of the Generator Report provided by Netflix Studios as well as available manifests from the RCRAinfo database shows that Netflix Studios was a Small Quantity Generator of Hazardous Waste during Calendar Years 2018 and 2019. NMED has no record of Netflix Studios submitting hazardous waste annual fees related to Calendar Years 2018 and 2019, which were due on August 1, 2019 and August 1, 2020, respectively.

**Corrective Action:** Netflix Studios paid hazardous waste fees for Calendar Years 2018 and 2019 including late fees on October 13, 2021. No further action related to this violation is required.

NMED is requesting that Netflix Studios provide to NMED within thirty (30) days of receipt of this letter a written description of the other actions taken by Netflix Studios to address the violations described above or a schedule for implementation of corrective actions not yet completed.

In accordance with New Mexico Statutory Authority 1978, Section 74-4-10, NMED may: (1) issue a Notice of Violation requesting voluntary compliance within a specified time period; (2) issue a Compliance Order requiring compliance immediately or within a specified time period or assess a civil penalty for any past or current violations of up to \$10,000 per day of non-compliance for each violation, or both; or (3) commence a civil action in District Court for appropriate relief, including a temporary or permanent injunction.

Due to the nature of the violations listed above, NMED will propose a civil penalty for these violations in a separate Notice of Proposed Penalty letter, a settlement privileged document in accordance with NMED's Civil Penalty policy, dated March 2017.

Any action taken in response to this letter does not relieve Netflix Studios of its obligation to comply with all other applicable laws and regulations. If you have any questions regarding this letter, please contact Aaron Coffman of my staff at (505) 690-5211 or by email at [aaron.coffman@state.nm.us](mailto:aaron.coffman@state.nm.us). Please address any written response to the attention of Aaron Coffman at the address in the letterhead.

Sincerely,



Dave Cobrain  
Acting Chief  
Hazardous Waste Bureau

#### Attachments

cc: Aaron Coffman, NMED HWB  
Levi Cole, NMED District I Manager

file: Library #3552