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State of Ohio Environmental Protection Agency

DIV. OF HAZARDOUS
WASTE MGT.

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Columbus, Ohio 43215

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MAILING ADDRESS:

P.O. Box 1049
Columbus, OH 43216-1049

March 22, 2007

Mr. Ed Green
Toxco, Inc.
265 Quarry Road
Lancaster, Ohio 43130

Dear Mr. Green:

Re: **Toxco, Inc.**
OHD 071 654 958
Financial Assurance

On March 12, 2007, the Ohio Environmental Protection Agency conducted a financial assurance review of the Toxco, Inc. facility in Lancaster, Ohio. I evaluated the facility for compliance with the Ohio Administrative Code (OAC) rules 3745-55-42, 3745-55-43 and 3745-55-47, closure cost estimate, closure financial assurance and liability coverage, and the Toxco, Inc. Ohio Hazardous Waste Facility Installation and Operation Permit. Toxco uses insurance for both closure care and third party liability coverage. The Certificate of Insurance and the Endorsement of Insurance as well as both policies were submitted to demonstrate compliance with closure care and third party liability coverage. However, the closure insurance was required to be updated January 9, 2007.

To demonstrate compliance with the closure cost estimate and closure care financial assurance requirements, Toxco, Inc. submitted a Certificate of Insurance for closure care in the amount of \$182,190.00. The closure Certificate of Insurance issued by Evanston Insurance Company, Policy No. 04EIL00246, was initially listed as a three year policy being effective January 9, 2004 through January 9, 2007. In a March 9, 2007 email an endorsement and Certificate of Insurance was submitted which extended the policy from January 9, 2004 through April 9, 2007. However, the closure insurance policy should be effective January 9, 2007 through January 9, 2008. An updated closure Insurance policy should be submitted to reflect this time period.

To demonstrate compliance with third-party liability coverage Zurich issued insurance, effective November 5, 2006 through August 25, 2007 as noted in a Hazardous Waste Facility Liability Insurance Policy # GL09044332-00 received December 18, 2006. However, a copy of a Certificate of Insurance, policy number PLC 7901 750-10 was submitted. Please clarify insurance policy numbers for third party liability coverage. Please submit the *duplicate original policy* as well as the *duplicate original certificate of insurance or liability endorsement* pursuant to the language in OAC rules 3745-55-51 (I) or (J). Third party liability insurance should reflect a 12 month period per occurrence and annual aggregate limits.

Ted Strickland, Governor
Lee Fisher, Lieutenant Governor
Chris Korleski, Director

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GENERAL CONCERN:

The closure insurance policy and closure certificate of insurance should reflect an annual or 12 month time period. However, the policy appears to be extended to a four month time period from January 9, 2007 through April 9, 2007. This is not acceptable and Toxco must submit appropriate financial assurance closure care for a coverage period of twelve month coverage period.

Upon review of the above documentation, **Toxco is in violation of OAC rule 3745-55-43**, because closure care financial assurance is not provided on an annual basis. The insurance policy must provide coverage for a twelve month period.

To abate the above violation **submit a hazardous waste closure certificate of insurance consistent with the OAC rule wording 3745-55-51 (E) and an updated financial assurance closure insurance policy**. Also, please clarify insurance policy numbers for liability coverage. And Toxco must provide a classification modification request for the updated closure care financial assurance to the attention of:

Pam Allen, Environmental Manager,
Division of Hazardous Waste Management,
Regulatory and Information Services Section
Ohio EPA
50 West Town Street, Suite 700
Columbus, Ohio 43215

Also, clarify third party liability coverage as requested above. And **submit duplicate original policies for liability coverage and closure care financial assurance**. Submit this information to me within thirty (30) days of receipt of this letter.

If you have any questions about this matter do not hesitate to contact me at 614-644-2951.

Sincerely,



Tina Jennings
Compliance Assurance Section.
Division of Hazardous Waste Management

c: Elizabeth Lamerson, CDO
Jeremy Carroll, ERAS, DHWM
(Tammy McConnell, RIS, DHWM)

NOTICE:

Ohio EPA's failure to list specific deficiencies or violations in this letter does not relieve your company from having to comply with applicable regulations.



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