



State of Ohio Environmental Protection Agency

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February 27, 2008

Yogi Chokshi, Vice President
Reserve Environmental Services, Inc.
4633 Middle Road
Ashtabula, Ohio 44004

**RE: Reserve Environmental Services, Inc.
OHD 980 793 384
Financial Assurance
Return to Compliance**

Dear Mr. Chockshi:

On February 27, 200⁸~~7~~, I completed a review of the financial assurance documentation on file for the Reserve Environmental Services, Inc. (RES), Ashtabula, Ohio facility referenced above. I evaluated the facility for compliance with financial assurance and liability requirements set forth in the Ohio Administrative Code (OAC) rules 3745-66-42 through 3745-66-47.

I also evaluated the facility for compliance with the financial assurance related requirements set forth in the October 28, 2003 Modified Consent Order (Consent Order), State of Ohio v. Reserve Environmental Services, Inc. Case No. 93-CV-563.

To demonstrate compliance with the financial assurance requirements for closure/post-closure care for the facility, RES uses Letter of Credit (LOC) No. S91/90343 issued by Key Bank in the amount of \$852,000.

On December 6, 2007, Ohio EPA received audited financial reports for 2005 and 2006.

As a result of the submission of the 2005 and 2006 financial reports, Ohio EPA finds that RES has returned to compliance for the following rules and is no longer in contempt of the following requirements of the consent order:

OAC rule 3745-66-43, 3745-66-45 and paragraphs 40 of the October 28, 2003 Modified Consent Order.

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



Yogi Chokshi, Vice President
Reserve Environmental Services, Inc.
Page 2 of 2

Attention: Paragraph 41 of the modified consent order requires that by March 1st of each year that RES will submit to Ohio EPA documentation of financial responsibility or, in the alternative, if RES is unable to obtain financial assurance RES will update their inability to pay documentation. Documentation for 2007 is due by March 1, 2008.

RES remains in violation of the following: OAC rule 3745-66-47 and paragraphs 41 of the October 28, 2003 Modified Consent Order. OAC rule 3745-66-47 requires that RES maintain third party liability coverage. Paragraph 41 requires that by March 1st of each year that RES will submit to Ohio EPA documentation of third party liability coverage or, in the alternative, if RES is unable to obtain third party liability coverage RES will update their inability to pay documentation.

On December 6, 2007, Ohio EPA received an ACORD Certificate of Liability Insurance showing Policy No. EG7549233 issued by American International Group for \$4,000,000 per occurrence and \$8,000,000 annual aggregate.

OAC rule 3745-66-47 requires that third party liability coverage be evidenced by a Hazardous Waste Facility Liability Endorsement or a Certificate of Liability Insurance. The wording for these documents is in OAC 3745-55-51(I) and (J). The ACORD certificate that you submitted is not the same as the Certificate of Liability Insurance. RES must immediately submit proper documentation of 3rd party liability coverage.

If you have any questions, or need further clarification of any matter mentioned in this letter, please do not hesitate to call me at (614) 644-3067. I will be happy to assist you in any way possible.

Sincerely,



Isaac B. Wilder
Compliance Assurance Section
Division of Hazardous Waste Management

cc: Tammy McConnell, RIS, DHWM
Dan Martin, AGO, EES
Frank Zingales, NEDO, DHWM

File

