Environmental Protection Agency
John R. Kasich, **Governor**
Mary Taylor, **Lt. Governor**
Scott J. Nally, **Director**

RE: Central Insurance Companies
OHR000153163
Van Wert County
DMWM, NWDO
Notice of Violation

March 28, 2012

Mr. Craig Bracken
Central Insurance Companies
800 South Washington Street
Van Wert, Ohio 45891

Dear Mr. Bracken:

Thank you for accompanying me during the Ohio Environmental Protection Agency's (Ohio EPA's) March 7, 2012, compliance evaluation inspection of Central Insurance Companies' (CIC's) facility located in Van Wert, Ohio. I was unable to complete my inspection on March 7, 2012, and therefore, returned on March 13, 2012, to complete my inspection. I inspected CIC to determine its compliance with Ohio's hazardous waste laws as found in Chapter 3734 of the Ohio Revised Code (ORC) and Chapter 3745 of the Ohio Administrative Code (OAC). During the inspection, I also helped you identify ways to prevent pollution by reducing waste.

This letter will explain the violations I found, what you need to do to correct the violations, other general concerns I have, what you need to do to respond to my general concerns, and the pollution prevention opportunities I identified.

CIC is a large insurance company with facilities all over the United States. The Van Wert facility is the home office of the company and consists of large office buildings. CIC is a conditionally exempt small quantity generator (CESQG) of hazardous waste. The hazardous waste stream at CIC is crushed spent lamps (D009). CIC also generates universal waste batteries. CIC previously had a maintenance shop but that building was removed in 2004. Therefore, used oil, spent parts washer fluid, and waste paint related materials are no longer generated at this site.

At the time of the inspection, CIC was crushing the spent lamps generated at the facility in a commercial lamp crusher. This act is considered generator treatment of a hazardous waste. As a CESQG that is treating hazardous waste on-site, CIC must comply with the large quantity generator (LQG) requirements found in OAC rule 3745-52-34, as such, both the CESQG and LQG checklists have been completed and enclosed.

Northwest District Office
347 North Dunbridge Road
Bowling Green, OH 43402-9398

419 | 352 8461
419 | 352 8468 (fax)
www.epa.ohio.gov

I found the following violations of Ohio's hazardous waste laws. In order to correct these violations you must do the following and send me the required information **within 14 days of your receipt of this letter**.

Violations:

1. **Ohio Revised Code (ORC) Section 3734.02(E)&(F), Unpermitted Hazardous Waste Treatment, Storage & Disposal:** "No person shall store, treat, or dispose of hazardous waste identified or listed under this chapter and rules adopted under it, regardless of whether generated on or off the premises where the waste is stored, treated, or disposed of, or transport or cause to be transported any hazardous waste identified or listed under this chapter and rules adopted under it to any other premises, except at or to any of the following: (1) A hazardous waste facility operating under a permit issued in accordance with this chapter; (2) A facility in another state operating under a license or permit issued in accordance with the "Resource Conservation and Recovery Act of 1976"..."

a. During the inspection, it was noted by Ohio EPA that a period of greater than 90 days was found between hazardous waste shipments according to the dates on the hazardous waste manifests. Hazardous waste was shipped off-site from CIC on May 6, 2009, January 21, 2010, July 16, 2010, March 11, 2011, and September 28, 2011. You stated that these were the only shipments of hazardous waste that had been disposed of since 2009. You also stated that spent lamps are generated consistently (one at a time when burned out) and through re-lamping a section of the buildings each year.

According to information gathered from the manifests and the treatment, storage, and disposal facility (TSDF) (Safety-Kleen Systems, Inc.), on May 6, 2009, 880 pounds of hazardous waste crushed lamps (D009) was shipped off site. Then on January 21, 2010, (260 days later) 913 pounds of hazardous waste crushed lamps (D009) was shipped off site. The next waste shipment occurred on, July 16, 2010, which was 176 days later, where 913 pounds of hazardous waste crushed lamps (D009) were shipped off site.March 11, 2011, was the next hazardous waste shipment of crushed lamps (D009). This occurred 238 days later and accounted for 1,370 pounds of hazardous waste. The last shipment of hazardous waste was on, September 28, 2011, and was 913 pounds of hazardous crushed lamps (D009). This shipment occurred 201 days later.

As a CESQG that is treating hazardous waste on-site, CIC must comply with the large quantity generator (LQG) requirements found in OAC rule 3745-52-34. As such, CIC cannot treat/store hazardous waste on site without a permit, for greater than 90 days.

CIC has become an unpermitted hazardous waste storage facility by treating/storing hazardous waste for greater than 90 days. CIC must immediately cease unpermitted treatment/storage of its hazardous waste.

b. During the inspection on March 13, 2012, Ohio EPA noted that the accumulation start date of the drum in the lamp crushing unit was 10-1-2011. As a CESQG that is treating hazardous waste on-site, CIC cannot treat/store hazardous waste on site without a permit, for greater than 90 days. Therefore, this drum of hazardous crushed lamps should have been shipped off-site by December 30, 2011. This unpermitted treatment/storage drum has been on site for at least 164 days, (as of March 13, 2012).

CIC has become an unpermitted hazardous waste storage facility by treating/storing hazardous waste for greater than 90 days. CIC must immediately cease unpermitted treatment/storage of its hazardous waste.

CIC must immediately begin properly shipping hazardous waste off site within 90 days of the accumulation start date. CIC must describe in their response how the hazardous waste will be managed in the future to ensure that treatment/storage of waste over 90 days does not happen again.

Since CIC has violated ORC Section 3734.02(E) & (F) by becoming an unpermitted treatment, storage, and disposal facility (TSDF), it is subject to OAC Rules 3745-55-10 through 3745-55-48 and 3745-55-97. Therefore, CIC may be required to submit a closure plan for this area. A closure plan describes the steps necessary to investigate the extent of contamination and to clean up all contamination found.

CIC is also subject to all applicable general facility standards, found in OAC Chapters 3745-54 and 55, until such time as CIC has demonstrated that it has ceased operations as a TSDF. Additionally, at any time, Ohio EPA may assert its right to have CIC begin facility-wide cleanup, pursuant to the Corrective Action process under Ohio law.

I have enclosed the fact sheet titled A Guide to the Administrative Enforcement Process within the Division of Hazardous Waste Management to help answer any questions you may have regarding this violation and further enforcement actions.

2. **OAC rule 3745-52-41(A), Annual report:** "A generator who ships any hazardous waste off-site must prepare and submit to Ohio EPA the "Annual Hazardous Waste Report" by March first of each year...."

CIC failed to submit annual hazardous waste reports to Ohio EPA.

In order to abate this violation, CIC must submit an Annual Hazardous Waste Report for all previous calendar years that CIC was required to comply with the large quantity generator (LQG) requirements found in OAC rule 3745-52-34. This includes, at a minimum, calendar years 2009, 2010, 2011, and 2012. The annual report for 2012 is due March 1, 2013.

3. **OAC rule 3745-52-40(B), Recordkeeping:** "The generator must keep a copy of each annual report and exception report for a period of at least three years from the due date of the report."

   CIC failed to keep annual hazardous waste reports for a period of at least three years from the due date of the report.

   In order to abate this violation, CIC must submit the annual reports as required by OAC 3745-52-41(A) and keep a copy of these reports for your records for at least three years from the due date of the report.

4. **OAC rule 3745-65-16(A)(1-3), (B), (C), (D)(1-4) and (E), Personnel training:** Facility personnel must complete training on hazardous waste management procedures.

   CIC violated all the applicable requirements of this rule as follows:

   a. OAC rule 3745-65-16(A)(1) through (3)-Facility personnel did not complete training that teaches them to perform their duties in a way that ensures compliance with several hazardous waste rules. The program was not directed by a person trained in hazardous waste management procedures and the facility personnel were not familiar with emergency procedures.
   b. OAC rule 3745-65-16(B)-Employees were working in an unsupervised position for over a year and had not received the required training.
   c. OAC rule 3745-65-16(C)-The annual personnel training which instructs facility personnel on hazardous waste management procedures has not been given.
   d. OAC rule 3745-65-16(D)(1) through (4)-The facility did not maintain records or information pertaining to employees that have positions related to hazardous waste management or those that have received the required training.
   e. OAC rule 3745-65-16(E)-The facility did not have training records for employees that have left the facility.

In order to abate this violation, CIC must immediately provide this training as required and submit documentation for review. This documentation could include sign-in sheets from the training, slides from training presentations, and other training documents.

5. **OAC rule 3745-65-51(A) &(B), 3745-65-52(A) through (F), 3745-65-53(A) &(B), and 3745-65-55, Contingency Plan:** A facility shall have a contingency plan which will be implemented during an emergency. The contingency plan must describe the actions personnel will take during an emergency, describe arrangements with responders, list the emergency contact and related information, list emergency equipment, and include an evacuation plan. A copy of the contingency plan must be maintained at the facility and submitted to entities that may be required to provide emergency services. A facility must have a designated emergency coordinator who is familiar with all aspects of the contingency plan, available to respond to an emergency and has the authority to commit the resources needed to implement a contingency plan.

   CIC violated all the applicable requirements of this rule as follows:

   a. OAC rule 3745-65-51(A)-CIC does not have a contingency plan.
   b. OAC rule 3745-65-51(B)-By not having a contingency plan, CIC is unable to implement such a plan during a fire, explosion, or release of hazardous waste.
   c. OAC rule 3745-65-52(A)-CIC does not have a plan that describes actions the personnel must take.
   d. OAC rule 3745-65-52(B)-CIC has not amended the SPCC plan to incorporate hazardous waste management provisions.
   e. OAC rule 3745-65-52(C)-CIC does not have a contingency plan that describes arrangements agreed to by local police departments, fire departments, hospitals, contractors, Ohio EPA, and local emergency responders.
   f. OCA RULE 3745-65-52(D)-CIC does not have a contingency plant that lists the names, addresses, and phone numbers of persons qualified to act as emergency coordinator.
   g. OAC rule 3745-65-52(E)-CIC does not have a contingency plan that lists emergency equipment.
   h. OAC rule 3745-65-52(F)-CIC does not have a contingency plan that includes an evacuation plan.
   i. OAC rule 3745-65-53(A)-CIC does not maintain a contingency plan.
   j. OAC rule 3745-65-53(B)-CIC has not submitted a contingency plan to all local police departments, fire departments, hospitals, Ohio EPA, and local emergency response teams, that may be requested to provide emergency services.
   k. OAC rule 3745-65-55-CIC did not designate an emergency coordinator.

In order to abate this violation, CIC must prepare a contingency plan and submit a copy to this office for review. This plan must include all contents to demonstrate compliance with this rule. CIC must maintain a contingency plan at its facility and submit such plan to agencies or organizations that may be required to provide emergency services. CIC must designate an emergency coordinator and identify this person in its contingency plan. The contingency plan must demonstrate compliance with this rule.

6. **OAC rule 3745-65-33, Testing and maintenance of equipment:** "All facility communications or alarm systems, fire protection equipment, spill control equipment, and decontamination equipment, where required, must be tested and maintained as necessary to assure its proper operation in time of emergency. The owner or operator must record the inspections in a log or summary."

   CIC failed to keep a log of spill control equipment.

   In order to abate this violation, CIC must conduct inspections of all emergency equipment, including spill control equipment, and record these inspections in a log. A copy of this completed log should be sent in to this office for review.

7. **OAC rule 3745-66-74, Inspections:** "The owner or operator must inspect areas where containers are stored, at least weekly, looking for leaks and for deterioration caused by corrosion or other factors. The owner or operator must record inspections in an inspection log or summary."

   CIC failed to conduct weekly inspections on the container storage area and lamp crushing unit.

   In order to abate this violation, CIC must conduct weekly inspections of the container storage area and lamp crushing unit. These inspections must be documented in a log. A copy of two consecutive weeks of completed logs should be sent in to this office for review.

8. **OAC rule 3745-52-34(A)(2), Accumulation time of hazardous waste:** "...a generator may, for ninety days or less, accumulate...hazardous waste that is generated on-site without an Ohio hazardous waste permit, provided that...the date upon which each period of accumulation...begins is clearly marked and visible for inspection on each container..."

   At the time of the, March 7, 2012, inspection, CIC failed to mark the accumulation date on the 55 gallon drum in the lamp crushing unit.

During the, March 13, 2012, inspection, I observed a date had been placed on the drum of 10-1-2011.

Therefore, this violation is considered abated on, March 13, 2012.

As discussed during the inspection, Ohio EPA recommends that spent lamps be recycled as universal waste instead of being crushed and disposed of as a hazardous waste. CIC must determine if they will continue to crush spent lamps and manage them as a hazardous waste or if CIC will begin to manage spent lamps as a universal waste and recycle them.

CIC must state how they will manage spent lamps in the future. If spent lamps will be managed as a universal waste, then CIC will be subject to the requirements of Chapter 273 of the OAC, and some of the above rules may no longer apply. In this instance, CIC must describe how the lamps will be managed as universal waste and where they will be recycled. However, if CIC decides to continue crushing spent lamps, then CIC must submit information to show they meet the requirements for an LQG as outlined in the above violations. **This information must be submitted within 14 days of receipt of this letter.**

For more information, I handed out fact sheets during the inspection titled Generator Treatment, dated November 2006, Computer, Fluorescent Lamps, and Ballast Recyclers, dated December 2011, Universal Waste, dated August 2011, Fluorescent Lamps: What You Should Know, dated, January 2007, Universal Waste Rules for Handlers of Lamps, dated, June 2005, and a letter from Rose McLean concerning lamp crushing, dated, May 3, 2007. I have also enclosed the documents titled LQG Container Inspection Log, dated January 2005, Emergency Equipment Inspection Log, dated, January 2005, Example Personnel Training Documents, dated, July 2001, Sample Contingency Plan, dated, August 2003, and Hazardous Waste Generator Handbook, dated, October 2009.

General Concerns:

1. **Universal waste battery storage:** During the inspection, it was noted that greater than 365 days existed between shipments of universal waste batteries according to the bills of lading for CIC. You stated that you did not generate this waste stream on a regular basis. You stated that you tracked the storage time of universal waste batteries by placing an accumulation date on the drum of batteries. No universal waste batteries were on site during the inspection, therefore, I could not verify this practice.

In order to track that universal waste is not stored for greater than 365 days, I recommended that you keep a log of when universal waste is shipped off-site and the first day after the shipment that universal waste is generated on site. Per OAC rule 3745-273-15(A), universal waste cannot be accumulated on-site for greater than 365 days. This serves as a reminder to CIC and no further information needs to be submitted in order to address this general concern.

Pollution Prevention:

1. **Spent lamps:** During the inspection, CIC stated that every year a section of the building, such as a floor or a department, is completely re-lamped. During that time, all lamps are replaced with new lamps. Therefore, lamps are disposed of that are not yet burned out or spent. Ohio EPA recommends that CIC only change lamps on an as-needed basis. This will reduce the amount of lamps being disposed of or recycled.

CIC needs to immediately take the necessary measures to return to compliance with Ohio's environmental laws. Within 14 days of receipt of this letter, CIC is requested to provide documentation to this office including the steps taken to abate the violations cited above. Documentation of steps taken to return to compliance includes written correspondence, updated policies, and photographs, as appropriate, and may be submitted via the postal service or electronically to kara.reynolds@epa.state.oh.us .

Please be advised that violations cited above will continue until the violations have been properly abated. Failure to comply with Chapter 3734, of the Ohio Revised Code and rules promulgated thereunder may result in a civil penalty of up to $10,000 per day for each violation. It is imperative that you return to compliance. If circumstances delay the abatement of violations, CIC is requested to submit written correspondence of the steps that will be taken by date certain to attain compliance.

As we discussed during the inspection, you may be able to reduce the waste your company generates. If you find ways to recycle, reduce, or altogether eliminate the amount of waste that your company generates you may be able to reduce treatment and disposal costs as well as regulatory requirements. Ohio EPA has helpful information about pollution prevention at the following web address: http://www.epa.ohio.gov/Default.aspx?alias=www.epa.ohio.gov/ocapp. The Ohio Department of Development's Office of Energy Efficiency may also be able to help with energy efficiency issues. Their website is at http://www.development.ohio.gov/Energy/Default.htm .

The Division of Materials and Waste Management has created an electronic news service to provide you with quick and timely updates on events and news related to hazardous waste activities in Ohio. If you haven't already, we encourage you to sign up for this free service. You can find more information at the following web link: http://ohioepa.custhelp.com/ci/documents/detail/2/subscriptionpage . Please feel free to share this with your colleagues.

Enclosed you will find a copy of the checklists that were completed during the inspection. Should you have any questions, please feel free to call me at (419) 373-3065. You can find copies of the rules and other information on the division's web page at http://www.epa.ohio.gov/Default.aspx?alias=www.epa.ohio.gov/dhwm.

Please send all correspondence **within 14 days of receipt of this letter,** to Ohio EPA, Northwest District Office, Attn: Kara Reynolds, 347 North Dunbridge Road, Bowling Green, Ohio 43402.

Sincerely,

Kara Reynolds

Kara Reynolds
Environmental Specialist
Division of Materials and Waste Management

/cg

Enclosures

cc: Colleen Weaver, DMWM, NWDO
Kara Reynolds, DMWM, NWDO
Cindy Lohrbach, DMWM, NWDO

ec: Colleen Weaver, DMWM, NWDO, with checklists

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