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RCRA/SUPERFUND HOTLINE MONTHLY SUMMARY

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6. The Agency requires owners or operators of hazardous waste treatment, storage, or disposal facilities to have liability coverage for accidental occurrences arising from the operation of their facilities. These requirements are specified in 40 CFR §264.147 and §265.147 for permitted and interim status facilities, respectively. The required coverage for sudden accidental occurrences is at least \$1 million per occurrence with an annual aggregate of at least \$2 million, exclusive of legal defense costs. The required coverage for nonsudden accidental occurrences applies to facilities with surface impoundments, landfills, or land treatment units. These facilities must also have sudden accidental insurance coverage. Nonsudden coverage is at least \$3 million per occurrence with an annual aggregate of at least \$6 million, exclusive of legal defense costs. Must an owner or operator of several facilities have liability coverage in the amounts just stated for each facility?

No; one policy will cover all facilities. Liability insurance is required on a per firm basis rather than a per facility basis. The requirement for the use of an annual aggregate liability coverage encompasses the risk of multiple occurrences among facilities belonging to the same owner or operator. For example, an owner of six container storage facilities would only need sudden accidental occurrence coverage of \$1 million per occurrence with an annual aggregate of \$2 million. This issue is addressed in the April 16, 1982 Federal Register (47 FR 16546).

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