UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5
77 WEST JACKSON BOULEVARD
CHICAGO, IL 60604-3590

JUL 29 2015

REPLY TO THE ATTENTION OF:

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

John Fellonneau, President
Southern Recycling, LLC
1840 Linder Industrial Drive
Nashville, Tennessee 37209

Re: Administrative Order CAA-04-2015-1582

Dear Mr. Fellonneau:

Enclosed is an executed original of the Administrative Consent Order regarding the above captioned case. If you have any questions about the Order, please contact me at (312) 886-0243.

Sincerely,

for

Sara Breneman
Chief
Air Enforcement and Compliance Assurance Branch

cc: Chris Moran, Tennessee Department of Environment & Conservation

Enclosure:

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UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4

In the Matter of:	)	**CAA-04-2015-1582**
	)	
Southern Recycling, LLC	)	**Proceeding Under Sections 113(a)(3) and**
Nashville, Tennessee	)	**114(a)(1) of the Clean Air Act,**
	)	**42 U.S.C. §§ 7413(a)(3) and 7414(a)(1)**
	)	

Administrative Consent Order

1. The Director of the Air, Pesticides, and Toxics Management Division, U.S. Environmental Protection Agency (EPA), Region 4, is issuing this Administrative Consent Order (Order) to Southern Recycling, LLC (Southern), 1840 Linder Industrial Drive, Nashville, Tennessee, under Section 113(a)(3) and 114(a)(1) of the Clean Air Act (CAA), 42 U.S.C. §§ 7413(a)(3) and 7414(a)(1). This Order is being entered into voluntarily and shall not be modified except by a subsequent written agreement between EPA and Southern.

Statutory and Regulatory Background

2. Section 113(a)(3)(B) of the CAA, 42 U.S.C. § 7413(a)(3)(B), authorizes the Administrator of EPA to issue an order requiring compliance with Subchapter VI of the CAA to any person who has violated or is violating any requirement of that subchapter. The Administrator of EPA has delegated her order authority to each of EPA's Regional Administrators (EPA Delegation Manual, Chapter 7, Section 7-6-A). The Regional Administrator of EPA, Region 4, has redelegated her order authority to the Director of Region 4's Air, Pesticides, and Toxics Management Division (EPA Region 4 Delegation 7-6-A).

3. The Administrator of EPA may require any person who owns or operates an emission source to make reports and provide information required by the Administrator under Section 114(a)(1) of the CAA, 42. U.S.C. § 7414(a)(1). The Administrator of EPA has delegated

emissions reduction define "person" to include any individual or legal entity. See 40 C.F.R. § 82.152.

7. EPA's regulations for the protection of stratospheric ozone, recycling and emissions reduction define "disposal" as "the process leading to and including: (1) the discharge, deposit, dumping or placing of any discarded appliance into or on any land or water; (2) the disassembly of any appliance for discharge, deposit, dumping or placing of its discarded component parts into or on any land or water; or (3) the disassembly of any appliance for reuse of its component parts." See 40 C.F.R. § 82.152.

8. EPA's regulations for the protection of the stratospheric ozone, recycling and emissions reduction define a "small appliance" as any appliance that is fully manufactured, charged, and hermetically sealed in a factory with five pounds or less of a Class I or Class II substance used as a refrigerant, including, but not limited to, refrigerators and freezers (designed for home, commercial, or consumer use), medical or industrial research refrigeration equipment, room air conditioners (including window air conditioners and packaged terminal air heat pumps), dehumidifiers, under the counter ice makers, vending machines, and drinking water coolers. See 40 C.F.R. § 82.152.

9. EPA's regulations for the protection of stratospheric ozone, recycling and emissions reduction define "MVAC" as mechanical vapor compression refrigeration equipment used to cool the driver's or passenger's compartment of any motor vehicle. See 40 C.F.R. §§ 82.32 and 82.152.

Findings

10. Southern owns and operates a scrap metal recycling facility at 1840 Linder Industrial Drive, Nashville, Tennessee (the Facility).

that it had violated 40 C.F.R. § 82.156(f) because it did not recover refrigerant from small appliances and MVACs and did not obtain proper verification statements.

20. On October 15, 2014, representatives from Southern and EPA discussed the alleged violations in the Finding of Violation.

21. Following the October 15, 2014, discussions and subsequent correspondence with EPA, Southern developed and implemented procedures across the Facility, which have brought Southern into compliance with applicable EPA regulations set forth at 40 C.F.R. §§ 82.156 and 82.166.

Compliance Program

22. By the effective date of this Order, Southern must achieve, demonstrate and maintain compliance with 40 C.F.R. Part 82, Subpart F at its Nashville, Tennessee facility and Kentucky facilities. Additionally, Southern must take the following actions by the dates specified and maintain compliance with paragraphs 23 through 34, below, for one year after the effective date of this Order for any small appliance, MVAC, or MVAC-like appliance that it receives at its facilities. Attachment 1 summarizes the compliance actions Southern has agreed to implement.

23. Southern must not accept small appliances, MVACs, or MVAC-like appliances with cut or dismantled refrigerant lines if it knows or has reason to know that the refrigerant has not been properly recovered in accordance with 40 C.F.R. § 82.156(g) and (h).

24. Southern must not accept small appliances, MVACs, or MVAC-like appliances with cut or dismantled refrigerant lines unless its supplier can certify, using a verification statement included as Attachment 2 to this Order, that the refrigerant was properly recovered. For suppliers with whom Southern has had a long-standing business relationship, this requirement may be satisfied by Southern entering into the contract included as Attachment 3 to

recovered prior to cutting or dismantling the refrigerant lines using the verification statement included as Attachment 2 to this Order or the contract included as Attachment 3 to this Order.

29. By the effective date of this Order, Southern must notify its suppliers in writing that it will provide refrigerant recovery services. Southern may satisfy the notice requirements of paragraphs 28 and 29 with a sign that is prominently displayed at its weigh station during the period of time that this Order is effective.

30. By the effective date of this Order, Southern will purchase and use equipment, or contract the services of a trained individual, to recover refrigerant from small appliances, MVACs, and MVAC-like appliances.

31. Southern must have the refrigerant recovered by a properly trained individual. If that individual is an employee of Southern, it will ensure that the individual is properly trained to use the equipment identified in paragraph 30.

32. By the effective date of this Order, Southern must use the small appliance / MVAC/MVAC-like appliance refrigerant recovery log included as Attachment 4. Southern must retain copies of receipts for all refrigerant it collects and sends to another company for reclamation. Southern must also document the number of small appliances, MVACs, or MVAC-like appliances it rejects, the date the appliance was rejected, and the reason for rejecting the item(s).

33. Within six months of the effective date of this Order and at one year of the effective date of this Order, Southern must provide EPA with proof of its compliance with the notice requirements of paragraphs 28 and 29, that it purchased the equipment required by paragraph 30, and has an individual trained in recovering refrigerant as required by paragraph 31.

Subpart B, for any portion of the information it submits to EPA. Information subject to a business confidentiality claim is available to the public only to the extent allowed by 40 C.F.R. Part 2, Subpart B. If Southern fails to assert a business confidentiality claim, EPA may make all submitted information available, without further notice, to any member of the public who requests it. Emission data provided under Section 114 of the CAA, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B.

42. This order is not subject to the Paperwork Reduction Act, 44 U.S.C. § 3501 *et seq.*, because it seeks collection of information by an agency from specific individuals or entities as part of an administrative action or investigation. To aid in our electronic recordkeeping efforts, please furnish an electronic copy on physical media such as compact disk, flash drive or other similar item. If it is not possible to submit the information electronically, submit the response to this Order without staples; paper clips and binder clips, however, are acceptable.

43. EPA may use any information submitted under this Order in an administrative, civil judicial or criminal action.

44. Southern agrees to the terms of this Order.

45. Southern neither admits nor denies the factual allegations and conclusions of law set forth above in this Order.

46. Southern waives any and all remedies, claims for relief and otherwise available rights to judicial or administrative review that Southern may have with respect to any issue of fact or law set forth in this Order, including any right of judicial review under Section 307 of the Act, 42 U.S.C. § 7607.

47. This Order is effective on the date of signature by the Director of the Air, Pesticides, and Toxics Management Division.

Administrative Consent Order
Southern Recycling, LLC

6/30/2015
Date

John Fellonneau
President
Southern Recycling, LLC

7-22-15
Date

Beverly H. Banister
Director
Air, Pesticides, and Toxics Management Division
U.S. Environmental Protection Agency, Region 4

Southern Recycling, LLC

Refrigerant Handling Compliance Plan

1. **Acceptance of Material**

   A. Southern Recycling, LLC will not accept any small appliances, MVACs or MVAC-like appliances with cut or dismantled refrigerant lines if it knows or has reason to know that the refrigerant was not properly recovered.

   B. Southern Recycling, LLC will accept small appliances, MVAC or MVAC-like appliances with intact refrigerant lines and will recover any remaining refrigerant at no additional cost to the supplier.

   C. Southern Recycling, LLC will accept small appliances, MVAC or MVAC-like appliances pursuant to a contract stating that refrigerant will be properly recovered prior to delivery or upon verification and collection of a verification statement that the refrigerant was properly recovered prior to delivery.

   D. **Vehicle specific provision**: In instances where Southern Recycling, LLC does not have a contract in place or a verification statement from the supplier of a MVAC or MVAC-like appliances and is unable to determine pressure in the system due to an inability to access the air conditioning unit, Southern Recycling, LLC will record the date of the attempt to check pressure with a brief explanation related to condition of the vehicle or MVAC-like appliance.

   E. **Vehicle specific provision**: In instances where a supplier claims that the refrigerant previously leaked from a MVAC or MVAC-like appliance, Southern Recycling, LLC will perform a pressure test:

      i. If pressure test indicates **no** refrigerant is present, a compliant verification statement must indicate that the refrigerant leaked due to age or condition as determined by pressure test.

      ii. If a pressure test shows that refrigerant is present in the system, Southern Recycling, LLC will recover the refrigerant from MVAC or MVAC-like appliance, or will reject the MVAC or MVAC-like appliances.

2. **Documentation**

   A. Southern Recycling, LLC will document the number of small appliances, MVAC or MVAC-like appliances it rejects, the date the appliance was rejected, and the reason for rejecting the item(s).

   B. Southern Recycling, LLC will keep a log of refrigerant recovery activity, and receipts of refrigerant sale or disposal.

   C. Southern Recycling, LLC will keep all verification statements and contracts on file.

3. **Notifying Suppliers**

   A. Southern Recycling, LLC will notify its suppliers in writing, using signage, that:

Southern Recycling
1840 Linder Industrial Drive
Nashville, TN 37209

VERIFICATION OF REFRIGERANT REMOVAL

I certify that all refrigerant and substitutes (including but not limited to chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs) as defined in Section 608 of the Clean Air Act Amendments and 40 CFR Part 82) that have not leaked previously have been recovered in accordance with the federal regulations on refrigerant recycling at 40 C.F.R. Part 82, Subpart F, from the appliances delivered under this sale.

The refrigerant has been recovered as follows:

Name of person
recovering refrigerant:_____

Address of person
recovering refrigerant:_____

Date refrigerant recovered:_____

_____	_____	_____
Seller's Signature	Seller's name (print)	Date

Southern Recycling
620 Clay Street
Bowling Green, Kentucky 42102

VERIFICATION OF REFRIGERANT REMOVAL

I certify that all refrigerant and substitutes (including but not limited to chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs) as defined in Section 608 of the Clean Air Act Amendments and 40 CFR Part 82) that have not leaked previously have been recovered in accordance with the federal regulations on refrigerant recycling at 40 C.F.R. Part 82, Subpart F, from the appliances delivered under this sale.

The refrigerant has been recovered as follows:

Name of person
recovering refrigerant:_____

Address of person
recovering refrigerant:_____

Date refrigerant recovered:_____

_____	_____	_____
Seller's Signature	Seller's name (print)	Date

Southern Recycling
2401 Grimes Avenue
Owensboro, Kentucky 42303

VERIFICATION OF REFRIGERANT REMOVAL

I certify that all refrigerant and substitutes (including but not limited to chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs) as defined in Section 608 of the Clean Air Act Amendments and 40 CFR Part 82) that have not leaked previously have been recovered in accordance with the federal regulations on refrigerant recycling at 40 C.F.R. Part 82, Subpart F, from the appliances delivered under this sale.

The refrigerant has been recovered as follows:

Name of person
recovering refrigerant:_____

Address of person
recovering refrigerant:_____

Date refrigerant recovered:_____

_____	_____	_____
Seller's Signature	Seller's name (print)	Date

Southern Recycling
1840 Linder Industrial Drive
Nashville, TN 37209

Refrigerant Recovery Contract

I hereby certify and agree that I shall be responsible for properly recovering or ensuring the proper recovery of any refrigerants (including Freon) prior to delivering any appliances and motor vehicle air conditioning systems to Southern Recycling, Nashville, Tennessee, in accordance with EPA regulations found at 40 C.F.R. § 82.156.

_____
Company Name

_____
Company Address

Company Representative – Print Name	Southern Recycling Representative – Print Name
Signature Date	Signature Date

Southern Recycling
620 Clay Street
Bowling Green, Kentucky 42102

Refrigerant Recovery Contract

I hereby certify and agree that I shall be responsible for properly recovering or ensuring the proper recovery of any refrigerants (including Freon) prior to delivering any appliances and motor vehicle air conditioning systems to Southern Recycling, Bowling Green, Kentucky, in accordance with EPA regulations found at 40 C.F.R. § 82.156.

_____
Company Name

_____
Company Address

Company Representative – Print Name	Southern Recycling Representative – Print Name
Signature Date	Signature Date

Southern Recycling
2401 Grimes Avenue
Owensboro, Kentucky 42303

Refrigerant Recovery Contract

I hereby certify and agree that I shall be responsible for properly recovering or ensuring the proper recovery of any refrigerants (including Freon) prior to delivering any appliances and motor vehicle air conditioning systems to Southern Recycling, Owensboro, Kentucky, in accordance with EPA regulations found at 40 C.F.R. § 82.156.

_____
Company Name

_____
Company Address

Company Representative – Print Name	Southern Recycling Representative – Print Name
Signature Date	Signature Date

Southern Recycling
1840 Linder Industrial Drive
Nashville, TN 37209

Refrigerant Recovery Log

Date refrigerant evacuated	Type of item (A/C, fridge, etc.)	Model # of item	Serial # of item	Type of refrigerant	Amount of refrigerant recovered (lbs or oz)	Technician

Southern Recycling
620 Clay Street
Bowling Green, Kentucky 42102

Refrigerant Recovery Log

Date refrigerant evacuated	Type of item (A/C, fridge, etc.)	Model # of item	Serial # of item	Type of refrigerant	Amount of refrigerant recovered (lbs or oz)	Technician

Southern Recycling
2401 Grimes Avenue
Owensboro, Kentucky 42303

Refrigerant Recovery Log

Date refrigerant evacuated	Type of item (A/C, fridge, etc.)	Model # of item	Serial # of item	Type of refrigerant	Amount of refrigerant recovered (lbs or oz)	Technician

CERTIFICATE OF MAILING

I, Loretta Shaffer, certify that I sent the Administrative Consent Order, CAA-04-2015-1582, by certified mail, return receipt requested, to:

John Fellonneau, President
Southern Recycling, LLC
1840 Linder Industrial drive
Nashville, Tennessee 37209

I also certify that I sent a copy of the Administrative Consent Order, CAA-04-2015-1582, by first-class mail to:

Chris Moran, Enforcement Coordinator
Tennessee Department of Environment & Conservation
William R. Snodgrass Tennessee Tower, 2nd Floor
312 Rosa L. Parks Avenue
Nashville, TN 37243

I also certify that I sent a copy of the Administrative Consent Order, CAA-04-2015-1582, by email to:

Beverly Spagg, Region 4
Spagg.beverly@epa.gov

On the 30th day of July 2015.

Kathy Gomez

Loretta Shaffer
Program Technician
AECAB, PAS

CERTIFIED MAIL RECEIPT NUMBER: 7009 1680 0000 7644 3470