



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

SEP 29 2011

REPLY TO THE ATTENTION OF

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

J. Jeffrey McNealey
Porter Wright Morris & Arthur LLP
41 South High Street
Suites 2800-3200
Columbus, Ohio 43215-6194

Re: Recycling Exchange North, Inc., Columbus, Ohio

Dear Mr. McNealey:

Enclosed is the Administrative Consent Order (ACO) entered into by Recycling Exchange North, Inc. and the United States Environmental Protection Agency. Please have your client retain this copy for their records.

The terms of this Order became effective on the date of signature by the Director, and are binding for two years from the effective date. Failure to comply with this Order may subject Recycling Exchange North to penalties of up to \$37,500 per day for each violation under Section 113 of the Act, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

Should you have any questions, please contact Mr. Erik Olson, Associate Regional Counsel, at (312) 886-6829, or Ms. Natalie Topinka, of my staff, at (312) 886-3853.

Sincerely,

A handwritten signature in black ink, appearing to read "Brent Marable", written over a dashed line.

Brent Marable, Chief
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosures: ACO

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

In the Matter of:)	EPA-5-11-113(a)-OH-11
)	Proceeding Under Sections
Recycling Exchange North, Inc.)	113(a)(3) and 114(a)(1)
)	of the Clean Air Act,
)	42 U.S.C. §§ 7413(a)(3) and 7414(a)(1)
Columbus, Ohio)	
)	
)	
)	
)	
_____)	

Administrative Consent Order

1. The Director of the Air and Radiation Division (Director), U.S. Environmental Protection Agency, Region 5 (EPA), is entering into this Administrative Consent Order (Order) with Recycling Exchange North, Inc., 2830 Westerville Road, Columbus, Ohio, under Sections 113(a)(3) and 114(a)(1) of the Clean Air Act (Act), 42 U.S.C. §§ 7413(a)(3) and 7414(a)(1).

I. Statutory and Regulatory Background

2. Section 113(a)(3)(B) of the Act, 42 U.S.C. § 7413(a)(3)(B), authorizes the Administrator of EPA to issue an order requiring compliance with Subchapter VI of the Act to any person who has violated or is violating any requirement of Subchapter VI. The Administrator of EPA has delegated her order authority to the Regional Administrator of EPA, Region 5 pursuant to EPA Headquarters Delegation 7-6-A. The Regional Administrator of EPA, Region 5, has delegated her order authority to the Director pursuant to EPA Region 5 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 Act, 42 U.S.C. § 7414(a)(1). The Administrator of EPA has delegated her information gathering authority to the Regional Administrator of EPA, Region 5 pursuant to EPA Headquarters Delegation 7-8. The Regional Administrator of EPA, Region 5, has delegated her information gathering authority to the Director pursuant to EPA Region 5 Delegation 7-8.

4. Subchapter VI of the Act, 42 U.S.C. § 7671, *et seq.* provides for the protection of stratospheric ozone. Section 608(b) of the Act, 42 U.S.C. § 7671g(b), provides EPA with the authority to regulate the safe disposal of class I and II substances. Class I and II substances include refrigerants containing chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs). EPA promulgated such regulations covering the safe disposal of CFCs and HCFCs from small appliances and motor vehicle air conditioners at 58 Fed. Reg. 28660 (May 14, 1993). These regulations for protection of the stratospheric ozone, recycling and emissions reduction are found in 40 C.F.R. Part 82, Subpart F.

5. Effective July 13, 1993, persons who take the final step in the disposal process (including but not limited to scrap recyclers) of small appliances and motor vehicle air conditioners (MVACs) must either recover the refrigerant in accordance with specific procedures or verify with signed statements that the refrigerant was properly recovered prior to receipt of the small appliance or MVAC. See 40 C.F.R. § 82.156(f). If verification statements are used then the scrap recycler must notify the suppliers of the small appliance or MVAC of the need to properly recover the refrigerant. See 40 C.F.R.

§ 82.156(f)(3). The scrap recycler must keep verification statements on-site for a minimum of three years. See 40 C.F.R. § 82.166(i) and (m).

6. 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.

7. EPA's regulations for the protection of stratospheric ozone, recycling and emissions reduction define MVACs 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.

II. Findings

8. Recycling Exchange North, Inc. (Recycling Exchange North) owns and operates a scrap metal recycling facility at 2830 Westerville Road, Columbus, Ohio. Recycling Exchange North is a corporation organized and doing business in Ohio. Recycling Exchange North is a person as defined by 40 C.F.R. § 82.152.

9. Recycling Exchange North is a person who takes the final step in the disposal process of small appliances and is subject to the requirements of 40 C.F.R. Part 82, Subpart F.

10. Recycling Exchange North has accepted small appliances and MVACs without recovering refrigerant. Recycling Exchange North has not obtained verification statements that met the requirements of 40 C.F.R. § 82.156(f) for these small appliances and MVACs.

11. Recycling Exchange North has 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.

12. Recycling Exchange North has had an opportunity to confer with EPA concerning the violations referenced in paragraph 11.

III. Compliance Program

13. Recycling Exchange North must comply with 40 C.F.R. Part 82. Additionally, Recycling Exchange North must take the following actions by the dates specified and maintain compliance with paragraphs 14 through 23, below, for two years after the effective date of this Order for any small appliance or MVAC that it receives at its facility.

14. By September 30, 2011, Recycling Exchange North must no longer accept small appliances or MVACs with cut or dismantled refrigerant lines unless its supplier can provide the certification identified in paragraph 17 below.

15. As of the date of this Order, Recycling Exchange North does not accept appliances from entities other than appliance sale or repair facilities due to the non-ferrous nature of its business. Any appliances Recycling Exchange North accepts from an appliance sales or repair facility have had the refrigerant properly recovered. As of the date of this Order, Recycling Exchange North must have its appliance sales or repair

suppliers use the verification statement included as Attachment 1 to this Order or the refrigerant recovery contract included as Attachment 2, as appropriate.

16. As of the date of this Order, Recycling Exchange North does not accept MVACs for business reasons.

17. If Recycling Exchange North decides to accept small appliances, other than as described above in paragraph 15, or MVACs during the duration of this Order, Recycling Exchange North will notify EPA at the address provided in paragraph 24 that it has begun accepting small appliances or MVACs within 5 days of doing so. Recycling Exchange North shall also provide documentation of purchase of and training on refrigerant recovery equipment required by paragraphs 20 and 21 of this Order, or documentation that it has contracted the services of a trained individual to recover refrigerant from small appliances or MVACs received by Recycling Exchange North. Subsequently during the duration of this Order, for any period of time during which Recycling Exchange North is not accepting small appliances or MVACs for business reasons, Recycling Exchange North will notify EPA at the address provided in paragraph 24 within five days of stopping accepting small appliances, other than as described above in paragraph 15, and MVACs and within five days of beginning to accept appliances that it has done so.

18. If Recycling Exchange North accepts small appliances, other than as described above in paragraph 15, or MVACs for recycling, Recycling Exchange North must notify its suppliers in writing prior to or at the same time Recycling Exchange North begins accepting appliances or MVACs that it will not accept small appliances or MVACs with cut or dismantled refrigerant lines unless the suppliers can certify that the

refrigerant was properly evacuated prior to cutting or dismantling the refrigerant lines. Recycling Exchange North must have its suppliers use the verification statement included as Attachment 1 to this Order or the refrigerant recovery contract included as Attachment 2, as appropriate, if they claim that refrigerant was previously evacuated.

19. If Recycling Exchange North accepts small appliances, other than as described above in paragraph 15, or MVACs for recycling, Recycling Exchange North must notify its suppliers in writing prior to or at the same time Recycling Exchange North begins accepting appliances or MVACs that it will provide refrigerant recovery services for the appliances or MVACs accepted at no additional cost or reduction in the value of the scrap. Recycling Exchange North may satisfy the notice requirements of paragraphs 18 and 19 with a sign that is prominently displayed at its weigh station during the period of time that this Order is effective.

20. If Recycling Exchange North accepts small appliances, other than as described above in paragraph 15, or MVACs for recycling, Recycling Exchange North must either purchase equipment to recover refrigerant from the small appliances and MVACs prior to the time Recycling Exchange North begins accepting appliances or MVACs and use the equipment to recover refrigerant from small appliances or MVACs, or contract the services of a trained individual to recover refrigerant from small appliances or MVACs received by Recycling Exchange North.

21. If Recycling Exchange North accepts small appliances, other than as described above in paragraph 15, or MVACs for recycling, Recycling Exchange North must have the refrigerant recovered by a properly trained individual. If that individual is an employee of Recycling Exchange North, then Recycling Exchange North will ensure

that the individual is properly trained to use the equipment identified in paragraph 20 prior to the time Recycling Exchange North begins accepting small appliances, other than as described above in paragraph 15, or MVACs.

22. If Recycling Exchange North accepts small appliances, other than as described above in paragraph 15, or MVACs for recycling, Recycling Exchange North must use the refrigerant recovery log included as Attachment 3. Recycling Exchange North will retain copies of receipts for all refrigerant it collects and sends to another company for reclamation. Recycling Exchange North will also document the number of small appliances or MVACs it rejects (for any reason other than that Recycling Exchange North is not currently accepting small appliances or MVACs), the date the small appliance or MVAC was rejected, and the reason for rejecting the item(s).

23. Within 30 days of March 31, 2012, September 30, 2012, March 31, 2013, and September 30, 2013, Recycling Exchange North must submit to EPA a copy of its refrigerant recovery log, the information required by paragraph 22 and any verification statements used pursuant to paragraph 18 above from the preceding six month reporting period.

24. Recycling Exchange North must send all reports, electronically or by hard copy, required by this Order to:

Attention: Compliance Tracker (AE-17J)
Air Enforcement and Compliance Assurance Branch
EPA, Region 5
77 West Jackson
Chicago, Illinois 60604

IV. General Provisions

25. Recycling Exchange North agrees to the terms of this Order.

26. Recycling Exchange North will not contest the authority of EPA and Recycling Exchange North to enter into this agreement. Recycling Exchange North waives any further opportunity to confer or have a hearing.

27. This Order does not affect Recycling Exchange North's responsibility to comply with other federal, state, and local laws.

28. This Order does not restrict EPA's authority to enforce any requirement of the Act or its implementing regulations.

29. Failure to comply with this Order may subject Recycling Exchange North to penalties of up to \$37,500 per day for each violation under Section 113 of the Act, 42 U.S.C. § 7413, and 40 C.F.R. Part 19.

30. Recycling Exchange North may assert a claim of business confidentiality under 40 C.F.R. Part 2, 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 Recycling Exchange North 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 Act, 42 U.S.C. § 7414, is not entitled to confidential treatment under 40 C.F.R. Part 2, Subpart B. "Emission data" is defined at 40 C.F.R. § 2.301.

31. 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. If submitted in hard copy, to aid in our electronic record keeping efforts, please provide your response(s)

to this Order without staples. Paper clips, binder clips, and 3-ring binders are acceptable.

32. The terms of this Order are binding on Recycling Exchange North, its assignees, and successors. Recycling Exchange North must give notice of this Order to any successors in interest prior to transferring ownership and must simultaneously verify to EPA that it has given the notice.

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

34. This Order is effective on the date of signature by the Director. This Order will terminate two years from the effective date, provided that Recycling Exchange North has complied with all terms of the Order throughout its duration.

35. Each person signing this Order certifies that he or she has the authority to sign for the party whom he or she represents and to bind that party to its terms.

36. Each party agrees to pay its own costs and attorneys' fees in this action.

37. This Order constitutes the entire agreement between the parties.

38. By execution of this Order, Recycling Exchange North does not admit any liability for the acts complained of, and reserves the right to assert all valid defenses against EPA in any future proceeding under Sections 113 (b) or (d) of the Act, 42 U. S. C. §§ 7413 (b) and (d).

AGREED AS STATED ABOVE:

RECYCLING EXCHANGE NORTH, INC.

Date: 9/21/11

By: 

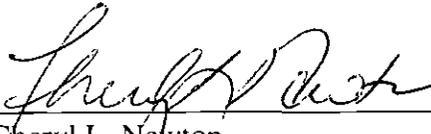
Name: MARVIN GROSSMAN

Title: PRES.

AGREED AND SO ORDERED:

U.S. ENVIRONMENTAL PROTECTION AGENCY

9/29/11
Date


Cheryl L. Newton
Director
Air and Radiation Division



RECYCLING EXCHANGE NORTH REFRIGERANT EVACUATION CERTIFICATION



Under penalty of law, the undersigned SELLER hereby certifies to Recycling Exchange North (hereinafter "Buyer") that the appliance formerly containing refrigerant sold to BUYER on the date set forth below hereby comports to the legal requirements as denoted below. Seller also agrees to hold the BUYER harmless from any and all liability, including fines and attorney fees, arising from the improper evacuation and disposal of refrigerant. The SELLER specifically certifies compliance in one of two (2) ways as follows:

REMOVED BY SELLER'S QUALIFIED TECHNICIAN: Pursuant to 40 CFR Part 82 Subpart F, undersigned SELLER certifies that all refrigerant (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)), has been legally removed and recovered from appliances delivered under this contract of sale prior to delivery on (date of removal) _____ by (name of qualified technician) _____, whose address is _____ using USEPA-certified equipment.

OR

REMOVED BY BUYER:

The refrigerant was not removed and needs to be recovered by qualified technicians employed by the Buyer.

The term "appliance" means "any device which contains and uses a refrigerant and which is used for household or commercial purposes, including any air conditioner, refrigerated chiller, or freezer." An "appliance" includes both whole devices/machines/appliances and any portion of the refrigerant circuitry. The appliance(s) which is the subject of this sale is:

Descriptions:

Type of unit: _____ Model _____ Manufacturer: _____ Line Cut: Yes or No
Type of unit: _____ Model _____ Manufacturer: _____ Line Cut: Yes or No
Type of unit: _____ Model _____ Manufacturer: _____ Line Cut: Yes or No

WARNING: By signing this form, you as the SELLER affirm that the information required under Code of Federal Regulations Chapter 40 Part 82 Subpart F is true. If you provide false or incomplete information, you may be subject to felony and/or misdemeanor criminal charges, including the crime of Falsification pursuant to Ohio Revised Code 2921.13.

SELLER:

Date: _____

Transaction Record No.: _____

Note: If the BUYER knows or has reason to know this signed statement is false it is a violation of law.

TERMS OF PURCHASE
for
Refrigerant Containing Metal Scrap

This agreement is made as of the date set forth below between Recycling Exchange North, Inc., 2830 Westerville Road, Columbus, Ohio 43224, and the undersigned SELLER of scrap metal.

WHEREAS, the United States Environmental Protection Agency (USEPA) and Ohio Environmental Protection Agency (OEPA) have various regulations regarding protection of clean air, which regulations are set forth at 40 CFR Part 82 (Subpart F), whereby sellers of certain scrap metal which, in the past may have contained refrigerant which if improperly released can cause damage to our environment, are required to certify compliant removal for all refrigerants prior to sale to Recycling Exchange North, Inc.; and

WHEREAS, the undersigned wishes to sell scrap metal, which previously contained such refrigerant, to Recycling Exchange North, Inc.

NOW, THEREFORE, be it agreed by and between the undersigned SELLER and Recycling Exchange North, Inc., and in consideration of Recycling Exchange North, Inc.'s agreement to purchase certain scrap metal previously containing refrigerant, SELLER does hereby agree and certify that:

Pursuant to 40 CFR Part 82 (Subpart F), federal and state regulations require removal of all refrigerant (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 has not leaked previously, SELLER hereby certifies that any and all refrigerants will have been recovered prior to delivery from appliances to be delivered to Recycling Exchange North, Inc. for sale. The term "appliances" means "any device which contains and uses a refrigerant and which is used for household or commercial purposes, including any air conditioner, refrigerated chiller or freezer." Further, SELLER agrees to indemnify and hold Recycling Exchange North, Inc. harmless from any claim, penalty, fine, fee, cost, attorney fees, or other liability resulting, in whole or in part, from SELLER's breach of this certification.

IN WITNESS WHEREOF, Recycling Exchange North, Inc. and the undersigned SELLER hereby execute this agreement by their duly authorized representatives as of this _____ day of _____, 201_.

RECYCLING EXCHANGE NORTH, INC.
By: _____
Print Name: _____
Print Title: _____

SELLER
By: _____
Print Name: _____
Print Title: _____
Customer Number _____
HVAC License Number _____

CERTIFICATE OF MAILING

I, Tracy Jamison, certify that I sent Administrative Consent Order EPA-5-11-113(a)-OH-11 by Certified Mail, Return Receipt Requested, to:

J. Jeffrey McNealey
Porter Wright Morris & Arthur LLP
41 South High Street
Suites 2800-3200
Columbus, Ohio 43215-6194

I also certify that I sent a copy of the Administrative Consent Order by first class mail to:

J. Allen Lee
Recycling Exchange North, Inc.
1960 South Fourth Street
PO Box 07885
Columbus, Ohio 43207-0885

On the 30 day of September 2011.



Tracy Jamison
Office Automation Assistant
Planning and Administration Section

CERTIFIED MAIL RECEIPT NUMBER: 7009 1080 0000 7670 4922