

# Appliance Demanufacturing NEWS

January, 2008

Issue 2

## Financial Assurance is here!

The Iowa Department of Natural Resources (Department) has revised the Administrative Rules for all permitted sanitary disposal projects, including appliance demanufacturing facilities, to include financial assurance requirements. Financial assurance is a mechanism for insuring that funds are available to pay for the proper disposal of solid waste left on site when an unexpected or inadequate closure of a facility occurs. The financial assurance instrument shall provide monetary funds to properly dispose of any appliances, refrigerant, PCB's, mercury and other hazardous materials associated with appliance demanufacturing that may remain at the facility due to the owner's or operator's failure to properly close the site within 30 days of permit suspension, termination, revocation, or expiration. An appliance demanufacturing facility owned and operated in conjunction with a sanitary landfill already required to have financial assurance shall not be required to obtain additional financial assurance in compliance with Chapter 118.

### Reminder:

Annual reports using the new forms for 2007 are due **January 31**. You should have received a report form in the mail. It is also available on our Web site at:  
[www.iowadnr.com/waste/recycling/appliance.html](http://www.iowadnr.com/waste/recycling/appliance.html)

## What do I do now? FAQ's

### Q. What will the department need from you?

A. The department will need proof of the financial assurance instrument including a current closure cost estimate. No permit without financial assurance.

### Q. How do I obtain a cost closure estimate?

A. The estimate submitted to the department must be certified by a profession engineer and account for the disposal and cleanup costs outlined in 118.16(5).

### Q. What form of financial assurance do I need?

A. Financial assurance may be provided by cash in the form of a secured trust fund for privately-owned facilities or local government dedicated fund for publicly-owned facilities, surety bond, letter of credit, or corporate or local government guarantee as outline in 118.16(6). The financial assurance instrument shall be established in an amount equal to the cost closure estimate and shall not be canceled, revoked, disbursed, release, or allowed to terminate without the approval of the department.

### Q. How long do I need to keep financial assurance?

A. The owner or operator must provide continuous coverage for closure and submit proof of compliance, including an updated closure cost estimate with each permit renewal.

### Q. When does this new rule take effect?

A. Proof of compliance shall be submitted to the department by July 1, 2008, and with each permit renewal. Please mail to the Iowa Department of Natural Resources Attn: Susan Johnson, 502 E. 9<sup>th</sup> Street, Des Moines, IA 50319

### Q. Can I demanufacture appliances without financial assurance?

A. No. This is a requirement of all permitted appliance demanufacturing facilities.

### Q. Where can I read more about the new financial assurance rules that apply to appliance demanufacturing?

A. The following website has the update chapter 118 rules that includes financial assurance. It can be viewed online at:

[www.legis.state.ia.us/Rules/Current/iac/567iac/567118/567118.pdf](http://www.legis.state.ia.us/Rules/Current/iac/567iac/567118/567118.pdf)

## Refrigerant Recovery: Do you know the Federal Regulations?

Appliance demanufacturers need to comply with the U. S. Environmental Protection Agency (EPA's) regulations for the removal of refrigerants before disposing of any appliances. Under Federal Regulations, you are responsible for making sure that the refrigerant has been properly removed before an appliance is buried, shredded or dismantled, either by verifying its removal prior to arrival at your facility, or by removing it yourself. If the refrigerant has been removed from an appliance prior to arrival at a landfill, metal recycling company or appliance demanufacturing facility, each customer must provide a written and signed statement, verifying that the refrigerant has been properly removed from all appliances (including motor vehicle air conditioners) prior to delivery to your facility.

Copies of these documents must be maintained on site for at least three years. This documentation must include:

- ➔ A signed statement from the customer that sent the appliance for disposal stating that all refrigerant has been removed from the appliance in accordance with the standard's listed in both EPA and state regulations; and
- ➔ The name and address of the person who removed the refrigerant and the specific date the refrigerant was removed, OR a copy of the contract between the customer and the person who removed the refrigerant stating that refrigerant will be removed from these appliances prior to delivery to your facility.

Q. What if you receive an appliance that has been crushed, partially dismantled, or had its refrigerant line cut?

A. If you receive such a crushed or partially dismantled appliance, you still must obtain written verification of Refrigerant removal from the customer that sent that appliance to your disposal facility.

This information was taken from EPA's fact sheet on "Safe Disposal Procedures for Household Appliances that Use Refrigerants". It can be viewed at the Department's website at:

<http://www.iowadnr.com/waste/recycling/files/eparefrig.pdf>

Please visit this website to learn more about customer notification guidance and what to do if a truckload comes in full of appliances with no refrigerant removal documentation, the selling of removed refrigerant and more.

### Quiz Corner

**Question?** If I receive an appliance with the unique marking system on it stating the appliance has been demanufactured, is that proof enough that the refrigerant has been removed?

**Answer:** In most cases, marks on appliances such as "X" or the presence of a sticker in some way stating that the appliance has been "emptied" do not satisfy the EPA verification requirements.

### PCB's... Are you inspecting?

Chapter 118.11 (4) "h", as well as EPA regulations, require PCB storage areas be inspected every 30 days, and the inspection documented. You may use your own form or a PCB 30-day inspection form can be found on the Department's website at:

<http://www.iowadnr.com/waste/recycling/files/pcb30.pdf>

The container must be affixed with the large PCB mark as described in 40 CFR 761.45 of the federal regulations. You must record the date when the first PCB-containing item was placed in the container. For more information regarding PCB's and Capacitor removal, read about Chapter 118 PCB regulations on the web at:

<http://www.legis.state.ia.us/Rules/Current/iac/567iac/567118/567118.pdf>



If you have any questions regarding your permit or know of appliance demanufacturers operating without a permit, please contact our office or local field office.