PCI

June 11, 2002

Mr. David Berrey
Indiana Department of Environmental Management
100 N. Senate, P. O. Box 6015
Indianapolis, IN 46204

Dear Mr. Berrey:

Following up on our meeting with you and your colleagues in Indianapolis on March 8, 2002, Pollution Control Industries, Inc. ("PCI") is formally requesting a recycling determination from the Indiana Department of Environmental Management ("IDEM") on the Hazardous Waste Recycling Process we presented to the group. We recap the project as follows:

PCI RECYCLING PROCESS

PCI was founded in 1986 and has grown to be one of the nation's largest and most experienced waste management companies. PCI operates three fully permitted Part B "RCRA" treatment, storage and disposal facilities. PCI collects, processes, treats, and stores hazardous and non-hazardous waste from a variety of industries. PCI's primary activity at each location is processing and bulking wastes for use as alternative fuels in cement kilns.

PCI has worked to bring many new methods and innovative technologies to the waste industry in the past and has recently been studying various waste recycling technologies. PCI has developed a method, utilizing OnSite Technologies' patented series 6000 indirect thermal desorption (ITD) technology to recycle non-liquid hazardous waste. OnSite's ITD system has been used successfully in the oil and gas industry, in both upstream and downstream applications, recycling both hazardous and non-hazardous waste. OnSite's technology reclaims valuable, non-renewable liquid hydrocarbons from non-liquid waste that can be sold or reused. . PCI intends to utilize OnSite's ITD technology to recycle non-liquid industrial hazardous waste thereby reclaiming valuable liquid hydrocarbons that can be sold as a commodity and minimizing the amount of waste that PCI ships.

The recycling of these hydrocarbons will also provide additional benefits: (1) increase resource conservation; (2) and reduce the need for virgin materials.

PCI has conducted bench testing with OnSite that indicates PCI's non-liquid waste will yield approximately 60% liquid hydrocarbons. This system operates in a temperature range that will maximize the production of liquid hydrocarbons without reaching temperatures that would produce thermal cracking of those hydrocarbons. This is prevented by introducing recovered water from the condensate recovery unit into the ITD. The recovered water forms a steam blanket that acts as a carrier for the vaporized hydrocarbons and cooling agent to prevent VOCs from cracking. Additionally, internal ITD temperatures are carefully maintained below the "cracking point" of a given hydrocarbon.

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RESPONSIBLE℠ RECYCLING
A commitment to our generators, our employees, and our community.

The ITD performs the same function as a thin film evaporator but manages wastes with physical properties a thin film evaporator cannot process. Basically, a thin film evaporator receives liquid hazardous waste and spreads the waste along the unit's indirectly heated wall. By spreading the liquid waste along a heated wall, the organic solvents contained in the waste are volatilized to separate them from the solid portion of the waste. The volatilized organic solvents then are condensed to form a reusable liquid. Like a thin film evaporator, the ITD receives wastes and, through indirect heating, volatilizes the organic solvents in the waste to separate them from the solids. The volatilized gases are then condensed to form a reusable liquid. Unlike a thin film evaporator which is limited to recycling liquid waste, the ITD is designed to recover organic solvents from non-liquid waste streams. As such, the ITD recycling process is a bona fide recycling system, just like a thin film evaporator.

PCI has developed a market for these recovered liquid hydrocarbons as feedstock for producing lubricants. This market is very large compared to the quantities of hydrocarbons PCI anticipates will be recovered thus assuring many outlets for the reclaimed material.

PCI intends to operate a pilot-testing program of this system at our East Chicago, Indiana facility. Feedstock materials will be analyzed to determine BTU value, chlorine concentration and mercury. The waste feed will continue to be stored and handled as a hazardous waste. Any recovered water not reused in the ITD as well as any process-related solid residues will be properly managed. This system also will comply with all air pollution control regulatory requirements during both the pilot test and normal operation. During the pilot test, the ITD will comply with, among other air pollution control requirements, 326 IAC 2-1.1-3(g)(3). 326 IAC 2-1.1-3(g)(3) requirements include limiting potential emissions to less than 25 tons for the duration of the pilot test and limiting the duration of the pilot test to less than 30 working days. Emission data also will be collected during the pilot test to complete an air permit application addressing normal operations. We anticipate the final air pollution permit will contain emission limits for volatile organic compounds and hazardous air pollutants as well as other permit conditions.

The indirect thermal desorption unit resembles a manufacturing device more than a RCRA treatment unit. The indirect thermal desorption recycling unit is not designed and operated to treat waste. It is designed to manufacture a product using existing resources (i.e. waste). This innovative technology improves recycling and recovering resources from hazardous and non-hazardous waste. One of Ms. Marianne Lamont Horinko's statements at the January 15, 2002 RCRA National Meeting under Energy Recovery and Recycling Priority Area was, "My third priority area is energy recovery, recycling and waste minimization. In the spring I will unveil an ambitious innovations agenda, which will feature interesting pilots and approaches in this arena, as well as others. I will lay out a number of avenues. Hazardous waste recycling is another area that we're working on...We're finding ways to encourage legitimate recycling by modifying certain regulatory controls, while building in sensible protections to ensure recycled products are good and clean products." We believe the indirect thermal desorption unit will embrace Ms. Horinko's vision. Furthermore, EPA has encouraged regulated entities to participate in EPA's Environmental Performance Track Program or to find ways to support an Environmental Management Systems (EMS). Through our commitment with ISO 14000, the indirect thermal desorption recycling unit will assist PCI and our Generators in fulfilling our Environmental Management Systems' commitment through Recycling and Waste Minimization.

In the past, some thermal desorption units have been designated as Miscellaneous Units because they did not recover any materials for beneficial reuse. However, OnSite's ITD operates like a thin film evaporator which is a recognized recycling activity pursuant to 40 CFR 261.6(c)(1). Therefore, the ITD PCI plans to use should also be classified as a RCRA exempt recycling unit. In further support of this position, please be advised OnSite's ITD system previously has been authorized as a reclamation and recycling system in US EPA Region 6 per 40 CFR 261.4(a)(12)(i) for petroleum refinery waste. This recycling unit is a legitimate manufacturing process that converts the valuable components of the hazardous bearing material into a valuable product.

Sincerely,

Ms. Tita LaGrimas
Director of Regulatory Affairs
Pollution Control Industries, Inc.

cc: Ms. Ruth Jean, IDEM
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