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UTAH DEPARTMENT OF ENVIRONMENTAL QUALITY

JUN 14 2013

DIVISION OF AIR QUALITY

Stericycle
Protecting People. Reducing Risk.

June 14, 2013

BY HAND-DELIVERY AND EMAIL

Document Date 6/14/2013
DAQ-2013-005845

Bryce C. Bird, Director
Utah Division of Air Quality
195 North 1950 West, 4th Floor
Salt Lake City, UT 84116-3097

Re: Notice of Violation and Order to Comply

Dear Mr. Bird:

Stericycle received the Division's Notice of Violation ("NOV") and Order to Comply ("Order") on May 30, 2013. As requested by the Order, this letter provides notice of Stericycle's intent to comply and a description of actions taken to demonstrate compliance. While Stericycle fully intends to maintain compliance with the Order, it respectfully reserves all available factual and legal defenses to the NOV and Order as allowed by the administrative adjudication rules set forth in Utah Administrative Code R305-7, Administrative Procedures.

Stericycle has engaged in frequent communication with the Division over the past year and a half as it has worked to address the issues raised in the NOV and Order. As explained in more detail below, Stericycle believes that it has undertaken all actions necessary to demonstrate and maintain compliance with all applicable requirements as required by the Order. In addition, Stericycle is proposing to do additional stack testing to provide further assurance of ongoing compliance with applicable emission limits.

It is Stericycle's intention to fully comply with the Order and all applicable requirements including reporting, testing and notification requirements as set forth in the Title V Operating Permit. Stericycle has installed additional controls, implemented more robust monitoring and preventative maintenance procedures, and verified key operating parameters and controls in order to ensure compliance with emission limits. The most recent stack testing results for each air pollutant have demonstrated compliance with emission limits. (Additional, pollutant-specific information is provided below for NOx, dioxin/furan, and HCl emissions.) Stericycle is committed to continued operation of the incinerator and emission controls in a manner that has been shown to demonstrate compliance. Additionally, Stericycle will continue to operate the incinerator consistent with the procedures outlined it its incinerator Operator Training Manual and will ensure that operators comply with the training and qualification requirements.

Following is a description of the actions that have been and will be taken to address compliance with each of the violations alleged in the NOV.[1]

[1] At the end of each heading in this letter we have included a reference to the paragraph numbers that correspond to each of the specific violations alleged in the NOV, which are listed under the heading "Violations" starting on the eighth page of the NOV and continuing through the tenth page of the NOV. We have subdivided Paragraph 5 into subparts.

NOx Emissions [8, 9]

Stericycle installed a selective non-catalytic reduction ("SNCR") control pursuant to Approval Order No. DAQE-AN101420010-13 in January 2013. Stack testing conducted on January 25, 2013 (121.9 ppmvd @ 7% O_2) and April 10, 2013 (174.0 ppmvd @ 7% O_2) demonstrated compliance with the NOx emission limit (250.0 ppmvd @ 7% O_2).

Stericycle intends to continue to operate and maintain the SNCR which will ensure ongoing compliance with the NOx emission limit.

Dioxin/Furan [7]

Compliance with the dioxin/furan emission limitation is assured by operating in compliance with established charge rates and operating temperatures and by carbon injection. *See* Title V Permit, Section II.B3.c.1.B(b)(2). The most recent stack testing, completed January 22-25, 2013, showed D/F emissions of 5.6 ng/dscm (@ 7% O_2) compared to an emission limit of 125 ng/dscm (@ 7% O_2).

Stericycle intends to operate and maintain operating parameters and controls as described above which will ensure ongoing compliance with the D/F emission limit as indicated by the most recent stack test.

HCl [10]

Excess HCl emissions indicated during the January 22-25, 2013 test were attributed to a faulty caustic probe including the associated wiring assembly which are believed to have adversely impacted scrubber performance. Stericycle has taken several measures to ensure continuous compliance with the HCl emissions limit. These are detailed in the deviation report submitted to the Division on March 1, 2013. The measures include replacement of the entire caustic probe and wiring assembly, more frequent inspections and calibrations of the caustic probe, increased frequency of the inspection and maintenance schedule for the absorber, and replacement of the absorber connecting piping to the spray nozzles with a more corrosion-resistant grade of stainless steel than previously used. Stack testing conducted on April 10, 2013 (4.6 ppmvd @ 7% O_2) confirmed compliance with the HCl emission limit (100.0 ppmvd @ 7% O_2).

Stericycle believes the foregoing operating and maintenance measures will ensure continuous compliance with the HCl emission limit.

Further Assurance of Compliance with All Emission Limits

Stericycle also proposes to conduct annual stack tests for the next three years with the first test to be conducted no later than one year following the January 22-25, 2013 test sequence. (Under normal circumstances, stack testing is required once every three to five years depending on the pollutant.) This additional testing will provide further assurance of compliance with NOx, dioxin/furan, and HCl emission limits.

Testing Under Conditions Representative of Normal Operations [5iii, 11]

Stericycle will conduct all stack testing under such conditions as are specified by its Title V operating permit and as might be specified by the Director.

Operating in Accordance with Operator Training Manual [6, 5viii]

Stericycle will operate in accordance with its Operator Training Manual and will ensure that operators comply with the training and qualification requirements detailed in Condition II.B.3.a of the Title V Operating Permit.

Test Notification [5ii]

Stericycle will provide 30-day pretest notification prior to future stack testing.

Reporting [3, 4, 5i, iv, v, vi, vii, 12, 13, 14]

Stericycle will promptly (that is, within seven days of having notice) report any deviations under the Title V operating permit. Stericycle will identify all known deviations in the semiannual monitoring reports ("SAMR") and annual compliance certifications. Stericycle will include the results of any performance tests in the SAMRs.

Permit Compliance [1, 2]

Stericycle intends to comply with the permit and its conditions and believes that compliance will be further assured by taking the actions outlined in this letter.

Stericycle looks forward to continued discussions with the Division in order to provide assurance to the Division of ongoing compliance at the North Salt Lake facility. Should you have any questions regarding the response, please contact me at 847-943-6685.

Sincerely,

Selin Hoboy

Vice President

Legislative and Regulatory Affairs

Cc: Michael J. Tomko, Parsons Behle & Latimer