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State of New Jersey

Hazardous Waste Facilities Siting Commission



ANNUAL REPORT

FOR

1995

Hazardous Waste Facilities Siting Commission
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The Honorable Christine Todd Whitman,
Governor of the State of New Jersey,
and Members of the New Jersey Legislature

With pleasure, the New Jersey Hazardous Waste Facilities Siting Commission submits this 1995 Annual Report for your review. Our report summarizes the Commission's activities for the calendar year.

First, the Commission is most grateful to you, Governor Whitman, to your Appointments Office, and to the Senate for confirming our new Commissioners during 1995: Seymour Fishkin, P.E., Environmental/Public Interest representative; and Sidney A. Katz, Ph.D., Environmental/Public Interest representative. At the present time, there are no vacancies on the Commission.

Pursuant to its enabling legislation, the Major Hazardous Waste Facilities Siting Act, N.J.S.A. 13:1E-49, the Commission has focused on two major areas in 1995: completing the 1995 Major Hazardous Waste Facility Plan Update (covering the years 1990-1994) and continuing to consider various concerns related to the GAF application for a new hazardous waste incinerator in Linden. The Commission received a petition, from the City of Linden on November 30, 1995, to withdraw the proposed GAF incinerator site located there.

The final draft of the 1995 Hazardous Waste Plan Update, was ready in August 1995. This Plan Update details and thoroughly analyzes 100% of the approximately 871,300 hazardous waste manifests of shipments in New Jersey for the five year period. The Plan Update also projects trends in treatment demand and related facility changes in New Jersey. Public hearings on the 1995 Plan Update were held in Linden, Trenton, and Gloucester Township in October. The Commission adopted the 1995 Plan Update at its meeting of January 16, 1996.

The 1995 Plan Update, which included final 1993 and preliminary 1994 manifest data is unique in the country in its completeness and prompt detailed analyses. Hazardous waste industry experts say this precise market data is invaluable in spotting and adapting to changes in this dynamic industry.

Early in 1995, the Commission staff planned and organized a conference entitled, "Measures of Effectiveness of Hazardous Waste Cleanup Program" which was held in March. Participants in the conference included representatives from the Legislature, the NJDEP, the Federal USEPA, and six other states. The Hazardous Waste Advisory Council sponsored the conference, which was funded by grants from the USEPA and the Victoria Foundation.

We strongly support your administration's efforts to make New Jersey government more responsive and cost effective. We are actively cooperating with OMB and DEP to reduce our FY96 and FY97 expenses, and will do our best to perform our essential duties to the best of our abilities within the drastically reduced budget allocated to our work.

On behalf of my fellow Commissioners I congratulate our staff on the creativity and excellence of their work in producing the Plan Updates earlier each year, and with timely analyses to focus on the latest trends. Annual updates are essential to detect and measure swiftly shifting practices in this important and dynamic regional industry. Since New Jersey geology presents difficulties for safely siting hazardous landfills, we are dependent on landfill capacity in other states. On the other hand, DuPont's aqueous treatment capacity at Deepwater and Rollins' hazardous waste incinerator in Bridgeport serve the needs of hazardous waste generators in many eastern states. This interstate interdependence is an important feature of hazardous waste management that distinguishes it from solid waste, and especially municipal solid waste. For New Jersey to be job- and business- friendly, we must be able to site new hazardous waste facilities, including improved treatment technologies, SAFELY and EFFICIENTLY. This is the basic *raison d'etre* for our Commission. The Commission appreciates your administration's support through the Governor's Authorities Unit.

Sincerely,

Louis R Matlack

Louis R. Matlack, Ph.D., Chairman

HAZARDOUS WASTE FACILITIES SITING COMMISSION
PRINCIPAL ACTIVITIES

In 1995, the Hazardous Waste Facilities Siting Commission continued to analyze the State's hazardous waste treatment and disposal needs through annual Plan Updates, considered the siting of new major commercial hazardous waste facilities based on siting criteria adopted by the New Jersey Department of Environmental Protection (NJDEP) in conjunction with the Hazardous Waste Advisory Council pursuant to the Major Hazardous Waste Facilities Siting Act, N.J.S.A. 13:1E-49 et seq., and monitored the Gross Receipts Tax under N.J.A.C. 7:26-13A.8.

Siting Activities

The Siting Act provides two distinct alternative routes for siting new major hazardous waste facilities: sites proposed by industry and sites identified by the Commission. In addition, expansions of existing major commercial hazardous waste facilities are also a means of increasing treatment, storage, and disposal capacity within the State.

Between 1986 and 1989, the Commission eliminated eleven potential facility sites, which had been identified by its site-search consultant. Upon further testing, it was not clear that any of these sites could meet the regulatory siting criteria developed pursuant to the Siting Act by the Hazardous Waste Advisory Council and the NJDEP.

ISP Environmental Services formerly (GAF Chemicals Corporation), Linden, New Jersey

In October 1988, GAF proposed for site designation a section of its former manufacturing site in Linden. The company's application called for a 150 ton per day state-of-the-art rotary kiln incinerator. The GAF application was sent to the Office of Administrative Law (OAL) in February 1991. The record on this administrative law proceeding was closed in April 1992, and in May 1992, Administrative Law Judge (ALJ) Joseph Lavery issued a decision on the GAF site application.

In June 1992, the Commission affirmed ALJ Lavery's recommendations except those concerning the siting criteria of protection of ground water, protection of the population, and safe transportation, the three criteria which he had found that the site failed to satisfy. The Commission rejected ALJ Lavery's recommendations concerning the issues of depth to ground water and recharge to deep aquifers, components of the criteria concerning protection of ground water. The Commission made no decision concerning protection of the population and insuring safe transportation because it found that the record was insufficiently developed regarding those issues. The Commission remanded the matter to the OAL for further development of the record and means of access to the proposed site in addition to South Wood Avenue, including possible access by rail and barge as well as by truck.

Following 19 days of hearings, ALJ Lavery released a decision on the remand issue in November 1993. He concluded that three transportation alternatives - the barge alternative, the LIMAC evacuation route, and any of the local routes through streets of the City of Linden - failed to meet the siting criteria. He further concluded that the rail alternative and the Turnpike direct access ramps alternative, as presented by GAF, satisfied the siting criteria with respect to the protection of the local population and safe transportation routes. On December 28, 1993, after a series of public meetings (including one in Linden), the Commission approved the GAF site provided that access to the site be accomplished by rail or by direct exit from the New Jersey Turnpike

constructed in accord with conceptual designs in the record of the OAL hearings. Under the Siting Act, that decision constituted final agency action for purposes of appeal.

The Commission's first official action in 1994 was to approve the minutes of the three meetings held at the end of December 1993 (December 22, 27, and 28). Because January 1994 spanned the administration of former Governor James J. Florio and incoming Governor Christine Todd Whitman, the Commission submitted the minutes of those meetings for gubernatorial review so that both Governors would have a chance to approve or veto them. Neither Governor Florio nor Governor Whitman took action to veto the minutes of the Commission's December 28, 1993, meeting. The minutes took effect as of January 25, 1994.

On February 10, 1994, the City of Linden filed an appeal in the Superior Court of New Jersey, Appellate Division, from all elements of the Commission's decision except those concerning the Commission's rejection of truck access routes other than the New Jersey Turnpike. On February 14, 1994, the City of New York also appealed. On February 28, 1994, GAF appealed from those portions of the Commission's decision pertaining to the non-Turnpike truck access routes.

In March 1994, GAF requested that the Commission contact the New Jersey Turnpike Authority, asking it to review the GAF proposal. The City of Linden countered by asking the Commission to hold any decision on this matter in abeyance. The Commission agreed to transmit its resolution to the Turnpike Authority, without taking any position as far as the Turnpike Authority was concerned. In early April 1994, the Turnpike Authority established an *ad hoc* committee to review the GAF proposal.

In May 1994, the Commission requested from the Legislature additional funding to offset expenses incurred by the City of Linden for technical consultants during the OAL proceedings. The Legislature appropriated, for FY '95, $100,000 for "the purpose of the City of Linden's technical defense in the GAF hazardous waste incinerator proceeding."

At the request of the Turnpike Authority, in June 1994, the Commission forwarded all documents relating to the Commission's consideration of the Linden site and the Administrative Law Judge's decisions. Correspondence from the Turnpike Authority, November 17, 1995, indicated that a full and detailed analysis of the GAF proposal regarding access ramps was underway and that the Turnpike Authority expected to reach a decision during Summer 1996.

During the latter part of 1994, the City of Linden, the City of New York, GAF and the Commission each submitted briefs in the appeal pending before the Appellate Division on the Commission's decision of December 1993. Briefing was completed in January 1995. Oral argument was scheduled on March 13, 1996 before the Appellate Division.

On November 30, 1995, the City of Linden filed a petition with the Commission requesting that the Commission withdraw its conditional approval of the proposed GAF hazardous waste incinerator site in the City of Linden. The petition was based on 1) whether the proposed 50,000 ton per year hazardous waste incinerator was necessary to satisfy New Jersey's disposal needs; 2) whether the Commission or an applicant is required to demonstrate a need for an industry proposed site; 3) whether a need for such a facility has been demonstrated based on available data in the 1994 and 1995 Plan Updates; 4) whether this facility constitutes an unnecessary health risk; 5) whether the facility interferes with the well-being of Linden residents; and 6) whether this facility compromises Linden's economic revitalization efforts. The Commission will address this petition during May 1996.

If the Turnpike Authority approves the use of direct access ramps to the site, if the Appellate Division upholds the Commission's decision of December 28, 1993, and if the Commission rejects Linden's petition of November 30, 1995, GAF must still submit a permit application to NJDEP and receive permit approval before any construction may begin. GAF may be required to submit an updated Environmental and Health Impact Statement (EHIS), since the existing EHIS was prepared at least four years ago. Although the NJDEP permitting process comes after the Commission's siting process, the Siting Act designates the Commission to manage the EHIS process, including the gathering of public comment. The Siting Act requires the Commission to comment on the completeness of the EHIS but not interpret the accuracy or validity of the information.

E.I. DuPont de Nemours and Co., Inc., Carneys Point, New Jersey

In August 1993, E.I. DuPont de Nemours and Co., Inc. announced that it would end its six year effort to build a commercial hazardous waste incinerator at its Chambers Works plan in Deepwater, New Jersey. DuPont terminated the project because the company had to reconsider capital expenditures, to date approximately 40 million dollars, in light of the lingering recession.

During 1994, DuPont continued to pursue an expansion to its existing on-site hazardous waste landfill in order to provide ultimate disposal service for its 40 mgd (million gallon per day) aqueous hazardous waste treatment facility. Due to the pending closure of DuPont's FR-1 incinerator, the storage and treatment tanks associated with the incineration system were being consolidated into the hazardous waste facility permit covering general storage and treatment activities at DuPont's Chambers Works.

On January 5, 1995 DuPont submitted a revised part B permit application in order to construct a smaller (30 acre to 15 acre and 4 cells to 2 cells) hazardous waste landfill reducing the former capacity submitted from 1.8 million cubic yards to 860,000 cubic yards. During February 1995, meetings were held with the Department of Environmental Protection, Bureau of Hazardous Waste Engineering and ICF Kaiser (the original EHIS contractor) to determine a cost and time required to submit a revised EHIS because of the 50% reduction. On August 5, 1995 DuPont requested a delay in its construction of its landfill and will re-evaluate their need for such a facility.

Rollins Environmental Services Inc. (NJ), Bridgeport, New Jersey

In October 1993, Rollins Environmental announced plans to defer permitting and construction of a proposed Rotary Reactor incinerator designed to process low BTU solids and sludges. The Company cited continuing delays by the U.S. Environmental Protection Agency (USEPA) in issuing regulations pertaining to contaminated media and lack of clear direction from the USEPA on its revised "Combustion Strategy" as reasons for placing the project on hold.

In 1995 Rollins completed and is currently operating a shredder in order to provide a more uniform feed for solids to its incinerator and has continued its plans to expand the new Container Processing Center and additional areas for shipping, receiving and storage. Rollins has submitted an EHIS for this Container Systems expansion and will submit an additional EHIS upon resumption of permit application for construction of a rotary reactor incinerator designed to process low BTU solids and sludges.

Hazardous Waste Facilities 1995 Plan Update

The Siting Act requires the Commission to prepare a Major Hazardous Waste Facilities Plan and to update it on a three-year basis. A primary purpose of the Plan is to define the State's need for new major hazardous waste facilities, taking into account the impact of source reduction and recycling as ways to minimize the amount of hazardous waste generated and treated or disposed of in the State. The first Plan was issued in 1985. It was updated in 1989 and again in 1994. The Commission has determined that the Plan Updates should now be issued on an annual basis, however, because of the proposed Commission FY 1997 budget recommendation, the Commission may be unable to perform its duties as well in future as it has done in the past.

The structure of the latest 1995 Plan Update is very different from that of the 1985 and 1989 Plans. The current 1995 Plan Update reflects a change in the basic planning concept used for the original 1985 Plan and the 1989 Plan Update but continues the management planning concepts used for the 1994 Plan Update. Prior to the 1994 Plan Update, planning strategies were used that attempted to *predict* where hazardous waste *should* go for processing, treatment, and disposal, based on hypothetical impacts from economic and regulatory changes.

The 1995 Plan Update continues the 1994 Plan Update concept of presenting a detailed picture of *how hazardous waste was actually handled*, from generator to ultimate disposal, from 1990 through 1994. Changes in computer capability made it possible to move from a theoretical system and dependence on an outside contractor to a complete analysis of actual practice as measured by shipment manifests. The previous plans (1985-1989) used straight-line economic projections for the future; the 1994 and 1995 Plan Updates acknowledge that hazardous waste generation and disposal is in a constant state of transition. With the publication of the 1995 Plan Update, the Commission now has data from 1981 to 1994^{P} (preliminary).

The 1995 Plan Update is based on New Jersey generator, treatment, storage and disposal (TSD) facilities, and imports (1990-1994^{P}) consisting of approximately 871,300 manifests, each including at least 20 data items, representing up to 99,229 generators with approximately 23,887,000 data items. The data show the hazardous waste treatment industry in New Jersey and serving New Jersey to be a sophisticated, responsible, interstate market.

The Commission worked with Environmental Information Ltd., a nationally renowned technical journal on hazardous waste generation and management, to improve our existing data base that identifies and characterizes known hazardous waste TSD facilities nationwide. Substantial refinements to the 1995 Plan Update have been made including a more developed data management system, more comprehensive analyses of data, and the ability to identify most out-of-state TSD facilities receiving New Jersey waste. The remaining 69 unidentified out-of-state facilities accounts for less than 0.7% of New Jersey primary generated hazardous waste. Also included were additions to primary waste generators by size, the top 50 primary industrial generators, the top four generators by county, the location of incinerators, cement kilns, and landfills, and the approximate transportation cost from central New Jersey to these facilities.

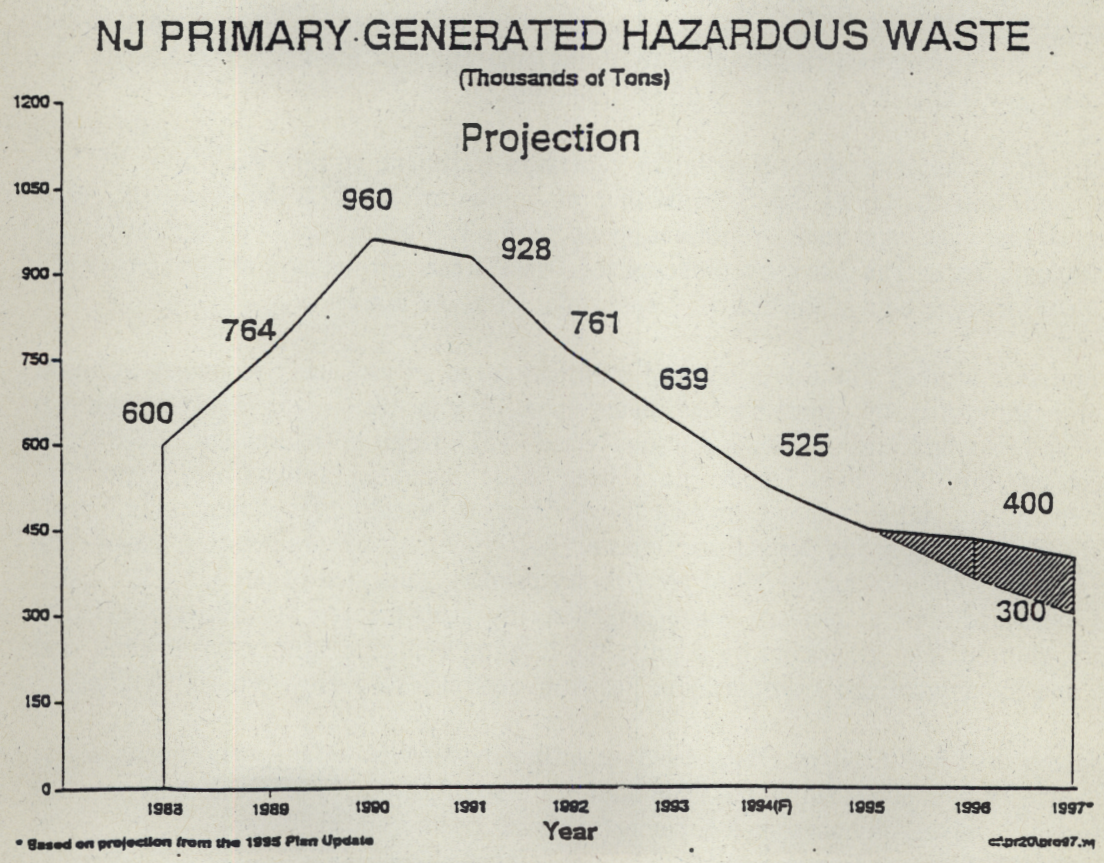
An article appeared in E.I. Digest (June, 1995) regarding the 1994 New Jersey Hazardous Waste Facilities Plan Update published by the Commission, referred to it as "one of the most polished and comprehensive capacity assurance documents that has been produced."

It is the Commission's belief that the present planning system makes the data more accessible to New Jersey industry and encourages the development of relationships that maximize opportunities for business growth and resource utilization in the State. Hugh Holman of Environmental Capital

Associates commended the Commission for offering data analysis that represents one of the very few sources of information about trends in hazardous waste management in a letter dated March 7, 1996.

The first formal presentation of the proposed 1995 Plan Update data was made to the Commission in August 1995. During the following months the draft was reviewed with representatives of the Office of Governor's Counsel, Commissioners, several NJDEP departments, and in-state TSD facilities. Formal release of this document for public review was made on September 5, 1995 through the New Jersey Register which also announced public hearings on the draft Plan Update to be held on October 10th, 11th, and 12th, 1995 in Linden, Trenton, and Gloucester Township, respectively. Oral and written comments were accepted by the Commission until October 27, 1995. During October and November, Commission staff prepared responses to questions and comments relating to the 1995 Plan Update, which were then reviewed by the Commissioners. A comment and response document was finalized and distributed to all commenters prior to final action by the Commission on the 1995 Plan Update. This information was included as an appendix to the Plan Update along with clarification of issues relative to GAF site remediation and cancer statistics for Elizabeth, Linden and Rahway. The 1995 Plan Update was approved by the Commission at its January 16, 1996 meeting and became effective on February 20, 1996.

The Commission believes this public discussion of New Jersey hazardous waste management, before the formal Commission Plan approval, is well worth the delay in formal adoption.



Latest Hazardous Waste Data

The 1994(P) preliminary hazardous waste data showed a 21% reduction from 1993 in the total tons of New Jersey primary generated hazardous waste with reductions in almost all the large industry categories. The raw manifest data was obtained from the Office of Telecommunication and Information Systems (OTIS) on February 21, 1995. The 1994(F) final data obtained from OTIS on February 15, 1996 indicated an increase from 503,956 tons(P) to 525,599 tons(F) an increase of 21,643 tons or 4% over the published figure in the 1995 Plan Update. This small discrepancy between the preliminary and final 1994 data indicates that the publishing and use of preliminary data for hazardous waste planning purposes is justified. Hazardous waste management planners in both private industry and state government can rely on the accuracy of our Plan Updates if they can examine revisions made in the final data only one year later.

The down-turn continues from the 1990 high of 960,869 tons to 525,599 tons(F) in 1994, a 45% decrease in the 5 year period. The Commission cannot reliably estimate the reasons for this decrease due to the failure of the manifest system to distinguish between one time (cleanup) generators and recurrent (industrial) generators. The Commission has undertaken a study along with NJIT to determine what factors have influenced this decline.

The number of generators has remained approximately the same, 11,505 in 1993 and 11,398 in 1994, even though the tons generated, 525,599 tons(F), decreased 18% from 1993. The number of large generators (over 10 tons) declined 7%. These large quantity generators account for only 21% of the total number of generators but 97% of the tons of hazardous waste generated. Consequently, 79% of the number of generators produced only 3% of the manifested hazardous waste. Currently a review of New Jersey hazardous waste regulations regarding small quantity generators (SQG) is expected to be published in the New Jersey Register during April 1996.

Also to be deregulated are the seven waste oil recycling facilities which processed 83,335 tons from in-state generators and 54,911 tons from out-of-state generators in 1994. The Commission anticipates that these facilities will be classified as New Jersey Class D recycling facilities during the fourth quarter 1996. The hazardous waste recycling rate continues at approximately 40%; while New Jersey primary generated hazardous waste declined 18% from 1993 to 1994 and imports to New Jersey TSD's declined 3% in the same period. The elimination of the "X" and "C" codes in the hazardous waste regulations will also have a substantial impact on the tracking of recyclables and the elimination of many small quantity generators. These new regulations, as pointed out in the 1995 Plan Update, could result in the elimination of approximately 50% of the small quantity generators now required to manifest their wastes and 50% of the New Jersey "X" and "C" waste now classified as hazardous by New Jersey DEP but not by the Federal Environmental Protection Agency.

Commission Staff Changes

In December 1995, the Commission staff was reduced to four full-time employees with the loss of its part-time Secretarial Assistant, Rose Mary Schwarz, in order to comply with the Fiscal Year 1996 Contingency Plans for an 8% reduction in the Commission Budget. During 1995, Deputy Attorney General John A. Covino and Deputy Attorney General Judeth P. Yeany continued to represent the Commission.

Gross Receipts Tax

The Siting Act requires, each year, the owner or operator of every major commercial hazardous waste facility located in New Jersey file with the chief fiscal officer of the municipality where the facility is located a statement showing the gross receipts from all charges imposed for the treatment, storage, or disposal of hazardous waste at the facility. More importantly, the Act requires the facility pay to the host municipality a sum equal to five percent of the gross receipts. The municipality and the facility owner or operator may petition the Commission to adjust the amount of the tax.

1995 Annual Tax Payments

COMPANY NAME / MUNICIPALITY	AMOUNT PAID TO MUNICIPALITY
Chemical Waste Management City of Newark	**
E.I. DuPont de Nemours Carneys Point Township	$1,602,844.50
Marisol, Inc. Borough of Middlesex	$ 8,187.34
Republic Environmental Recycling, Inc. Borough of Clayton	$ 57,584.00
Rollins Environmental Services Logan Township	$ 894,623.23
Safety-Kleen Corp. Borough of Clayton	***
SRSNJ-Safety Kleen City of Linden	$ 63,150.00
TOTAL*	$2,626,389.07

* Gross receipts tax paid by facilities in 1995 was $70,126.66 more than the $2,556,262.41 paid in 1994, in spite of the loss of Chemical Waste Management, Newark, and Safety-Kleen, Clayton.

** Chemical Waste Management waste water operation was suspended as of 2nd quarter 1994, permit not renewed as of December 1994

*** Closed June 1994. Safety-Kleen paid $12,695.00 in 1994.

In an attempt to resolve the dispute between the City of Camden and Remtech, regarding the Gross Receipts Tax, the Commission scheduled a settlement conference on February 7, 1995. Unfortunately, the matter could not be settled amicably between the parties and the Commission submitted the matter to the Office of Administrative Law on June 27, 1995 in order to resolve the dispute. A telephone conference was held between the parties on October 12, 1995 before Judge Joseph Lavery and a settlement conference was held on December 7, 1995. On February 20, 1996 the Commission was advised by the attorney for Remtech that the litigation had been amicably settled. The Commission has received a copy of the settlement agreement.

HAZARDOUS WASTE ADVISORY COUNCIL
PRINCIPAL ACTIVITIES

The Hazardous Waste Advisory Council consists of representatives from environmental or public interest organizations, municipal and county elected or appointed officials, community organizations, fire fighters, and various hazardous waste facility users and operators. The Council is mandated to conduct a review of the annual audit report for the site remediation program and to advise the NJDEP and Commission in all areas of hazardous waste management.

The Hazardous Waste Advisory Council has been unable to fulfill its statutory responsibilities under the Siting Act and P.L. 1989, c.243 during Fiscal Year 1994, Fiscal Year 1995, and Fiscal Year 1996 because no State funding has been appropriated. In spite of the success in obtaining grant funding for the site remediation workshop, such funding cannot be relied upon for the normal operations of the Council. Without State support, the Council will continue to be unable to fulfill its statutory responsibilities.

Terms for eleven of the fifteen Advisory Council positions expired during 1994 and 1995. These included two representatives of environmental organizations (Cynthia Jacobson and Katherine Becker), two municipal officials (Raymond DiFrancesco and Joseph Foy), and a representative of Industry (Asim Ray), Licensed Transport (William Ehrhardt), Licensed Operator (Randall Vieser), Fire fighter (James Butler, Jr.), the Academic Community (John Liskowitz), and Community Organizations (Carlos Murawczyk). No nominations for appointments or re-appointments to the Council were made during 1995. Council members serve for three-year terms. There are currently four vacancies on the Advisory Council.

Site Remediation Workshop

In 1991, the Hazardous Waste Advisory Council released its first review of New Jersey's Hazardous Waste Site Remediation Program, as required by P.L. 1989, c.243 (A-1579). In 1992, the Council made recommendations to the Governor and the Legislature based on a review of the NJDEP's hazardous waste site remediation program. One major recommendation was that the NJDEP, in cooperation with the Office of Management and Budget (OMB), establish better means to measure the effectiveness and progress of the hazardous waste site remediation program. A national workshop organized by the Council was suggested to aid the NJDEP in developing ways and means to measure the effectiveness and efficiency of remediation efforts. Funding for the workshop was obtained from the Victoria Foundation ($8,000) and the USEPA ($10,000) to provide a forum for experts from New Jersey and other states to examine measurement tools now being used or considered by other states but not currently used in New Jersey. Recommendations from the workshop would assist New Jersey and other states to improve their remediation programs.

The Site Remediation Workshop was held on March 23rd and 24th, 1995 and was well attended with 36 participants from 5 states, the USEPA, private consultants, New Jersey state officials, and NJIT experts. The workshop focused on defining additional potential parameters that could be used to measure effectiveness and efficiency of hazardous waste cleanup efforts. A draft report on these proceedings has been issued by the Commission, November 28, 1995. Following review and comment by the Steering Committee, a final report will be issued during the summer of 1996.

OTHER COMMISSION-SUPPORTED ACTIVITIES

Pollution Prevention

As a member of the Pollution Prevention Advisory Board reporting to the NJDEP, Executive Director Gilson is involved with such issues as recommending candidates for the annual Governor's Award for Outstanding Achievement in Pollution Prevention; developing criteria for analysis of publicly reported pollution prevention data; and developing a plan for conducting quality assurance/ quality control checks on reported data. The activities of the Advisory Board include conducting workshops, training sessions, and a statewide pollution prevention conference; assessing the potential for electronic reporting of pollution prevention data; and maintaining a database/mailing list of individuals, organizations, and firms involved in pollution prevention.

New Jersey Technical Assistance Program

The New Jersey Technical Assistance Program (NJTAP) is a free, confidential program addressing single and multiple media (air, water, and land) industrial pollution sources. Services to the industrial community include evaluating existing operating conditions and recommending practical, economically feasible ways to enhance production while, at the same time, minimizing and recycling hazardous wastes. NJTAP is designed to help small companies reduce the volume of hazardous and other wastes generated.

Now in its sixth year, the NJTAP has gained visibility and credibility with industry as a premiere environmental pollution prevention extension service that delivers technical assistance to New Jersey companies and promotes improvements in industrial processes leading to elimination, reduction, and reuse of non-product output before consideration of control and ultimate disposal of wastes. NJTAP a) reaches out to all manufacturers in New Jersey annually and offers free, valuable, environmental audits that focus on the environmental waste management hierarchy (i.e., source reduction, recycling, control, and ultimate disposal; b) functions as an information clearinghouse for literature and videotapes related to pollution prevention; c) delivers education and training to interested people and groups; and d) aids in the adoption and development of pollution prevention technologies.

NJTAP has performed more than two hundred site visits. A library of more than two thousand articles and reports in approximately seventy sub-categories of pollution prevention has been developed. More than fifty videotapes relating to source reduction have been collected and are available to the public. More than one hundred presentations have been given in the past five years. In addition, approximately forty training sessions related to facets of pollution prevention have been delivered by NJTAP personnel.

The NJTAP team consists of a director with twenty years of experience in the environmental field and a background in industrial waste treatment and pollution prevention, two soon-to-be hired pollution prevention analysts and five retired engineers with more than 225 years of combined experience in the chemical process industries, dyes and pigments, solvent sales and manufacturing engineering. Salient success stories include Constant Services, a gravure printer in Fairfield, City Auto Radiator in Trenton, and Orbel Manufacturing in Phillipsburg.

NJTAP began operating in 1990 under a USEPA grant obtained from the Commission in the amount of $225,000. In 1991, the Commission granted a contract extension of

$100,000 to this grant so this program could continue its work in the area of pollution prevention. In 1993, the USEPA awarded an additional $10,500 to the Commission for the development of a Vocational Environment Education Pilot Project (VEEP) through the NJTAP program.

The VEEP project was intended to educate trainees preparing to enter the work force about pollution prevention tools and best operating practices in certain targeted industrial sectors. During 1993, NJTAP completed a curriculum guide for environmental education instructors for use in Vocational Education Training Centers. This curriculum is directed toward auto body repair specialists and printing press operators. It covers all aspects of materials handling, safety, and waste reduction procedures to be used in the work place.

Also in 1993, NJTAP and Waste Advantage, Inc. completed their work with three volunteer companies, through the Office of Pollution Prevention, in order to formulate the State's facility wide permitting approach. Information from this pre-pilot program identified waste quantities, waste costs, waste sources, and developed source reduction recommendations for each of the three large industrial companies.

Current funding for NJTAP comes from four sources. The NJDEP provides major funding. The USEPA supports a special county based pollution prevention activity (in conjunction with local officials) in Burlington County and the development of a similar "local-level" program in Puerto Rico. The balance of the USEPA grant is assigned to the vocational education program.

The Commission has funded a study to be performed by NJTAP to address the question "Why is New Jersey hazardous waste generation declining and what factors are influencing this decline?" This research will attempt to link in different data bases that exist within the State by keying in on common fields in order to complement the existing manifest data base. This proposal was approved by the Commission for funding. The total cost of this proposal was $15,000.

Public Participation and Education

Outreach programs to universities, colleges, schools, and public and private organizations interested in hazardous waste management and treatment are provided by the Commission staff. The Commission has participated in conferences with the New Jersey Alliance for Action, the HazMat Conference, and Mercer County College.

The Commission continues to receive public comment on all business conducted at its monthly meetings. Transcripts of these meetings and formal minutes are available for public review.

Response to public requests for information is a high priority. Copies of the Siting Act, the siting criteria, the Hazardous Waste Facility Plan Updates, and various documents describing incineration technology, industrial pollution prevention activities and small quantity generator practices are available upon request from the Commission office.

COMMISSION MEMBERSHIP

Two new Commissioners were confirmed during 1995: William Librizzi, P.E., , Environmental/Public Interest representative; Seymour Fishkin, P.E., Environmental/Public Interest representative; and Sidney A. Katz, Ph.D., Environmental/Public Interest representative. At the present time, all vacancies are filled. The present Commissioners are listed below:

NAME EDUCATION	BUSINESS/PROFESSIONAL AFFILIATION	REPRESENTING DATE APPOINTED
Chairman, Dr. Louis R. Matlack PhD, Chemistry,Princeton	President, Matlack Mediation Camden	County/Municipal Official 05/12/94
Vice Chairman, James Ferris, PE BS, Geology, MIT	Vice-Pres/Partner, PMK Group Kenilworth	Industry 06/27/94
Seymour Fishkin, PE BChe, City College of NY	Proj Mgr/Consultant, Stephen Co. Maywood	Envir/Public Interest Org. 06/22/95
Dr. Sidney Katz PhD, Chemistry, Univ. of PA	Chairman, Chemistry Dept. Rutgers, Camden	Envir/Public Interest Org. 06/22/95
Thomas Leane MA, Urban Planning, NYU	President, Hudson Exchange Jersey City	County/Municipal Official 10/24/94
William Librizzi, PE MS, Civil Engineering, NYU	Director, HSMRC, NJIT Newark	Envir/Public Interest Org. 01/10/95
John Schroeder, PE BS, MCE, MS, Stevens Inst of Tech.	Executive VP, Sybron Chemicals Birmingham	Industry 05/12/94
Abigail Studdiford MLS, Univ. of North Carolina	Director, Lib Services Middlesex Cty. College, Edison	County/Municipal Official 12/07/92
J.B. Wiley, Jr., PE BS, Mechanical Engineering, MIT	Engineering Consultant Far Hills	Industry 06/27/94

The Commission recognized the contributions of former Commissioners Ann Auerbach, Roy Gottesman, and Gordon Millspaugh and the two locally appointed Commissioners during 1995. The Commission on April 13, 1995 accepted the Attorney General's advice regarding the membership of locally appointed officials to the Commission Ellen Faria, from Union County and Jeffery Sias, from the City of Linden. This advice concluded that the membership of the two locally appointed officials be terminated upon approval of the 1994 Plan Update.

FINANCIAL

The Commission operated with a legislative budget appropriation of $225,000 for Fiscal Year 1995 and 1996. The Office of Management and Budget (OMB) recommended a legislative appropriation of $60,000 for Fiscal Year 1997 and recommended the staff become incorporated within the DEP. Correspondence and testimony have been presented to the legislature that $60,000 is not enough in order to carry on the work of the Commission. As of this annual report, no resolution has been made on the final Commission 1997 Fiscal Year Budget. It is understood that OMB has recommended that the Commissioners retain their independent status. No budget provision was made for the Hazardous Waste Advisory Council in Fiscal Year 1997.

THE FUTURE

With the passage of the Hazardous Waste Facilities Siting Act, in September, 1981 the legislature found that "the proper treatment, storage or disposal of hazardous waste generated in this State was the exception, rather than the rule; that the improper treatment, storage or disposal of hazardous waste results in substantial impairment of the environment and the public health; that the choice of hazardous waste disposal sites is now made, all too frequently, on an indiscriminate and illegal basis; and that it is necessary to establish a mechanism for the rational siting of hazardous waste facilities."

The environment for hazardous waste management in New Jersey has changed over the past 14 years. Hazardous waste generators, processors and ultimate disposal facility operators have dramatically improved their pollution prevention attitudes and policies over the years. Now most recognize their environmental responsibilities. Changes in technology, in industrial pollution prevention practices, in public attitudes, in the regulatory environment, and in the economy have today changed the way people perceive hazardous waste management. The initial purpose of the Siting Act, if not completely accomplished, has been recognized as the proper method of addressing environmentally safe siting applications. The Commission and the Advisory Council have attempted to fulfill their responsibilities under the Act. After reviewing eleven New Jersey sites, both as hazardous waste landfill and incinerator locations, the Commission is now in the final stage of a hazardous waste incinerator application by GAF in the City of Linden. This one siting alone has consumed 7 1/2 years of Commission testimony and hearings before the New Jersey Office of Administrative Law and The Superior Court of New Jersey, Appellate Division. However, we must be pro-active in the controversial process of siting in-state hazardous waste facilities through new technology initiatives to ensure an active and vital industrial base while at the same time continuing to provide safe, environmentally acceptable facility siting.

Today, there is a heightened awareness of both the limitations of environmental and financial resources and the need to clean up the abuses of the past and prevent their recurrence in the future. The Commission believes that the Siting Act must be reviewed with necessary changes to ensure that the safe disposal of hazardous waste is to be competitive with surrounding states. Some of these contemplated changes are being recommended in the new hazardous waste regulations to be published by the New Jersey Department of Environmental Protection in the New Jersey Register during April 1996.

While New Jersey continues to look to other states for some of its hazardous waste disposal needs, other states will also look to New Jersey. There is now a recognized dynamic, price and disposal sensitive interstate market to an extent that was not recognized when the Act was initiated. The annual Plan Update by the Commission will now promptly reflect these changes in the market place, if the necessary funds to do so are available to the Commission.

For Fiscal Year 1997 the Office of Management and Budget has recommended that the staff of the Commission be incorporated within the DEP while the Commission members themselves retain their independent status as gubernatorial appointees. This change may eliminate some duplication of effort regarding New Jersey hazardous waste planning documents. If the Siting Act can be changed in order to streamline the siting process, these changes can be beneficial for the State and industrial hazardous waste strategic planning. Only the future can determine if the Commissioners can retain their independence while their staff support is administered by the Department of Environmental Protection.

The Commission invites all interested parties to join our efforts in seeking responsible, environmentally safe and affordable solutions to the problems of hazardous waste management in New Jersey.

FISCAL YEAR 1995

COMMISSION OPERATING AND FINANCIAL STATEMENT

HAZARDOUS WASTE FACILITIES SITING COMMISSION
SUMMARY OF GENERAL FUND APPROPRIATION & EXPENDITURES – (BUDGET BASIS*)
FOR THE FISCAL YEAR ENDED JUNE 30, 1995

BY FUND

	AVAILABLE FUNDS
Legislative Appropriation Siting Commission FY95	$225,000.00
Carry Forward FY94	$84,803.09
Reappropriations from prior years	$20,047.46
Advisory Council	–0–
Victoria Foundation (Advisory Council Workshop)	$8,000.00
USEPA (Advisory Council Workshop)	$10,000.00
EHIS DuPont (ICF)	$5,159.00
EHIS GAF (Weston)	$32,837.00
EHIS GAF (TAMS)	$10,433.00
TOTAL	$396,279.55

BY PROGRAM		FUNDS EXPENDED	BALANCE
Siting Commission			
Salary (4 Full–Time Employees & 1 Part–Time Employee)	$212,500.00	$212,377.33	$122.67
Special Purposes Account	$117,350.55		
Office Expenses		$21,505.16	
Administrative Expenses		$12,342.17	
Computer Expenses		$6,264.51	
Insurance Expenses		$3,809.00	
Travel Expenses		$3,082.33	
Total Expenditures		$47,003.17	$70,347.38
Advisory Council	–0–		–0–
Victoria Foundation (Advisory Council Workshop)	$8,000.00	$6,838.80	$1,161.20
USEPA (Advisory Council Workshop)	$10,000.00	$1,701.40	$8,298.60
EHIS DuPont (ICF)	$5,159.00		$5,159.00
EHIS GAF (Weston)	$32,837.00		$32,837.00
EHIS GAF (TAMS)	$10,433.00		$10,433.00
TOTALS	$396,279.55	$267,920.70	$128,358.85

*Supplement to Auditor's Report prepared by Commission staff

1994/1995

LEGISLATIVE
SERVICES COMMISSION

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Chairman

ASSEMBLYMAN
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New Jersey State Legislature

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The Honorable Christine Todd Whitman
Governor of New Jersey

The Honorable Donald T. DiFrancesco
President of the Senate

The Honorable Jack Collins
Speaker of the General Assembly

Mr. Albert Porroni
Executive Director
Office of Legislative Services

We have completed an audit of the Hazardous Waste Facilities Siting Commission for the period July 1, 1994 to June 30, 1995.

We found that the financial transactions included in our testing were related to the commission's programs, were reasonable, and were recorded properly in the state accounting system. However, we did note a significant weakness in regards to the monitoring of a state aid grant. Details of the finding are included in our report.

This audit was conducted pursuant to N.J.S.A. 13:1E-83, which states that the State Auditor shall conduct an annual audit of the commission's activities pursuant to the provisions of Title 52 of the New Jersey Statutes.

Richard L. Fair
State Auditor
April 2, 1996

AUDITORS REPORT

Hazardous Waste Facilities Siting Commission

Scope

We have completed an audit of the Hazardous Waste Facilities Siting Commission (commission) for the period July 1, 1994 to June 30, 1995. Our audit included financial activities accounted for in the state's General Fund.

Total expenditures of the commission during the twelve-month audit period were $259,000. An additional state aid grant in the amount of $100,000 was given to the City of Linden. The prime responsibilities of the commission are the approval of sites for new hazardous waste facilities, the preparation of a hazardous waste plan and regular updates to the plan.

Objectives

The objectives of our audit were to determine whether financial transactions were related to the commission's programs, were reasonable and were recorded properly in the state accounting system.

This audit was conducted pursuant to N.J.S.A. 13:1E-83, which states that the State Auditor shall conduct an annual audit of the commission's activities pursuant to the provisions of Title 52 of the New Jersey Statutes.

Methodology

Our audit was conducted in accordance with Government Auditing Standards, issued by the Comptroller General of the United States.

In preparation for our testing, we studied legislation, administrative code, circular letters promulgated by the State Comptroller, and policies of the commission. Provisions that we considered significant were documented and compliance with those requirements was verified by interview and observation and through our samples of financial transactions. We also read the budget message, reviewed financial trends, and interviewed agency personnel to obtain an understanding of the programs and the internal control structure.

A nonstatistical sampling approach was used. Our samples of financial transactions were designed to provide conclusions about the validity of transactions as well as internal control and compliance attributes. Sample populations were stratified and large dollar transactions were examined. Other transactions were judgmentally selected.

AUDITORS REPORT

Conclusions

We found that the financial transactions included in our testing were related to the commission's programs, were reasonable, and were properly recorded in the state accounting system. In making this determination we noted a significant internal control weakness in regards to the monitoring of a state aid grant awarded to the City of Linden.

Details of the finding and recommendation follow.

Finding

The Department of Environmental Protection/New Jersey Hazardous Waste Facilities Siting Commission (DEP/NJHWFSC) awarded a grant of $100,000 to the City of Linden for the purpose of the City of Linden's technical defense in the GAF hazardous waste incinerator proceeding. The grant agreement required the grantee (City of Linden) to have this grant audited and to have a copy of the audit report submitted to the DEP/NJHWFSC. No report has been submitted to the DEP/NJHWFSC as of the date of our report. The lack of this audit report did not allow the DEP/NJHWFSC to be aware of the amount of the grant expended and the allowability of the expenditures.

Recommendation

We recommend that the DEP/NJHWFSC take the necessary steps to ensure that the Grantee complies with the grant agreement.

COMMISSIONERS:
James Ferris
Seymour Fishkin
Sidney Katz
Thomas Leane
William Librizzi
John Schroeder
Abigail Studdiford
J.B. Wiley, Jr.

State of New Jersey
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Chairman
Louis R. Matlack

Executive Director
Joseph E. Gilson, Jr.

March 19, 1996

Mr. Richard Fair, State Auditor
Office of the State Auditor
Office of Legislative Services
125 South Warren Street, CN 067
Trenton, NJ 08625-0067

Dear Mr. Fair:

Thank you for the opportunity to review and respond to the draft audit report entitled "Hazardous Waste Facilities Siting Commission, July 1, 1994 to June 30, 1995."

While we are pleased that the audit concludes that the financial transactions tested were reasonable and properly recorded in the State's accounting system, I would like to address the single finding noted in your report.

The finding relates to a grant award made to the City of Linden and the requirement that the grant be audited, with the results of such audit forwarded to the Department of Environmental Protection/New Jersey Hazardous Waste Facilities Siting Commission (DEP/NJHWFSC). The findings states that ..."No report has been submitted to the DEP/NJHWFSC as of the date of our report." Your resultant recommendation is that the DEP/NJHWFSC take the necessary steps to ensure that the grantee (City of Linden) complies with the grant agreement.

The Commission is, as always, monitoring grantee compliance with the terms and conditions of our grant agreements. In the City of Linden's specific case, the grant agreement stipulates that this grant be included in its annual organization-wide audit, with a copy of same forwarded to the DEP/NJHWFSC.

We have confirmed, through our regular communications with the City of Linden's Treasurer's Office, that the grant award and its related expenditures, are included in the City's annual Single Audit for calendar year ended December 30, 1995. Audit fieldwork is presently being conducted, and the Single Audit report, and its submission to the State's Department of Community Affairs, is scheduled to be completed by the required due date of June 30, 1996.

In closing, the DEP/NJHWFSC will continue to monitor grant compliance to ensure the integrity of our controls.

Sincerely,

Joseph E. Gilson, Jr.
Executive Director

cc: Peter F. Daly, Comptroller, DEP

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(4 vacancies)

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Richard P. Kurisko	Assistant Director
Marie Dursin	Systems Consultant
Christine Gozikowski	Administrative Assistant
Rose Mary Schwarz	Secretarial Assistant (part-time)

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