974.901
H20
c. 3

NEW JERSEY

HAZARDOUS

WASTE

FACILITIES

SITING

COMMISSION



PROPERTY OF
NEW JERSEY STATE LIBRARY
MAY 10 1993
185 W. STATE ST.
TRENTON, N.J.

ANNUAL REPORT

FOR

1992

PROPERTY OF
NEW JERSEY STATE LIBRARY
186 W. STATE ST. PO BOX 520
TRENTON, NJ 08625-0520

TABLE OF CONTENTS

Chairman's Letter 1

Overview 2

Siting Activities 4

Regional and State Planning 7

Gross Receipts Tax 8

Financial/Personnel 9

Hazardous Waste Advisory Council 9

Commission Supported Activities 11

Public Participation and Education 13

Auditor's Report on Financial Statement 14

Auditor's Summary 15

Summary of Appropriations,
Expenditures, and Encumbrances 17

Commission and Council 18

Honorable James J. Florio
Governor of the State of New Jersey
and Members of the New Jersey Legislature

State of New Jersey
HAZARDOUS WASTE FACILITIES
SITING COMMISSION
CN 406
Trenton, N.J. 08625-0406

1992 was the tenth anniversary of the Hazardous Waste Facilities Siting Commission. This report looks back and to the future. Since the Commission was created, many aspects of safe hazardous waste siting and handling have improved. The timetables anticipated in 1982 have not happened. During 1993, the Commission and the Hazardous Waste Advisory Council will be developing proposals to update New Jersey's hazardous waste siting processes.

Since 1982, our Commissioners and staff have invested thousands of hours in the search for safe hazardous waste facility sites in New Jersey. The Commission has diligently followed its legislative mandates, spent over $5.3 million of State funds, and not as yet sited any new facilities. Potential host municipalities and applicant operators have spent even more. This must change. Hazardous wastes are and will be a very significant and always changing feature of our lives. We must find affective ways to site and permit safe, economically sound, hazardous waste facilities in a timely and cost effective process. The Commission proposals will recommend improvements.

In 1992, the GAF application to develop a site for an incinerator in Linden moved ahead. Administrative Law Judge Lavery held 31 days of hearings and recommended that the site met 27 criteria but failed four. The Commission supported him on the 27 positive findings, reversed him on two ground water criteria, and remanded on safety of the population and transportation. In 1993 new Office of Administrative Law (OAL) remand hearings, recommendations, and Commission actions should complete an over 40 month site designation process — which the statute anticipated would take less than a year.

On an arguably narrower issue, the E.I. DuPont permit to increase the capacity of its existing Carneys Point facility, DuPont and the community have cooperated fully with the Commission and DEPE, but still do not have a permit after six years and approximately $40 million of company expense.

The Linden proceedings have consumed huge amounts of Commissioners' and staff time this year. There have been some significant personnel changes among the Commission and its staff. As the Act provides, when the OAL recommendations were released, two new Commissioners were appointed — Beatrice Bernzott by Union County, and Jeffrey Sias by the City of Linden. After the remand, on July 8, 1992, Commissioner Max Weiss, Ph.D., a distinguished physicist from Bell Laboratories, resigned following ten years of dedicated service. Then in July, Susan Boyle, our second Executive Director, resigned her position and accepted a new position with the DEPE. Also in July, our second Chairman, Gordon Millspaugh, who served skillfully for five years and continues as one of four original Commissioners, was succeeded by Louis R. Matlack as Chairman and James Ferris as Vice Chairman. In February, 1993, Commissioner Joseph E. Gilson, Jr. resigned to become our new Executive Director.

Several important tasks have high priorities for 1993. The Commission's 1989 Hazardous Waste Facilities Plan will be realistically updated and conform with DEPE's Capacity Assurance Plan analysis for EPA. We plan to call on the Hazardous Waste Advisory Council to help develop recommendations for broad improvements in New Jersey's hazardous waste siting and management policies. The Hazardous Waste Advisory Council has received an EPA grant and private foundation support from the Victoria Foundation to continue work in evaluating ways and means to measure the effectiveness of hazardous waste clean up efforts in New Jersey that will have national significance.

We look forward to the support of both the legislature and your office in carrying out our responsibilities as we strive for safe siting.

Sincerely,

Louis R Matlack

Louis R. Matlack, Chairman

OVERVIEW

During 1992, the Hazardous Waste Facilities Siting Commission (the Commission) continued its analysis of New Jersey's hazardous waste treatment and disposal needs and the evaluation of two sites for the location of new, major commercial hazardous waste facilities, pursuant to the Major Hazardous Waste Facilities Siting Act, N.J.S.A. 13:1E-49 et seq. The GAF Chemicals Corporation's (GAF) October, 1988 application to site a hazardous waste incinerator on a portion of its property in Linden was sent to the Office of Administrative Law (OAL) on February 1, 1991. The record was closed on this administrative law proceeding on April 6, 1992 and Judge Lavery issued an Initial Decision with regard to the GAF site application on May 6, 1992. The Commission on June 4, 1992 remanded the GAF facility application back to the Office of Administrative Law for further consideration in regard to the issues of evacuation routes and means of access to the proposed site. The Commission also continued to facilitate the public review and DEPE permit expansion process of the E.I. DuPont de Nemours and Co., Inc. (DuPont) proposal to expand its existing hazardous waste facility.

The Commission and the New Jersey Department of Environmental Protection and Energy (DEPE) personnel continued during the year to participate in the Northeast States Capacity Assurance Project (CAP). New Jersey's continued participation in this work is crucial to achieving an adequate regional balance of shortfalls with available capacities for effective hazardous waste management.

In 1991, the 13 northeast states completed an analysis of the economic viability of siting a land disposal facility under current market conditions which reached the following conclusions:

a) In the foreseeable future there is enough waste to support a commercial land disposal facility in the northeast;

b) Direct costs are secondary for landfill users because liability and compliance are the most important factors that a generator considers; and

c) Facility operators want states to provide technically rational, politically neutral siting processes.

The Northeast States Capacity Assurance Project is also evaluating the possible legal outcomes of a number of challenges being filed by states with private, commercial landfills that are currently managing a portion of the region's waste. The Commission staff continued to monitor these activities during 1992.

New Jersey's ongoing promotion of responsible waste minimization was enhanced dramatically by the enactment of the Pollution Prevention Act (N.J.S.A. 13:1D-35 et seq.) in August, 1991. The Commission continued its cooperative effort with the DEPE by administering a grant for pollution prevention guidance to the New Jersey Technical Assistance Program (NJTAP), housed at the New Jersey Institute of Technology. NJTAP provided technical assistance on waste reduction to interested small and mid-sized firms that generate hazardous waste. A memorandum of understanding was signed on March 1, 1992 with three volunteer New Jersey companies — Sybron Chemicals, Fisher Scientific, and Schering-Plough — participating in a facility-wide permitting program.

The Hazardous Waste Advisory Council (the Council) released its first review of New Jersey's Hazardous Waste Site Remediation Program, as required by P.L. 1989, c. 243 in 1991. In addition, the Council and an in-house task force of DEPE personnel initiated a review of New Jersey's siting criteria in 1991 and continued work in this area until April, 1992. Funding for the Council was eliminated in 1992, preventing the Council from performing its mandatory functions under the Siting Act.

Beatrice Bernzott (representing Union County) and Jeffrey Sias (representing the City of Linden) joined the Commission in April, 1992 as required by the Siting Act when the recommendations of an administrative law judge are being considered. On July 8, 1992 Max Weiss, Ph.D. resigned from the Commissioner position he had held since January, 1982. Dr. Weiss' resignation resulted in an industrial representative vacancy on the Siting Commission. This vacancy is under consideration by the Governor. Gordon A. Millspaugh resigned as Chairman of the Siting Commission on July 28, 1992 but remains on the Commission as a Commissioner. The Commission chose Commissioner Louis R. Matlack as the new Chairman and Commissioner James Ferris as the Vice-Chairman on July 28, 1992.

Executive Director Susan B. Boyle resigned July 13, 1992 to take a new position with the DEPE as Administrator of the Environmental Claims program. After extensive interviews, the Commission appointed Joseph E. Gilson, Jr. as its new Executive Director. Mr. Gilson assumed his duties as Executive Director during February, 1993. In the absence of an Executive Director, the duties of the office were ably performed by the Assistant Director, Richard P. Kurisko.

With the assistance of these new members, the Commission, the Council, and staff remain dedicated to carrying out and improving the hazardous waste policies of this state.

SITING ACTIVITIES

Introduction

New Jersey's hazardous waste facility siting process actually provides three distinct alternative routes for siting new hazardous waste facilities in this state: Commission selected sites; new sites proposed by industry; or expansions of existing major commercial hazardous waste facilities. Each alternative has been actively pursued since the mid-1980's.

By 1989, the Commission eliminated the eleven potential greenfields sites that it had begun screening and considering in 1984.. On October 25, 1988, GAF proposed for site designation a section of its former manufacturing site in Linden. The company's application calls for a 150 ton per day state-of-the-art hazardous waste rotary kiln incinerator. A substantial grant for the completion of a Municipal Site Suitability Study (MSSS) pursuant to N.J.S.A. 13:1E-59 a.(1) was then provided to Linden in 1990. The outside funding for the MSSS was $395,000. The first $250,000 of which was supplied by the Commission. By negotiated agreement, GAF then provided an additional $145,000.

In 1989, the Commission accepted and forwarded the preliminary Environmental and Health Impact Statement (EHIS) on the DuPont proposed incinerator and landfill expansion in Carneys Point, New Jersey to the DEPE, triggering the permit modification process. In 1990, Carneys Point Township completed part of its site plan review mandated by the Siting Act with $15,000 received from DuPont. In addition, Carneys Point was awarded a grant of $75,000 voluntarily from DuPont to review the EHIS and the permit applications using an independent consultant hired by the Township. The Township submitted its EHIS review to the Commission in December, 1990. A Public Hearing was held by the DEPE on March 17, 1992 in Carneys Point at which positive public support for the proposed project was shown. The permitting process has gone forward to the Attorney General's Office, which is preparing the necessary stipulations of fact by which the Office of Administrative Law will evaluate the environmental health and impact of this proposed facility expansion in 1993.

1992 Siting Updates

GAF Chemicals Corporation
Linden, New Jersey

February 1, 1991	The Commission transmitted the GAF case to the Office of Administrative Law (OAL), pursuant to N.J.A.C. 1:1-8.2.
September 10, 1991	Proceedings before the OAL began. In addition to GAF and Linden, the City and the State of New York were intervenors in the hearing.
April 6, 1992	Judge Lavery closed the record for the Administrative Law Hearing which considered the GAF proposal to site a hazardous waste incinerator on its property in the City of Linden, Union County.
May 6, 1992	Judge Lavery issued an Initial Decision in regard to the GAF site application.
June 4, 1992	The Siting Commission remanded the GAF facility application back to the Office of Administrative Law for further development of the record on the issue of evacuation routes and means of access to the proposed site in addition to the use of South Wood Avenue. This was done so that the Commission could have a complete record to determine as to whether or not the proposed site satisfies the Siting Criteria N.J.A.C. 7:26-13.7(a)(4) pertaining to protection of population and 7:26-13.11 pertaining to ensuring safe transportation.

1992 Siting Updates
(continued)

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

December, 1991	DuPont agreed to compensate the Township an additional $25,000 for the Township's independent review of the EHIS and permit documents.
January 31, 1992	DEPE released draft permits to DuPont for public comment and review including: draft NJPDES permit for groundwater monitoring at the landfill; draft Air Permit (Permit to Construct and Certificate to Operate); draft Hazardous Waste Facility Permit; draft modification to existing federal Hazardous and Solid Waste Amendment Permit; draft federal Prevention of Significant Deterioration Permit (included in draft Air Permit).
March 13, 1992	Greenpeace filed a Notice of Appeal challenging the determination by the DEPE and the Siting Commission that the proposed incinerator is an expansion of an existing hazardous waste facility. This suit was later withdrawn without prejudice.
March 17,1992	DEPE held a public hearing in Carneys Point, Salem County on the DuPont draft permits issued in January, 1992.

The Commission's forwarding of the EHIS to the DEPE on September 28, 1989 concluded its statutory obligation for the proposed facility expansion. During 1992, the DEPE has continued reviewing public comment from the March 17 Public Hearing on the proposed facility expansion and developing a response document to these comments. The DEPE continues to be involved in preparing for the upcoming Office of Administrative Law hearing on the proposed expansion as required by 13:1E-60. Commission staff will follow the application process in 1993.

REGIONAL and STATE PLANNING

The Commission and the DEPE continued during 1992 to participate actively in an USEPA sponsored northeast states regional hazardous waste facility planning effort. The region contains the District of Columbia and all states from Maine to West Virginia, with the exception of New York State. The Commission continues to monitor this regional planning process, especially in the assessment of the need for land disposal and incineration capacity in the northeast region.

The northeast states continue to work cooperatively in three areas:

- Examination of siting and permitting criteria,
- Regional approaches to providing necessary capacity for land disposal and incineration, and
- Waste minimization targets in the regional area.

The DEPE continued its regional commitment to improve the CAP process so that it is as useful as possible. The Commission has actively supported interstate work groups who are providing guidance on land emplacement and incinerator capacity to the EPA for the October, 1993 CAP submittal.

The Commission's Hazardous Waste Facilities Plan update, due October 1992, was delayed due to the inconsistencies found in the 1988 through 1992 manifest data and the lack of adequate technical support by ERM. The manifest data will be reexamined, edited, and formatted for inclusion in the plan update.

PROPERTY OF
NEW JERSEY STATE LIBRARY
186 W. STATE ST. PO BOX 520
TRENTON, NJ 08625-0520

GROSS RECEIPTS TAX

The Siting Act requires every major hazardous waste facility located in New Jersey to pay a five percent gross receipt tax to its host municipality. This tax is based on the annual gross receipts for the treatment, storage, and disposal of hazardous waste for the previous year.

1992 Tax Payments

Company Name/Municipality	Amount
Chemical Waste Management City of Newark	$182,336.25
E.I. DuPont de Nemours Carneys Point Township	$1,831,028.26
Marisol, Inc. Borough of Middlesex	$7,500.00
Republic Environmental Recycling, Inc. Borough of Clayton	$36,000.00
Rollins Environmental Services Logan Township	$1,069,378.17
Safety-Kleen Corporation Borough of Clayton	$28,600.00
SRSNJ-Safety Kleen City of Linden	$60,000.00
TOTAL	$3,214,842.68

In 1992, the Commission continued to contact major waste oil recyclers informing them of their possible obligation to pay the gross receipts tax. Republic Environmental Recycling began to pay the gross receipts tax in 1992. Two facilities are negotiating agreements with the municipalities in which they are located: Standard Tank Cleaning Company with the City of Bayonne, and Remtech Environmental Group with the City of Camden.

FINANCIAL/PERSONNEL

In fiscal year 1993, a budget of $250,000 was requested by the Commission and appropriated by the state, however, the $20,000 budget request for the Advisory Council was not appropriated. The Council therefore was unable to perform its statutory responsibilities after June 30, 1992. Due to the state hiring freeze, the person responsible for the development of the Hazardous Waste Facilities Plan update was not replaced. Carry-forward funds of approximately $800,000 were eliminated during 1992. From July 1992 to February 1993, after the transfer of the Executive Director to DEPE, there were two full time staff and one part time secretary.

HAZARDOUS WASTE ADVISORY COUNCIL

The Hazardous Waste Advisory Council (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 Hazardous Waste Advisory Council is required by P.L. 1989, c.243 to review the audit of DEPE'S hazardous waste site remediation program annually. In addition, the Council advises the Commission and the DEPE in all areas of hazardous waste management.

Mr. William Librizzi, representing the Water Environment Federation/New Jersey Water Pollution Control Association was appointed to the Council in 1992. Council members serve for three year terms. There were three existing vacancies on the Council in 1992, including: County Official; Industry Representative; and Private Sector Representative. It is anticipated that nominations by the Governor will be made to the Senate in 1993.

The Advisory Council did not receive funding for FY93 and thus did not meet after April of 1992. Through April 1992, the Council and in house DEPE Task Force continued updating the Siting Criteria to ensure consistency with DEPE's current or proposed regulations.

Site Remediation Report

In 1992, under the direction of Chairman John Liskowitz, Ph.D., the Council made recommendations to the Governor and the Legislature based on their review of the DEPE's hazardous waste site remediation program, pursuant to P.L. 1989, c. 243. As a result of this analysis and evaluation, the Council found that the DEPE had been successful in obtaining federal money for cleanups and in negotiating with responsible parties. Both of these efforts have reduced the need to spend bond monies. The State appears to have sufficient bonding authorization to complete all cleanup projects currently underway and planned to be initiated between now and 1994.

One major recommendation of the Council was that the DEPE, in cooperation with 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 DEPE in developing ways and means to measure the effectiveness and progress of remediation efforts.

Funding for a workshop was obtained to provide a forum for experts from New Jersey and other states to discuss development methods to measure the effectiveness and progress of hazardous site cleanup programs. This funding came from the Victoria Foundation and the United States Environmental Protection Agency (USEPA) through the efforts of Dr. John Liskowitz, Chairman of the Council and the Siting Commission. Work is expected to commence in April, 1993 and a report is expected by late 1993.

The Council also committed itself to re-examine the state's procurement process for remediation work, contractor insurance liability, and the technical requirements of the federal Superfund law concerning the use of alternative remedies for site remediation. As a result of lack of funding, these issues were dormant in 1992.

Private funding cannot be relied upon as a future funding source for the Council. Without continued state support, the Council will be unable to carry out its statutory responsibilities.

Reexamination of Siting Criteria

The Council had been actively involved in the reexamination of New Jersey's hazardous waste facility siting criteria for future siting applications in order to make them consistent with current DEPE and proposed regulations. The siting criteria, developed between 1981 and 1983 by the Council and the DEPE, were used by the Commission in the mid-1980's for its statewide site search.

New Jersey has taken the opportunity to apply the knowledge gained during the Commission's site search to improve the criteria for the future. The Council works with DEPE task force to analyze, clarify, and update the criteria. The group had been meeting since August, 1991 and continued work through April, 1992. The Council was expected to recommend during the latter part of 1992, adjustments to the criteria for future siting efforts, differentiating between statutory and regulatory criteria and stressing consistency between DEPE's regulations and the criteria. The group has been unable to recommend a strategy for revising the criteria because of a lack of funding.

COMMISSION SUPPORTED ACTIVITIES

Pollution Prevention

With the establishment of the DEPE's Office of Pollution Prevention and the signing into law by Governor Florio on August 1, 1991 of the Pollution Prevention Act (N.J.S.A. 13:1D-35), New Jersey is solidly in the forefront of a comprehensive hazardous waste management strategy that stresses prevention and source reduction. Pollution prevention planning and facility wide permitting are identified as the two main provisions of the Pollution Prevention Act. Facilities are also required by the Act to establish five year goals to reduce the use or generation of hazardous substances by 50 percent.

Pollution prevention receives continued support from the Commission. The Executive Director serves on the Pollution Prevention Advisory Board. In addition, the Commission will request the assistance of the Office of Pollution Prevention to identify waste minimization progress that has occurred since the last State Hazardous Waste Facilities Plan update (1989).

During 1992 the Office of Pollution Prevention was successful in negotiating a Memorandum of Understanding with the three volunteer companies (Fisher Scientific, Sybron Chemicals, and Schering-Plough) participating in the facility wide permitting program. Information from this program will be used to prepare pollution prevention regulations. On October 19, 1992 the pollution prevention rule package was published in the New Jersey Register. This, along with a pollution prevention plan guidance document and reporting forms, will be used by companies in preparing pollution prevention plans.

PROPERTY OF
JERSEY STATE LIBRARY
N. STATE ST. PO BOX 520
ENTON, NJ 08625-0520

New Jersey Technical Assistance Program

The New Jersey Technical Assistance Program (NJTAP) for Industrial Pollution Prevention, funded in part by a grant from the Commission, continued its efforts in 1992. NJTAP is designed to help small companies reduce the volume of hazardous and other wastes generated.

NJTAP is a free, confidential program addressing single and multiple media (air, water and land) industrial pollution sources. Services include evaluating existing operating conditions and recommending practical, economically feasible options to enhance production while, at the same time, minimizing and recycling hazardous wastes.

In 1992, the NJTAP provided oversight to Waste Advantage, Inc. the chosen contractor that is providing technical assistance for preparing pollution prevention plans for the three volunteer facilities involved in the Office of Pollution Prevention facility wide permit program. NJTAP works directly with the contractor instead of the DEPE so that confidentiality of detailed company process information can be ensured.

NJTAP continued in 1992 to provide on site technical assistance to businesses involved in developing waste minimization procedures that will reduce waste and at the same time save the company money. Also during 1992, NJTAP was involved in a curriculum development program in conjunction with the New Jersey Department of Education, designed to integrate into existing vocational school curricula environmental education that will provide state of the art skills to students in the areas of pollution prevention and waste minimization.

One innovative outgrowth of the NJTAP effort is the Burlington County Industrial Technology Transfer Program (BITT), which opened its doors in 1991. BITT is a free, non-regulatory program providing technical assistance to businesses and schools to minimize waste production within Burlington County.

The BITT program is sponsored by the Burlington County Board of Chosen Freeholders, Office of Waste Management, the New Jersey Institute of Technology, and Burlington County College. The goal of the BITT program is to prepare and discuss with local businesses and schools waste minimization and pollution prevention strategies that are cost effective and environmentally sound. BITT was a recipient of the 1992 Governor's Award for Excellence in pollution prevention.

PUBLIC PARTICIPATION AND EDUCATION

Outreach programs to universities, colleges, public and private organizations interested in hazardous waste management and treatment are provided by the Commission staff. In the past, lectures have been given at Rutgers University, Stockton State College, and the New Jersey Institute of Technology. The Commission has also participated in conferences with the New Jersey Alliance for Action, the HazMat Conference, Mercer County College, and the Governor's Capital Investment Infrastructure Task Force.

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 Hazardous Waste Facility Siting Criteria, the Hazardous Waste Facilities Plan update, and various documents describing incineration technology, industrial pollution prevention activities, and small quantity generator practices are available upon request from the Commission office.

AUDITOR'S REPORT ON FINANCIAL STATEMENT

LEGISLATIVE SERVICES COMMISSION

SENATOR
DONALD T. DiFRANCESCO
Chairman

ASSEMBLYMAN
GARABED "CHUCK" HAYTAIAN
Vice-Chairman

SENATE
JOHN O. BENNETT
GERALD CARDINALE
RICHARD J. CODEY
MATTHEW FELDMAN
WYNONA M. LIPMAN
ROBERT E. LITTELL
JOHN A. LYNCH

GENERAL ASSEMBLY
BYRON M. BAER
WILLIE B. BROWN
WAYNE R. BRYANT, ESQ.
JOSEPH V. DORIA, JR.
CLARE M. FARRAGHER
NICHOLAS R. FELICE
JOHN S. PENN

New Jersey State Legislature

OFFICE OF LEGISLATIVE SERVICES
OFFICE OF THE STATE AUDITOR
125 SOUTH WARREN STREET
CN-067
TRENTON, NEW JERSEY 08625-0067

ALBERT PORRONI
Executive Director
(609) 292-4625

RICHARD L. FAIR
State Auditor
(609) 292-3700
FAX (609) 633-0834

March 5, 1993

The Honorable Jim Florio
Governor of New Jersey

The Honorable Donald T. DiFrancesco
President of the Senate

The Honorable Garabed "Chuck" Haytaian
Speaker of the General Assembly

Mr. Albert Porroni
Executive Director
Office of Legislative Services

Gentlemen:

N.J.S.A. 13:1E-83 requires the State Auditor to conduct an annual audit of the Hazardous Waste Facilities Siting Commission's activities pursuant to the provisions of N.J.S.A. 52:24. Our review of these activities for the fiscal year ended June 30, 1992 encompassed (1) a review of internal control procedures, (2) tests of financial transactions, and (3) tests of adherence to state laws, policies and procedures governing its financial activities. We also made a preliminary review of the internal controls of the nonmajor federal programs administered by the commission as required by the Single Audit Act of 1984, the U.S. Office of Management and Budget (OMB) Circular Letter A-128 and the AICPA Audit and Accounting Guide Audits of State and Local Governmental Units.

The accounts of the Hazardous Waste Facilities Siting Commission are an integral part of the General Fund annual financial statements upon which the State Auditor expresses an opinion. The summary of General Fund appropriations, expenditures, and encumbrances (Exhibit I) is presented on a budgetary basis and is not intended to be in accordance with generally accepted accounting principles. This report is submitted pursuant to the State Auditor's responsibilities as set forth in Article VII, Section 1.6 of the State Constitution, and N.J.S.A. 52:24-4.

Respectfully submitted,

Richard L. Fair
State Auditor

NEW JERSEY

HAZARDOUS

WASTE

FACILITIES

SITING

COMMISSION

AUDITOR'S SUMMARY

prepared by Richard L. Fair, State Auditor
March 5, 1993

HAZARDOUS WASTE FACILITIES SITING COMMISSION

SUMMARY

The Hazardous Waste Facilities Siting Commission was established in September 1981 pursuant to N.J.S.A. 13:1E, the Major Hazardous Waste Facilities Siting Act. The commission is responsible for the preparation and revision of a Major Hazardous Waste Facilities Plan, establishment of a public information program concerning such facilities, and the proposal and adoption of site designations for new hazardous waste facilities.

The commission consists of nine members appointed by the governor with the advice and consent of the Senate. The regular members serve for a term of three years without compensation. Two additional voting members were added to the board on May 12, 1992. The additional members were appointed by the governing bodies of the county and municipality where the proposed hazardous waste facility is located. The commission was chaired by Mr. Gordon A. Millspaugh during the fiscal year ended June 30, 1992. The current chairman is Mr. Louis Matlack. The other commissioners are: Ann Auerbach, Beatrice Bernzott (Union County appointee), James Ferris, Joseph E. Gilson, Jr., Roy T. Gottesman, Thomas Leane, Jeffrey Sias (City of Linden appointee), and Abigail Studdiford. Mr. Max Weiss served as a commission member until July 1, 1992.

A major responsibility of the commission is to propose and adopt site designations for new hazardous waste facilities. Proposed sites include the Dupont Chambers Works location in Salem County, and the International Specialty Products (ISP) Tremley Point Property (formerly GAF Inc.) in the City of Linden. The ISP location (formerly GAF Inc.) is a proposed site whereas the DuPont Chambers Works location is an existing facility being reviewed for expansion.

The commission is waiting for permit approval of the DuPont project from the state Department of Environmental Protection and Energy (DEPE). Greenpeace, in March 1992, sued the DEPE and the commission to halt Dupont's proposal. According to a representative of Greenpeace, the lawsuit is on hold until DEPE makes its final decision. In May 1992, the Office of Administrative Law recommended that the Linden site be rejected from consideration because the site failed to meet criteria relating to protection of the public. The commission voted on June 4, 1992 to remand the ISP application to build a hazardous waste incinerator in Linden back to the Office of Administrative Law for further development. The issue of protection of the population, specifically the need for further evaluation of evacuation routes to and from the facility and additional means of access, will be reviewed by the Office of Administrative Law.

In addition to the siting responsibilities, the Act also directs that an annual report of the commission's activities be made to the

Governor and Legislature on or before March 31. This report contains a complete operating and financial statement covering its operations.

Funding for the commission is provided by the legislature through appropriations made in the annual appropriations act. All accounts are maintained within the structure of the Department of Environmental Protection and Energy's agency accounting system, and transactions are processed through the department's Division of Financial Management and General Services.

In addition to these general fund appropriations, the commission received federal grant funding from the U. S. Environmental Protection Agency for waste minimization reports. The commission also controls the financial activity involved in preparation of environmental and health impact statements for proposed sites. This activity is recorded in a dedicated account within the General Fund.

During our review period, appropriations available for spending totaled $2.1 million. Included in available appropriations are dedicated revenues totaling $105,000 for fiscal year 1992.

Our review of the commission's activities showed that the commission was adhering to state laws, policies and procedures. We noted no material weaknesses in the accounting and administrative control systems that would prevent the commission from complying with the provisions of the Major Hazardous Waste Facilities Siting Act.

We performed a preliminary review of the accounting and administrative control structure for the nonmajor (under $13 million in expenditures) federal programs listed below:

Catalog of Federal Domestic Assistance # (CFDA)	CFDA Title
66.801	Hazardous Waste Management State Program Support
99.942	Source Reduction and Technical Assistance

Our preliminary review of the internal control structure for the nonmajor grants disclosed no reportable conditions.

HAZARDOUS WASTE FACILITIES SITING COMMISSION
SUMMARY OF APPROPRIATIONS, EXPENDITURES, AND ENCUMBRANCES-(BUDGETARY BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 1992

EXHIBIT I
(In $000)

By Program	Total Available Appropriations	Expended	Encumbered	Lapsed	Continuing Appropriations
Siting Commission Administration	$ 751.7	$122.9	$174.3	$204.5	$250.0
Advisory Council	5.0	1.4	3.2	0.4	0.0
Review Applications	26.6	0.0	0.0	26.6	0.0
Site Review and Evaluation	11.6	0.0	0.0	11.6	0.0
Land Emplacement Facility Site	300.0	0.0	0.0	300.0	0.0
Training	50.0	0.0	0.0	50.0	0.0
Environmental & Health Impact Statements	80.0	0.0	80.0	0.0	0.0
Municipal Site Suitability Study	25.2	25.2	0.0	0.0	0.0
Subtotal	1,250.1	149.5	257.5	593.1	250.0
Prior Year Obligations					
Siting Commission Administration	33.9	24.3	9.6	0.0	0.0
Review Applications	21.3	8.5	12.8	0.0	0.0
Environmental & Health Impact Statements	438.8	418.8	20.0	0.0	0.0
Source Reduction & Technical Assistance	175.0	175.0	0.0	0.0	0.0
Municipal Site Suitability Study	200.0	194.8	5.2	0.0	0.0
Subtotal	869.0	821.4	47.6	0.0	0.0
Total	$2,119.1	$970.9	$305.1	$593.1	$250.0
By Fund					
Direct State Services	$1,094.9	$124.3	$177.5	$543.1	$250.0
Dedicated Funds	105.2	25.2	80.0	0.0	0.0
State Aid	50.0	0.0	0.0	50.0	0.0
Subtotal	1,250.1	149.5	257.5	593.1	250.0
Prior Year Obligations					
Direct State Services	55.3	32.8	22.5	0.0	0.0
Dedicated Funds	638.7	613.6	25.1	0.0	0.0
Federal Funds	175.0	175.0	0.0	0.0	0.0
Subtotal	869.0	821.4	47.6	0.0	0.0
Total	$2,119.1	$970.9	$305.1	$593.1	$250.0

Hazardous Waste Facilities Siting Commission

Louis R. Matlack, Chairman
James Ferris, Vice-Chairman
Ann Auerbach
Roy T. Gottesman, Ph.D.
Thomas Leane
Gordon Millspaugh
Abigail Studdiford

Beatrice Bernzott, Union County Representative
Jeffrey Sias, City of Linden Representative

Hazardous Waste Advisory Council

John Liskowitz, Chairman
Katherine Becker
James Butler
Raymond J. DiFrancesco
William C. Ehrhardt
Joseph D. Foy
Cynthia Jacobson
William Librizzi
Carlos Murawczyk
Asim B. Ray, Ph.D.
Randall E. Vieser, P.E.

Commission Staff

Joseph E. Gilson, Jr., Executive Director
Richard P. Kurisko, Assistant Director
Maryann Farfalla, Administrative Assistant

This report was printed on Cross Pointe Genesis,
a recycled paper product made from 100% recycled, de-inked fiber,
including a minimum of 15% post-consumer waste paper.



Graphic design by Rose Mary Schwarz

State of New Jersey
Hazardous Waste Facilities Siting Commission
CN 406
Trenton, New Jersey 08625-0406