



Walter Wright, Jr.
wwright@mwlaw.com
(501) 688.8839

Refrigerant Recovery Management Program/Air Enforcement: U.S. Department of Justice and Scrap Recycling Company Enter into Consent Decree Addressing Multiple Facilities

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The United States Department of Justice (“DOJ”) entered into a Consent Decree (“CD”) on behalf of the United States with Schnitzer Steel Industries, Inc. (“Schnitzer”) addressing alleged violations of the Clean Air Act and implementing regulations involving the Refrigerant Recovery Management Program (“RRMP”). See Civil Action No. 1:22-cv-10604.

Schnitzer is described as a company that currently owns and operates 40 scrap metal recycling facilities in the United States (including Puerto Rico).

DOJ had filed a Complaint alleging that Schnitzer violated Title VI of the Clean Air Act and 40 CFR §§ 82.154, 82.155 at a number of its facilities.

The alleged violations include:

1. accepting appliances for recycling that still contained refrigerant without recovering the refrigerant prior to disposing of the item and/or allowing the release of the refrigerant into the environment;
2. accepting appliances for recycling, which no longer contained refrigerant, that were not accompanied by
 1. a signed statement, including the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered, or
 2. a contract between the supplier and the final processor stating either that the supplier will recover any remaining refrigerant from the appliance or shipment of appliances prior to delivery or verify that the refrigerant had been properly recovered prior to receipt by the supplier; and/or
3. accepting appliances for recycling, which no longer contained refrigerant, from suppliers covered by statements or contracts stating the refrigerant was removed properly from the appliance, even though Schnitzer, or its employee or agent receiving the statement or contract, knew or had reason to know that the signed statement or contract was false

Schnitzer is alleged to have failed to recover refrigerant from small appliances and motor vehicle air conditioners before disposal. The alleged violations include failure to verify from the supplier that the refrigerant had been properly removed prior to delivery to the company's facilities.

The CD (if approved by the United States District Court) requires that Schnitzer pay a civil penalty of \$1,550.

The company is also required to undertake compliance measures valued at over \$1,700,000 to prevent the release of ozone-depleting refrigerants and non-exempt substitutes from refrigerant-containing items during their processing and disposal. This includes completion of an environmental mitigation project.

An RRMP U.S. Environmental Protection Agency program must be implemented which will include:

- Installation of a refrigerant recovery system at Schnitzer facilities
- Screening procedures for scrap appliances and vehicles
- New forms for statements and contracts to verify any refrigerant recovery from appliances and motor vehicles prior to receipt by Schnitzer
- Notices to customers regarding proper procedures for delivering items currently or previously containing refrigerants
- Employee training on procedures for ensuring compliance with regulations designed to prevent the release of refrigerants
- Recordkeeping reporting obligations

The CD provides that Schnitzer does not admit any liability to the United States arising out of the transactions or occurrence that were alleged in the Complaint. Further, DOJ acknowledges Schnitzer's cooperation and proactive efforts in resolving the United States' claims.

A copy of the CD can be downloaded [here](#).