EXECUTIVE SUMMARY - ENFORCEMENT MATTER

DOCKET NO.: 2005-1987-MSW-E **TCEQ ID:** RN101666550 **CASE NO.:** 27427

RESPONDENT NAME: Stericycle, Inc.

ORDER TYPE:		
X 1660 AGREED ORDER	__FINDINGS AGREED ORDER	__FINDINGS ORDER FOLLOWING SOAH HEARING
__FINDINGS DEFAULT ORDER	__SHUTDOWN ORDER	__IMMINENT AND SUBSTANTIAL ENDANGERMENT ORDER
__AMENDED ORDER	__EMERGENCY ORDER	
CASE TYPE:		
__AIR	__MULTI-MEDIA (check all that apply)	__INDUSTRIAL AND HAZARDOUS WASTE
__PUBLIC WATER SUPPLY	__PETROLEUM STORAGE TANKS	__OCCUPATIONAL CERTIFICATION
__WATER QUALITY	__SEWAGE SLUDGE	__UNDERGROUND INJECTION CONTROL
X MUNICIPAL SOLID WASTE	__RADIOACTIVE WASTE	__DRY CLEANER REGISTRATION

SITE WHERE VIOLATION(S) OCCURRED: Stericycle, 8950 Conroe Park North Drive, Conroe, Montgomery County

TYPE OF OPERATION: Medical waste processing

SMALL BUSINESS: ____ **Yes** __X__ **No**

OTHER SIGNIFICANT MATTERS: One complaint was received on July 21, 2005, alleging that the Respondent did not properly incinerate the chemotherapy waste. There is no record of additional pending enforcement actions regarding this facility location.

INTERESTED PARTIES: A complaint was received but the complainant has not expressed the desire to protest this action or speak at Agenda.

COMMENTS RECEIVED: The *Texas Register* comment period expired on January 14, 2008. No comments were received.

CONTACTS AND MAILING LIST:

TCEQ Attorney/SEP Coordinator: Ms. Sharon Blue, SEP Coordinator, Litigation Division, MC 175, (512) 239-2223

TCEQ Enforcement Coordinator: Ms. Cynthia McKaughan, Enforcement Division, Enforcement Team 7, MC 128, (512) 239-0735; Mr. Bryan Sinclair, Enforcement Division, MC 219, (512) 239-2171

Respondent: Ms. Selin Hoboy, Corporate Vice President ES&H, Stericycle, Inc., 28161 North Keith Drive, Lake Forest, Illinois 60045

Respondent's Attorney: Not represented by counsel on this enforcement matter

VIOLATION SUMMARY CHART:

VIOLATION INFORMATION	PENALTY CONSIDERATIONS	CORRECTIVE ACTIONS TAKEN/REQUIRED
Type of Investigation: _X_ Complaint ___ Routine ___ Enforcement Follow-up ___ Records Review **Date(s) of Complaints Relating to this Case:** July 21, 2005. **Date of Investigation Relating to this Case:** August 9 and 15, 2005 **Date of NOV/NOE Relating to this Case:** October 26, 2005(NOE) **Background Facts:** This was a complaint investigation. **WASTE** 1) Failed to reject and properly process unlabeled medical waste. Specifically, the Respondent received unlabeled containers of medical waste and shipped them to be incinerated [30 TEX. ADMIN. CODE § 330.111(a), 330.150(1) and Permit No. 2222, Sections 4.3.1 and 8.2.2]. 2) Failed to prevent unauthorized treatment of medical waste. Specifically, the Respondent autoclaved four containers of Chemotherapy Sharps Waste which were marked "For Incineration Only" [30 TEX. ADMIN. CODE § 330.5(a)(3) and Permit No. 2222, Section 9.2.4].	**Total Assessed:** $8,400 **Total Deferred:** $1,680 _X_ Expedited Settlement __Financial Inability to Pay **SEP Conditional Offset:** $3,360 **Total Paid to General Revenue:** $3,360 **Site Compliance History Classification** __ **High** _X_ **Average** __ **Poor** **Person Compliance History Classification** __ **High** _X_ **Average** __ **Poor** **Major Source:** _X_ Yes ___ No **Applicable Penalty Policy:** September 2002	**Corrective Actions Taken:** The Executive Director recognizes that the Respondent submitted compliance documentation on August 16, 2005, stating that all employees have been retrained on proper screening and handling procedures for medical waste and that additional oversight of the autoclave operations has been implemented. **Ordering Provisions:** The Order will require the Respondent to implement and complete a Supplemental Environmental Project ("SEP"). (See SEP Attachment A)

Additional ID No(s).: MSW 50002

Attachment A

Docket Number: 2005-1987-MSW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Stericycle, Inc.**
Amount of Penalty:	**Six Thousand Seven Hundred Twenty Dollars ($6,720)**
Amount of Offset for the SEP:	**Three Thousand Three Hundred Sixty Dollars ($3,360)**
Type of SEP:	**Household Hazardous Waste Collection Event**
Location of SEP:	**Montgomery County**

The Texas Commission on Environmental Quality ("TCEQ"), agrees to offset a portion of the administrative penalty assessed in this Agreed Order under the condition that the Respondent shall perform and comply with the following Supplemental Environmental Project ("SEP") provisions. The amount of the offset for the SEP is conditioned upon completion of the project in accordance with the terms set forth below.

1. Project Description

A. Project

The Respondent shall participate in the Montgomery County Precinct 4 Bi-Annual Household Heavy Trash Collection events in 6 locations throughout Montgomery County. The Respondent shall coordinate and manage the collection of household medical waste activities that will:

1. Be open to the public during the precinct's designated collection time;
2. Accept medical waste common to households including and limited to sharps and expired medications; and
3. Administer the project in accordance with the TCEQ guidance document on hazardous waste collection projects as well as in compliance with federal, state, and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action. The Respondent shall not profit from the processing, storage, or disposal of any medical waste collected by the Respondent or any facilities owned or operated by the Respondent.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing a means to properly dispose of household generated sharps and expired medications that might otherwise be improperly disposed of in storm drains, household trash, or other means detrimental to the environment or human health or life.

C. Minimum Expenditure

The SEP is based upon the Respondent's agreement to spend at least Three Thousand Three Hundred Sixty Dollars ($3,360) of the payable penalty of Six Thousand Seven Hundred Twenty Dollars ($6,720) to complete the project described above and to comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent shall begin implementation of this SEP by coordinating collection events with Montgomery County. The project will be completed within one (1) year after the effective date of this order.

3. Records and Reporting

The Respondent shall maintain records of the costs of the project. The Respondent will also provide a progress report to the SEP Coordinator every ninety (90) days after the effective date of the agreed order. The progress report will include:

1. A description of the status of the project;
2. The approximate expenditures in the reporting period; and
3. Other information that may be necessary to specify the steps taken to implement the project.

A final report summarizing all costs will be due thirty (30) days following the conclusion of the project. The final report shall contain the following information:

1. An itemized list of expenditures and costs incurred with receipts, copies of checks, or other verifying documentation attached;
2. The total amount of costs incurred;
3. A statement of quantifiable environmental benefits;
4. Equipment logs showing the hours equipment was utilized on the project;
5. Time records showing the overtime hours city employees worked on the project; and
6. Photographs of the project before implementation and after completion; and
7. Any additional information the Respondent believes will demonstrate compliance with this agreement.

Copies of receipts, checks, invoices and other documentation verifying appropriate expenditures and the completion of the project must be submitted with the final report.

The Respondent agrees to provide additional information required by the SEP Coordinator and allow access to all financial records related to the receipt and expenditure of SEP monies and to allow a representative of the TCEQ, upon request, access to the site of any work being financed in whole or in part by SEP monies. **All SEP reports and information shall be submitted to the following address:**

Litigation Division
Attention: SEP Coordinator, MC 175
The Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of all required funds and the submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the Amount of Offset for the SEP.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality
Financial Administration Division, Revenues
Attention: Cashier, MC 214
P.O. Box 13088
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.

Penalty Calculation Worksheet (PCW)

TCEQ

Policy Revision 2 (September 2002) *PCW Revision May 19, 2005*

DATES					
Assigned	31-Oct-2005				
PCW	05-Dec-2005	Screening	01-Dec-2005	EPA Due	N/A

RESPONDENT/FACILITY INFORMATION

Respondent	Stericycle, Inc.		
Reg. Ent. Ref. No.	RN101666550		
Facility/Site Region	12-Houston	Major/Minor Source	Major Source

CASE INFORMATION

Enf./Case ID No.	27427	No. of Violations	2
Docket No.	2005-1987-MSW-E	Order Type	1660
Media Program(s)	Medical Waste	Enf. Coordinator	Edward R. Moderow
Multi-Media		EC's Team	Enforcement Team 7
Admin. Penalty $ Limit Minimum	$0	Maximum	$10,000

Penalty Calculation Section

TOTAL BASE PENALTY (Sum of violation base penalties) *Subtotal 1* **$10,000**

ADJUSTMENTS (+/-) TO SUBTOTAL 1

Subtotals 2-7 are obtained by multiplying the Total Base Penalty (Subtotal 1) by the indicated percentage.

Compliance History **9%** Enhancement *Subtotals 2, 3, & 7* **$900**

Notes: Enhancement is recommended based on one written NOV with same or similar violations and two other written NOVs.

Culpability No **0%** Enhancement *Subtotal 4* **$0**

Notes: The Respondent does not meet the culpability criteria.

Good Faith Effort to Comply **25%** Reduction *Subtotal 5* **-$2,500**

	Before NOV	NOV to EDPRP/Settlement Offer
Extraordinary		
Ordinary	x	
N/A		*(mark with a small x)*

Notes: The Respondent submitted compliance documentation on August 16, 2005.

Economic Benefit **0%** Enhancement* *Subtotal 6* **$0**

**Capped at the Total EB $ Amount*

Total EB Amounts	$1
Approx. Cost of Compliance	$1,500

SUM OF SUBTOTALS 1-7 **Final Subtotal** **$8,400**

OTHER FACTORS AS JUSTICE MAY REQUIRE **Adjustment** **$0**

Reduces or enhances the Final Subtotal by the indicated percentage. *(Enter number only; e.g. -30 for -30%.)*

Notes:

Final Penalty Amount **$8,400**

STATUTORY LIMIT ADJUSTMENT **Final Assessed Penalty** **$8,400**

DEFERRAL **20%** Reduction **Adjustment** **-$1,680**

Reduces the Final Assessed Penalty by the indicted percentage. *(Enter number only; e.g. 20 for 20% reduction.)*

Notes: Deferral offered for expedited settlement.

PAYABLE PENALTY **$6,720**

Screening Date 01-Dec-2005 **Docket No.** 2005-1987-MSW-E **PCW**
Respondent Stericycle, Inc. *Policy Revision 2 (September 2002)*
Case ID No. 27427 *PCW Revision May 19, 2005*
Reg. Ent. Reference No. RN101666550
Media [Statute] Medical Waste
Enf. Coordinator Edward R. Moderow

Compliance History Worksheet

>> Compliance History *Site* Enhancement (Subtotal 2)

Component	Number of...	Enter Number Here	Adjust.
NOVs	Written NOVs with same or similar violations as those in the current enforcement action *(number of NOVs meeting criteria)*	1	5%
	Other written NOVs	2	4%
Orders	Any agreed final enforcement orders containing a denial of liability *(number of orders meeting criteria)*	0	0%
	Any adjudicated final enforcement orders, agreed final enforcement orders without a denial of liability, or default orders of this state or the federal government, or any final prohibitory emergency orders issued by the commission	0	0%
Judgments and Consent Decrees	Any non-adjudicated final court judgments or consent decrees containing a denial of liability of this state or the federal government *(number of judgements or consent decrees meeting criteria)*	0	0%
	Any adjudicated final court judgments and default judgments, or non-adjudicated final court judgments or consent decrees without a denial of liability, of this state or the federal government	0	0%
Convictions	Any criminal convictions of this state or the federal government *(number of counts)*	0	0%
Emissions	Chronic excessive emissions events (number of events)	0	0%
Audits	Letters notifying the executive director of an intended audit conducted under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which notices were*	0	0%
	Disclosures of violations under the Texas Environmental, Health, and Safety Audit Privilege Act, 74th Legislature, 1995 *(number of audits for which violations were disclosed)*	0	0%
		Please Enter Yes or No	
Other	Environmental management systems in place for one year or more	No	0%
	Voluntary on-site compliance assessments conducted by the executive director under a special assistance program	No	0%
	Participation in a voluntary pollution reduction program	No	0%
	Early compliance with, or offer of a product that meets future state or federal government environmental requirements	No	0%

Adjustment Percentage (Subtotal 2) **9%**

>> Repeat Violator (Subtotal 3)

No

Adjustment Percentage (Subtotal 3) **0%**

>> Compliance History *Person* Classification (Subtotal 7)

Average Performer

Adjustment Percentage (Subtotal 7) **0%**

>> Compliance History Summary

Compliance History Notes Enhancement is recommended based on one written NOV with same or similar violations and two other written NOVs.

Total Adjustment Percentage (Subtotals 2, 3, & 7) **9%**

PCW

Policy Revision 2 (September 2002)
PCW Revision May 19, 2005

Screening Date 01-Dec-2005 **Docket No.** 2005-1987-MSW-E
Respondent Stericycle, Inc.
Case ID No. 27427
Reg. Ent. Reference No. RN101666550
Media [Statute] Medical Waste
Enf. Coordinator Edward R. Moderow

Violation Number 1

Primary Rule Cite(s) 30 Tex. Admin. Code § 330.111(a), 330.150(1) and Permit No. 2222, Sections 4.3.1 and 8.2.2

Secondary Rule Cite(s)

Violation Description Failure to reject and properly process unlabeled medical waste. Specifically, the Respondent received unlabeled containers of medical waste and shipped them to be incinerated.

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

OR

Release	Harm: Major	Moderate	Minor
Actual			
Potential	x		

Percent 50%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment will or could be exposed to pollutants which would exceed protective levels.

Adjustment -$5,000

Base Penalty Subtotal $5,000

Violation Events

Number of Violation Events 1

mark only one use a small x

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty **$5,000**

One single event is recommended based on the improper handling of medical waste as documented during the August 9 and 15, 2005 investigation.

Economic Benefit (EB) for this violation

Estimated EB Amount $0

Statutory Limit Test

Violation Final Penalty Total **$4,200**

This violation Final Assessed Penalty (adjusted for limits) **$4,200**

Economic Benefit Worksheet

Respondent Stericycle, Inc.
Case ID No. 27427
Reg. Ent. Reference No. RN101666550
Media [Statute] Medical Waste
Violation No. 1

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling	$500	09-Aug-2005	16-Aug-2005	0.0	$0	n/a	$0
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs Estimated cost to conduct employee training on proper screening and handling procedures for unlabeled medical waste. The date range is based on the investigation to date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs

Approx. Cost of Compliance $500

TOTAL $0

PCW

Policy Revision 2 (September 2002)
PCW Revision May 19, 2005

Screening Date 01-Dec-2005 **Docket No.** 2005-1987-MSW-E
Respondent Stericycle, Inc.
Case ID No. 27427
Reg. Ent. Reference No. RN101666550
Media [Statute] Medical Waste
Enf. Coordinator Edward R. Moderow
Violation Number 2
Primary Rule Cite(s) 30 Tex. Admin. Code § 330.5(a)(3) and Permit No. 2222, Section 9.2.4
Secondary Rule Cite(s)
Violation Description Failure to prevent unauthorized treatment of medical waste. Specifically, the Respondent autoclaved four containers of Chemotherapy Sharps Waste which were marked "For Incineration Only".

Base Penalty $10,000

>> Environmental, Property and Human Health Matrix

Release	Harm: Major	Moderate	Minor
Actual			
Potential	x		

OR

Percent 50%

>> Programmatic Matrix

Falsification	Major	Moderate	Minor

Percent

Matrix Notes: Human health or the environment will or could be exposed to pollutants which would exceed protective levels.

Adjustment -$5,000

Base Penalty Subtotal $5,000

Violation Events

Number of Violation Events: 1

mark only one, use a small x:

daily	
monthly	
quarterly	
semiannual	
annual	
single event	x

Violation Base Penalty $5,000

One single event is recommended based on the improper handling of medical waste as documented during the August 9 and 15, 2005 investigation.

Economic Benefit (EB) for this violation

Estimated EB Amount $1

Statutory Limit Test

Violation Final Penalty Total $4,200

This violation Final Assessed Penalty (adjusted for limits) $4,200

Economic Benefit Worksheet

Respondent Stericycle, Inc.
Case ID No. 27427
Reg. Ent. Reference No. RN101666550
Media [Statute] Medical Waste
Violation No. 2

Percent Interest	Years of Depreciation
5.0	15

Item Description	Item Cost (No commas or $)	Date Required	Final Date	Yrs	Interest Saved	Onetime Costs	EB Amount
Delayed Costs							
Equipment				0.0	$0	$0	$0
Buildings				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0
Engineering/construction				0.0	$0	$0	$0
Land				0.0	$0	n/a	$0
Record Keeping System				0.0	$0	n/a	$0
Training/Sampling	$1,000	09-Aug-2005	16-Aug-2005	0.0	$1	n/a	$1
Remediation/Disposal				0.0	$0	n/a	$0
Permit Costs				0.0	$0	n/a	$0
Other (as needed)				0.0	$0	n/a	$0

Notes for DELAYED costs: Estimated cost to conduct employee training and to ensure sufficient oversight of all containers placed in the autoclave. The date range is based on the investigation to date of compliance.

Avoided Costs	ANNUALIZE [1] avoided costs before entering item (except for one-time avoided costs)						
Disposal				0.0	$0	$0	$0
Personnel				0.0	$0	$0	$0
Inspection/Reporting/Sampling				0.0	$0	$0	$0
Supplies/equipment				0.0	$0	$0	$0
Financial Assurance [2]				0.0	$0	$0	$0
ONE-TIME avoided costs [3]				0.0	$0	$0	$0
Other (as needed)				0.0	$0	$0	$0

Notes for AVOIDED costs:

Approx. Cost of Compliance: $1,000

TOTAL: $1

Compliance History

Customer/Respondent/Owner-Operator:	CN600362693	Stericycle, Inc.	Classification: AVERAGE	Rating: 2.900
Regulated Entity:	RN101666550	STERICYCLE	Classification: AVERAGE	Site Rating: 2.50

ID Number(s): MEDICAL WASTE	REGISTRATION	50002	
	MUNICIPAL SOLID WASTE DISPOSAL	PERMIT	2222
	MUNICIPAL SOLID WASTE PROCESSING	PERMIT	2222
	AIR NEW SOURCE PERMITS	ACCOUNT NUMBER	MQ0286A
	AIR NEW SOURCE PERMITS	PERMIT	71556

Location: 8950 CONROE PARK NORTH DR, CONROE, MONTGOMERY COUNTY

Rating Date: 9/1/05 Repeat Violator: NO

TCEQ Region: REGION 12 - HOUSTON

Date Compliance History Prepared: November 29, 2005

Agency Decision Requiring Compliance History: Enforcement

Compliance Period: November 29, 2000 to November 29, 2005

TCEQ Staff Member to Contact for Additional Information Regarding this Compliance History

Name: Edward R. Moderow Phone: (512) 239-2680

Site Compliance History Components

1. Has the site been in existence and/or operation for the full five year compliance period?	Yes
2. Has there been a (known) change in ownership of the site during the compliance period?	No
3. If Yes, who is the current owner?	N/A
4. if Yes, who was/were the prior owner(s)?	N/A
5. When did the change(s) in ownership occur?	N/A
6. Comments:	N/A

Components (Multimedia) for the Site :

A. Final Enforcement Orders, court judgements, and consent decrees of the state of Texas and the federal government.

N/A

B. Any criminal convictions of the state of Texas and the federal government.

N/A

C. Chronic excessive emissions events.

N/A

D. The approval dates of investigations. (CCEDS Inv. Track. No.)

1 09/30/2005 (433040)
2 01/13/2003 (20685)

E. Written notices of violations (NOV). (CCEDS Inv. Track. No.)

Date: 11/13/2003 (248987)
Self Report? NO Classification: Moderate
Citation: 30 TAC Chapter 116, SubChapter B 116.115(c)
Description: RE failed to measure emissions as total hydrocarbons and to report the readings as methane.

Date: 05/27/2003 (36138)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 330, SubChapter Y 330.1005(k)
Description: Stericycle did not provide weight of containers of medical waste to generator.
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 330, SubChapter G 330.171(4)
Description: Stericycle failed to porvide signed copies of (two) medical waste manifests back to the generator within 30 days of the receipt of the medical waste.

Date: 09/30/2005 (433040)
Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 330, SubChapter Y 330.1004(i)(6)
Description: Stericycle failed to ensure that all boxes of medical waste transported on trailer (55151) had appropriate labeling (name, address, telephone number, or state registration of the transporter). Approximately 39 containers of untreated medical waste were not properly labeled.

Self Report? NO Classification: Minor
Citation: 30 TAC Chapter 330, SubChapter Y 330.1005(o)
Description: Not all boxes of medical waste removed from the trailer (55151) had appropriate labeling (name and address of generator). Transporters shall not accept untreated medical waste which is not packaged in accordance with 330.1004(i). Approximately 39 containers of untreated medical waste were not properly labeled.

F. Environmental audits.

N/A

G. Type of environmental management systems (EMSs).

N/A

H. Voluntary on-site compliance assessment dates.

N/A

I. Participation in a voluntary pollution reduction program.

N/A

J. Early compliance.

N/A

Sites Outside of Texas

N/A

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

IN THE MATTER OF AN	§	**BEFORE THE**
ENFORCEMENT ACTION	§	
CONCERNING	§	**TEXAS COMMISSION ON**
STERICYCLE, INC.	§	
RN101666550	§	**ENVIRONMENTAL QUALITY**

AGREED ORDER
DOCKET NO. 2005-1987-MSW-E

I. JURISDICTION AND STIPULATIONS

At its _____ agenda, the Texas Commission on Environmental Quality ("the Commission" or "TCEQ") considered this agreement of the parties, resolving an enforcement action regarding Stericycle, Inc. ("Stericycle") under the authority of the TEX. HEALTH & SAFETY CODE ch. 361 and TEX. WATER CODE ch. 7. The Executive Director of the TCEQ, through the Enforcement Division, and Stericycle appear before the Commission and together stipulate that:

1. Stericycle owns and operates a medical waste processing operation at 8950 Conroe Park North Drive in Conroe, Montgomery County, Texas (the "Facility").

2. The Facility involves or involved the management of municipal solid waste as defined in TEX. HEALTH & SAFETY CODE ch. 361.

3. The Commission and Stericycle agree that the Commission has jurisdiction to enter this Agreed Order, and that Stericycle is subject to the Commission's jurisdiction.

4. Stericycle received notice of the violations alleged in Section II ("Allegations") on or about October 31, 2005.

5. The occurrence of any violation is in dispute and the entry of this Agreed Order shall not constitute an admission by Stericycle of any violation alleged in Section II ("Allegations"), nor of any statute or rule.

6. An administrative penalty in the amount of Eight Thousand Four Hundred Dollars ($8,400) is assessed by the Commission in settlement of the violations alleged in Section II ("Allegations"). Stericycle has paid Three Thousand Three Hundred Sixty Dollars ($3,360) of the administrative penalty and One Thousand Six Hundred Eighty Dollars ($1,680) is deferred contingent upon Stericycle's timely and satisfactory compliance with all the terms of this Agreed Order. The deferred amount will be waived upon full compliance with the terms of this Agreed Order. If Stericycle fails to timely and satisfactorily comply with all requirements of this Agreed Order, the Executive

Director may require Stericycle to pay all or part of the deferred penalty. Three Thousand Three Hundred Sixty Dollars ($3,360) shall be conditionally offset by Stericycle's completion of a Supplemental Environmental Project.

7. Any notice and procedures which might otherwise be authorized or required in this action are waived in the interest of a more timely resolution of the matter.

8. The Executive Director of the TCEQ and Stericycle have agreed on a settlement of the matters alleged in this enforcement action, subject to the approval of the Commission.

9. The Executive Director recognizes that Stericycle submitted compliance documentation on August 16, 2005, stating that all employees have been retrained on proper screening and handling procedures for medical waste and that additional oversight of the autoclave operations has been implemented.

10. The Executive Director may, without further notice or hearing, refer this matter to the Office of the Attorney General of the State of Texas ("OAG") for further enforcement proceedings if the Executive Director determines that Stericycle has not complied with one or more of the terms or conditions in this Agreed Order.

11. This Agreed Order shall terminate five years from its effective date or upon compliance with all the terms and conditions set forth in this Agreed Order, whichever is later.

12. The provisions of this Agreed Order are deemed severable and, if a court of competent jurisdiction or other appropriate authority deems any provision of this Agreed Order unenforceable, the remaining provisions shall be valid and enforceable.

II. ALLEGATIONS

As owner and operator of the Facility, Stericycle is alleged to have:

1. Failed to reject and properly process unlabeled medical waste. Specifically, Stericycle received unlabeled containers of medical waste and shipped them to be incinerated, in violation of 30 TEX. ADMIN. CODE § 330.111(a), 330.150(1) and Permit No. 2222, Sections 4.3.1 and 8.2.2, as documented during an investigation conducted on August 9 and 15, 2005.

2. Failed to prevent unauthorized treatment of medical waste. Specifically, Stericycle autoclaved four containers of Chemotherapy Sharps Waste which were marked "For Incineration Only", in violation of 30 TEX. ADMIN. CODE § 330.5(a)(3) and Permit No. 2222, Section 9.2.4, as documented during an investigation conducted on August 9 and 15, 2005.

III. DENIALS

Stericycle generally denies each allegation in Section II ("Allegations").

IV. ORDERING PROVISIONS

1. It is, therefore, ordered by the TCEQ that Stericycle pay an administrative penalty as set forth in Section I, Paragraph 6 above. The imposition of this administrative penalty and Stericycle's compliance with all the terms and conditions set forth in this Agreed Order resolve only the allegations in Section II. The Commission shall not be constrained in any manner from requiring corrective action or penalties for violations which are not raised here. Administrative penalty payments shall be made payable to "TCEQ" and shall be sent with the notation "Re: Stericycle, Inc., Docket No. 2005-1987-MSW-E" to:

   Financial Administration Division, Revenues Section
   Attention: Cashier's Office, MC 214
   Texas Commission on Environmental Quality
   P.O. Box 13088
   Austin, Texas 78711-3088

2. Stericycle shall implement and complete a Supplemental Environmental Project ("SEP") in accordance with TEX. WATER CODE § 7.067. As set forth in Section I, Paragraph 6 above, Three Thousand Three Hundred Sixty Dollars ($3,360) of the assessed administrative penalty shall be offset with the condition that Stericycle implement the SEP defined in Attachment A, incorporated herein by reference. Stericycle's obligation to pay the conditionally offset portion of the administrative penalty assessed shall be discharged upon final completion of all provisions of the SEP agreement.

3. The provisions of this Agreed Order shall apply to and be binding upon Stericycle. Stericycle is ordered to give notice of the Agreed Order to personnel who maintain day-to-day control over the Facility operations referenced in this Agreed Order.

4. If Stericycle fails to comply with any of the Ordering Provisions in this Agreed Order within the prescribed schedules, and that failure is caused solely by an act of God, war, strike, riot, or other catastrophe, Stericycle's failure to comply is not a violation of this Agreed Order. Stericycle shall have the burden of establishing to the Executive Director's satisfaction that such an event has occurred. Stericycle shall notify the Executive Director within seven days after Stericycle becomes aware of a delaying event and shall take all reasonable measures to mitigate and minimize any delay.

5. The Executive Director may grant an extension of any deadline in this Agreed Order or in any plan, report, or other document submitted pursuant to this Agreed Order, upon a written and substantiated showing of good cause. All requests for extensions by Stericycle shall be made in writing to the Executive Director. Extensions are not effective until Stericycle receives written approval from the Executive Director. The determination of what constitutes good cause rests solely with the Executive Director.

6. This Agreed Order, issued by the Commission, shall not be admissible against Stericycle in a civil proceeding, unless the proceeding is brought by the OAG to: (1) enforce the terms of this Agreed Order; or (2) pursue violations of a statute within the Commission's jurisdiction, or of a rule adopted or an order or permit issued by the Commission under such a statute.

7. This agreement may be executed in multiple counterparts, which together shall constitute a single original instrument. Any executed signature page to this Agreement may be transmitted by facsimile transmission to the other parties, which shall constitute an original signature for all purposes.

8. Under 30 TEX. ADMIN. CODE § 70.10(b), the effective date is the date of hand-delivery of the Order to Stericycle, or three days after the date on which the Commission mails notice of the Order to Stericycle, whichever is earlier. The Chief Clerk shall provide a copy of this Agreed Order to each of the parties.

SIGNATURE PAGE

TEXAS COMMISSION ON ENVIRONMENTAL QUALITY

_____
For the Commission

_____ 1/29/2008
For the Executive Director Date

I, the undersigned, have read and understand the attached Agreed Order. I am authorized to agree to the attached Agreed Order on behalf of the entity, if any, indicated below my signature, and I do agree to the terms and conditions specified therein. I further acknowledge that the TCEQ, in accepting payment for the penalty amount, is materially relying on such representation.

I also understand that failure to comply with the Ordering Provisions, if any, in this order and/or failure to timely pay the penalty amount, may result in:

- A negative impact on my compliance history;
- Greater scrutiny of any permit applications submitted;
- Referral of this case to the Attorney General's Office for contempt, injunctive relief, additional penalties, and/or attorney fees, or to a collection agency;
- Increased penalties in any future enforcement actions;
- Automatic referral to the Attorney General's Office of any future enforcement actions; and
- TCEQ seeking other relief as authorized by law.

In addition, any falsification of any compliance documents may result in criminal prosecution.

_____ 9/24/07
Signature Date

Selin Hobby CORP. V.P. ES&H
Name (Printed or typed) Title
Authorized Representative of
Stericycle, Inc.

Instructions: Send the original, signed Agreed Order with penalty payment to the Financial Administration Division, Revenues Section at the address in Section IV, Paragraph 1 of this Agreed Order.

Attachment A

Docket Number: 2005-1987-MSW-E

SUPPLEMENTAL ENVIRONMENTAL PROJECT

Respondent:	**Stericycle, Inc.**
Amount of Penalty:	**Six Thousand Seven Hundred Twenty Dollars ($6,720)**
Amount of Offset for the SEP:	**Three Thousand Three Hundred Sixty Dollars ($3,360)**
Type of SEP:	**Household Hazardous Waste Collection Event**
Location of SEP:	**Montgomery County**

The Texas Commission on Environmental Quality ("TCEQ"), agrees to offset a portion of the administrative penalty assessed in this Agreed Order under the condition that the Respondent shall perform and comply with the following Supplemental Environmental Project ("SEP") provisions. The amount of the offset for the SEP is conditioned upon completion of the project in accordance with the terms set forth below.

1. Project Description

A. Project

The Respondent shall participate in the Montgomery County Precinct 4 Bi-Annual Household Heavy Trash Collection events in 6 locations throughout Montgomery County. The Respondent shall coordinate and manage the collection of household medical waste activities that will:

1. Be open to the public during the precinct's designated collection time;
2. Accept medical waste common to households including and limited to sharps and expired medications; and
3. Administer the project in accordance with the TCEQ guidance document on hazardous waste collection projects as well as in compliance with federal, state, and local environmental laws and regulations.

The Respondent certifies that there is no prior commitment to do this project and that it is being performed solely in an effort to settle this enforcement action. The Respondent shall not profit from the processing, storage, or disposal of any medical waste collected by the Respondent or any facilities owned or operated by the Respondent.

B. Environmental Benefit

This SEP will provide a discernible environmental benefit by providing a means to properly dispose of household generated sharps and expired medications that might otherwise be improperly disposed of in storm drains, household trash, or other means detrimental to the environment or human health or life.

C. Minimum Expenditure

The SEP is based upon the Respondent's agreement to spend at least Three Thousand Three Hundred Sixty Dollars ($3,360) of the payable penalty of Six Thousand Seven Hundred Twenty Dollars ($6,720) to complete the project described above and to comply with all other provisions of this SEP.

2. Performance Schedule

Within 30 days after the effective date of this Agreed Order, the Respondent shall begin implementation of this SEP by coordinating collection events with Montgomery County. The project will be completed within one (1) year after the effective date of this order.

3. Records and Reporting

The Respondent shall maintain records of the costs of the project. The Respondent will also provide a progress report to the SEP Coordinator every ninety (90) days after the effective date of the agreed order. The progress report will include:

1. A description of the status of the project;
2. The approximate expenditures in the reporting period; and
3. Other information that may be necessary to specify the steps taken to implement the project.

A final report summarizing all costs will be due thirty (30) days following the conclusion of the project. The final report shall contain the following information:

1. An itemized list of expenditures and costs incurred with receipts, copies of checks, or other verifying documentation attached;
2. The total amount of costs incurred;
3. A statement of quantifiable environmental benefits;
4. Equipment logs showing the hours equipment was utilized on the project;
5. Time records showing the overtime hours city employees worked on the project; and
6. Photographs of the project before implementation and after completion; and
7. Any additional information the Respondent believes will demonstrate compliance with this agreement.

Copies of receipts, checks, invoices and other documentation verifying appropriate expenditures and the completion of the project must be submitted with the final report.

The Respondent agrees to provide additional information required by the SEP Coordinator and allow access to all financial records related to the receipt and expenditure of SEP monies and to allow a representative of the TCEQ, upon request, access to the site of any work being financed in whole or in part by SEP monies. **All SEP reports and information shall be submitted to the following address:**

Litigation Division
Attention: SEP Coordinator, MC 175
The Texas Commission on Environmental Quality
P.O. Box 13087
Austin, Texas 78711-3087

4. Failure to Fully Perform

If the Respondent does not perform its obligations under this SEP in any way, including full expenditure of all required funds and the submittal of the required reporting described in Section 3 above, the Executive Director may require immediate payment of all or part of the Amount of Offset for the SEP.

The check for any amount due shall be made out to "Texas Commission on Environmental Quality" and mailed to:

Texas Commission on Environmental Quality
Financial Administration Division, Revenues
Attention: Cashier, MC 214
P.O. Box 13088
Austin, Texas 78711-3088

The Respondent shall also mail a copy of the check to the TCEQ SEP Coordinator at the address in Section 3 above.

5. Publicity

Any public statements concerning this SEP made by or on behalf of the Respondent must include a clear statement that the project was performed as part of the settlement of an enforcement action brought by the TCEQ. Such statements include advertising, public relations, and press releases.

6. Clean Texas Program

The Respondent shall not include this SEP in any application made to TCEQ under the "Clean Texas" (or any successor) program(s). Similarly, the Respondent may not seek recognition for this contribution in any other state or federal regulatory program.

7. Other SEPs by TCEQ or Other Agencies

The SEP identified in this Agreed Order has not been, and shall not be, included as an SEP for the Respondent under any other Agreed Order negotiated with the TCEQ or any other agency of the state or federal government.