

South Carolina

HAZARDOUS WASTE CONTINGENCY FUND

Annual Report

Fiscal Year 2016: July 1, 2015 — June 30, 2016



Catherine Heigel, Director

Bureau of
Land and Waste
Management

PURPOSE OF HWCF ANNUAL REPORT

The Hazardous Waste Contingency Fund Annual Report is submitted by the SC Department of Health and Environmental Control in compliance with S.C. Code Ann. Section 44-56-180. Additionally, Act 119 of 2005 mandates that agencies provide all reports to the General Assembly in an electronic format.

Cover Photograph:

Kaiser Aluminum (a/k/a Former Anderson Fertilizer) Site

Investigations by DHEC determined that soil in a residential area near the former Anderson Fertilizer manufacturing facility was impacted by historical runoff of lead and arsenic related to byproducts of the fertilizer manufacturing process. In FY16, a DHEC contractor excavated approximately 600 tons of impacted soil behind several homes and restored the property with clean soil and sod.



Introduction	1
Uncontrolled Sites Fund FY16 Accomplishments at a Glance	2
History and Status of Uncontrolled Sites Fund	3
Uncontrolled Sites Fund Financial Snapshot for FY16	4
Primary Uses of Uncontrolled Sites Fund	6
Number of RP-VCCs	6
Number of Sites Addressed with Uncontrolled Sites Fund	7
State Superfund's Response Process	8
State Superfund's Community Involvement	8
History & Status of Permitted Site Fund	9
Permitted Site Fund Financial Snapshot	9

Introduction

The South Carolina Department of Health and Environmental Control's (DHEC or the Department) mission is to promote and protect the health of the public and the environment. The South Carolina Hazardous Waste Management Act (HWMA), S.C. Code Ann. 44-56-10 *et seq.*, supports DHEC's mission in several important ways including:

1) empowering DHEC to implement and enforce the Comprehensive Environmental Response, Compensation, and Liability Act (CERCLA or Superfund) and subsequent amendments;

2) establishing the Hazardous Waste Contingency Fund (HWCF) which consists of two separate and distinct sub-funds: the Permitted Site Fund, which provides funds for response actions necessary at permitted hazardous waste landfills, and the Uncontrolled Sites Fund, which provides funds for response actions necessary in the event of accidents in the transportation of hazardous materials and to defray the costs of governmental response actions at uncontrolled hazardous waste sites; and

3) establishing the Brownfields/Voluntary Cleanup Program which encourages responsible and non-responsible parties to perform response actions under DHEC's oversight. This program provides liability protection to non-responsible parties, a covenant not to sue to both responsible and non-responsible parties, and third party liability protection to non-responsible parties for undertaking and completing work pursuant to a voluntary cleanup contract entered into with the Department. Provisions for reimbursing DHEC's oversight costs are also included.

In Fiscal Year 2016 (FY16), DHEC's Division of Site Assessment, Remediation, and Revitalization continued its work to address uncontrolled or abandoned hazardous waste sites, working on approximately 270 uncontrolled waste sites with funding support from the HWCF's Uncontrolled Sites Fund. The uncontrolled sites are often referred to as "Superfund" sites. The hazardous substances present at many of these sites present a risk not only to human health and the environment, but also to the economy of the surrounding communities. DHEC works to effectively and efficiently address the challenges posed by these sites.

In FY16, DHEC's Division of Waste Management, with funding support from the Permitted Site Fund, continued to work on the preservation of hazardous waste manifests associated with the former commercial hazardous waste landfill located in Sumter County and known as the Pinewood facility (Pinewood). Funding from the Permitted Site Fund also supported staff with responsibility for technical oversight, inspection, and compliance monitoring activities at the Pinewood facility.

This report, which is mandated by the HWMA, S.C. Code Ann. Section 44-56-180(b), provides information on the activities and response actions carried out in FY16 under the auspices of the HWCF.

G. Kendall Taylor, P.G., Division Director
 Division of Site Assessment, Remediation & Revitalization

David Scaturo, P.E., P.G., Division Director
 Division of Waste Management

Uncontrolled Sites Fund's FY16 Accomplishments at a Glance

The Uncontrolled Sites Fund supported activities at approximately 270 sites across the state during FY16. These activities included sampling and analysis, remedial actions, technical reviews and oversight, project management, public participation and outreach, potentially responsible party (PRP) searches, cost recovery activities, negotiation of voluntary cleanup contracts and other settlements, and many other activities to support the investigation and cleanup of contaminated sites. Site-specific expenses ranged from less than one hundred dollars in personnel costs to hundreds of thousands of dollars in contractor costs for sampling and cleanup activities. A few of this year's highlights are described below:

F.S. Royster Guano Site. An early 1900s fertilizer manufacturing process resulted in waste material with high levels of arsenic and lead. Arsenic was found in soil and groundwater on part of the former Royster property that now includes a mix of residential and commercial properties. Since FY13, DHEC and the United States Environmental Protection Agency (EPA) collected numerous samples and EPA removed contaminated soil from 12 residential properties where high levels of arsenic and lead were found. DHEC conducted exploratory soil excavations, implemented a limited removal of contaminated surface soils to prevent potential exposure and further migration of contaminants into residential areas, and collected soil samples on several commercial properties. In FY16, DHEC committed funds (estimated cost \$3.2 million) to complete a soil removal on impacted commercial properties. Contractors were procured and work plans approved. Removal activities will be completed in FY17.

Philip Services Corporation (PSC) Site. The PSC Site is a former permitted hazardous waste treatment, storage, and disposal facility. In 2003, a bankruptcy settlement established DHEC as the lead agency for environmental matters. Since that time, DHEC has conducted a remedial investigation/feasibility study, operated an interim groundwater treatment system, and implemented other interim actions at the site. In FY14, DHEC staff reviewed the Pre-Design Investigation (PDI) Work Plan prepared by a group of Potentially Responsible Parties (PSC PRP Group). The goal of the PDI was to provide additional technical information to assist in the design of the final cleanup remedy. In FY15, DHEC oversaw implementation of the PDI and also continued operation of the interim groundwater treatment system. DHEC also held a Proposed Plan public meeting to discuss the preferred cleanup remedy and to seek public input. DHEC continued settlement negotiations with the PSC PRP Group, which represents over 1100 parties, and also notified approximately 1700 additional parties of their potential liability for cleanup costs. In FY16, DHEC issued its Record of Decision, which documents its final cleanup remedy and continued negotiations with the PRP Group.

Kaiser Aluminum (a/k/a Anderson Fertilizer) Site. The Kaiser Aluminum Site is the former location of a phosphate fertilizer

manufacturer that began operating in the early 1900s. The manufacturing process resulted in high levels of lead and arsenic in soils on the former facility property. Sampling events identified high levels of lead and arsenic in a residential area downgradient of the former facility. In FY16, DHEC excavated approximately 600 cubic yards of contaminated soil from four residential properties and replaced it with clean material. In February 2016, DHEC and DCO Management, LLC (a successor of Kaiser Aluminum) entered into a settlement for reimbursement of \$286,526.43 for DHEC's past response costs.

South Lake Drive Site. This site is located in Lexington County and includes numerous parcels. The site's groundwater cleanup is funded by settlement funds provided by responsible parties. However, the HWCF funds staff who manage the cleanup. In FY16, DHEC issued its Proposed Plan for groundwater cleanup, held a community meeting to discuss the alternatives considered, and accepted public comments. DHEC also issued a Record of Decision, which selected a permeable reactive barrier (PRB) as the cleanup alternative. At the end of FY16, DHEC's contractor was preparing remedial design documents. PRB installation is scheduled for FY17.

Responsible Party Voluntary Cleanup Contracts (RP VCCs) and Consent Agreements/Orders. During FY16, DHEC actively negotiated and executed sixteen RP VCCs, one consent agreement, and two cost recovery settlement agreements. At the end of FY16, DHEC staff had also reviewed technical documents and provided technical assistance/oversight on approximately 265 sites being addressed by responsible parties. Staff were actively negotiating 18 additional VCCs.

EPA Removal Sites. DHEC provided support to the EPA for several sites where EPA's Emergency Response and Removal Branch either conducted a time-critical removal action or evaluated a site for eligibility for an EPA-lead removal action. Throughout much of FY15 and FY16, DHEC staff assisted EPA at the Bennett Landfill Fire Site near the Chester County community of Lockhart. In early November 2014, a fire was discovered at the Site. DHEC and other agencies responded due to heavy smoke and the potential for releases of asbestos. At DHEC's request, EPA undertook a Time-Critical Removal Action. The fire was mostly extinguished within a week; however, increasing smoke concentrations in December 2014 prompted DHEC to request EPA conduct additional removal activities. EPA re-evaluated the Site and signed an Action Memorandum in April 2015. EPA's contractor began grading, wetting, and capping of the smoldering waste in May 2015. DHEC continued to support EPA's efforts to grade, cap, and revegetate the landfill, and to collect air, water, and soil samples at the Site and in the community of Lockhart throughout most of FY16. EPA officially completed the removal action in April 2016.

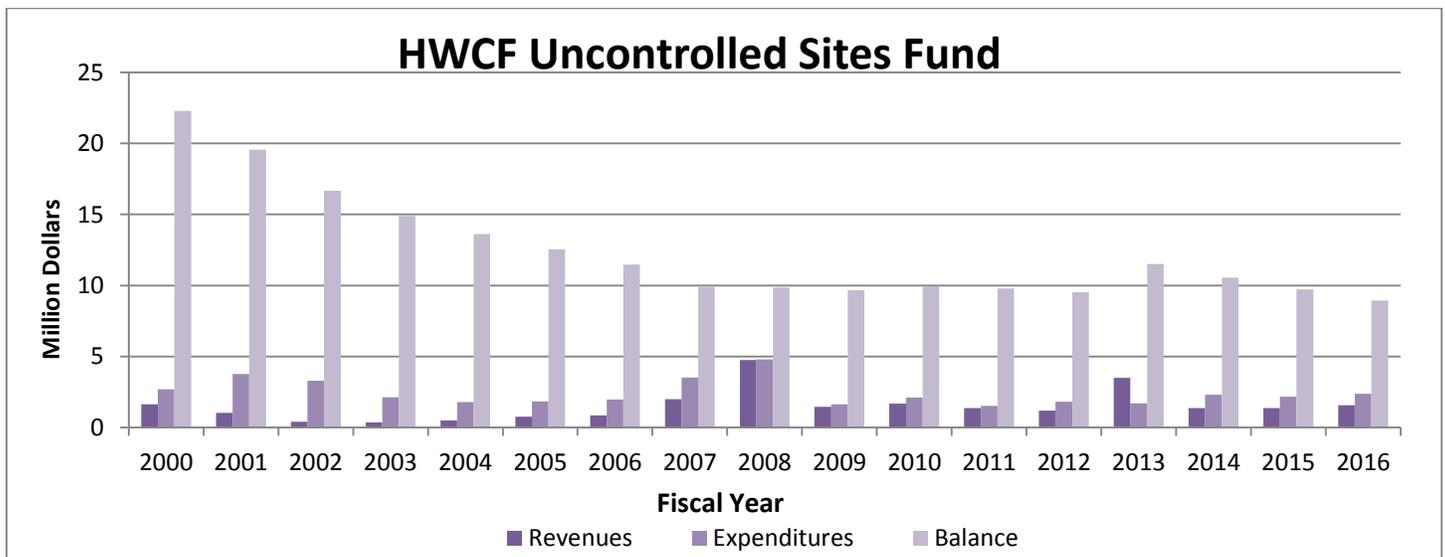
History and Status of HWCF's Uncontrolled Sites Fund

The HWCF was established in the 1980s to ensure the availability of funds for response actions at permitted hazardous waste disposal sites and at uncontrolled sites that do not qualify for federal assistance. The HWCF was initially financed through the imposition of fees on waste disposed at the Pinewood Hazardous Waste Landfill (Pinewood). From its beginning in the 1980s, the Uncontrolled Sites Fund portion of the HWCF grew to a balance of approximately \$11 million at the close of FY90. Through the 1990s, revenues for the Uncontrolled Sites Fund averaged approximately \$2 to \$3 million annually and the balance grew and briefly exceeded \$25 million in 1998. However, the HWCF lost its primary funding source in 2000 when Safety-Kleen filed for bankruptcy protection and shortly thereafter stopped receiving waste at Pinewood. At that time, the Uncontrolled Sites Fund had a balance of approximately \$22 million (see figure below). With the exception of monies from cost recovery efforts and the billing of private parties for DHEC's oversight of work performed under consent agreements and voluntary cleanup contracts, there were no new revenues for the Uncontrolled Sites Fund. From FY99 through FY07, expenditures greatly exceeded revenues and the Uncontrolled Sites Fund balance steadily declined.

Beginning in 2000, establishing a continuing funding source for the HWCF was a budget priority for the Department. Budget Proviso 9.45, which was passed in 2006, allowed the HWCF to retain the interest on the Fund balance. In

FY08, Budget Proviso 9.54 authorized DHEC to assess an annual fee on hazardous waste generators and to levy a per ton fee on hazardous waste generated with the proceeds to be deposited into the HWCF. These provisos were codified in 2008. Specifically, large quantity generators, as determined by R.61-79.262 (South Carolina Hazardous Waste Regulations), producing greater than 100 tons of hazardous waste per year are assessed an annual base fee of \$1,000 per facility and a \$1.50 per ton fee for all hazardous waste the company generates. Small quantity generators are assessed an annual fee of \$500. Fees collected shall not exceed an annual cap of \$15,000 per generator. In addition, there remained a fee of \$1.00 per ton of hazardous wastes in excess of 50 tons remaining in storage at the end of each quarter per S.C. Code Ann. Section 44-56-170(D). Companies subject to fees required by S.C. Code Ann. Section 44-56-170(F)(1)(1976) are exempt from these fees. Annually, the interest and fees provide approximately \$1 to \$2 million in new revenues.

The opening balance of the Uncontrolled Sites Fund for FY16 was \$9,732,044.48. During FY16, revenues were \$1,563,846.51 and expenditures were \$2,368,835.54. The revenues included approximately \$1,084,135.87 in generator fees and interest earnings. The Uncontrolled Sites Fund closed FY15 with a balance of \$8,927,055.45. Of that balance, approximately \$6.3 million are obligated for FY17 assessment and remediation activities, EPA cost shares, and personnel/operating costs.



Uncontrolled Sites Fund Financial Snapshot for FY16	
Opening Balance (07/01/15)	\$9,732,044.48
Revenues*	\$1,563,846.51
Total Expenditures <i>(See Table below)</i>	\$2,368,835.54
Closing Balance (06/30/16)	\$8,927,055.45
FY17 Obligated as State Cost Share Match for National Priorities List (NPL)**	\$657,712.60
FY17 Obligated for Site Response Activities <i>(See Table on page 5)</i>	\$4,219,089.28
FY 17 Obligated for Supplies, Equipment, Travel, Etc.	\$50,000.00
FY 17 Obligated for Administrative Expenses (Salaries, Fringe Benefits & Agency Assessment)	\$1,400,000.00
Un-obligated Balance for Uncontrolled Sites Fund (06/30/16)***	\$2,600,253.57

* Includes hazardous waste generator fees, interest, reimbursement of oversight costs, and cost recovery.

** At federal fund-lead NPL sites, CERCLA requires the state to provide a 10% cost share for remedial actions. This figure is for the outstanding portion of DHEC's 10% cost share for the Geiger Site (\$46,000) and for one year's payment for the existing interim groundwater treatment system at the Brewer Gold Mine Site (\$74,665 per year for the next 15 years). Within the next 5-7 years, DHEC will also be required to pay a 10% cost share for construction of a new treatment system at the Brewer Gold Mine Site and will also be required to fund the associated annual operation and maintenance (O&M) costs for that treatment system. These costs are estimated at over \$800,000/year. EPA has indicated that DHEC has an additional cost share of \$536,712 at the Palmetto Wood Site. DHEC has requested documentation, which is currently pending receipt. In the next few years, a state match will be required for the Cone Mills Site, and a substantial cost share is also anticipated for the Barite Hill Mine Site.

*** This figure does not account for upcoming assessment/cleanup activities that are in the planning stages and which have not yet been assigned to a contractor.

Breakdown of Total FY16 Expenditures	
Uncontrolled Sites*	\$958,848.40
Emergency Response	\$34,155.11
Salaries, Fringe Benefits, Agency Administrative Assessment	\$1,375,832.03
Total Expenditures	\$2,368,835.54

*Does not include approximately \$386,202.99 in contractual money spent from site-specific settlement accounts.

Uncontrolled Sites Fund--FY17 Obligations for Future Site Response Activities

This table shows site-specific obligations (approximately \$4.2 million) that were already assigned to a state contractor or which were planned to be committed. These sites represent a very small portion of DHEC's inventory of sites. Based on recent and historical averages, it is estimated that the existing inventory of sites will present a liability to the Uncontrolled Sites Fund in the tens of millions of dollars or more.

Obligation	Description	Amount
Arvin Meritor (Marion)	Private Well Sampling	3,834.00
Bamberg Highway 301	Private Well Sampling, Assessment Activities, and Filter Maintenance	\$12,000.00
Burlington Industries	Soil, Sediment, and Sludge Sampling (Phase 1)	77,986.92
Can City Road	Removal Action	\$50,000.00
C.E. Taylor	Well Sampling	13,528.16
Cone Mills/US Finishing	Receiver Activities	\$10,000.00
Elmore Waste Disposal (NPL Site)	Groundwater Remediation System and Operation and Maintenance, and Groundwater Sampling	\$166,568.00
F.S. Royster Guano	Soil Removal of Commercial Properties	\$3,267,585.00
Health-Tex	Groundwater Sampling	18,127.80
Palmetto Wood Preserving (NPL Site)	Annual Operation and Maintenance, Sampling	\$14,828.00
Pelion Well Contamination	Maintenance of Well Filters and Additional Assessment of Nitrate Plume	24,211.40
Philip Services Corporation	Remedy Selection, Groundwater Treatment System Operation and Maintenance, Treatment System Utilities, and VOC/Fuel Oil Plume Sampling	\$310,420.00
Suffolk Chemical	Groundwater Remediation System Operation and Maintenance	\$50,000.00
Whetsell Farm	Removal Action - Pesticide Containers	\$100,000.00
Miscellaneous	Outside Legal Services to Support Cost Recovery, etc.	\$100,000.00
Total Obligations as of June 30, 2016		4,219,089.28

Note—This figure does not include several upcoming assessment/cleanup activities that are in the planning stages and which have not yet been assigned to a contractor. It also does not include State-lead activities funded by court-ordered site-specific cleanup funds established through cost recovery activities.

Primary Uses of the HWCF Uncontrolled Sites Fund

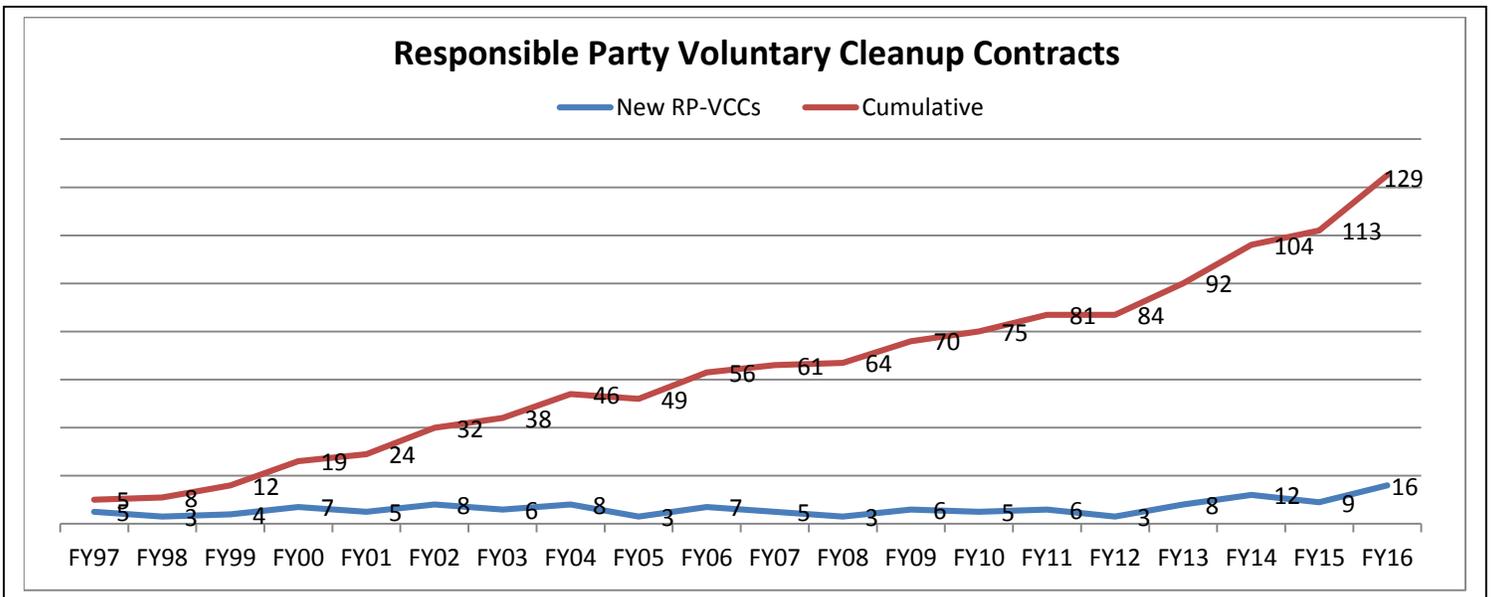
State-lead Response Actions. The primary uses of the Uncontrolled Sites Fund are to provide funds for contractual services to perform state-funded investigation and cleanup activities at sites where other funds are not available, to provide funds for personnel and operating costs to implement the program for conducting response actions, and to provide funds required to meet obligations to EPA for sharing costs at certain federal NPL Superfund sites where there is no viable responsible party or parties. The State Superfund Program evaluates and sets priorities for sites in order to address the worst cases first. Unless the Department deems an imminent threat exists or a criminal investigation is necessary, state-funded response actions are generally conducted only after the Department initiates the appropriate procedures to secure alternative funding. Considerable time and effort are expended to ensure that all available funds from the responsible parties and other sources are utilized before drawing on funds from the Uncontrolled Sites Fund.

In most cases, the Department attempts to negotiate voluntary cleanup contracts or other settlements with responsible and non-responsible parties. Various styles of settlements with responsible and non-responsible parties require settling parties to perform investigations to determine the source, nature, and extent of contamination and/or cleanup contaminated sites, to fund these response activities themselves, or, alternatively, to reimburse the Department's response costs when the Department performs cleanups of sites. With many of these settlements, the Department typically includes covenants not to sue for the work per-

formed by the responsible or non-responsible parties to the Department's satisfaction, and/or contribution protection from other responsible parties who may seek reimbursement of all or a portion of costs of responding to environmental conditions at a site.

When a responsible or non-responsible party enters into an agreement or voluntary cleanup contract with the Department to pay for or perform response activities, DHEC staff must review and approve all investigation plans, environmental reports, sampling data, and other activities associated with the cleanup of contaminated sites to assure that public health and the environment are protected. Under these contracts and agreements, parties are required to reimburse DHEC's costs for oversight activities. The authority of DHEC to use the Uncontrolled Sites Fund and to seek cost recovery provides leverage that may encourage responsible parties to come forward voluntarily. Further, DHEC performs public participation/community involvement activities pursuant to CERCLA and the National Contingency Plan (NCP) to ensure that affected communities have knowledge of, and input to, the cleanup.

The chart below shows the number of responsible party voluntary cleanup contracts (RP-VCCs) executed and the cumulative total for each fiscal year since the first RP-VCC was executed in FY97. Sixteen RP-VCCs were executed in FY16. Approximately 18 RP-VCCs were under negotiation at the end of FY16.



Note--These figures do not include any amendments to RP-VCCs.

Primary Uses of Uncontrolled Sites Fund (Continued)

Emergency Response. DHEC’s Emergency Response Program responds to accidental spills and other problems associated with the transportation of hazardous materials as well as other incidents where hazardous materials are spilled, illegally dumped, or otherwise abandoned on public property. The Emergency Response Program administers the Emergency Response Contract, which is used to secure, sample, and properly dispose of wastes. These activities are funded by the Uncontrolled Sites Fund.

In FY16, the Emergency Response Program expended \$34,155.11 responding to five emergency incidents. The Emergency Response Program generally seeks reimbursement from the National Pollution Funds Center and/or the responsible parties. In FY16, \$26,018.95 was recovered. The amount of reimbursement money varies from year to year depending on the number and types of incidents that occur. All reimbursements are returned to the Uncontrolled Sites Fund.

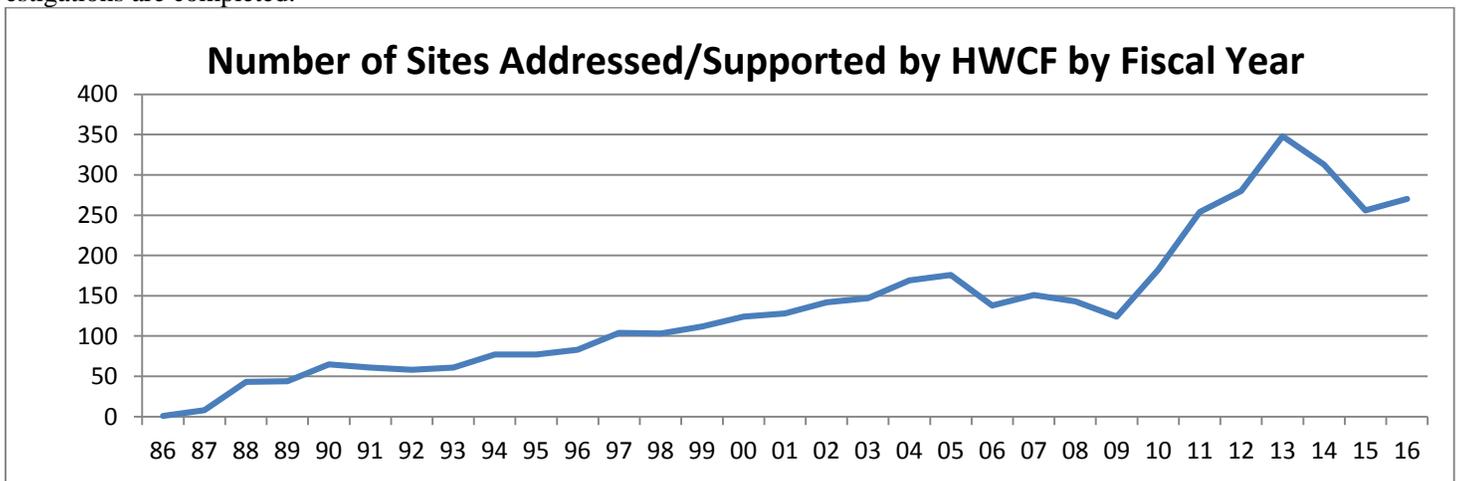
Administrative Costs/Salaries. DHEC uses Uncontrolled Sites Fund monies for salaries and program administration. The Uncontrolled Sites Fund currently funds approximately 19 FTEs (full-time equivalent positions) that perform site prioritization activities, project management, technical reviews, field oversight, cost recovery activities, public participation activities, and other administrative activities. During FY16, the Uncontrolled Sites Fund provided \$1,375,832.03 for salaries, fringe benefits, agency administrative assessments, and other operating costs. These costs are included in DHEC’s cost recovery efforts against PRPs.

Criminal Investigations. The State Superfund Program also assists DHEC’s Office of Criminal Investigations by providing technical assistance and contractual services for gathering evidence for environmental crime cases. After the initial criminal investigation activities are completed, DHEC may perform or oversee additional cleanup activities. These matters are considered enforcement confidential until the criminal investigations are completed.

Federal-lead Superfund Sites. Cleanup activities on most federal-lead Superfund sites are being funded by private parties and most of DHEC’s day-to-day costs are funded through the Support Agency Cooperative Agreement with EPA. However, DHEC may also incur costs for activities such as conducting natural resource damage assessments, supporting EPA’s Emergency Response and Removal Branch, and performing other activities outside the scope of the cooperative agreement. For federal-financed remedial actions at NPL sites, the State is liable for a state cost share of 10% to 50% for long-term remedial action costs and 100% of operation and maintenance (O&M) costs. The state cost share is normally funded by the Uncontrolled Sites Fund. In FY16, the Uncontrolled Sites Fund supported certain DHEC activities at six federal-lead Superfund sites.

In November 2009, DHEC assumed responsibility for 100% of the O&M costs for the existing groundwater pump and treat system at the Elmore Waste Disposal Site in Greer. DHEC incurred \$91,430 in O&M costs in FY16. For FY17, DHEC’s costs are expected to be approximately \$155,704. DHEC has also assumed responsibility for O&M costs at the Palmetto Wood Site. Annual O&M costs for this site are approximately \$15,000 per year. DHEC also has an outstanding cost share of \$46,900 for the Geiger Site and \$537,000 for the Palmetto Wood Site. Two other sites, Barite Hill/Nevada Gold and Cone Mills/Union Bleachery, are expected to require more substantial cost shares in the next several years.

Currently, the Brewer Gold Mine is the NPL site with potential to have a major impact on the Uncontrolled Sites Fund. In FY15, EPA and DHEC agreed on a remedy that resulted in DHEC incurring estimated O&M costs of \$75,000 for five to seven years, followed by annual costs of greater than \$800,000 for at least the next 15 years. In FY16, the first payment of \$74,665 was made to EPA in accordance with the Superfund State Contract for this site.



State Superfund Program's Response Process

The purpose of the State Superfund Program is:

To protect public health and the environment by requiring investigation and cleanup of abandoned and uncontrolled hazardous waste sites and by taking short-term actions to mitigate immediate threats to human health and the environment.

DHEC focuses its attention and financial resources on the sites that pose the greatest risk to human health and the environment. DHEC's Bureau of Land and Waste Management's Division of Site Assessment, Remediation, and Revitalization is responsible for managing state-lead response actions and supporting federal-lead response actions. The State Superfund process begins with site discovery or notification of possible releases of hazardous substances.

DHEC's site assessment and remediation process may include a short-term removal action or a complex and lengthy remedial investigation and long-term cleanup.

Removal Process. If a site requires immediate attention, DHEC may perform an emergency response action or a time-critical removal to address immediate threats to the public health or the environment.

Remedial Process. If a site does not pose an imminent threat,

it is screened to determine whether it warrants further evaluation for remedial (or long-term) measures. If a site does not qualify for placement on EPA's National Priorities List (NPL), then cleanup is addressed by the State Superfund Program.

- **RI/FS Phase.** A Remedial Investigation (RI) is an in-depth investigation to determine the source, nature, and extent of contamination at a site. The Feasibility Study (FS) provides a comparison of various cleanup options that would make the site safe for the public and the environment.
- **Proposed Plan Phase.** From the information in the FS, a Proposed Plan is developed offering a preferred remedial option. The public is given a 30-day comment period during which a public meeting is held to encourage community input and participation in the final remedy selection.
- **ROD Phase.** After the comment period, DHEC formally documents the selected remedy in the Record of Decision (ROD).
- **RD/RA Phase.** After the ROD, the project enters the Remedial Design/Remedial Action (RD/RA) phase where the remedy is designed and implemented. Ongoing monitoring occurs to ensure that the remedy remains protective of public health and the environment.
- **Closure.** If DHEC determines the cleanup is complete and no additional response action is required, DHEC will close the matter.

State Superfund Program's Community Involvement

The State Superfund Program strives to inform the public of environmental impacts of contamination in their communities and to involve local communities in decision-making opportunities. Depending on specific needs of the community and state and federal law, DHEC:

- Provides fact sheets specifically written for local communities;
- Holds community meetings and availability sessions specific to site needs and various phases of response;
- Provides notice in a local newspaper of 30-day periods to comment on proposed cleanup activities and availability of the administrative record (which contains

decision-making documents and which is made available at a local library and at DHEC's Bureau of Land and Waste Management office);

- Provides notice of 30-day periods to comment on proposed settlements with responsible parties and publishes such notice in a local newspaper and/or the South Carolina State Register;
- Establishes a community relations plan for state-lead sites as deemed appropriate;
- Participates or assists in media releases; and,
- Provides environmental reports, proposed contracts, public meetings and other information on DHEC's webpage for the public.

Community Involvement in FY16

- Community Meetings 6
- Newspaper Notices 19
- Public Comment Periods 15

History and Status of HWCF's Permitted Site Fund

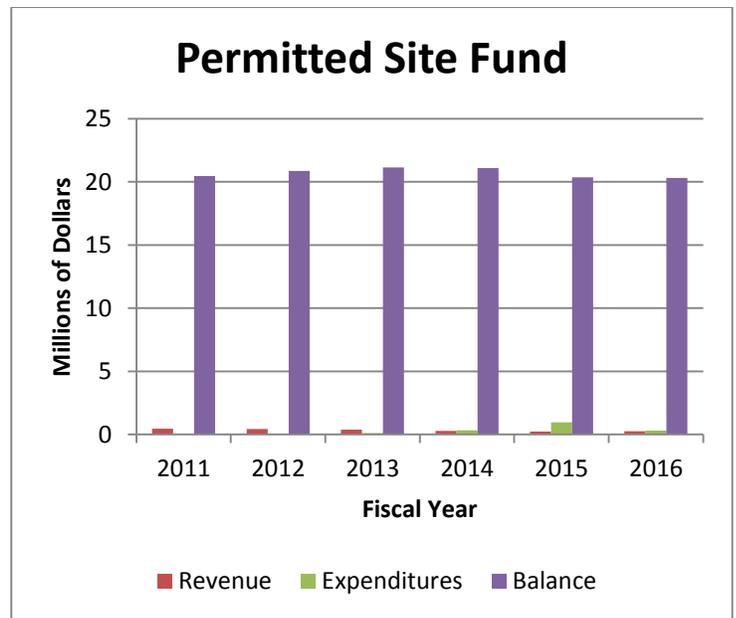
The HWCF Permitted Site Fund was established pursuant to Section 44-56-160(B)(1) of the HWMA to ensure the availability of funds for response actions arising from the operation of permitted land disposal facilities in South Carolina. At the time the Permitted Site Fund was established, the only permitted hazardous waste land disposal facility in South Carolina was the Pinewood Landfill located in Sumter County. The Permitted Site Fund was funded by a portion of the fees imposed on generators who sent their hazardous wastes for disposal at the Pinewood facility. After Pinewood closed, no new revenue source to replace the generator fees was identified for the Permitted Site Fund. Post-closure revenues are from interest accrued on the deposit.

The Permitted Site Fund may be used for response actions arising from the operation of the Pinewood facility. The HWMA defines a "response action" as "any cleanup, containment, inspection, or closure of a site ordered by

the director as necessary to remedy actual or potential damages to public health, the public welfare, or the environment." Subsequent to the creation of the Permitted Site Fund, the General Assembly approved a proviso that authorizes DHEC to expend funds from the Permitted Site Fund for legal services related to environmental response, regulatory, and enforcement matters, including administrative proceedings and actions in state and federal courts.

DHEC utilized funds from the Permitted Site Fund during 2014, 2015, and part of 2016 for the preservation of information contained on thousands of manifests which document waste disposal at and during the operation of Pinewood. These manifests provide critical information concerning the origin, type, volume, and description of hazardous wastes sent there. The manifest preservation project included scanning and auditing of the manifests, database creation and data entry, and quality assurance/quality control. In addition, the Permitted Site Fund continues to provide partial support for staff who perform technical, enforcement, and compliance activities at the Pinewood Facility.

HWCF Permitted Site Fund Financial Snapshot (FY11* through FY16)			
FY	Revenues (Interest)	Expenditures	End Balance
FY11	\$465,638	\$1,013	\$20,453,774
FY12	\$426,479	\$14,138	\$20,866,115
FY13	\$389,855	\$113,978	\$21,141,992
FY14	\$287,993	\$335,386	\$21,094,599
FY15	\$236,614	\$958,563	\$20,372,650
FY16	\$257,198	\$314,007	\$20,315,841



*Information prior to FY11 is unavailable due to a change in DHEC's accounting system.