

RCRA Inspection Report

1) Inspector and Author of Report

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U.S. Environmental Protection Agency, Region 4
Enforcement and Compliance Assurance Division
Chemical Safety and Land Enforcement Branch
RCRA Enforcement Section
61 Forsyth Street, S.W.
Atlanta, Georgia 30303

2) Facility Information

RJ Reynold's Tobacco Company
4040 Reynold's Court
Winston-Salem, NC 27105

EPA ID#: NC0991302664
NAICS #: 312230 - TOBACCO
MANUFACTURING

3) Responsible Officials

Eric Moser
Environmental Manager
Mosere1@rjrt.com

4) Inspection Participants

Brian Mathis, RJ Reynold's
Eric Moser, RJ Reynold's
Crystal Wilkerson, RJ Reynold's
Tammy Needham, RJ Reynold's
Scott Snow, RJ Reynold's

Ernest Lawrence, NCDEQ
Tarin Tischler, US EPA

5) Date of Inspection

December 5, 2023 9:15 AM

6) Applicable Regulations¹

Resource Conservation and Recovery Act (RCRA) Sections 3002 (42 U.S. Code – Annotated U.S.C.A. 6925 and 6927), and 40 Code of Federal Regulation (C.F.R.) Parts 260 - 270, 273, 278, & 279.

The North Carolina Solid Waste Management Law, N.C.G.S. § § 130A-17 to -28 and 130A-290 to - 310.22, and North Carolina Hazardous Waste Management Rules, 15A NCAC 13A .0101 to .0119.

¹ As the State's authorized hazardous waste program operates in lieu of the federal RCRA program, the citations of those authorized provisions will be to the authorized State program. However, for ease of reference, the federal citations will follow in brackets.

Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 260.10], a large quantity generator of hazardous waste (LQG) is a generator who generates greater than or equal to 1,000 kilograms (2,200 pounds) of non-acute hazardous waste in a calendar month.

Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.15(a)], a generator may accumulate as much as 55 gallons of non-acute hazardous waste in containers at or near any point of generation where wastes initially accumulate, which is under the control of the operator of the process generating the waste, without a permit or without having interim status, as required by 130A-294(c) and (g) of the NCSWML, N.C.G.S. § 130A-294(c) and (g) [Section 3005 of RCRA, 42 U.S.C. § 6925], and without complying with 15A NCAC 13A .0107(a) [40 C.F.R. § 262.16(b) or § 262.17(a)], except as required in 15A NCAC 13A .0107(a) [40 C.F.R. § 262.15(a)(7) and (8)], provided that the generator complies with the satellite accumulation area conditions listed in 15A NCAC 13A .0107(a) [40 C.F.R. § 262.15(a)] (hereinafter referred to as the “SAA Permit Exemption”).

Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17], an LQG may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, as required by 130A-294(c) and (g) of the NCSWML, N.C.G.S. § 130A-294(c) and (g) [Section 3005 of RCRA, 42 U.S.C. § 6925], provided that the generator complies with the conditions listed in 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17] (hereinafter referred to as the “LQG Permit Exemption”).

Pursuant to 15A NCAC 13A .0119 [40 C.F.R. § 273.9], a small quantity handler of universal waste (SQHUW) is a universal waste handler who does not accumulate 5,000 kilograms or more of universal waste (batteries, pesticides, mercury-containing equipment, lamps, or aerosol cans, calculated collectively) at any time.

7) Purpose of Inspection

The purpose of this inspection was to conduct an unannounced compliance evaluation inspection to determine R.J. Reynold’s Tobacco Company’s compliance with the applicable requirements of RCRA and the corresponding North Carolina regulations. This was an EPA lead inspection.

8) Facility Description

R.J. Reynold’s Tobacco Company (hereinafter “RJ” or “facility”) is a manufacturer of cigarettes and other tobacco products including snuff chewing tobacco and e-cigarettes. The facility was founded in Winston-Salem, NC in 1875. RJ is the second largest tobacco company in the United States and produces tobacco brands that include Camel, Newport, Doral, and Eclipse.

The facility located at 4040 Reynold’s Court, Winston-Salem, NC occupies more than 350,000 square feet. The Winston-Salem location consists of a warehouse for consolidation of accepted tobacco products including e-cigarettes and snuff pouches. This facility manages hazardous waste generated from the consolidation of waste tobacco and splits tobacco cartons into half rods of cigarettes. RJ also owns a nearby facility that generates tobacco sheets for manufacturing purposes. The facility employs 31 staff with other personnel occasionally coming to assist from other RJ locations occasionally.

RJ operates a warehouse at this facility for e-cigarette consolidation. RJ also owns a production facility down the road in Tobaccoville, NC. The warehouse in Winston-Salem manages the recycling or disposal of tobacco products returned by customers and produces tobacco sheets for the Tobaccoville location.

RJ receives returns of RJ Reynold's Tobacco Company, Inc. manufactured products from bulk resale warehouses across the United States. This facility receives returns only from retailers or wholesalers – none of what the facility receives has been returned by the individual consumer or general public. These returns include both warehouses that are in-network and under RJ Reynold's control and warehouses that are out of network or not in control of RJ Reynold's owned companies. Product in either of these types of warehouses is returned to this RJ Reynolds facility if it does not sell. Tobacco products returned here include cigarettes, snuff, loose-leaf tobacco, e-cigarettes, and vape pods. The facility recently stopped production of Velo brand lozenges but still accepts returns of the product. Facility representatives anticipated the last wave of lozenges would be returned by the end of 2024.

The material is processed according to the type and condition of the product. Shipments are inspected to ensure the cases match the customer's inventory description and sent to the applicable area for further processing. Most of the material accepted by the RJ facility is managed as waste, but some material may be shipped for resale. Facility representatives informed inspectors in the opening conference that all vape pods and Velo lozenges shipped to the facility are managed as hazardous waste and shipped for incineration. Snuff is always managed as waste and sent to a waste to energy facility by Hazmat Emergency Response and Remediation (HERR). Product can only be reused if it is returned in cases in original packaging. The entire case, not just the individual product, must remain unopened to be returned to consumer sale.

Incoming shipments are documented on a Return Authorization (RA) manifest and outgoing shipments of hazardous nicotine waste are documented on a uniform hazardous waste manifest. Nonhazardous shipments including used oil and loose-leaf tobacco are documented on a bill of lading. Customers use Salesforce to enter in the quantity and type of products being returned, and the software prints all applicable shipping labels and documentation. There is no timeline for customers to send these shipments once a label is made and there is no verification that each shipment is sent, so some customers may change their minds and decide not to ship, or they may add or remove from the inventory list. All shipments arriving at the facility are opened and each count on the inventory is individually verified by RJ personnel.

RJ utilizes Ecoflo, Inc. hazardous waste transporters (EPAID: NCD980842132) to ship nicotine-containing products that cannot be resold to the Ecoflo, Inc. designated facility in Greensboro, NC under the same EPA ID. Drivers are employees of the transporter and not RJ Reynold's employees.

9) **Previous Inspection History**

NCDEQ has conducted two RCRA CEIs at the subject facility between 2017 and 2023 and found no violations during those inspections.

10) Opening Conference

On December 5, 2023, EPA inspector Tarin Tischler, accompanied by NCDEQ inspector Ernest Lawrence, arrived at RJ Reynold's Tobacco Company at approximately 9:15 am. Brian Mathis, Senior Area Manager, immediately received the inspectors. Brian Mathis and the inspectors were joined by Eric Moser, Environmental Manager, Tammy Needham, Manager, and Scott Snow, Senior Environmental Manager, for the opening conference. The inspectors introduced themselves, showed their credentials to Brian Mathis and Eric Moser and explained the purpose of the visit.

The inspectors described the anticipated use of equipment (digital camera) during the inspection and provided a request for records. The EPA inspector explained that the Small Business Regulatory Enforcement Fairness Act's classification of a "small business" is generally set by the Small Business Administration using the business' SIC/NAICS code and annual receipts or number of employees. A copy of the EPA's information sheet for small businesses can be found at <https://www.epa.gov/sites/production/files/2017-06/documents/smallbusinessinfo.pdf>. The EPA inspector also discussed the company's ability, pursuant to 40 C.F.R. § 2.203, to assert a business confidentiality claim for information submitted to EPA. The company did not assert a business confidentiality claim.

Brian Mathis provided an overview of the facility's history and current operations during the opening conference. The inspection participants also discussed health and safety protocols and required personal protective equipment before Brian Mathis led the inspectors on a tour of the Facility operations.

11) Inspection Observations

603-5 Building:

PR-O Return Processing Area:

Return shipments are onboarded in the production area. Each shipment is opened, and each item is individually counted to ensure the customer-provided inventory is correct. Facility representatives informed inspectors that the customer inventory list often has mistakes or inaccurate counts, so each shipment is verified before it is sent to the applicable processing area. The shipments are recorded on a Return Authorization (RA) manifest that includes the quantity of individual products returned. Once the count is verified, the shipment inventory is entered into the software database, Salesforce, so the customer receives the correct payment. Reynolds pays the customer for returned products as part of a customer guarantee for unsold product.

A Request for Information pursuant to RCRA Section 3007 (IRL) has been sent to the facility requesting a detailed description of the RJ Reynold's Tobacco Company product return process.

The facility receives approximately 24,000 return shipments to the facility a year. Incoming shipments have an RJ Reynold's label printed by the customer that includes the customer's name, account number, packing slip number, and case number out of total cases. Each shipment includes one RA manifest and one freight bill for each specific company, and one truck load can include multiple shipments. An RJ "Returner" inspects incoming shipments for date and quantity and verifies the count of the material shipped. Facility representatives informed inspectors that this count does not just include each case, but each individual pack of cigarettes, snuff pack, etc. At the time of the CEI, facility personnel in this area were processing a shipment that had been counted as 17,260 individual snuff packs (Photo 1). The type of return determines the disposition and how the returned product is managed at the facility.

Facility representatives informed inspectors that anything already opened or not in full cases cannot be reused and is automatically disposed of as waste. Unless there is some specific exemption, the material can only be sent for consumer resale if it remains in a brand new, unopened case that still has shelf life prior to expiration. The amount refunded to the customer depends on the product. Vape devices with batteries are the most likely product to be resold for use.

Inspectors observed an open cubic yard box of nicotine pods. This container was open because personnel were actively counting pod packs and adding waste to the container. This container was labeled with the words hazardous waste, toxic, and dated 12/1/2023 (Photo 3). An inventory count sheet was attached to the container. This inventory sheet recorded the number of packs, quantity of pods in each pack (one or two), and nicotine concentration in each pod (1.8, 2.4 or 5%). This container is managed as hazardous waste and shipped by and to EcoFlo, Inc. for disposal. All containers managing hazardous waste on site are dated with the date they begin accumulating waste and are brought to the central accumulation area when full. The facility does not manage satellite accumulation areas at the facility due to the 1-kg accumulation limit for acutely hazardous waste.

Two pallets of empty cubic yard boxes were staged here to be used when the first box reached full capacity. Facility representatives informed inspectors that the time to process incoming truck loads is dependent on load size, as one load can have a 200-inventory count or a 20,000-inventory count.

Inspectors observed a fence behind the return processing area. Pallets of boxes of e-cigarettes sat inside the fence awaiting shipment to the Tobaccoville facility for recharge and resale. Facility representatives informed inspectors that the devices would be repackaged in the Tobaccoville facility. Vape devices produced by RJ have a coating that allows only one recharge in the device's lifetime. Almost all batteries out of network are shipped for disposal and batteries in-network can be recharged at the Tobaccoville facility and resold. Facility representatives informed inspectors that quality control personnel can be requested to determine replacement candidacy for out-of-network material that arrives in new, unopened packaging, but this determination requires a more thorough review and cannot be done by regular return processing personnel.

A IRL has been sent to the facility requesting more information on the percentage of material received at the facility that is shipped for disposal versus the percentage of material that is sent to Tobaccoville for reuse and resale.

Cigarette Processing Area:

Cigarettes are also received in the production area. Production personnel receive cigarette returns from the Tobaccoville facility and break these down into cigarette rods. In this process, a box of cigarette cartons is dumped into the production area and the box is recycled. The remaining cartons are placed on a conveyor belt and sliced in half by the processing machine. This machine severs the cigarette exactly at the start of the filter. The facility representatives informed inspectors that the filter is cut from the tobacco portion and the tobacco portion is spun through a tumbler (Photo 4). The cigarette rods/filters and tumbled tobacco are shipped to Tobaccoville. Menthol cigarettes are put through a separate machine to prevent cutting the menthol capsule inside the cigarette filter. This machine cuts the cigarette just before the filter, so both cut halves of the cigarette contain tobacco product. The filter half with tobacco and a menthol capsule is sent for disposal as nonhazardous waste and the other half is sent to the Tobaccoville facility.

Cigarettes that cannot be separated from the rod are separated from the paper and destroyed on-site. The destroyed cigarettes are placed in an open top dumpster and shipped to waste to energy for disposal (Photo 5). Cigarettes that cannot have the rod recovered are considered “out of RJ Reynold’s network control.” Out-of-network cigarettes include product cases of cigarettes sold to a distributor outside of RJ Reynold’s ownership and these cases come from an out-of-network warehouse. Cigarettes that remain in RJ’s possession are considered in-network. Facility representatives informed inspectors that most of the cigarettes returned to the facility are coming from out-of-network.

Near the Cigarette Processing Area inspectors observed a cubic yard container of snuff labeled “Landfill Tobacco.” Facility representatives informed inspectors that this material is brought to the shredding mill for shredding and some shredded tobacco is recycled, and some is shipped by HERR for disposal as waste to energy compost. Snuff is transported for compost by HERR as well. No material is sent from RJ directly to a landfill aside from household garbage.

A IRL has been sent to the facility requesting more information on the definition of a cigarette rod, the shelf life of cigarettes, and the content of the menthol capsules.

Inspectors also observed a cardboard cubic yard box in this area labeled “universal waste batteries.” This container was dated 11/27/2023 (Photo 2). Facility representatives informed inspectors that e-cigarette batteries with removable vape pods are sent for electronics recycling. Personnel record the inventory as each battery is added to the box to record the battery quantity in each box.

The lower-level Cigarette Processing Area of the RJ facility provides the wet machine with pulp and the dry area with extract for the tobacco sheet process. RJ Reynold’s uses loose-leaf tobacco and by-products from tobacco plants to produce tobacco sheets at this RJ location. Tobacco plant by-product is sent to the facility by the Tobaccoville warehouse to use the entire

tobacco plant for cigarette production. The tobacco is chopped down and flattened into thin sheets, which are brought to the Tobaccoville facility to be further chopped down and added back into new cigarettes.

Inspectors observed a “shucking station” in the Cigarette Processing Area. Personnel in this area manually separate the cigarette product from the box, then separate the paper and tobacco from cigarettes. Once the tobacco is separated, the material is blended with a specific scrap to stem ratio and sent to extraction. The purpose of extraction is to form a pulp from which sheets are formed and extract tobacco to spray on the sheet after drying. After the extraction stage, the pulp is in a liquid form which is sent to a refiner and molded into a wet sheet. Tobacco extract is applied to the sheet according to the tested water solubility values of each sheet. The wet machine removes water content, and the sheet is dried into the final state before shipment to Tobaccoville. Flavor additives are also sometimes added after drying.

Inspectors observed processed tobacco bagged in this area marked as in process material or nontobacco material. The nontobacco material consists of cellulose and other nontobacco material. Facility representatives informed inspectors that sheets without extract are considered an in-process product and not a semi-finished good. The in-process material will be blended and added back into the sheet process. The nontobacco material will be used to make sheets with no tobacco extract. Sheets with no extract are blended with sheets that contain tobacco extract and this sheet mixture is put back into new cigarettes.

603-1 Building:

Pack Out Area:

Inspectors observed 16 feeder machines in this area that shred and blend the tobacco plant material. Facility representatives explained that feeders 1-7 are designated for plant stems and feeders 8-16 are for other tobacco scraps. When boxes of scraps arrive in this area for processing, the box label and feeder label are scanned to determine if the feeder is fit to accept the material in the box. The “recipe” of tobacco stems and by-products is determined by the RJ research and development (R&D) team. The internal system manages this recipe and ensures material added to the feeder meets the necessary parameters. Material is sent to the extractor stage after the feeders. After the extractor, the pulp material is sent to a stem tank or dust tank, then on to the “pressers.” Here the liquid is pressed from the tobacco product and refined. After the material is refined, cellulose and nontobacco extract are added, if needed, and the material is moved to the dryers. When this area is in operation, an attendant stands near the machine to add or remove material to reach the desired weight. A forklift driver transfers this material to the Pack Out process area when finished. Facility representatives informed inspectors that used oil generated in this area is shipped for recycling by Noble Used Oil. Lightbulbs are managed by Salem Electronic and are changed and shipped for disposal on the same day. No universal waste lamps are stored on site.

Inspectors were greeted in the Pack Out process area by Crystal Wilkerson, Packer Operator. Finished tobacco sheets are visually inspected here before being shipped off-site. Pack Out

personnel communicate with the dryer if any issues are observed, including the sheet coming out too moist or too dry. This area had increased production in the months prior in order to shut down the process area in December for construction. This area was not in service at the time of the inspection.

603 PR-O High-Rise Area:

CAA:

The facility manages a CAA in building 603. Unless otherwise noted, all containers of hazardous waste observed were properly closed, dated, and marked with an indication of the hazards.

Cubic yard containers of nicotine waste including e-cigarettes and vape pods are brought to the PR-O High-Rise Area in building 603 for storage after the sorting and shucking process prior to waste shipment. Inspectors observed 20 cubic yard boxes on one side of this area. Sixteen of the containers held waste snuff pouches and four held waste nicotine lozenges. Waste lozenges are FDA approved over the counter nicotine replacement therapy and are therefore exempt from the nicotine P075 listing; however, the facility manages lozenges as hazardous waste containing nicotine.

Facility representatives informed inspectors that the waste is not shipped on a set schedule. Ecoflo, Inc. pickups are scheduled as needed. The facility does not go more than 90 days between waste shipments. The oldest date inspectors observed in this area was 9/8/2023. Inspectors also observed three 5-gallon drums in this area labeled nonhazardous anhydrous ammonia.

Inspectors observed 28 cubic yard boxes on the opposite side of the PRO High-Rise Area (Photo 6). The oldest box in this area was dated 9/16/2023. All containers on this side of the PRO high-rise area contained disposable vapes with pods.

Inspectors observed a separate area of containers in building 603 staged for further processing by RJ R&D Team. Facility representatives explained that the R&D Team is separate from the quality control team that will inspect some of the incoming material to determine if it can be sent for reuse. The R&D Team had previously requested holds on discolored vape pods, which is why these containers were staged here at the time of the inspection. These pods will be sent to another RJ location for further testing and analysis to determine if discolored pods can still be sent for reuse. Inspectors also observed storage in this area for products such as labels, bubble wrap, and other manufacturing materials.

Inspectors observed one pallet of Vuse vapes marked as “pending evaluation” and seven cubic yard boxes marked as “pending evaluation” for recharge candidacy stored in an area with other pallets away from the waste storage area. Facility representatives informed inspectors that the pallet of Vuse vapes was shipped from another RJ Reynold’s warehouse for further evaluation but would be shipped for disposal if the material aged out while pending analysis. Facility representatives explained that the R&D team is short staffed and there are timing and resource concerns regarding material pending analysis. At the time of the inspection, material pending analysis is staged here until it expires or it can be taken for R&D evaluation, whichever comes

first. Inspectors observed 48 pallets of material awaiting evaluation in this area. Facility representatives could not demonstrate how long the containers have been stored while pending analysis.

Pursuant to [15A NCAC 13A .0107(a)] [40 C.F.R. § 262.11], a person who generates a solid waste, as defined in [15A NCAC 13A .0106(a)] [40 C.F.R. § 261.2], must make an accurate determination as to whether that waste is a hazardous waste in order to ensure wastes are properly managed according to applicable RCRA regulations articulated in [15A NCAC 13A .0107(a)] [40 C.F.R. § 262.11].



Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17], which is a condition of the LQG Permit Exemption, a LQG may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, as required by [Sections 130A-294(c) and (g) of the NCSWML, N.C.G.S. § 130A-294(c) to (g)] [Section 3005 of RCRA, 42 U.S.C. § 6925], provided that the generator complies with the conditions listed in 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17].

The side of the 603 building across from the waste storage area held stacks of cubic yard boxes containing cigarettes from Tobaccoville. These cigarettes were considered in-network and would be brought to the Cigarette Processing Area to reclaim the cigarette rods.

Inspectors observed 10 pallets holding 58 to 116 smaller boxes of vape pods, as some were double stacked (Photo 7). These boxes contained Vuse flavored vape pods that had been recalled in 2017 and 2018 due to the national ban on flavored vape pods. Facility representatives informed inspectors that they had been instructed by RJ's legal team to not open, manage, or dispose of these pods in any way.

Pursuant to [15A NCAC 13A .0107(a)] [40 C.F.R. § 262.11], a person who generates a solid waste, as defined in [15A NCAC 13A .0106(a)] [40 C.F.R. § 261.2], must make an accurate determination as to whether that waste is a hazardous waste in order to ensure wastes are properly managed according to applicable RCRA regulations articulated in [15A NCAC 13A .0107(a)] [40 C.F.R. § 262.11].

Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17], which is a condition of the LQG Permit Exemption, a LQG may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, as required by [Sections 130A-294(c) and (g) of the NCSWML, N.C.G.S. § 130A-294(c) to (g)] [Section 3005 of RCRA, 42 U.S.C. § 6925], provided that the generator complies with the conditions listed in 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17].

12) Records Review

Contingency Plan and Quick Reference Guide (QRG):

The actions that facility personnel should take in response to an emergency are described in the facility's contingency plan, which was last revised in 2022.

The plan describes actions facility personnel must take in response to fires, explosions, or any unplanned sudden or non-sudden release of hazardous waste or hazardous waste constituents to air, soil, or surface water at the facility.

The plan describes arrangements agreed to with the local police department, fire department, other emergency response teams, emergency response contractors, equipment suppliers, local hospitals or the Local Emergency Planning Committee.

The plan lists the names and emergency telephone numbers for persons identified as emergency coordinators. Eric Moser is listed as the primary emergency coordinator, and Scott Snow is listed as the alternate emergency coordinator.

The plan includes a list of all emergency equipment at the facility. The list includes fire extinguishing systems, spill control equipment, communications and alarm systems, and decontamination equipment. The list appears to be up to date. The plan includes the location and a physical description of each item on the list, and a brief outline of its capabilities.

The plan includes an evacuation plan for personnel. This plan describes signals to be used to begin evacuation, evacuation routes, and alternate evacuation routes. The facility is equipped with an emergency alarm and sprinkler system.

A copy of the contingency plan and its quick reference guide was most recently submitted to Novant Health Forsyth Medical, A + D Environmental, Forsyth County Emergency Management, Winston-Salem Fire Department, and Winston-Salem Police Department in October of 2022.

The quick reference guide includes the types/names of hazardous waste in layman's terms and the associated hazard associated with each hazardous waste present at any one time; the estimated maximum amount of each hazardous waste that may be present at any one time; the identification of any hazardous wastes where exposure would require unique or special treatment by medical or hospital staff; a map of the facility showing where hazardous wastes are generated, accumulated and treated and routes for accessing these wastes; a street map of the facility in relation to surrounding businesses, schools and residential areas; the locations of water supply; the identification of on-site notification systems; and the name of the emergency coordinators and emergency telephone numbers.

Training Records:

The inspectors reviewed facility job descriptions and employee names that were provided for the facility's mechanic, production associate, lift operator, maintenance electrician, general plant attendant, plant manager, and returns clerk. Each description included the requisite skill, education, or other qualifications, and duties of facility personnel assigned to that position.

RJ provided a written description of the type and amount of both introductory and continuing training to be given to each person filling the positions listed above. The inspectors reviewed records of employee hazardous waste training completed on November 9, 2023. This was a RCRA and DOT refresher training conducted by EduWhere.

Waste Manifest and Land Disposal Restriction (LDR) Records:

The inspectors reviewed available hazardous waste manifest records and land disposal restriction forms for shipments of hazardous waste sent in 2023. Hazardous waste manifest records show that P075 hazardous waste nicotine is routinely shipped to Ecoflo, Inc. (EPAID: NCD980842132) in Greensboro, NC. LDR documents and Ecoflo, Inc. work orders were available with the manifests. Manifests are signed by Eric Moser.

Inspectors reviewed the following quantities of P075 nicotine waste shipped in January 2023 for a total quantity of 195,124 lbs:

Manifest Tracking Number	Date of Shipment	Quantity shipped (lbs)
001229011WAS	1/31/2023	15,033
001229013WAS	1/31/2023	7,843
001229012WAS	1/31/2023	14,068
001283519WAS	1/27/2023	12,354
001283521WAS	1/27/2023	12,773
001283520WAS	1/27/2023	8,847
001283518WAS	1/27/2023	8,913
001282645WAS	1/13/2023	15,236
001282859WAS	1/13/2023	14,924
001282517WAS	1/11/2023	9,828
001282518WAS	1/11/2023	10,671
001282519WAS	1/11/2023	10,836
001282520WAS	1/11/2023	11,756
001282583WAS	1/09/2023	3,721
001282526WAS	1/09/2023	12,091
001282525WAS	1/09/2023	6,178

Manifest Tracking Number	Date of Shipment	Quantity shipped (lbs)
001282524WAS	1/09/2023	10,768
001282511WAS	1/09/2023	9,284

Inspectors reviewed documentation of shipments of used oil by Noble Oil, electronics recycling by Metech, and tobacco for compost by HERR.

At the time of the inspection, the most recent shipment of used oil occurred on 7/21/2023 for 251 gallons of oil. The most recent universal waste shipment occurred on 11/29/2023 for 7,200 lbs of universal waste batteries. Shipments via HERR documented multiple compost loads per month to Wallace Farm in Davie County, North Carolina and HERR.

Inspectors reviewed the RA manifests for in and out of network incoming shipments. The Return Authorization manifest is an internal document by the customer on Salesforce when they enter a shipment to be returned and they are ID's with a docket # Inspectors reviewed docket # 5301211957 which arrived at the facility on 10/17/2023. This manifest documented the shipment info, account name, email, and phone number, and the receiving employee's signature. The RA manifest is filled out by the customer prior to shipment. When the shipment arrives, the counters record the actual count submitted and staple the official count to the shipping papers.

The Return Authorization (RA) manifest reviewed and documented the following shipment quantities:

Vuse Alto 1-pod: 89

Vuse Alto 2-pods (1.8%): 43

Vuse Alto 2-pods (2.4%): 60

Vuse Alto 2-pods (5%): 44

Vuse Alto 4-pods: 92

Weekly Inspection Records:

The inspectors reviewed RJ's available records of inspections of the hazardous waste central accumulation area (CAA) since 2022. The inspection log includes a checklist to record observations about leaking containers and for deterioration of containers caused by corrosion or other factors. The inspection log includes a checklist to record observations about container markings, container condition, storage area capacity, 90-day compliance, housekeeping, aisle space, and date deficiencies correct, if required. The records include the date and time of the inspection and the name, signature and initials of the employee conducting the inspection. Employees routinely record inspection observations and subsequent follow-up actions on the inspection log. No inspection records were provided for the week between 4/19/2023 and 5/3/2023.

Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17(a)(1)(v)], which is a condition of the LQG Permit Exemption, a generator is required to, at least weekly, inspect central accumulation areas looking for leaking containers and for deterioration of containers caused by corrosion or other factors.

13) Closing Conference

The inspectors conducted the exit meeting with Brian Mathis, Tammy Needham, Scott Snow and Eric Moser. At this meeting, the inspectors stated their preliminary conclusions of the inspection. Inspectors explained that a more thorough review of RCRA regulations pertaining to the management and disposal of e-cigarettes would be required following the inspection to determine compliance with federal regulations.

A IRL has been sent to the facility with the purpose of requesting a more detailed description of the facility's e-cigarette recycling program.

14) Summary of Observations

During the inspection, observations were made concerning the following RCRA requirements:

- Pursuant to [15A NCAC 13A .0107(a)] [40 C.F.R. § 262.11], a person who generates a solid waste, as defined in [15A NCAC 13A .0106(a)] [40 C.F.R. § 261.2], must make an accurate determination as to whether that waste is a hazardous waste in order to ensure wastes are properly managed according to applicable RCRA regulations articulated in [15A NCAC 13A .0107(a)] [40 C.F.R. § 262.11].
- Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17], which is a condition of the LQG Permit Exemption, a LQG may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, as required by [Sections 130A-294(c) and (g) of the NCSWML, N.C.G.S. § 130A-294(c) to (g)] [Section 3005 of RCRA, 42 U.S.C. § 6925], provided that the generator complies with the conditions listed in 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17].

At the time of the CEI, inspectors observed 48 pallets of nicotine containing products pending analysis for by the R&D team at RJ Reynold's. Facility representatives could not demonstrate how long these containers were accumulating in this area but claimed they would remain here until they could be processed or until material expires, whichever comes first.

- Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17], which is a condition of the LQG Permit Exemption, a LQG may accumulate hazardous waste on-site for 90 days or less without a permit or without having interim status, as required by [Sections 130A-294(c) and (g) of the NCSWML, N.C.G.S. § 130A-294(c) to (g)] [Section 3005 of RCRA, 42 U.S.C. § 6925], provided that the generator complies with the conditions listed in 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17].

At the time of the CEI, inspectors observed 10-pallets of discontinued flavored nicotine containing vape pods stored in the CAA since 2017 and 2018.

- Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17(a)(1)(v)], which is a condition of the LQG Permit Exemption, a generator is required to, at least weekly, inspect central

accumulation areas looking for leaking containers and for deterioration of containers caused by corrosion or other factors.

At the time of the CEI, inspectors observed one missing weekly inspection of the CAA for the week between 4/19/2023 and 5/2/2023.

15) **List of Attachments**

Attachment 1 – Photo Log:

16) **Signed**

TARIN TISCHLER Digitally signed by TARIN TISCHLER
Date: 2024.03.05 11:15:53 -05'00'

Tarin Tischler
Life Scientist

17) **Concurrence**

ARACELI CHAVEZ Digitally signed by ARACELI CHAVEZ
Date: 2024.03.05 17:10:46 -05'00'

Araceli B. Chavez
RCRA Enforcement Section

Attachment 1 – Photo Log

7 Photos taken on: December 5, 2023

Photos taken by: Tarin Tischler

Photos taken with: Kodak PIXPRO Fz53

EPA Property Tag: SX9089



Photo 1 – Incoming shipment in the return processing area after counting each item.



Photo 2 – Universal waste battery container holding electronic cigarettes with nicotine pods removed.

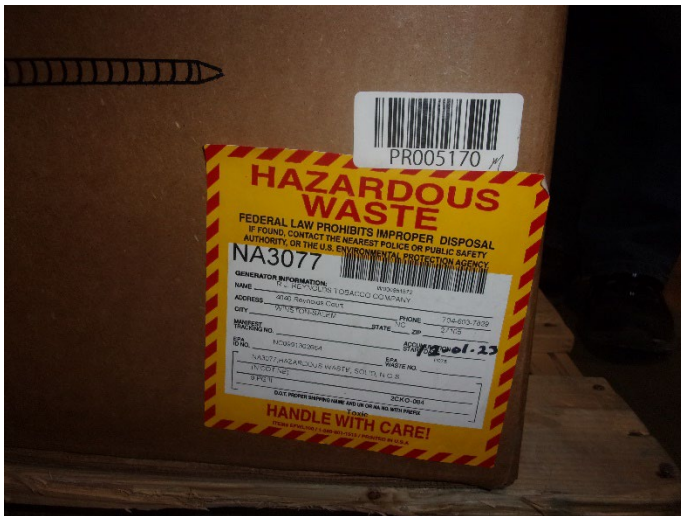


Photo 3 –
Hazardous
waste label for
P075 waste.



Photo 4 -
Consolidated
cigarette
halves after
the filter is cut
in the
Cigarette
Processing
Area.



Photo 5 –
Loose-leaf
tobacco and
cigarette
waste to be
blended and
sent to a
waste to
energy facility.



Photo 6 –
Cubic yard
boxes of
nicotine
contaminated
waste in the
CAA.



Photo 7 –
Discontinued
flavored vape
pods stored in
the CAA since
2017 and
2018.