

RCRA Inspection Report

1) Inspector and Author of the Report

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

2) Facility Information

Coty, US, LLC
1400 Broadway Road
Sanford, North Carolina 27332
EPA ID No.: NCD990883175

3) Responsible Official

Wallie Tyler
EH&S Manager

4) Inspection Participants

Wallie Tyler, Coty, US, LLC (Coty)
Daryl R. Himes, US EPA, Region 4
Jenne Walker, North Carolina Department of Environmental Quality (NC DEQ)

5) Dates of Inspection

July 19, 2022

6) Applicable Regulations

North Carolina General Statutes (NCGS), 130A BOA-Article 9 (Solid Waste Management Act as amended Resource Conservation and Recovery Act (RCRA) Section 3005 and 3007 (42 U.S.C. §§ 6925 and 6927) and the North Carolina Administrative Code (NCAC) Title 15 A Chapter 13A, [40 Code of Federal Regulation (C.F.R.) Parts 260–270, 273 and 279].

7) Purpose of Inspection

The purpose of this inspection was to conduct an unannounced Resource Conservation and Recovery Act (RCRA) compliance evaluation inspection (CEI) to determine Coty, US, LLC's compliance's with the applicable RCRA regulations.

8) **Facility Description**

Coty's Sanford Plant is a nail polish and fragrance manufacturing facility.

A majority of the facility's hazardous wastes are generated as a result of the use of acetone to clean the fill lines in its nail polish manufacturing lines.

Other wastes are generated as a result of batches of materials which exceed shelf lives or requests for destruction by companies for which Coty is producing a specific name brand product.

Wastes from the use of ethanol to clean equipment in fragrance manufacturing processes are sent off-site as nonhazardous materials under the RCRA exemption covering aqueous wastes, which are ignitable due to their alcohol content, which are being sent off-site for alcohol recovery.

The facility operates as a Large Quantity Generator (LQG) of hazardous waste. Its last hazardous waste notification was submitted on February 15, 2022.

Hazardous wastes generated by the facility include the following:

D001–waste aerosols, flammable

D001–waste solids containing flammable liquid (acetone, butyl acetate)

D001, F003–waste flammable solids, organic (acetone)

D001, F003–waste flammable liquids, (contains acetone)

D001, F003–waste acetone

D001–waste flammable liquids (contains ethyl acetate, isopropanol)

D001, F003–waste flammable liquid (methyl alcohol)

D001, D035–waste flammable liquid (methyl ethyl ketone)

Universal Waste used fluorescent lamps and batteries and used oil are also generated by the facility.

9) **Previous Inspection History**

Coty US, LLC was last inspected by NC DEQ on June 23, 2021. No deficiencies were noted in the report. .

10) **Findings**

On July 19, 2022, EPA inspector Daryl Himes, accompanied by Jenne Walker of the NC DEQ, arrived at Coty at approximately 9:15 a.m. Wallie Tyler, Environmental Health and Safety Supervisor, immediately received the inspectors in the facility lobby and was shown their credentials. The inspectors were taken by Mr. Tyler to a conference room for an opening conference. The inspectors explained the purpose of their visit and anticipated use of cameras during the inspection and provided a request for records.

Prior to performing the walkthrough inspection, the facility representative provided the inspection team an overview of the facility's history and current operations during the opening

conference as described above in the facility overview.

The company does not appear to meet the Small Business Regulatory Enforcement Fairness Act's classification of a "small business," which is generally set by the Small Business Administration using the business' SIC/NAICS code and annual receipts or number of employees. Therefore, the EPA inspector will provide a copy of the agency's information sheet for small businesses, which can be found at <https://www.epa.gov/compliance/small-business-resources-information-sheet>.

Prior to performing a walkthrough inspection, a review of the facility's records was performed including their contingency plan, personnel training, weekly container inspection logs and manifests. The review of these records was performed, where applicable, since the date of the last inspection on June 23, 2021. No deficiencies were noted during this review.

The walkthrough inspection was performed following a review of the facility's records. Please note that during the walk-through inspection, containers of hazardous waste were observed within locations designated as satellite accumulation areas (SAAs) and central accumulation areas (CAAs). Unless otherwise noted, each container observed within any SAA was observed to be closed and labeled with the words "Hazardous Waste" and an indication of the hazard of the contents of the container. Containers in any of the CAAs were observed to be closed, marked with an accumulation start date of less than 90-days and labeled with the words "Hazardous Waste" and an indication of the hazard of the contents of the container.

In addition, containers of Universal Waste were observed to be properly labeled, dated, and closed at the time of the inspection, unless noted otherwise. Also, any containers of used oil observed were labeled with the words "Used Oil" unless noted otherwise.

The observations made during the walk-through inspection were as follows:

Quality Control 90 Day Accumulation Area

Testing of facility products is performed in this area.

One 55-gallon drum was observed in a CAA within the center of three metal flammables cabinets. The container was empty at the time of the inspection (Photo 1).

Two 5-gallon containers of hazardous waste were observed within SAAs inside of the Quality Control Laboratory. The hazardous waste within the containers was primarily waste nail polish lacquer.

DeKitting Area

This area was used for the collection of various hazardous and nonhazardous wastes from the breaking up of a group or "kit" of a variety of fragrance and skin care products that were previously going to be sold together and parts of the kits would now be managed as a waste. At

the time of the inspection, one 55-gallon drum of hazardous waste aerosols (Photo 2) was observed in a CAA in this area with four 55-gallon drums of nonhazardous waste from the breaking down of kitted products which will not be used.

Waste Operations Area

At the time of the inspection, one container of hazardous waste aerosol cans (Photo 3) had been brought to this area which was not previously designated as a CAA. Four separate containers of hazardous waste spent acetone (Photo 9) from the Lacquer Line were also observed in this area. The lid on one of the containers was not fastened (Photos 8 & 9). The oldest accumulation date on the drums was June 6, 2022. This area was not designated on the Quick Reference Guide as a CAA and was not being inspected weekly.

Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.17], 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) 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 .0107(a) [40 C.F.R. § 262.17(a)(1)(iv)], which is a condition of the LQG Permit Exemption, (A) a container holding hazardous waste must always be closed during accumulation, except when it is necessary to add or remove waste; and (B) A container holding hazardous waste must not be opened, handled, or stored in a manner that may rupture the container or cause it to leak.

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.

Pursuant to 15A NCAC 13A .0107(a) [40 C.F.R. § 262.262(b)(4)], a generators amended contingency plan must include a Quick Reference Guide for the Facility which includes a map of the facility showing where hazardous wastes are generated, accumulated and treated and routes for accessing these wastes.

Universal wastes observed in this area included drums of universal waste batteries and boxes of universal waste fluorescent bulbs (Photos 5 & 6).

Used oil was observed in two places in this location. All of the containers were labeled with the words “Used Oil” (Photos 4 & 7).

Lacquer Lines

Four CAAs located adjacent to lacquer line machines 303, 307, 314 and 316 for the filling of nail polishes were each observed to have one, two, two and two 55-gallon containers of hazardous waste in these CAAs, respectively. The CAAs were equipped with spill equipment and fire extinguishers.

The inspection team also observed 5-gallon metal “trash can” type containers of hazardous waste in SAAs in the Lacquer Line Area near 13 pieces of filling equipment.

In addition, 20-gallon containers for the collection of spent acetone were observed within SAAs near ten filling machine work centers numbered 301, 302, 304, 305, 306, 307, 308, 313, 314 and 316. Each of these containers was observed to be open at the time of the inspection and were not included in the facility’s QRG as SAAs.

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 the 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 Sections 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. § 262.262(b)(4)], a generators amended contingency plan must include a Quick Reference Guide for the Facility which includes a map of the facility showing where hazardous wastes are generated, accumulated and treated and routes for accessing these wastes.

Lacquer Drum Prep Room

Containers of lacquer are made ready for filling operations in this area. Five 55-gallon containers of lacquer waste were observed in a CAA in this location.

Lacquer Storage Building

This area is primarily used as a warehouse for various product containers. No waste was observed in a racked area which Mr. Tyler stated was designated for the hazardous wastes previously observed in the Waste Operations Area.

Acetone Recycling Area

A 90-day accumulation area for drums of hazardous waste spent acetone generated from the nail polish lines is located in a structure (Photo 10) near the facility's waste water treatment plant (Photo 10) prior to being shipped off-site. Sixteen drums were observed in this area at the time of the inspection (Photo 11).

Fragrance Filling and Packaging Area

Three SAA's were observed in this area within three separate individual metal cabinets for the collection of hazardous waste spent isopropyl alcohol (IPA)/methanol, methyl ethyl ketone and spent aerosol cans.

Closing Conference

At the conclusion of the walkthrough inspection and record review, a brief closing conference was conducted with each of the facility participants identified above. During the conference, the areas of concern identified during facility walkthrough were identified and discussed.

11) Signed

DARYL HIMES Digitally signed by DARYL HIMES
Date: 2022.08.01 23:34:17 -04'00'

Daryl R. Himes
Inspector
RCRA Enforcement Section

Date

12) Concurrence

**ARACELI
CHAVEZ** Digitally signed by ARACELI
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Date: 2022.08.03 10:58:18
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Araceli B. Chavez
Chief
RCRA Enforcement Section

Date

ATTACHMENT A

Coty US, LLC

Sanford, North Carolina

COMPLIANCE EVALUATION INSPECTION PICTURES

NCD990883175

July 19, 2022

**Photos taken by Daryl Himes
Camera Type Canon Elph 360 HS**



Photo 1 – Quality Control 90-Day Accumulation Locker (Center)



Photo 2 – DeKitting 90-Day Accumulation Area



Photo 3 – Waste Operations 90-Day Accumulation Area



Photo 4 – SAA Area for Aerosol Cans and Used Oil collection container



Photo 5 – Universal Waste Batteries (left) and 4-foot boxes of Universal Waste Fluorescent Bulbs in the Waste Operations Area



Photo 6 - Universal Waste Fluorescent Bulbs in the Waste Operations Area



Photo 7 – Used Oil Drums (4) in the Waste Operations Area



Photo 8 – Hazardous waste containers in the Waste Operations Area



Photo 9 - Hazardous waste containers in the Waste Operations Area



Photo 10 – Acetone Recycling Area near WWTP



Photo 11 – Hazardous waste (far right) observed within the Acetone Recycling Area