



REGION 5

CHICAGO, IL 60604

VIA ELECTRONIC MAIL
DELIVERY RECEIPT REQUESTED

Adam Gubin, Owner
Andy Gubin, President
RIMCO, Inc.
adam@rimcoscrap.com

Re: Finding of Violation
RIMCO, Inc.
St. Louis, MO

Dear Andy and Adam Gubin,

The U.S. Environmental Protection Agency is issuing the enclosed Finding of Violation (FOV) to RIMCO Inc. (you) under Section 113(a) of the Clean Air Act, 42 U.S.C. § 7413(a). We find that you are violating 42 U.S.C. § 7401 *et seq.*, specifically the regulations for the Protection of Stratospheric Ozone at 40 C.F.R. Part 82, Subpart F at your St. Louis, MO facility.

Section 113 of the Clean Air Act gives us several enforcement options. These options include issuing an administrative compliance order, issuing an administrative penalty order, and bringing a judicial civil or criminal action.

We are offering you an opportunity to confer with us about the violations alleged in the FOV. The conference will give you an opportunity to present information on the specific findings of violation, any efforts you have taken to comply, and the steps you will take to prevent future violations. In addition, in order to make the conference more productive, we encourage you to submit to us information responsive to the FOV prior to the conference date.

Please plan for your facility's technical and management personnel to attend the conference to discuss compliance measures and commitments. You may have an attorney represent you at this conference. The EPA contact in this matter is Karina Kuc. You may call her at (312)353-5090 or email her at kuc.karina@epa.gov to request a conference. You should make the request within 10 calendar days following receipt of this letter. We should hold any conference within 30 calendar days following receipt of this letter.

Sincerely,

Nathan Frank
Supervisor,
Air Enforcement and Compliance Assurance Section (IL/IN)

Enclosures

1. Finding of Violation

cc: Tracey Casburn
Branch Supervisor, Enforcement and Compliance Assurance Division
EPA Region 7

**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 5**

In the Matter of:

RIMCO, Inc.
St. Louis, Missouri

Proceedings Pursuant to
the Clean Air Act,
42 U.S.C. §§ 7401 et seq.

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FINDING OF VIOLATION

EPA-5-24-COE-05

FINDING OF VIOLATION

The U.S. Environmental Protection Agency finds that RIMCO, Inc. is violating Section 112 of the Clean Air Act, 42 U.S.C. § 7412. Specifically, RIMCO, Inc. (RIMCO) is violating the regulations for the Protection of Stratospheric Ozone, Recycling and Emissions Reduction, found in 40 C.F.R. Part 82, Subpart F. Specifically, RIMCO has failed to properly recover refrigerant or verify proper refrigerant recovery from small appliances it accepts for recycling, as required by 40 C.F.R. § 82.155(b) as follows:

Regulatory Authority

1. On May 14, 1993, in accordance with Section 608 of the CAA, 42 U.S.C. § 7671g, EPA promulgated regulations at 40 C.F.R. Part 82, Subpart F, applicable to recycling and emissions reductions of ozone depleting substances. See 58 FR 28712.
2. As specified at 40 C.F.R. § 82.150(a), the purpose of the regulations is to reduce emissions of class I and class II ozone-depleting substances and their non-exempt substitutes to the lowest achievable level during the service, maintenance, repair, and disposal of appliances.
3. Under 40 C.F.R. § 82.150(b), 40 C.F.R. Part 82, Subpart F applies to any person maintaining, servicing, or repairing appliances containing class I, class II, or non-exempt substitute refrigerants. It also applies to persons disposing of such appliances (including small appliances and motor vehicle air conditioners), refrigerant reclaimers, technician certifying programs, appliance owners and operators, manufacturers of appliances, manufacturers of recovery and/or recycling equipment, approved recovery and/or recycling equipment testing organizations, and persons buying, selling, or offering to sell class I, class II, or non-exempt substitute refrigerants.
4. Under 40 C.F.R. § 82.152, “appliance” means any device which contains and uses a class I or class II substance or substitute as a refrigerant and which is used for household or commercial purposes, including any air conditioner, motor vehicle air conditioner, refrigerator, chiller, or freezer. For a system with multiple circuits, each independent circuit is considered a separate appliance.
5. Under 40 C.F.R. § 82.152, “class I” refers to ozone-depleting substances that is listed in 40 C.F.R. Part 82, Subpart A, Appendix A.

6. Under 40 C.F.R. § 82.152, “class II” refers to an ozone-depleting substance that is listed in 40 C.F.R. Part 82, Subpart A, Appendix B.

7. Under 40 C.F.R. § 82.152, “disposal” means the process leading to and including: (1) the discharge, deposit, dumping or placing of any discarded appliance into or on any land or water; (2) the disassembly of any appliance for discharge, deposit, dumping or placing of its discarded component parts into or on any land or water; (3) the vandalism of any appliance such that the refrigerant is released into the environment or would be released into the environment if it had not been recovered prior to the destructive activity; (4) the disassembly of any appliance for reuse of its component parts; or (5) the recycling of any appliance for scrap.

8. Under 40 C.F.R. § 82.152, “recover” means to remove refrigerant in any condition from an appliance and to store it in an external container without necessarily testing or processing it in any way.

9. Under 40 C.F.R. § 82.152, “refrigerant” means, for purposes of 40 C.F.R. Part 82, Subpart F, any substance, including blends and mixtures, consisting in part or whole of a class I or class II ozone-depleting substance or substitute that is used for heat transfer purposes and provides a cooling effect.

10. Under 40 C.F.R. § 82.152, “refrigerant circuit” means the parts of an appliance that are normally connected to each other (or are separated only by internal views) and are designed to contain refrigerant.

11. Under 40 C.F.R. § 82.152, “self-contained recovery equipment” means refrigerant recovery and/or recycling equipment that is capable of removing refrigerant from an appliance without the assistance of components contained in the appliance.

12. Under 40 C.F.R. § 82.152, “small appliance” means any appliance that is fully manufactured, charged, and hermetically sealed in a factory with five (5) pounds or less of refrigerant, including, but not limited to, refrigerators and freezers (designed for home, commercial, or consumer use), medical or industrial research refrigeration equipment, room air conditioners (including window air conditioners, portable air conditioners, and packaged terminal air heat pumps), dehumidifiers, under-the-counter ice makers, vending machines, and drinking water coolers.

13. Under 40 C.F.R. § 82.154(a), no person maintaining, servicing, repairing, or disposing of appliances may knowingly vent or otherwise release into the environment any refrigerant or substitute from such appliances, with certain exceptions not relevant to this matter.

14. Under 40 C.F.R. § 82.155(b), the final processor – i.e., persons who take the final step in the disposal process (including but not limited to scrap recyclers and landfill operators) of a small appliance, MVAC, or MVAC-like appliance – must either:

- (1) Recover any remaining refrigerant from the appliance in accordance with 40 C.F.R. § 82.155(a), which requires that persons recovering refrigerant from a small appliance, MVAC, or MVAC-like appliance for purposes of disposal of these appliances must evacuate refrigerant to the levels in 40 C.F.R. § 82.156(b) through (d) using recovery

equipment that meets the standards in 40 C.F.R. § 82.158(e) though (g), or 40 C.F.R. Part 82 Subpart B, as applicable; or

(2) Verify using a signed statement or a contract that all refrigerant that had not leaked previously has been recovered from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a). If using a signed statement, it must include the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered. If using a signed contract between the supplier and the final processor, it must either state that the supplier will recover any remaining refrigerant from the appliance or shipment of appliances in accordance with 40 C.F.R. § 82.155(a) prior to delivery or verify that the refrigerant had been properly recovered prior to receipt by the supplier.¹

15. Under 40 C.F.R. § 82.155(b)(2)(i), it is a violation of Subpart F to accept a signed statement or contract if the person receiving the statement or contract knew or had reason to know that the signed statement or contract is false.

16. Under 40 C.F.R. § 82.155(b)(2)(ii), the final processor must notify suppliers of appliances that refrigerant must be properly recovered in accordance with 40 C.F.R. § 82.155(a) before delivery of the items to the facility. The form of this notification may be signs, letters to suppliers, or other equivalent means.

17. Under 40 C.F.R. § 82.155(b)(2)(iii), if all the refrigerant has leaked out of the appliance, the final processor must obtain a signed statement that all the refrigerant in the appliance had leaked out prior to delivery to the final processor and recovery is not possible. “Leaked out” in this context means those situations in which the refrigerant has escaped because of system failures, accidents, or other unavoidable occurrences not caused by a person's negligence or deliberate acts such as cutting refrigerant lines.

18. Under 40 C.F.R. § 82.155(c), the final processor of a small appliance, MVAC, or MVAC-like appliance must keep a copy of all the signed statements or contracts obtained under 40 C.F.R. § 82.155(b)(2), in hard copy or in electronic format, for three (3) years.

Factual Background

19. RIMCO owns and operates a scrap recycling facility (the Facility) at 101 Bremen Avenue, St. Louis, Missouri.

¹ In the Preamble to the original rule and in revisions to 40 C.F.R. Part 82 Subpart F, EPA described under what circumstances a contract was appropriate and when a disposer should use a signed statement: “EPA notes here that a contract is appropriate for businesses to streamline transactions in cases where they maintain long-standing business relationships. A contract would be entered into prior to the transaction, such as during the set-up of a customer account, not simultaneously with the transaction. A signed statement is more appropriate for one-off transactions between the supplier and the final processor.” 81 Fed. Reg. 82,272, 82,309 (Nov. 18, 2016).

20. At its Facility, RIMCO accepts for recycling and disposal, among other things, small appliances that contain or once contained refrigerant, and is therefore subject to requirements at 40 C.F.R. Part 82, Subpart F.

21. As a scrap recycler, RIMCO is the final processor of small appliances and is therefore subject to 40 C.F.R. § 82.155(b).

22. EPA inspected the Facility on September 21, 2023.

Findings and Violations

23. At the time of the inspection, Adam Gubin, owner of RIMCO, estimated appliances are accepted on a weekly basis at least, and stated that in order for RIMCO to accept a small appliance, the sealed unit (compressor) must be removed.

24. At the time of the inspection, Adam Gubin stated RIMCO does not (and has never) recovered refrigerant from intact appliances and does not require its customers to sign any type of documentation attesting to the recovery of refrigerant from small appliances delivered for recycling at the time of the transaction, nor does it require commercial customers to enter into contracts stating that the seller will recover refrigerant from items or verify proper recovery prior to delivery of materials.

25. During the inspection, EPA observed the scrap pile on the south side of Bremen Avenue, which contained numerous small appliances. At least two refrigerators in this pile had the compressor still attached. Off to the side of the scrap pile, a large dumpster contained what appeared to be a large number of window air conditioning units and some larger air conditioners. Several of the window air conditioning units were still contained in their outer housing.

26. During the inspection, EPA observed that RIMCO's signage did not notify customers that refrigerant must be properly recovered from appliances before their delivery to the facility.

27. By failing to recover refrigerant from appliances during scrap recycling, use a signed statement that includes the name and address of the person who recovered the refrigerant and the date the refrigerant was recovered, or use a contract to verify that all refrigerant had been properly recovered prior to delivery, RIMCO has violated 40 C.F.R. § 82.155(b).

28. By failing to notify suppliers of appliances that refrigerant must be properly recovered in accordance with 40 C.F.R. § 82.155(a) before delivery of the items to the facility, RIMCO has violated 40 C.F.R. § 82.155(b)(2)(ii).

Environmental Impact of Violations

29. These violations caused emissions of ozone depleting substances, including chlorofluorocarbons (CFCs) and hydrochlorofluorocarbons (HCFCs).

30. CFCs and HCFCs have shown to contribute to the depletion of the stratospheric ozone layer, which protects life on Earth from the sun's harmful ultraviolet (UV) radiation.

31. UV radiation has been associated with adverse health effects, including skin cancer, cataracts, and immune suppression. UV radiation may also have adverse effects on plant life and aquatic ecosystems.

32. Many Class I, Class II, and non-exempt substitute refrigerants have a high global warming potential (GWP), for example, CFC-12 has a GWP 10,900 times the potency of carbon dioxide, R-22 has a GWP 1,810 times the potency of carbon dioxide, and R-134a has a GWP 1,410 times the potency of carbon dioxide.

Michael D. Harris
Division Director
Enforcement and Compliance Assurance Division