Martin O'Malley
Governor
Anthony G. Brown
Lieutenant Governor

March 25, 2013

The Honorable Mike V. Miller, Jr., President
Senate of Maryland
State House, H-107
Annapolis MD 21401-1991
The Honorable Joan Carter Conway, Chair
Senate Education, Health and
Environmental Affairs Committee
Miller Senate Office Building
2 West Wing
11 Bladen Street
Annapolis MD 21401-1991

The Honorable Michael E. Busch, Speaker House of Delegates
State House, H-101
Annapolis MD 21401-1991
The Honorable Maggie McIntosh, Chair
Environmental Matters Committee
House of Delegates
House Office Building, Room 251
6 Bladen Street
Annapolis, MD 21401-1991

Dear President Miller, Speaker Busch, Chairs Conway and McIntosh:
As required in Environment Article §6-905.5(j) (1) of the Environment Article, Annotated Code of Maryland, I am enclosing a copy of the report on the Department's activities under the Mercury Switch Removal from Vehicles.

If we can provide you with any additional information, please contact me or Mr. Horacio Tablada, Director of the Land Management Administration, at 410-537-3304 or via e-mail at htablada@mde.state.md.us

Sincerely,


Robert M. Summers, PhD.
Secretary

## Enclosure

cc: Horacio Tablada, Director, Land Management Administration
Heather Barthel, Director, Legislation and Intergovernmental Affairs

# Collection of Mercury Switches and Mercury Switch Assemblies from Vehicles 

## September 1, 2011 - August 31, 2012

Prepared by:
Land Management Administration
Prepared for:
The Maryland General Assembly

September 2012


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MARYLAND DEPARTMENT OF THE ENVIRONMENT
1800 Washington Boulevard \| Baltimore, MD 21230 | www.mde.state.md.us/recycling
410-537-3314 | 800-633-6101 x3314 | TTY Users: 800-735-2258
Martin O'Malley, Governor | Anthony G. Brown, L. Governor | Robert M. Summers, Secretary
MDE

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## Background

In the 2009 session, the Maryland General Assembly passed House Bill 1263, concerning mercury switch removal from end-of-life vehicles. This bill became law on July 1, 2009.

The impetus for the law was concern that processing scrap metal from motor vehicles was causing releases of mercury to the environment from mercury-containing switches. The law requires removal of mercury-containing switches from end-of-life vehicles by vehicle recyclers and by scrap processing facilities. Manufacturers of vehicles with mercury switches are required to develop and implement a "mercury minimization plan" that will assist entities required to remove mercury-containing switches from vehicles. Following are the relevant sections of the Environment Article, Annotated Code of Maryland: Section 6-904 (Findings), Section 6-905 (Definitions), Section 6-905.4 (Mercury minimization plan), Section 6-905.5 (Mercury switches or mercury switch assemblies), and Section 6-905.6 (Violations and penalties).

Section 6-905.5(j) of the Environment Article, Annotated Code of Maryland, requires the Maryland Department of the Environment ("Department" or "MDE") to submit a report to the General Assembly by October 1 of each year on the implementation of the law. The report is to include information on:

1. The number of mercury switches and mercury switch assemblies recovered from vehicles;
2. The capture rate of switch recovery achieved;
3. The number of switches projected to be recovered;
4. The amount and use of funds paid into the State Recycling Trust Fund for the administration of the law; and
5. Any recommendations to improve the provisions of the law or to increase the capture rate of mercury switches from vehicles.

This document is submitted in fulfillment of the requirement of Section 6-905.5(j) of the Environment Article, Annotated Code of Maryland. This report covers the period from September 1, 2011 through August 31, 2012.

## Overview of Mercury Switch Collection Program

Under Maryland law, vehicle manufacturers that sold vehicles containing mercury switches in Maryland must develop a mercury minimization plan. The plan ensures that manufacturers will be responsible for removal and collection of mercury switches from end-of-life vehicles before the vehicles are processed at vehicle recycling and scrap processing facilities. Processing includes intentionally flattening, crushing, bailing or shredding. The plan is required to include information on the location of mercury-containing switches in vehicles by make, model, and model year; information on the safe and environmentally responsible removal and handling of mercury-containing switches; a plan for implementing and financing the removal, collection, and recovery of mercury-containing switches; payments to vehicle recyclers for each mercury-containing switch collected in accordance with the mercury minimization plan; and maintenance of appropriate record-keeping systems associated with implementation of the plan.

Vehicle manufacturers that installed mercury-containing switches have established a nationwide collection program for automotive mercury switches. This program is being implemented by the End of Life Vehicle Solutions Corporation (ELVS), an entity created by a consortium of motor vehicle manufacturers. The ELVS website (www.elvsolutions.org/index.htm) states that ELVS was created by the automotive industry to promote the industry's "environmental efforts in recyclability, education and outreach, and the proper management of substances of concern."

Automobile manufacturers are relying on the ELVS mercury switch collection program to serve as the core of the Maryland approved "mercury minimization plan" that the manufacturers were required to develop and implement under Maryland law. Under the program, ELVS provides vehicle recyclers and scrap processors with specially designed containers for collection, temporary storage, and shipping of mercury switches removed from end-of-life vehicles. Pre-paid shipping is included with containers that are provided to program participants.

ELVS has developed educational materials that identify which vehicles have mercury switches, where the switches are located on the vehicles, and how the switches should be removed. These educational materials are provided to program participants, and are also made available on the ELVS website (www.elvsolutions.org/index.htm).

Maryland participants are eligible for bounty payments from ELVS of $\$ 4.00$ per mercury light switch or mercury light switch assembly and $\$ 6.00$ per mercury-containing antilock braking system (ABS) unit, provided the switches are delivered to ELVS in accordance with requirements specified in the program plan. The plan also provides for a payment from ELVS to MDE of $\$ 1.00$ for each mercury switch delivered to ELVS in accordance with the plan.

ELVS submitted its mercury minimization plan for review by MDE on September 27, 2009. On October 27, 2009, ELVS submitted a revised plan that addressed issues arising from the General Motors bankruptcy and reorganization. The Department reviewed the plan and provided ELVS with written comments on October 30, 2009. ELVS provided MDE with a revised plan on November 23, 2009 and MDE approved the plan on January 25, 2010.

As of August 31, 2012, ELVS had enrolled 164 of a possible 168 participants from Maryland in the collection program. Not all of these are unique entities, however. It appears that for business purposes, some participants are operating under multiple names at the same location. The number of unique participants enrolled includes 127 vehicle recyclers and 14 scrap processing facilities.

## Report of Required Information

This section of the report presents information required by Section 6-905.5(j) of the Environment Article, Annotated Code of Maryland, to be reported to the General Assembly. The information is presented in the order it is listed in Section 6-905.5(j).

- Number of mercury switches and mercury switch assemblies recovered from vehicles:

From September 1, 2011 through August 31, 2012, a total of 12,468 mercury switches, yielding 27.71 pounds of mercury, were delivered to the ELVS recycling contractor from Maryland vehicle recyclers and scrap processing facilities. This is an increase of 66.89 percent compared to the previous twelve months ( 7,471 switches). From January 1, 2012 to August 31,2012 , a total of 8,221 mercury switches, yielding 18.27 pounds of mercury, were delivered to the ELVS recycling contractor from Maryland. Appendix A: The 2011 ELVS Manufacturers' Implementation Report required from vehicle manufacturers, details collection activities for CY 2011. Note that there is a lag between the time that participants remove switches from vehicles and the time that the switches are delivered to ELVS because it takes time to accumulate enough switches to fill the collection/shipping container. Containers must be shipped within one year of beginning collection, regardless of the number of switches collected.

Data from 2007 - 2012 is presented in the following table and chart:

| Calendar Year | Number of <br> Switches Collected | Pounds of Mercury <br> Collected ${ }^{* *}$ |
| :--- | ---: | ---: |
| $\mathbf{2 0 1 2}{ }^{\wedge}$ (projected) | 12,332 | 27.40 |
| $\mathbf{2 0 1 2}{ }^{*}$ | 8,221 | 18.27 |
| $\mathbf{2 0 1 1}$ | 11,011 | 24.47 |
| $\mathbf{2 0 1 0}$ | 5,509 | 12.24 |
| $\mathbf{2 0 0 9}$ | 10,052 | 22.34 |
| $\mathbf{2 0 0 8}$ | 4,625 | 10.28 |
| $\mathbf{2 0 0 7}$ | 860 | 1.91 |
| TOTAL $^{\boldsymbol{\bullet}}$ | $\mathbf{4 0 , 2 7 8}$ | $\mathbf{8 9 . 5 1}$ |

^ 2012 projected switches equal to $8,221 \div 8 \times 12$.

* 2012 data for period January 1, 2012 through August 31, 2012, period covered by report.
** Per ELVS, 450 switches = 1 pound of mercury.
- Actual total through August 31, 2012. 2012 projected not included in Total.


Month-by-month data on the number of switches turned in to ELVS from September 1, 2011 through August 31, 2012, are shown in the following table:

| Month-Year | Number of <br> Switches |
| :--- | ---: |
| Sept-2011 | 1,069 |
| Oct-2011 | 808 |
| Nov-2011 | 1,052 |
| Dec-2011 | 1,318 |
| Jan-2012 | 1,352 |
| Feb-2012 | 1,692 |
| Mar-2012 | 783 |
| Apr-2012 | 1,408 |
| May-2012 | 1,329 |
| Jun-2012 | 917 |
| Jul-2012 | 434 |
| Aug-2012 | 306 |
| TOTAL | $\mathbf{1 2 , 4 6 8}$ |

- Capture rate of switch recovery achieved:

ELVS uses the Switch Retirement Model developed by the National Vehicle Mercury Switch Recovery Program (NVMSRP) Measurement Committee to identify switch populations and estimate mercury switch retirement rates through 2017. The NVMSRP was developed through a collaborative effort involving the U.S. Environmental Protection Agency, states, environmental organizations, and several industry sectors. More information on the NVMSRP is available at www.epa.gov/mercury/switchfs.htm.

The Switch Retirement Model uses historic information on vehicle sales by state, estimates of vehicle scrappage rates as a function of vehicle age, and information on the average number of mercury switches per vehicle to estimate the number of switches expected to be in vehicles scrapped each year, by state.

The model estimates the total number of mercury switches installed in vehicles manufactured before automobile model year 2003 to be $169,185,000$ in vehicles sold in the United States. The 2002 model year was the last year that mercury switches were installed in vehicles. Most of the vehicles manufactured prior to 2003 containing these switches have already been taken out of service. The model estimates that $14,935,000$ mercury switches nationally will be taken out of service from 2012 through 2017. The number of mercury switches available for collection from vehicles taken out of service in Maryland from 2012 through 2017 is estimated at 215,000 . The model estimates that 44,000 mercury switches were available for collection from vehicles taken out of service in Maryland in calendar year 2012.

The following table presents detailed estimates for switches available for recovery, by year, as estimated by the Switch Retirement Model:

Maryland Mercury Switch Model

| Year Model | $\begin{aligned} & \text { Scrappage } \\ & \text { Rate } \end{aligned}$ | No. Switches in Operation $\text { as of } 7 / 06$ | No. Scrapped $\underline{2007}$ | 2007 <br> Switches <br> In <br> Operation | 2008 <br> No. <br> Scrapped | 2008 <br> Switches <br> In Operation | 2009 <br> No. <br> Scrapped | 2009 <br> Switches <br> In <br> Operation | 2010 <br> No. <br> Scrapped | 2010 <br> Switches <br> In <br> Operation | $2011$ <br> No. <br> Scrapped | $2011$ <br> Switches In Operation |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
| 1973 \& OLDER | 20.2 | 21,818 | 4,407 | 17,411 |  |  |  |  |  |  |  |  |
| 1974 | 20.2 | 2,485 | 502 | 1,983 | 3,918 | 15,476 |  |  |  |  |  |  |
| 1975 | 20.2 | 2,328 | 470 | 1,858 | 375 | 1,482 | 3,426 | 13,533 |  |  |  |  |
| 1976 | 20.2 | 3,541 | 715 | 2,826 | 571 | 2,255 | 455 | 1,799 | 3,097 | 12,235 |  |  |
| 1977 | 20.2 | 5,058 | 1,022 | 4,036 | 815 | 3,221 | 651 | 2,570 | 519 | 2,051 | 2,886 | 11,400 |
| 1978 | 19.3 | 6,318 | 1,219 | 5,098 | 1,030 | 4,068 | 822 | 3,247 | 656 | 2,591 | 523 | 2,067 |
| 1979 | 18.5 | 7,687 | 1,422 | 6,265 | 1,209 | 5,056 | 1,021 | 4,034 | 815 | 3,219 | 650 | 2,569 |
| 1980 | 17.7 | 4,186 | 741 | 3,445 | 637 | 2,807 | 542 | 2,266 | 458 | 1,808 | 365 | 1,443 |
| 1981 | 16.9 | 4,465 | 755 | 3,711 | 657 | 3,054 | 565 | 2,489 | 480 | 2,009 | 406 | 1,603 |
| 1982 | 16.1 | 5,205 | 838 | 4,367 | 738 | 3,629 | 642 | 2,987 | 553 | 2,434 | 470 | 1,964 |
| 1983 | 15.2 | 8,546 | 1,299 | 7,247 | 1,167 | 6,080 | 1,028 | 5,052 | 894 | 4,158 | 769 | 3,389 |
| 1984 | 14.5 | 15,242 | 2,210 | 13,032 | 1,981 | 11,051 | 1,779 | 9,272 | 1,567 | 7,705 | 1,364 | 6,341 |
| 1985 | 13.6 | 20,847 | 2,835 | 18,012 | 2,612 | 15,400 | 2,341 | 13,059 | 2,103 | 10,957 | 1,852 | 9,105 |
| 1986 | 12.9 | 34,873 | 4,499 | 30,375 | 4,131 | 26,244 | 3,805 | 22,438 | 3,411 | 19,028 | 3,063 | 15,964 |
| 1987 | 12.1 | 32,462 | 3,928 | 28,534 | 3,681 | 24,853 | 3,380 | 21,473 | 3,114 | 18,359 | 2,791 | 15,569 |
| 1988 | 11.4 | 41,449 | 4,725 | 36,724 | 4,444 | 32,280 | 4,164 | 28,116 | 3,824 | 24,292 | 3,522 | 20,770 |
| 1989 | 10.6 | 56,526 | 5,992 | 50,534 | 5,761 | 44,773 | 5,418 | 39,356 | 5,077 | 34,279 | 4,662 | 29,617 |
| 1990 | 9.9 | 46,336 | 4,587 | 41,749 | 4,425 | 37,323 | 4,255 | 33,069 | 4,001 | 29,067 | 3,750 | 25,318 |
| 1991 | 9.2 | 48,654 | 4,476 | 44,177 | 4,374 | 39,804 | 4,219 | 35,585 | 4,057 | 31,528 | 3,815 | 27,713 |
| 1992 | 8.5 | 42,356 | 3,600 | 38,756 | 3,566 | 35,190 | 3,484 | 31,706 | 3,361 | 28,345 | 3,231 | 25,114 |
| 1993 | 7.8 | 53,606 | 4,181 | 49,425 | 4,201 | 45,224 | 4,161 | 41,063 | 4,065 | 36,998 | 3,922 | 33,076 |
| 1994 | 7.3 | 66,074 | 4,823 | 61,250 | 4,778 | 56,473 | 4,800 | 51,672 | 4,754 | 46,919 | 4,645 | 42,274 |
| 1995 | 5.6 | 47,409 | 2,655 | 44,754 | 3,267 | 41,487 | 3,236 | 38,251 | 3,251 | 35,000 | 3,220 | 31,780 |
| 1996 | 4.6 | 38,912 | 1,790 | 37,122 | 2,079 | 35,044 | 2,558 | 32,485 | 2,534 | 29,952 | 2,546 | 27,406 |
| 1997 | 3.4 | 13,580 | 462 | 13,118 | 603 | 12,514 | 701 | 11,814 | 862 | 10,951 | 854 | 10,097 |
| 1998 | 3.1 | 14,115 | 438 | 13,678 | 465 | 13,213 | 608 | 12,605 | 706 | 11,899 | 869 | 11,031 |
| 1999 | 2.5 | 22,655 | 566 | 22,089 | 685 | 21,404 | 728 | 20,676 | 951 | 19,725 | 1,105 | 18,620 |
| 2000 | 2.3 | 8,317 | 191 | 8,125 | 203 | 7,922 | 246 | 7,677 | 261 | 7,416 | 341 | 7,075 |
| 2001 | 1.8 | 9,551 | 172 | 9,379 | 216 | 9,163 | 229 | 8,934 | 277 | 8,657 | 294 | 8,363 |
| 2002 | 1.7 | 29,114 | 495 | 28,619 | 515 | 28,104 | 646 | 27,458 | 686 | 26,771 | 830 | 25,942 |
| Note: Switches available subtracting inaccessible s end of life vehicle exports, do not enter the recycling s | Total <br> collection estimated by due to vehicle damage, or stolen vehicles which rom total switches, | 713,713 <br> Switches <br> Newly <br> Available in MD for Collection: | 66,016 61,000 | 647,697 | 63,102 51,000 | 584,595 | 59,909 | 524,687 | 56,333 51,000 | 468,354 | 52,745 48,000 | 415,609 |


| Year Model |  |  | 2012 |  | 2013 |  | 2014 |  | 2015 |  | 2016 |  |  |
| :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: | :---: |
|  | Scrappage | $2012$ <br> No. <br> Scrapped | Switches <br> In Operation | $\begin{aligned} & 2013 \\ & \text { No. } \\ & \hline \text { Scrapped } \end{aligned}$ | Switches In Operation | 2014 <br> No. <br> Scrapped | Switches <br> In <br> Operation | $\begin{aligned} & 2015 \\ & \text { No. } \\ & \hline \text { Scrapped } \\ & \hline \end{aligned}$ | Switches <br> In <br> Operation | $\begin{aligned} & 2016 \\ & \text { No. } \\ & \hline \text { Scrapped } \end{aligned}$ | Switches In Operation | $\begin{aligned} & 2017 \\ & \text { No. } \\ & \hline \text { Scrapped } \end{aligned}$ | Switches <br> In Operation |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| 1974 | 20.2 |  |  |  |  |  |  |  |  |  |  |  |  |
| 1975 | 20.2 |  |  |  |  |  |  |  |  |  |  |  |  |
| 1976 | 20.2 |  |  |  |  |  |  |  |  |  |  |  |  |
| 1977 | 20.2 |  |  |  |  |  |  |  |  |  |  |  |  |
| 1978 | 19.3 | 2,721 | 10,747 |  |  |  |  |  |  |  |  |  |  |
| 1979 | 18.5 | 519 | 2,050 | 2,585 | 10,212 |  |  |  |  |  |  |  |  |
| 1980 | 17.7 | 291 | 1,151 | 233 | 919 | 2,249 | 8,883 |  |  |  |  |  |  |
| 1981 | 16.9 | 324 | 1,279 | 258 | 1,021 | 206 | 815 | 1,959 | 7,738 |  |  |  |  |
| 1982 | 16.1 | 397 | 1,568 | 317 | 1,251 | 253 | 998 | 202 | 797 | 1,724 | 6,811 |  |  |
| 1983 | 15.2 | 654 | 2,735 | 552 | 2,182 | 441 | 1,742 | 352 | 1,390 | 281 | 1,109 | 1,600 | 6,320 |
| 1984 | 14.5 | 1,173 | 5,168 | 997 | 4,170 | 842 | 3,328 | 672 | 2,656 | 536 | 2,119 | 428 | 1,691 |
| 1985 | 13.6 | 1,612 | 7,494 | 1,386 | 6,107 | 1,179 | 4,929 | 996 | 3,933 | 794 | 3,139 | 634 | 2,505 |
| 1986 | 12.9 | 2,698 | 13,266 | 2,348 | 10,918 | 2,020 | 8,898 | 1,717 | 7,181 | 1,451 | 5,730 | 1,158 | 4,573 |
| 1987 | 12.1 | 2,507 | 13,062 | 2,208 | 10,855 | 1,921 | 8,933 | 1,653 | 7,281 | 1,405 | 5,876 | 1,187 | 4,689 |
| 1988 | 11.4 | 3,157 | 17,613 | 2,836 | 14,777 | 2,497 | 12,280 | 2,174 | 10,106 | 1,870 | 8,237 | 1,590 | 6,647 |
| 1989 | 10.6 | 4,294 | 25,323 | 3,849 | 21,473 | 3,457 | 18,016 | 3,045 | 14,972 | 2,650 | 12,322 | 2,279 | 10,042 |
| 1990 | 9.9 | 3,443 | 21,874 | 3,172 | 18,703 | 2,843 | 15,860 | 2,553 | 13,306 | 2,249 | 11,058 | 1,957 | 9,100 |
| 1991 | 9.2 | 3,575 | 24,138 | 3,283 | 20,855 | 3,024 | 17,831 | 2,710 | 15,121 | 2,434 | 12,686 | 2,144 | 10,542 |
| 1992 | 8.5 | 3,039 | 22,075 | 2,848 | 19,227 | 2,615 | 16,613 | 2,409 | 14,204 | 2,159 | 12,045 | 1,939 | 10,106 |
| 1993 | 7.8 | 3,771 | 29,305 | 3,546 | 25,759 | 3,323 | 22,436 | 3,051 | 19,385 | 2,811 | 16,574 | 2,519 | 14,055 |
| 1994 | 7.3 | 4,481 | 37,793 | 4,308 | 33,484 | 4,052 | 29,433 | 3,797 | 25,636 | 3,486 | 22,149 | 3,212 | 18,938 |
| 1995 | 5.6 | 3,146 | 28,634 | 3,035 | 25,598 | 2,918 | 22,680 | 2,744 | 19,936 | 2,572 | 17,364 | 2,362 | 15,003 |
| 1996 | 4.6 | 2,521 | 24,884 | 2,464 | 22,421 | 2,377 | 20,044 | 2,285 | 17,759 | 2,149 | 15,610 | 2,014 | 13,597 |
| 1997 | 3.4 | 858 | 9,239 | 850 | 8,389 | 830 | 7,558 | 801 | 6,757 | 770 | 5,987 | 724 | 5,262 |
| 1998 | 3.1 | 860 | 10,170 | 864 | 9,306 | 856 | 8,450 | 837 | 7,613 | 807 | 6,806 | 776 | 6,030 |
| 1999 | 2.5 | 1,359 | 17,261 | 1,346 | 15,915 | 1,353 | 14,562 | 1,340 | 13,222 | 1,309 | 11,913 | 1,263 | 10,651 |
| 2000 | 2.3 | 396 | 6,678 | 488 | 6,191 | 483 | 5,708 | 485 | 5,223 | 481 | 4,742 | 469 | 4,273 |
| 2001 | 1.8 | 385 | 7,978 | 447 | 7,532 | 550 | 6,982 | 545 | 6,437 | 547 | 5,890 | 542 | 5,348 |
| 2002 | 1.7 | 882 | 25,060 | 1,153 | 23,907 | 1,339 | 22,568 | 1,647 | 20,921 | 1,632 | 19,289 | 1,640 | 17,649 |
|  | Total | 49,063 | 366,546 | 45,372 | 321,173 | 41,627 | 279,546 | 37,973 | 241,573 | 34,117 | 207,456 | 30,436 | 177,020 |
|  | Switches     <br> Newly     <br> Available in     <br> MD for     <br> Collection: 44,000 41,000 38,000 34,000 31,000 |  |  |  |  |  |  |  |  |  |  |  |  |

To determine the capture rate (CR) in Maryland for the reporting period September 1, 2011 through August 31, 2012, the number of switches available during this period was calculated as follows:
September 1 through December 31, 2011, the number of switches available was $48,000 \mathrm{x}$ $(4 / 12)=16,000$

January 1 through August 31, 2011, the number of switches available was $44,000 \mathrm{x}$ $(8 / 12)=29,333$.

Therefore, the CR from September 1, 2011 through August 31, 2012 is:
$\frac{\text { Number of SwitchesTurned In }}{\text { Number of Total Switches }}=$ Capture Rate or $\frac{12,468}{45,333}=0.2750$ or $27.5 \%$
As mentioned above, there can be a significant lag time before a switch that has been removed is turned in for recycling. Also, economic concerns related to the recession may have reduced the number of switches available as vehicle owners keep vehicles in operation longer. There may be some uncertainty in the model's estimate of the number of switches available because the model assumes that a vehicle that was purchased in Maryland will be scrapped in Maryland. That does not take into account such factors as vehicles being taken out of state by persons who relocate, and trade-in vehicles being sent out of state by new car dealers. However, this could be happening in other states as well, resulting in vehicles originally purchased elsewhere being scrapped in Maryland.

- Number of switches projected to be available for recovery:

The NVMSRP Switch Retirement Model, available on the ELVS web page at www.elvsolutions.org/NVMSRP_Switch_Retirement_Model_V2_Feb_10.xls provides the following estimates for number of end-of-life vehicle mercury switches available in Maryland through 2017:

| Year | Estimated No. Switches <br> Available from Vehicles <br> Scrapped in Maryland |
| :---: | :---: |
| $\mathbf{2 0 0 7}$ | 61,000 |
| $\mathbf{2 0 0 8}$ | 51,000 |
| $\mathbf{2 0 0 9}$ | 51,000 |
| $\mathbf{2 0 1 0}$ | 51,000 |
| $\mathbf{2 0 1 1}$ | 48,000 |
| $\mathbf{2 0 1 2}$ | 44,000 |
| $\mathbf{2 0 1 3}$ | 41,000 |
| $\mathbf{2 0 1 4}$ | 38,000 |


| Year | Estimated No. Switches <br> Available from Vehicles <br> Scrapped in Maryland |
| :---: | :---: |
| $\mathbf{2 0 1 5}$ | 34,000 |
| $\mathbf{2 0 1 6}$ | 31,000 |
| $\mathbf{2 0 1 7}$ | 27,000 |
| Total | 477,000 |

- Amount and use of funds paid into the State Recycling Trust Fund:

For State Fiscal Year 2012 (i.e., July 1, 2011 through June 30, 2012), MDE has been paid $\$ 6,442$ by ELVS. As stated in the manufacturers' mercury minimization plan, ELVS pays the State the $\$ 1.00$ required under the statute only upon receiving proper paperwork from program participants. The switch recovery plan MDE approved includes the statement "ELVS will further authorize the payment of $\$ 1$ for each form verified (emphasis added) mercury convenience light switch or mercury containing ABS assembly to the Maryland Department of the Environment."

The limited funds received are being applied toward program staff costs and outreach activities. These expenditures include mailings to vehicle recycling facilities, and staff contacts by phone and in person with regulated facilities.

In State FY 2012, $\$ 46,169.83$ was charged for mercury switch recovery program activities. Details on these expenditures are provided in the following financial statement.

## MERCURY AUTO SWITCH ACTIVITY

July 1, 2011 to June 30, 2012
A. Beginning Balance 7/01/11 $\quad \$ 0.00$
B. FY 2012 Cash Receipts
$\begin{array}{ll}\text { Mercury Vehicle Switch Payments from ELVS } & \$ 6,442.00 \\ \text { C. Total Receipts Available FY 2012 (A+B) } & \mathbf{\$ 6 , 4 4 2 . 0 0}\end{array}$
FY 2012 Expenditures
D.

| Salaries and Wages | $36,053.70$ |
| :--- | ---: |
| Technical and Special Fees | 0 |
| Communications | 28.30 |
| Travel | 0 |
| Utilities | 0 |
| Motor Vehicle Operations and <br> Maintenance | 0 |
| Contractual Services | 0 |
| Supplies and Materials | 0 |
| Equipment | 0 |
| Grants | 0 |
| Fixed Charges | 0 |
| Subtotal | $\mathbf{3 6 , 0 8 2 . 0 0}$ |
| Indirect Costs (27.98\%) | $10,087.83$ |
| Total Expenditures | $\mathbf{4 6 , 1 6 9 . 8 3}$ |

E. Balance for Mercury Switch Activities June 30, 2012

## Highlights of MDE Activities

During the period covered by this report, MDE performed outreach activities to inform vehicle recyclers and scrap processing facilities of their obligations to remove and collect mercury switches from end-of-life vehicles. Outreach activities included direct mailings to members of the auto recycling industry, telephone calls, and site visits.

On February 16, 2012 a letter was sent to 67 Maryland vehicle recyclers and scrap processing facilities that were not registered with ELVS. The purpose of that letter was to:

- remind participants of the requirements of the law;
- alert participants concerning the deadline of December 31, 2010, for completion of the inventory requirements under the law; and
- provide participants with information to help them comply with the law's requirements.

The letters included a "Frequently Asked Questions" document providing additional information on program requirements and implementation.

In addition to telephone calls, Internet searches, and letters, MDE made 112 site visits to vehicle recyclers and scrap processing facilities to gather information on program implementation, provide compliance assistance, and when necessary issue Site Complaints for non-compliance with the Environment Article, Annotated Code of Maryland Section(s) 6-904, $6-905,6-905.4,6-905.5$, and/or 6-905.6. Inspections focused on: the removal of mercury switches from end-of-life vehicles; proper record keeping, and the proper storage and shipping of mercury switches to ELVS. As a result of the outreach, 164 of 168 vehicle recyclers and scrap processing facilities are registered with ELVS. Additionally, 4 Site Complaints were issued for failure to register with ELVS and 1 Site Complaint was issued to a registered facility for failure to remove the mercury switches in inventory prior to December 31,2010, and failure to maintain electronic records.

## Implementation Challenges

Payment to the State by vehicle manufacturers of $\$ 1.00$ per switch recovered, as mandated in the statute, is a concern because the manufacturers are only making payments for switches accompanied by ELVS-required paperwork that is completely and correctly filled out. As a result, the State received only $\$ 6,442$ in payments in FY 2011. Additionally, some program participants may not consider the burden of filling out the ELVS paperwork worth the bounty of $\$ 4.00$ or $\$ 6.00$ per switch that ELVS will reimburse for properly documented switches. Also, since the switch bounty is considered income for tax purposes, some participants are forgoing the bounty so as not to further complicate their tax filings. The Department will remain focused on this concern with efforts made at the time of inspection to reiterate the need to complete all paper work that is expected by ELVS upon receipt of mercury switches.

An observation from site visits is that participants are frequently slow to turn in switches they have collected. The Department's outreach efforts will continue to encourage the timely shipment of switches once the collection buckets are approaching "full, or approaching the "one year Universal Waste Rule limit" for having the mercury switches on site.

The electronic record-keeping requirement of the statute continues to be a difficult requirement for some facilities. While many of the vehicle recyclers and scrap processing facilities are large with sophisticated inventory control, others are small operations with limited computer capability.

## Future Activities

The Department will continue outreach activities, concentrating on site visits to ensure vehicle recyclers' and scrap processing facilities' compliance with Maryland's mercury switch recovery law. The highest priority will be on facilities who have never returned switches via the ELVS program. The Department's goal is to conduct 15 site visits a month. Enforcement action will continue to be taken against facilities that fail to comply with the law.

## Appendix A

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P.O. BOX 3282

Farmington Hills, MI. 48333-3292
January 31, 2012

Ms. Hilary Miller
Program Manager
Technical Services and Operations Program
Land Management Administration
Maryland Department of the Environment
1800 Washington Boulevard - Suite 610
Baltimore, MD 21230-1719

## Subject: End-of-Life Vehicle Solutions Corporation "Manufacturer's Annual Implementation Report"

Dear Ms. Miller,
The Annotated Code of Maryland Section 6-905.5(G) Mercury Switch Removal from Vehicles, Chapter 713 requires vehicle manufacturers to report annually to the Maryland Department of the Environment on the progress of their mercury minimization plan including:

- the number of mercury switches collected
- a description of the capture rate achieved
- a description of actions that may be implemented to improve the plan if a capture rate of at least $90 \%$ for the previous calendar year is not achieved
- the number of end-of-life vehicles containing mercury switches
- a description of how the mercury switches were managed
- a description of the costs of implementing the program

This report is provided by End of Life Vehicle Solutions Corporation on behalf of its member automotive companies. The participating members of ELVS are: Chrysler Group LLC; Daimler EAPP Americas; Ford Motor Company; Mack Trucks Inc; Mitsubishi Motors North America, Inc; Navistar, Inc.; Nissan North America, Inc; PACCAR, Inc; Porsche Cars North America Inc.; Subaru of America, Inc; Toyota Motor Sales USA, Inc.; Volkswagen Group of America, Inc; Volvo Cars of North America; and Volvo Trucks North America. This report also includes switches from the former MLC (old GM).

## Mercury Switches Collected

A total of 11,011 mercury switches were delivered to the ELVS recycling contractor from Maryland dismantlers during calendar year 2011, yielding 24.2 pounds of recovered mercury. There were 138 registered dismantlers, 32 of which submitted switches.

## Mercury Switch Capture Rate

The estimated number of switches available for recovery in Maryland during 2011 was 48,000 . The number of switches collected (11,011) yields an annual capture rate of $23 \%$ ( $11 \%$ for 2010).

## Vehicle / Switch Estimates

ELVS uses the National Vehicle Mercury Switch Recovery Program (NVMSRP) Switch Retirement Model (www.elvsolutions.org/model.html) approved by the U.S. EPA and program partners to estimate mercury switch populations. The model was developed to identify switch populations and estimate mercury switch retirement rates through 2017. Therefore, the model focuses on mercury switch counts rather than vehicle counts.

The model estimates that the national total number of mercury switches historically manufactured in vehicles to be $169,185,000$. Most of the vehicles containing these switches have already been scrapped, with an estimated 14,935,000 switches remaining in today's national fleet for collection through 2017. Maryland's portion of these switches remaining for collection through 2017 is estimated to be 215,000 .

For reference and according to the model, the number of mercury switches that were available nationally for recovery in 2011 was estimated to be 3,404,000 units. In Maryland 48,000 switches were available for recovery in 2011.

For your convenience, regularly updated collection information is available through our contractor's (Environmental Quality) website, http://www.egonline.com/services/ELVS-Mercury-Switch-Recovery-Program/annual-report.asp?year=all, portions of which are now downloadable into Excel. This web-based data tracking system is part of ELVS' commitment to data accessibility, and will be available at least until 2017.

## Processing of Vehicles

ELVS does not have data on the actual number of end of life vehicles processed. Our estimate is based on data from the 2011 Ward's Motor Vehicle Facts \& Figures. According to Wards, the number of vehicles retired from use nationally in 2010 (the latest year given) is $10,534,000$. The total registrations for Maryland for 2009 (again, the latest year given) are 4,483,598 out of 239,061,943 registered nationally. We estimate approximately 197,565 end of life vehicles were processed in Maryland in 2010 ( $10,534,000^{*}(4,483,598 / 239,061,943)$ ). This does not include end of life vehicle imports or exports from the state or the effect of recessions. We realize that the number of vehicles retired annually varies year to year depending on many conditions. Our estimate is therefore based on the best available data.

## Improvement Actions

During 2011, ELVS launched two special studies to increase our understanding of actual mercury switch availability. These studies are examining how many potential vehicles with switches leave or enter a state's recycling population to be processed, or sold as whole, salvage, parts, or junk vehicles. The studies also attempt to determine if the number of switches assumed by the ELVS switch availability model is accurate, and if it is not, identify and address discrepancies in the original model assumptions to estimate a more accurate switch population. These studies will be completed in early 2012 and the findings may be applied to switch population estimates for Maryland, possibly leading to adjusted capture rates that indicate greater success in collections than previously calculated.

ELVS has also asked the U.S. Environmental Protection Agency to participate in a joint mailing in 2012 to companies registered in our program, encouraging their continued participation and switch collections.

## Mercury Switch Management

## Mercury switches received by ELVS are generally managed as follows

- Dismantlers remove the switch assemblies and place them in the collection bucket, or extract and place the mercury pellets in the collection buckets. ABS assemblies with multiple pellets are returned as units.
- Once the buckets are full, the dismantler contacts EQ Industrial Services, Inc. which pays for the shipping of the buckets to its facility in Michigan.
- EQ records the number of pellets and enters them into its database. The pellets are then sent to a retorting facility where the mercury is recycled.


## Program Costs

The total implementation cost for the program including bounties, bucket charges, and program maintenance was \$49,456 for calendar year 2011.

We look forward to a steady increase in the number of switches returned to ELVS for recycling in 2012. If you have any questions or comments regarding this report, please contact me at brelvs@yahoo.com

Sincerely,

## Buan A. Rppim

Brian Rippon
End-of-Life Vehicle Solutions
Project Manager

