



MARYLAND

Department of the Environment

Collection of Mercury Switches and Mercury Switch Assemblies from Vehicles

September 1, 2012 – August 31, 2013

Prepared by:

Land Management Administration

Prepared for:

The Maryland General Assembly

October 1, 2013



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, Lt. Governor | Robert M. Summers, Secretary





Department of the Environment

Collection of Mercury Switches and Mercury Switch Assemblies from Vehicles

September 1, 2012 – August 31, 2013

Prepared by:

Land Management Administration

Prepared for:

The Maryland General Assembly

October 1, 2013



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, Lt. Governor | Robert M. Summers, Secretary



TABLE OF CONTENTS

| | |
|--|----|
| Background..... | 1 |
| Overview of Mercury Switch Collection Program..... | 1 |
| Report of Required Information | 2 |
| Highlights of MDE Activities..... | 8 |
| Implementation Challenges | 10 |
| Future Activities | 11 |

APPENDIX

| | |
|--|-----|
| Appendix..... | 13 |
| 2012 ELVS MANUFACTURERS' IMPLEMENTATION REPORT | A-1 |

The Waste Diversion and Utilization Program of the Maryland Department of the Environment produced this report. Contents may be used without permission, provided credit is given.

♻️ This Report is Printed on Recycled Paper With 50% Post Consumer Fiber.

Background

In the 2009 session, the Maryland General Assembly passed House Bill 1263 – Mercury Switch Removal from Vehicles, Chapter 713. The bill amended Environment Article, Annotated Code of Maryland Sections 6-904 and 6-905.

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.

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, 2012 through August 31, 2013.**

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 processing facilities 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).

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, 2013, ELVS had enrolled 160 of a possible 164 participants from Maryland in the collection program.

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).

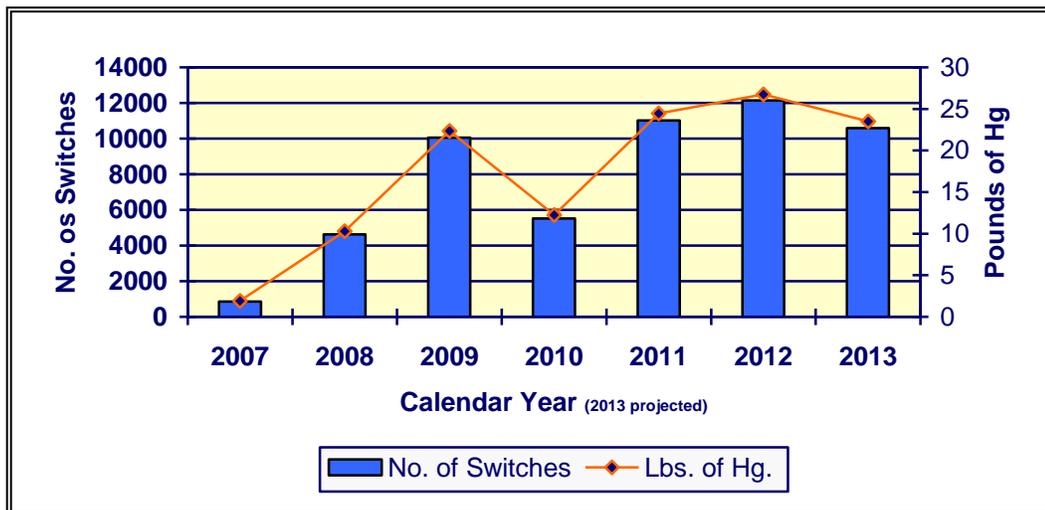
- Number of mercury switches and mercury switch assemblies recovered from vehicles:
From September 1, 2012 through August 31, 2013, a total of 10,612 mercury switches, yielding 23.58 pounds of mercury, were delivered to the ELVS recycling contractor from Maryland vehicle recyclers and scrap processing facilities. This is a decrease of approximately 15 percent compared to the previous twelve months (12,468 switches). From January 1, 2013 to August 31, 2013, a total of 7,054 mercury switches, yielding

15.68 pounds of mercury, were delivered to the ELVS recycling contractor from Maryland. Appendix A: The 2012 ELVS Manufacturers' Implementation Report required from vehicle manufacturers, details collection activities for CY 2012. 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. During each MDE inspection, the facility is made aware that mercury switches cannot be kept on site for more than one year from beginning collection, regardless of the number of switches collected, to remain in compliance with hazardous waste regulations, Code of Maryland Regulation (COMAR 26.13.10.17 B(1)), which references the "Universal Waste Rule" with respect to the storage of hazardous waste.

Data from 2007 – 2013 is presented in the following table and chart:

| Calendar Year | Number of Switches Collected | Pounds of Mercury Collected ** |
|--------------------|------------------------------|--------------------------------|
| 2013 ^ (projected) | 10,581 | 23.51 |
| 2013* | 7,054 | 15.68 |
| 2012 | 12,151 | 27.00 |
| 2011 | 11,011 | 24.47 |
| 2010 | 5,509 | 12.24 |
| 2009 | 10,052 | 22.34 |
| 2008 | 4,625 | 10.28 |
| 2007 | 860 | 1.91 |
| TOTAL ** | 51,262 | 113.92 |

- ^ 2013 projected switches equal to $(7,054 \div 8) \times 12$.
- * 2013 data for period January 1, 2013 through August 31, 2013, period covered by report.
- ** Per ELVS, 450 switches = 1 pound of mercury.
- Actual total through August 31, 2013. 2013 projected **not** included in Total.



Month-by-month data on the number of switches turned in to ELVS from September 1, 2012 through August 31, 2013, are shown in the following table:

| Month-Year | Number of Switches |
|-------------------|---------------------------|
| Sept-2012 | 1,050 |
| Oct-2012 | 1,052 |
| Nov-2012 | 1,236 |
| Dec-2012 | 569 |
| Jan-2013 | 1,246 |
| Feb-2013 | 423 |
| Mar-2013 | 430 |
| Apr-2013 | 871 |
| May-2013 | 1,181 |
| Jun-2013 | 1,073 |
| Jul-2013 | 976 |
| Aug-2013 | 505 |
| TOTAL | 10,612 |

- Number of switches projected to be available for recovery:

The NVMSRP Switch Retirement Model, available on the ELVS web page at http://elvsolutions.org/?page_id=1298 provides the following estimates for number of end-of-life vehicle mercury switches available in Maryland through 2017:

| Year | Estimated No. Switches Available from Vehicles Scrapped in Maryland |
|--------------|--|
| 2007 | 61,000 |
| 2008 | 51,000 |
| 2009 | 51,000 |
| 2010 | 51,000 |
| 2011 | 48,000 |
| 2012 | 44,000 |
| 2013 | 41,000 |
| 2014 | 38,000 |
| 2015 | 34,000 |
| 2016 | 31,000 |
| 2017 | 27,000 |
| Total | 477,000 |

- 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 <http://www.epa.gov/mercury/archive/switch/index.html>.

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 41,000 mercury switches were available for collection from vehicles taken out of service in Maryland in calendar year 2013.

The Maryland Mercury Switch Model table on pages 6 and 7 present detail estimates for switches available for recovery, by year, as estimated by the Switch Retirement Model:

To determine the capture rate (CR) in Maryland for the reporting period September 1, 2012 through August 31, 2013, the number of switches available during this period was calculated as follows:

September 1 through December 31, 2012, the number of switches available was 44,000 x (4/12) = 14,667.

January 1 through August 31, 2013, the number of switches available was 41,000 x (8/12) = 27,333.

Therefore, the CR from September 1, 2012 through August 31, 2013 is:

$$\frac{\text{Number of Switches Turned In}}{\text{Number of Total Switches}} = \text{Capture Rate} \text{ or } \frac{10,612}{42,000} = 0.2527 \text{ or } 25.3\%$$

Maryland Mercury Switch Model

| <u>Year Model</u> | <u>Scrappage Rate</u> | <u>No. Switches in Operation as of 7/06</u> | <u>No. Scrapped 2007</u> | <u>2007 Switches In Operation</u> | <u>2008 No. Scrapped</u> | <u>2008 Switches In Operation</u> | <u>2009 No. Scrapped</u> | <u>2009 Switches In Operation</u> | <u>2010 No. Scrapped</u> | <u>2010 Switches In Operation</u> | <u>2011 No. Scrapped</u> | <u>2011 Switches In Operation</u> |
|-------------------|-----------------------|---|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|
| 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 |
| Total | | 713,713 | 66,016 | 647,697 | 63,102 | 584,595 | 59,909 | 524,687 | 56,333 | 468,354 | 52,745 | 415,609 |

Note: Switches available for collection estimated by subtracting inaccessible switches due to vehicle damage, end of life vehicle exports, and lost or stolen vehicles which do not enter the recycling stream from total switches.

Switches

Newly Available in MD for Collection:

61,000**51,000****51,000****51,000****48,000**

| <u>Year Model</u> | <u>Scrappage Rate</u> | <u>2012 No. Scrapped</u> | <u>2012 Switches In Operation</u> | <u>2013 No. Scrapped</u> | <u>2013 Switches In Operation</u> | <u>2014 No. Scrapped</u> | <u>2014 Switches In Operation</u> | <u>2015 No. Scrapped</u> | <u>2015 Switches In Operation</u> | <u>2016 No. Scrapped</u> | <u>2016 Switches In Operation</u> | <u>2017 No. Scrapped</u> | <u>2017 Switches In Operation</u> |
|---|-----------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|--------------------------|-----------------------------------|
| 1973 & OLDER | 20.2 | | | | | | | | | | | | |
| 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 Newly Available in MD for Collection: | | 44,000 | | 41,000 | | 38,000 | | 34,000 | | 31,000 | | 27,000 | |

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.

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

For State Fiscal Year 2013 (*i.e.*, July 1, 2012 through June 30, 2013), MDE has been paid \$6,910 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 amount of money the State received from ELVS (\$6,910) vs. the number of switches received by ELVS (10,612) from vehicle recyclers and processing facilities reflects the challenges related to the submission of the proper paperwork. Further details on the challenges are available in the Implementation Challenges section on Page 10 of this report.

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 2013, \$774.44 was charged for mercury switch recovery program activities. Details on these expenditures are provided in the following financial statement on Page 9 of the report. This is down from the \$46,169.83 charged in FY 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 telephone calls and site visits.

**RECYCLING TRUST FUND
MERCURY AUTO SWITCH ACTIVITY**

July 1, 2012 to June 30, 2013

| | | |
|----|---|-------------------|
| A. | <u>Beginning Balance 7/01/12</u> | \$0.00 |
| B. | <u>FY 2012 Receipts</u> | |
| | Mercury Vehicle Switch Payments from ELVS | \$6,910.00 |
| C. | <u>Total Receipts Available FY 2013 (A+B)</u> | \$6,910.00 |

FY 2013 Expenditures

D.

| | |
|--|-----------------|
| Salaries and Wages | \$681.90 |
| Technical and Special Fees | 0 |
| Communications | \$0.91 |
| Travel | 0 |
| Utilities | 0 |
| Motor Vehicle Operations and Maintenance | 0 |
| Contractual Services | 0 |
| Supplies and Materials | 0 |
| Equipment | 0 |
| Grants | 0 |
| Fixed Charges | 0 |
| Subtotal | \$682.81 |
| Indirect Costs (13.42%) | \$91.63 |
| Total Expenditures | \$774.44 |

| | | |
|----|--|-------------------|
| E. | <u>Balance for Mercury Switch Activities June 30, 2013</u> | \$6,135.56 |
|----|--|-------------------|

MDE made 146 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. As a result of the site visits, Site Complaints were issued to 18 different vehicle recyclers and/or scrap processing facilities. Specifically, five (5) Site Complaints were issued for failure to register with ELVS, eighteen (18) for failure to pull switches from inventory, six (6) for failure to keep records as required, and two (2) for failure to handle mercury switches as required by the approved Mercury Minimization Plan. Inclusive of these eighteen (18) facilities, since July 2012, MDE has issued a total of 23 Site Complaints.

Follow-up inspections at these 18 facilities revealed that only two (2) facilities remained in non-compliance with Maryland's mercury switch law. These two (2) remaining facilities' violations relate to failure to register, remove mercury switches from vehicles, keep records, and handle mercury switches as required by the approved ELVS Mercury Minimization Plan. These two (2) facilities plus three (3) from the previous reporting year, results in five (5) facilities remaining in non-compliance with the Maryland mercury switch law even after being issued a Site Complaint. MDE plans issuance of Notices of Violation (NOV) to facilities that have failed to correct their operations as a result of being issued a Site Complaint. These NOV's will include penalties and an agreement for the facilities to come into compliance with Maryland's mercury switch law.

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 \$6,910 in payments in FY 2013, reflecting a slight increase over monies received in FY 2012, even though 10,612 switches were returned. 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. 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.

A conference call between MDE and ELVS in July of 2013 discussed the need to continue ELVS outreach to facilities in order to obtain improved compliance by the facilities. Specifically, outreach would include the need to use the "verified form" when submitting mercury switches to ELVS. To date, ELVS has indicated to MDE that they have updated their web site to stress the importance of including the "verified form" when submitting mercury switches to ELVS. Additionally, when a facility receives replacement buckets, ELVS now includes additional educational materials with respect to use of the proper forms and submitting the forms to ELVS. Finally, ELVS in conjunction with the U.S. Environmental Protection Agency (EPA) are working on a letter stressing the importance of the National Vehicle Mercury Switch Recovery Program. In conjunction with EPA and ELVS, MDE will continue to reiterate and stress 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

MDE 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 those four (4) facilities that have not registered with ELVS and on those facilities who have never returned switches via the ELVS program. MDE's goal is to conduct 12 site visits per month. Enforcement action will continue to be taken against facilities that fail to comply with the law.

Appendix A

**THIS PAGE
INTENTIONALLY
LEFT BLANK**

ELVS end of life vehicle solutions

P.O. BOX 3282
Farmington Hills, MI. 48333-3292

January 18, 2013

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; Ford Motor Company; Mack Trucks Inc; Mercedes-Benz USA, LLC; 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 12,151 mercury switches were delivered to the ELVS recycling contractor from Maryland dismantlers during calendar year 2012, yielding 26.7 pounds of recovered mercury. There were 163 registered dismantlers, 49 of which submitted switches.

Mercury Switch Capture Rate

The estimated number of switches available for recovery in Maryland during 2012 was 44,000. The number of switches collected (12,151) yields an annual capture rate of 28% (23% for 2011).

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 11,797,000 switches remaining in today's national fleet for collection (2013 – 2017). Maryland's portion of these switches remaining for collection (2013 - 2017) is estimated to be 171,000.

For reference and according to the model, the number of mercury switches that were available nationally for recovery in 2012 was estimated to be 3,138,000 units. In Maryland 44,000 switches were available for recovery in 2012.

For your convenience, regularly updated collection information is available through our contractor's (Environmental Quality) website, <http://www.eqonline.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 2012 Ward's Motor Vehicle Facts & Figures. According to Wards, the number of vehicles retired from use nationally in 2011 (the latest year given) is 11,998,000. The total registrations for Maryland for 2010 (again, the latest year given) are 4,557,006 out of 242,060,545 registered nationally. We estimate approximately 225,873 end of life vehicles were processed in Maryland in 2011 ($11,998,000 * (4,557,006 / 242,060,545)$). 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

In 2011, ELVS launched two special studies to increase our understanding of actual mercury switch availability. These studies examined 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 attempted to determine if the number of switches assumed by the ELVS switch availability model is accurate, and if not, identify and address discrepancies in the original model assumptions to estimate a more accurate switch population. These studies were completed in 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. Revisions to the model are now being considered by the NVMSRP.

ELVS also asked the U.S. Environmental Protection Agency to participate in a joint mailing in 2012 to all companies registered in the program, encouraging their continued participation and switch collections. EPA agreed to the mailing and to the draft language provided, but stopped

short of providing a signature for the letter, likely due to more pressing matters. We will push forward to conduct this mailing in 2013.

Throughout 2012, ELVS participated in a number of regional and national automotive recycling conventions, some of which were attended by Maryland recyclers. In 2013, ELVS will continue to attend these kinds of events to encourage recycler participation and mercury switch collection.

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 \$55,772 for calendar year 2012.

We look forward to a steady increase in the number of switches returned to ELVS for recycling in 2013. If you have any questions or comments regarding this report, please contact me at brelvs@yahoo.com.

Sincerely,



Brian Rippon
End-of-Life Vehicle Solutions
Project Manager