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A Clean Source of Energy Gets Cleaner


Authority Awards Harford Air Pollution Control Upgrade Contract to Stellar

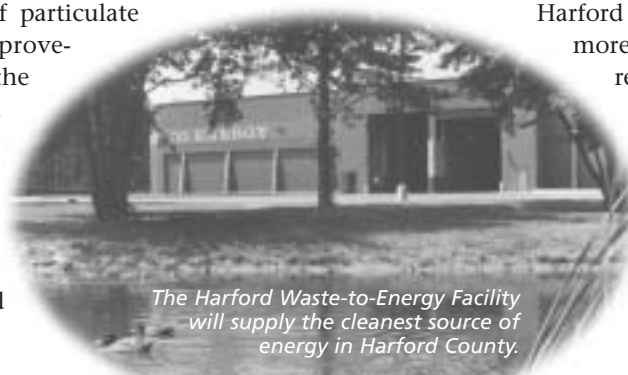
Work will begin this summer on retrofitting the Harford Waste-to-Energy Facility with new air pollution control equipment. The Authority awarded a contract in March for design and construction to Stellar Power and Utilities. The contract calls for installation of an acid gas scrubber to remove additional acid gases; activated carbon injection for control of mercury and dioxin emissions, and a fabric filter for the removal of particulate matter. These improvements will meet the new federal and state air emission standards for small waste-to-energy facilities.

Construction will be completed

in the fall of 2005 so that the facility can meet a compliance date of November 2005. The Authority will finance the project by selling tax-exempt revenue bonds with a term of ten years.

Stellar will use Wheelabrator Air Pollution Control (WAPC) technology for the activated carbon injection system, scrubber and fabric filter. The WAPC scrubbers were installed for a similar retrofit of the BRESKO facility in 2000.

Harford County is investing more than \$10 million to reduce emissions from this facility, resulting in the cleanest and most renewable source of energy in northeast Maryland. 



The Harford Waste-to-Energy Facility will supply the cleanest source of energy in Harford County.

Covanta Emerges from Bankruptcy

Danielson Holding Corporation and Covanta Energy Corporation, operator of the Montgomery County Resource Recovery Facility, announced in early March that Danielson had acquired Covanta's energy and water business allowing Covanta to emerge from bankruptcy. Covanta, headquartered in Fairfield, New Jersey, will continue to operate the Montgomery County Facility and Anthony J. Orlando will continue to serve as the company's chief executive officer. The company's existing management structure

will stay in place. Orlando was appointed CEO in 2003 to help move the company out of bankruptcy and toward a major reorganization. The Bankruptcy Court for the Southern District of New York approved Covanta's plan of reorganization, which allowed Covanta to emerge from bankruptcy through the sale of the company to Danielson.

"We are very pleased to have concluded Covanta's reorganization and are now focused on the continued success of our waste-to-energy business," commented Orlando. "The

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Amanda Ohler Joins Authority Staff



The Authority recently appointed Amanda Ohler as a project assistant. Ms. Ohler joins the Authority after nearly two years as an environmental specialist with the Maryland Environmental Service. As an environmental specialist with the dredging group, Ms. Ohler assisted in island restoration projects, report writing and editing, and other contractual tasks. Ms. Ohler also spent the summer of 2002 working in the aquaculture building at BRESCO, where she raised striped and large mouth bass as part of a co-op program. She earned two Bachelor of Science degrees, one in biology from Salisbury University, and the other in environmental science from the University of Maryland Eastern Shore. Ms. Ohler currently resides in Rosedale, Maryland with her husband and two daughters. In her spare time, Ms. Ohler enjoys reading and playing the piano. 

EPA Must Rewrite MACT Standard


A federal appeals court has remanded back to the Environmental Protection Agency (EPA) a portion of its Maximum Achievable Control Technology (MACT) standard, saying that pollution rules for some small waste incinerators are inadequate and must be rewritten. The Court agreed with industry plaintiffs and chastised EPA for its method of rulemaking. "Without a readily accessible statement of the agency's rationale, interested parties cannot comment meaningfully during the rulemaking process. Nor can they, or the courts, determine whether the agency has acted capriciously or whether its statutory interpretation is reasonable," said the court.

About 90 small municipal waste combustion units that individually process less than 250 tons per day will be affected by the ruling. The court left unchanged the air regulations' compliance schedule and limits.

Waste Energy Partners (WEP) and four other facilities in the U.S. originally brought this case. The Dutchess County (NY) Resource Recovery Agency, which operates two municipal solid waste combustors in Poughkeepsie, and the Islip Resource Recovery Agency, with two units on Long Island, joined as industry petitioners. New York Public Interest Research

Group (NYPIRG) and the Sierra Club also joined the lawsuit as petitioners, albeit with a different perspective.

"The outcome of this case will not change our plans to complete the retrofit of our facility," said Robin Davidov, executive director of the Authority. "We voluntarily installed acid gas controls over four years ago. We issued our procurement for the retrofit vendor last fall and we signed a contract in April. Unlike oil, gas and coal power generators, our facilities will continue to improve."

Maria Zannes, president of the Integrated Waste Services Association, an industry group representing 50 companies operating 65 plants that process 84,000 tons per day, said the court told EPA it must show a correlation between state permit levels and actual plant performance. MACT emissions limits must reflect the performance of the best 12 percent of performing units in a category. Large unit facilities (including the Baltimore facility) with capacity greater than 250 tons per day achieved compliance with their MACT rules in December of 2000. The court did not set a deadline for EPA to complete its assigned rewrite. 


MRC to Hold Annual Conference in Catonsville

The state of the recycling industry will be examined, analyzed and celebrated once again at the 16th Annual Maryland Recyclers Coalition Conference, May 26 - 28, at the Catonsville Campus of the Community College of Baltimore County. This event will bring together more than 100 public and private recyclers, who will consider ways to increase recycling in Maryland.

The three-day event will begin with half-day seminars on Wednesday afternoon designed for private sector companies and federal agencies. A full day on Thursday will include the annual meeting and awards ceremony, two plenary sessions in the morning, concurrent sessions in the afternoon and the annual dinner at the Rolling Road Country Club. Friday will feature a tour of a local recycling facility, a concurrent session and a closing seminar on the future of recycling.

Conclusions from the closing session will be developed into recommendations for Maryland Governor Robert Ehrlich. The conference will close with a bull roast at the college. A draft agenda will be published shortly.

In addition to the technical sessions, the conference will feature an exhibit hall with recycling vendors, a silent auction of valuable goods and services, annual awards, the MRC Annual Meeting and numerous opportunities to network with recycling leaders in Maryland and the Mid-Atlantic Region.

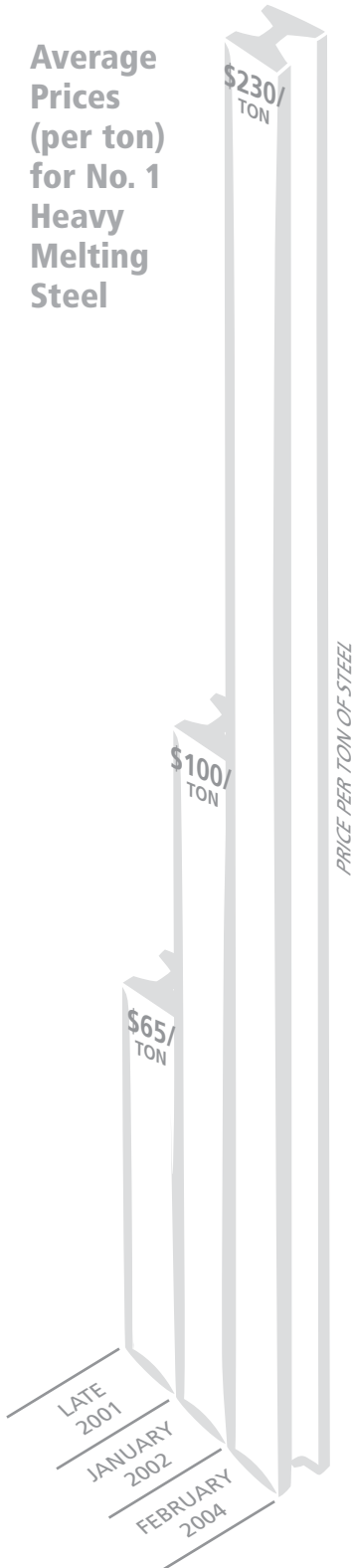
MRC is still looking for sponsors, exhibitors and attendees. For more information, contact Jackie King at the MRC Office, 443-640-1050 x105. 



**Boom for Recyclers,
Bane for Domestic Steel Manufacturers**

Scrap steel prices soar

Average Prices (per ton) for No. 1 Heavy Melting Steel



SCRAP STEEL prices have soared to new highs over the last several months. The dramatic rise in price is primarily due to sharp increases in demand from foreign markets. This has led to a division in the domestic steel industry between manufacturers and recyclers. While steel manufacturers may petition the federal government to limit steel exports, steel recyclers are eager to see free trade protected.

The average price for No.1 heavy melting steel hit nearly \$230 per ton in February 2004, compared to an average of only \$100 per gross ton in January of 2002. This is a complete reversal of the situation that existed in late 2001, when prices for No.1 heavy melting steel sank to as low as \$65 per ton.

An example of the steel price boom is Schnitzer Steel. "The second quarter of fiscal 2004 was a strong quarter for Schnitzer Steel," said Robert Philip, chairman and CEO. "In fact, our quarterly net income achieved record levels and our income from operations exceeded the forecasted range we provided in our last earnings release. Overall, markets for recycled ferrous metal were strong and rising throughout the second quarter. Demand continued to remain good in Asia, but the domestic market seemed to show the greatest improvement as demand and prices for finished steel products rose. Partially offsetting the higher ferrous metal selling prices were sharp rises in the amounts paid for both unprocessed metal and export shipping costs."

The improved operating margins were primarily driven by higher average selling prices, which rose by 42 percent and 13 percent, over the second quarter of fiscal 2003 and the first quarter of 2004, respectively.

In an outlook, Philip noted that, "the ferrous recycled metal market continued to


strengthen throughout the second quarter of fiscal 2004. However, the market for recycled metal continues to remain volatile and difficult to predict."

According to the U.S. Department of Commerce, total scrap metal exports were nearly 10.8 million tons in 2003. China led the world in importing U.S. scrap with a total of nearly 3.2 million tons. China was the largest steel producer in the world in 2003, with a total production of 220.1 million metric tons,

which represents approximately 23 percent of all crude steel produced in the world. South Korea was the second largest importer of U.S. scrap with a total of 2.3 million tons. Mexico was third with 1.3 million tons and Canada was fourth with 1.1 million tons.

The hardest hit segment of the domestic steel industry is the scrap-based electric arc furnace steel makers, known as minimills. Minimills frequently use more than 70 percent scrap steel to make new steel.

This makes them particularly vulnerable to rising scrap prices. The impact of rising scrap prices is far greater on minimills than on integrated steel producers that primarily use basic oxygen furnaces. Integrated steel producers, such as Pittsburgh based United States Steel Corporation, use only about 15 to 20 percent ferrous scrap in their steel.

Rising steel prices also impact the construction industry, automobile manufacturers and appliance makers. Many automobile and appliance manufacturers have protected themselves through long-term supply contracts. But Ken Simpson, chief economist for the Associated Contractors of America, said he is concerned that price spikes could cause bankruptcies and job losses. One thing, however, is certain in all commodities markets, that is, that what goes up eventually comes down. In the meantime, steel recyclers are enjoying a bonanza. 

Rising steel prices also impact the construction industry, automobile manufacturers and appliance makers.

Harford County Government Recycles Fluorescent Light Tubes

Bulb Eater Swallows Dangerous Mercury


Harford County employees, left to right, Phillip Anders, Edgar Fincham and Charles Myers demonstrate the Bulb Eater.



Harford County has initiated a program to recycle all of the burned-out fluorescent light tubes collected from county buildings. Fluorescent tubes contain a tiny ball of mercury, about 40 milligrams, that turns into a vapor during use. The recycling program will keep this highly toxic element out of the environment by using a special recycling device called a Bulb Eater.

The Bulb Eater (see picture) crushes the tubes into a 55 gallon drum. It can crush bulbs as quickly as the operator can feed them into the tube at the top of the device. The Bulb Eater uses a vacuum to contain harmful dust and vapors and has several filters to protect the equipment operator and the environment. All of the bulbs are processed on-site at the county's Department of Administration — Facilities and Operations Division. The Bulb Eater is manufactured by Air Cycle Corporation of Broadview, Illinois.

A full drum can hold more than one thousand spent tubes and weighs approximately 500 pounds. Once the drum is full, it becomes part of a nationwide recycling program. It is picked up by Air Cycle to be processed at a recycling facility, where the mercury is separated from the glass shards and metal end caps.

Approximately 650 million fluorescent lamps are disposed of each year. This generates 30,000 pounds of mercury waste a year. It is estimated that as little as 25 percent of all fluorescent bulbs are recycled in this country. Harford County is leading an effort to improve that statistic by doing its part to keep mercury from lamp bulbs out of the environment. 

COVANTA EMERGES FROM BANKRUPTCY

(continued from page 1)

"The Authority and County were determined to maintain excellent performance during the bankruptcy period and we succeeded."

Robin Davidov
Authority Executive Director

plan approved by the court maximizes creditor recovery and affords the company a solid capital structure."


Danielson has acquired 100 percent of Covanta's equity for approximately \$30 million in cash. As a result of the court's order and the financial transactions of the sale, Covanta emerged from bankruptcy with over \$50 million in cash and a revolving credit facility available.

Covanta continued to meet its obligations to operate and maintain the Montgomery County Resource Recovery Facility throughout the bankruptcy period. According to Authority Executive Director Robin Davidov, "we increased our surveillance during the bankruptcy period, but found no evidence of diminished performance by Covanta."

During the bankruptcy period, some of the contract terms were changed. The result is


significantly reduced operating costs and increased credit support to the benefit of Montgomery County.

"The bankruptcy required a higher level of management and oversight than normal by the Authority and the County," noted Ms. Davidov. "The Authority and County were determined to maintain excellent performance during the bankruptcy period and we succeeded. Art Balmer, chief of the Division of Solid Waste Services for Montgomery County and an Authority board member contributed his extensive negotiation skills in reaching a mutually acceptable agreement with Covanta."

The Montgomery County facility continues to process ever increasing amounts of trash each year. A recent article in the *Washington Post* (April 1, 2004) featured a picture of the waste pit and an article on the trash disposal needs of Montgomery County. 

John Schott Joins Authority Staff



The Authority has appointed John Schott as a project assistant. Mr. Schott received a Bachelor of Science degree in information systems management from the University of Maryland, Baltimore County. Some of his previous work experience included working as a supervisor for SRI Shoe Warehouse. Primary responsibilities were customer service, managing inventory and representing the company at business fairs. Mr. Schott enjoys competing in various sports, reading, learning new technology and traveling. 


Trade Association Discusses Federal Government Procurement of Renewable Energy

The Integrated Waste Services Association (IWSA) filed a request for “open and frank” discussions with the General Services Administration (GSA) regarding the recent procurement for renewable energy that excludes waste-to-energy facilities. The solicitation seeks proposals from renewable electricity generation suppliers to provide GSA with Renewable Energy Certificates (RECs). REC’s are the renewable attribute of electricity generated from renewable fuels, which are sold separately from the electricity.

The current GSA procurement solely deemed municipal waste combustion unacceptable. It also prohibits plants that began operations or re-powered before January 1, 1999. Renewable energy plants are also only eligible if they possess Green-e certification, which is a private organization with standards that exclude re-

newable energy products created from municipal solid waste.

IWSA argues that waste-to-energy facilities utilize some of the newest and most innovative technologies to clean emissions and reduce incoming trash volume by 90 percent. Currently there are 98 waste-to-energy plants operating in the United States, managing about 97,000 tons of trash per day, and producing enough electricity to supply 2.3 million homes.

Waste-to-energy facilities currently meet and/or exceed strict regulations instituted by the Environmental Protection Agency (EPA), which also considers these facilities to be a renewable energy source. The GSA agreed to change the terms of energy solicitations in the future. 


One person’s trash is another’s treasure

Waste Swaps and Exchanges in Maryland

Everyone has old belongings they just hate to throw in the dumpster, but can’t sell either. Now there is a solution that brings people together and recycles used personal belongings at the same time. “Freecycle” is an online organization designed for residents to give away rather than throw away their unwanted items. There are Freecycle groups all over the world, including two new ones in Maryland, established in March of this year. To join your local group and begin freecycling, just visit the following website <http://www.freecycle.org>. The Freecycle Baltimore group started on

March 18 and has 83 members as of this writing. Columbia Freecycle started on March 19 and has six members.

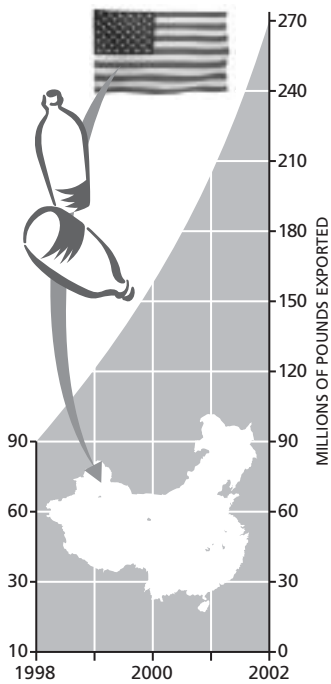
There are other waste exchanges in Maryland that accommodate both unwanted commercial and public items. The Loading Dock, Inc. is a nonprofit organization located in Baltimore that collects and distributes reusable building materials such as stoves, insulation, lumber, and wallpaper. It was established in 1984 and has since prevented more than 33,000 tons of building materials from ending up in landfills. Interested parties can learn more by visiting <http://www.loadingdock.org/>.

Recycler’s World (<http://www.recycle.net>) is a website that provides numerous links to waste exchanges, swaps and recycling facilities throughout the United States. The Reuse Development Organization also provides a list of links to waste swaps, recycling facilities, and solid waste authorities around the globe. Connect to <http://www.redo.org> for more information. 

go freecycling 

or you can visit: www.freecycle.org
www.mdrecycles.org
www.loadingdock.org
www.recycle.net
www.redo.org

**Exports of PET
to China
(1998-2002)**




Missing PET Alert!

The Association of Post-Consumer Plastic Recyclers (APR) has issued a missing PET alert! According to APR there is a nationwide shortage of post-consumer polyethylene terephthalate (PET). PET is used to make plastic beverage bottles. Although local communities have been recycling PET for decades, the amount collected has stagnated at around 800 million pounds per year. The shortage of PET stems from a booming export market, primarily to China. Exports of PET have risen from 90 million pounds in 1998 to 275 million pounds in 2002, the last year for which figures are available.

APR is the main trade group for bottle recyclers. Robin Cotchan, director of APR, said in the March 15, 2004 issue of Waste News that the members of APR are desperate for material. The association is organizing a lobbying effort to work with Congress and federal, state and local agencies to address the issue. APR members voted on February 18, at a meeting

in Albuquerque, New Mexico, to issue a plea, which stated, "our industry is in crisis and we need help!"

The association has not yet decided if its lobbying effort will address the issue of bottle bills, which remains a controversial subject within the recycling industry. APR did hear a presentation from the Container Recycling Institute, a bottle-bill advocate organization, at the meeting in New Mexico. Some of their member companies like bottle-bill programs because they produce more and cleaner material than curbside programs. APR gets significant financial support from the American Plastics Council, which opposes bottle bills. Some APR members buy material from soft drink companies, also opponents of deposits.

APR is looking for a national system that will be both industry-friendly and increase the collection of post-consumer plastic bottles for recycling. 



Northeast
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Waste
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Authority

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