

SCRAP TIRE ADVISORY COMMITTEE MEETING

September 9, 2009

9:00am - 12:00pm

Lansing, Constitution Hall, Atrium North

Rachel Carson Conference Room

MEETING SUMMARY

Name	Affiliation	Phone Number	E-mail Address
Participants			
Ada Takacs	MDNR	989-275-5151	takacs@michigan.gov
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Michael Blumenthal (on phone)	Rubber Manufacturers Association	202-682-4882	Michael@rma.org
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DEQ Staff			
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Welcome by Rhonda Zimmerman and introduction of participants.

Scrap Tire Cleanup and Market Development Grants: Most FY09 Cleanup grant projects have been completed, a few needed to be extended and additional funding was given to a few sites in order to completely clean up the tires. FY 10 grant notices will be going out around September 15. The deadline for Cleanup Grant applications is October 30, the deadline for Market Development Letters of Interest is October 16.

Discussion of Market Development Grants: The committee was asked to discuss the Market Development Program to provide input on the success of the program. The committee was asked if they feel the right kind of projects are being funded and how can applicants be helped to submit a fundable application. Much discussion centered on the tire derived fuel (TDF) market. No input was received on the actual Market Development Grant Program.

The following are notes of the TDF discussion:

In 1991 there were an estimated 31 million scrap tires stockpiled in the state. The cleanup grant program has successfully removed all but approximately 275,000. Many of these tires removed due to cleanup grants have gone to TDF. Members raised a concern that if the Market Development Grant does not subsidize the TDF market, it will go away and we will have large stockpiles again in 20 years. Members also indicated that incentives for alternative energy as opposed to renewable energy would be beneficial to advance TDF markets.

TDF are suppliers to larger power companies. Energy prices are set by the price of coal, not by true energy costs. If the cost of TDF goes up because a smaller amount of tires are available, it will no longer be cost-effective to burn tires as fuel.

Wisconsin and Ontario's tire program were discussed as examples of a subsidy that negatively influenced the tire markets. Oklahoma's tire program was also discussed. The program reimburses the tire processors directly but runs short of funds every year.

A comment was made that the Market Development grant program may not be necessary anymore and should be turned into an end user grant to help pay for TDF. It was also noted that the Market Development Grant program could be used for developing other markets besides TDF such as Tire Derived Aggregate.

Members also expressed concern for small profit margins for haulers and gave an example of car shredders taking loads of tires. The shredders are not bonded and do not manifest tires so costs associated with taking tires is very small. Tires are shredded and taken to the landfill. Members were asked to report these operations if they are known to the district staff. Other businesses are undercutting the price to haul and dispose of tires, which makes it difficult for some member's business.

Use of scrap tires at farms for feed storage: Due to time constraints, agenda item #6 was discussed next. The use of scrap tires on farms to cover silage has been an issue lately, as a local concentrated animal feeding operation (CAFO) notified the DEQ that they had 75,000 tires to cover silage. Matt Smego from the Michigan Farm Bureau addressed the group and informed the SWAC that 3,000 tires would accommodate covering feed for approximately 100 dairy cows. Most CAFOs have at least 700 cows. Currently, agriculture uses are allowed a 3,000

tire exemption (sidewall slabs or rings are a commodity and are not included in this exemption as they are not regulated). It is recommended that farms use sidewall rings and slabs to prevent mosquito infestation. A grant program was discussed to help farmers switch from whole tires to rings or slabs.

It was also mentioned that requiring tires to be kept 60 feet from a building might pose a problem since silage is usually in the production area of the farm. It was agreed that the DEQ would clarify the exemption of sidewall slabs/rings through the Q & A document and that the storage parameters are recommendations rather than requirements.

Update on biomass and fuels issue and TDF: TDF was discussed throughout the beginning of the meeting. It was noted that TDF burning is up from 2008 (2008: 38,800 tons/ 3.88 million PTEs, 2009: 42,000 tons/ 4.2 million PTEs). This increase is due to increased wood prices.

Consolidated Load Manifest: The consolidated load manifest was discussed and determined that no one is using it as it is too much paperwork and a single manifest is easier.

Outline of Tire Report due to the Legislature: The committee noted they would like to see a draft of the report. The outline was e-mailed to the committee; comments are due back to Rhonda by September 18, 2009. It was also noted that there are currently 1,012 dump sites on state/federal land, 24% of which have tires on them.

RMA Tire Survey Update: The last RMA tire survey report was completed in June 2009. Work has already been started on developing the next survey. An interim report will provide updates on some issues including impacts on tire sales and disposal due to the economy, EPA's definition of solid waste and funding for tire programs ending.

Ontario Used Tire Program: The Ontario tire program began September 1, 2009 and tire processing capacity increased in the eastern part of the province. Liberty Tire bought a major processor and two major haulers and now controls a large amount of tires. A couple of other US processors are also planning to open in Ontario in the next few months. Major changes are expected in the next year with the increase of tire derived aggregate and rubberized asphalt coming from Ontario.

The EPA non-hazardous waste rules were also discussed. All tires in landfills or in stockpiles will still be categorized as solid waste. Tires processed to TDF will be considered fuel. An exemption to the exception is whole tires that are burned in a cement kiln. The RMA made an industry-wide request for whole tires not to go under other regulations until new regulations are published in the federal register.

Next meeting dates were discussed and agreed that the STAC would continue to meet quarterly (Dec, March, June, Sept) The next meeting date will be Wednesday, December 2 from 10am-2pm.

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