

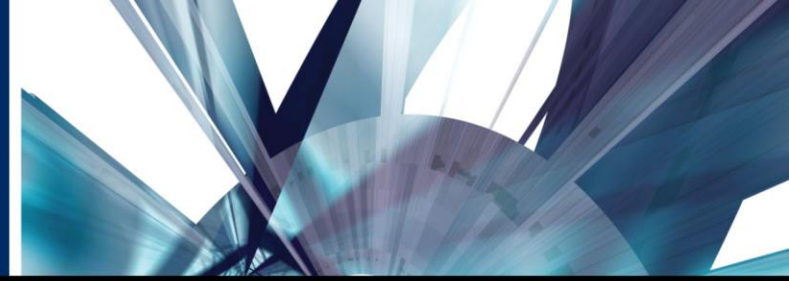
PEOPLE | PROPERTY | REPUTATION

ASSET PROTECTION



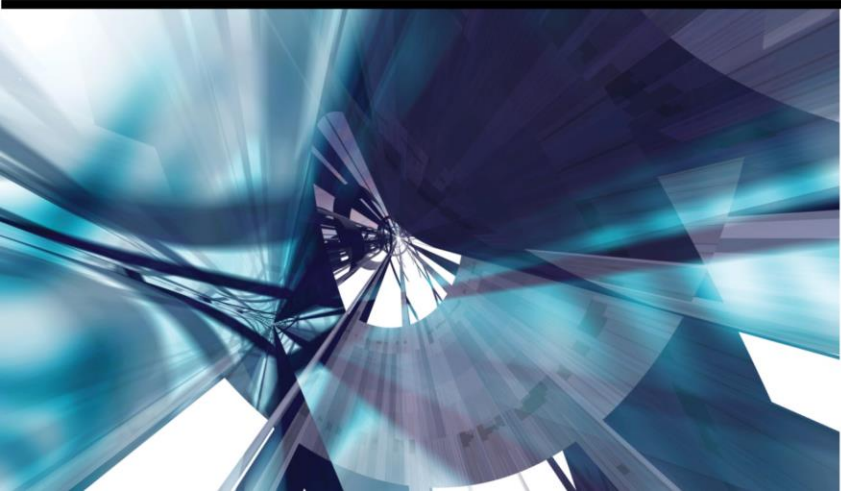
THE VOICE OF FOOD RETAIL 

PEOPLE | PROPERTY | REPUTATION



THE ENVIRONMENTAL BALANCE SHEET “NAME OUT AND EARNINGS IN”

Peg Chandler, Kroger
Dale Peleski, SUPERVALU
Scott DeMuth, g2 Revolution



THE VOICE OF FOOD RETAIL 

► [A-Z TOPICS](#) [+](#)

*** \$1.00

SPX: 1400.00 W: 1400.00 -4.75. NASDAQ: 2061.00 W: 2061.00 -11.00. DJIA: 11760.70 +1.26. NYSE: 2047.40 W: 2047.40. SPX: 1400.00 W: 1400.00 -4.75. NASDAQ: 2061.00 W: 2061.00 -11.00. DJIA: 11760.70 +1.26. NYSE: 2047.40 W: 2047.40. SPX: 1400.00 W: 1400.00 -4.75. NASDAQ: 2061.00 W: 2061.00 -11.00. DJIA: 11760.70 +1.26. NYSE: 2047.40 W: 2047.40.

Commercial banks such as Wachovia are perceived as more stable, chasing strong loanflow for investment banks to line up with them, as Merrill Lynch did earlier this week with Bank of America Corp. But even when retail banks are under attack, such as the large savings-and-loan

Why Be Concerned About Hazardous Waste?

- Protect the environment and human health
- Protect company and brand image

With COMPLIANCE:

- Lesser liability and exposure
- Fewer citations , legal fees and fines
- No Law suits/court cases
- No adverse publicity

Hazardous Waste Basics

OBJECTIVES:

- Definition
- Identify where they're found
- Characteristics
- Regulations
- Enforcement activities
- Managing hazardous waste
- Sustainable opportunities

What is Hazardous Waste?

- Dangerous or potentially harmful to health or environment
- Can be liquids, solids, gases, or sludge
- Can be commercial products, i.e., cleaning fluids or pesticides
- By-products of manufacturing processes

- US EPA



Things Retailers Say....

- We don't generate hazardous waste.
- We donate all returned products.
- We send our waste to our Central Return Center for hazardous determinations.
- We don't have spills.

Increased Focus on Grocer/Retailers Waste

DID YOU KNOW?

US EPA and certain states have a great interest in inspecting and punishing retailers for:

- Mishandling returned and damaged consumer products
- Improper disposal (dumpsters, drains)
- Improper storage
- Improper shipping

Retailer Super Fine\$\$\$



= \$110 MM



= \$18.1 MM



TARGET®

= \$22.5 MM



= \$13.2 MM



= \$16 MM



= \$9 MM



= \$2.8 MM



= \$8.5 MM



= \$3.1 MM



= \$10 MM



= \$1.6 MM



= \$ 3.4 MM



Super Fine\$



\$33,967 per store,
on average

Hazardous Waste Generator Categories

Large Quantity: > 2,200 pounds per month or >2.2 pounds per month of acutely hazardous waste

Small Quantity (SQG): Between 220 and 2,200 pounds per month

Conditionally-exempt (SQG): < 220 pounds per month. In most cases, grocery stores fall into this category.

Types of Hazardous Waste

– Ignitable/flammable



– Reactive



– Toxic

– Corrosive



Hazardous Waste Challenges

- Generator's duty to determine if their wastes are hazardous
- Based on testing, or, based on process knowledge
- No process! Limited knowledge!
- Too many products/waste streams

Hazardous Waste Challenges

- Identifying products that are hazardous materials
- Understanding when a hazardous material becomes a hazardous waste
- Training employees to manage hazardous waste

Managing Hazardous Waste

- Keep it Simple!
- Written hazardous waste program
- Designated hazardous waste area
- Handling small spills



Employee Training

- Associates with waste handling responsibilities
 - Back door receivers
 - Store managers
 - Asst. managers
- Initial training upon hire
- Annual refresher training

Employee Training

- Quick reference materials
- Signage:
 - In hazardous waste area
 - Near spill cleanup stations
 - In store returns area

HAZARDOUS MATERIALS KEY

These materials when damaged or spilled should be sorted into the following categories. Place items in the appropriately labeled tote until the product can be picked up by a licensed contractor. If you do not know what category a product belongs in, and the label does not help (check for signal words), call KCCAC at 1-800-982-2749

Flammable/Combustible	Corrosive	Toxic/Poison	Reactive/Explosive	Poisoned/Ammonia
Acetone Epoxy/Adhesives Fuel Furniture Polish Hair Spray Lamp Oil Mineral Spirits Some Solvents Oil Based Paint Products Some Coatings	Chlorine Bleach Chlorine Bleach Cleaners Muriatic Acid Oven Cleaners Pool Chemicals Drain Cleaners Rust Remover Silver Polish Toilet Bowl Cleaners Concrete Cleaners	Antifreeze Brake Fluid Brake Polish Fertilizers Fungicides Rat Poison Garden Chemicals Insecticides	Any product containing Chlorine • bleach • auto dishwashing detergent • pool chemicals Can produce a toxic gas when mixed with products containing ammonia	Buane Propane Spray Paint Tire Inflation All Aerosols

Batteries (lead acid, Ni-cad, silver) and bleach should be stored separately from other hazardous materials and from each other. Automotive batteries are picked up under another program and are stored separately from the hazmat containment area.

Signal words are: Poison, Danger, Warning, or Caution. They identify a product as hazardous.

CALL KROGER CENTRAL ALARM CONTROL AT 1-800-982-2749 TO ARRANGE PICK-UP OF HAZARDOUS MATERIALS

Hazardous Materials Do Not Ship List

The products listed below will not be shipped by Store Associates.

- Denatured Alcohol • Acetone • Castrol Super Clean • Muriatic Acid
- Paint and Varnish Stripper • Matches • Lighters • Propane
- Coleman Fuel (Propane and Liquid Gas) • Lithium Batteries
- Lacquer Thinner • Plumbing Chemicals • Deck Stripper
- Trunk Bed Coating Paint • Butane (includes all lighters) • Insecticides
- Fire Extinguishers • Automotive Products • Spa and Pool Chemicals • Fireworks



Hazardous products identified as Limited Quantity in the handheld units may be shipped when boxed and marked with this Limited Quantity label. Always follow Division Reclaim Policy.

STOP!

Before shipping any item, be sure you know if it is Hazardous.

Look for the Signal Words:

• Poison • Danger • Flammable • Warning

Check the product to be shipped. If any of these signal words are on the package, label it as Limited Quantity before you ship it.

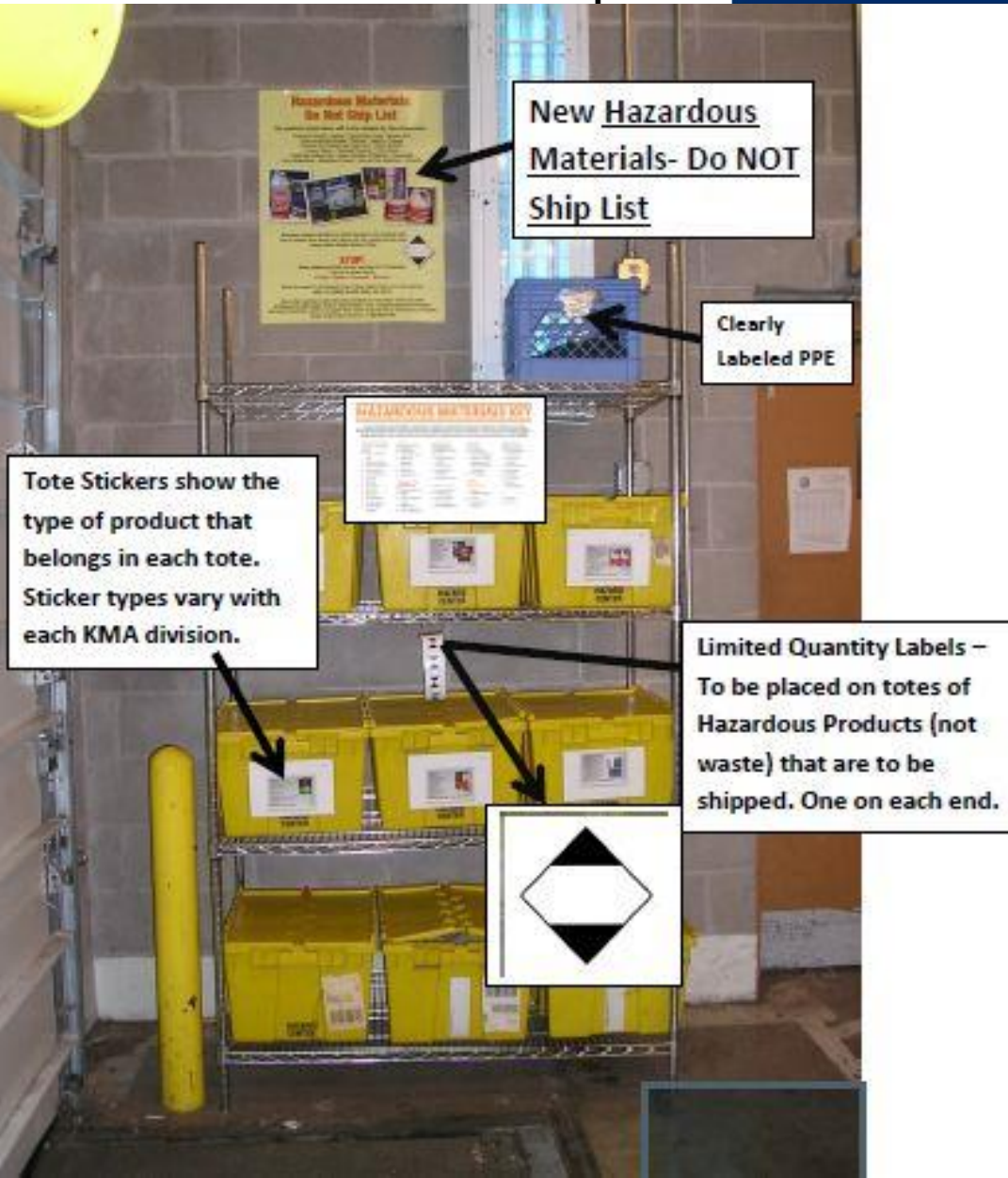
Never ship hazardous waste. Hazardous products and hazardous waste may never be disposed of with regular trash or poured down a drain. Licensed, approved contractors will remove hazardous waste on a regular basis. Waste disposal may be requested by contacting Kroger Central Alarm Control at 1-800-982-2749

- All aerosol products may safely be stored together. All aerosol cans go in this tote.
- Aerosol hairspray
- Spray deodorant
- Spray paint
- Spray starch
- Spray air freshener



Aerosols

Hazardous Waste Containment Area



What not to see



Pharmacy Hazardous Waste

- Expired / Unused pharmaceutical products
- Residual pharmaceuticals:
IV bags, tubing, vials, medication, inhalers, aerosols, etc.
- Broken and dropped pills

Pharmacy Waste

Pharmacy Waste does not include:

- Blood
- Body tissue
- Body fluids
- Sharps

Pharmacy Hazardous Waste

– Warfarin



– Nicotine



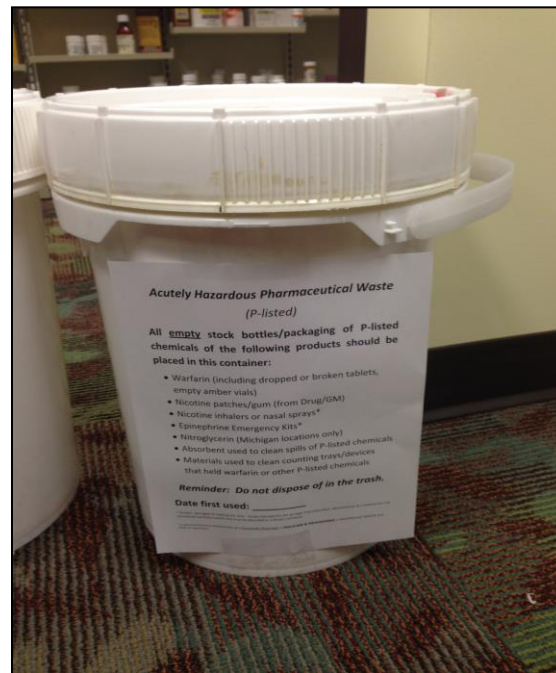
Pharmacy Hazardous Waste

- Phentermine
- Epi Pens
- Inhalers (flammable aerosols)
- Chloral Hydrate



Rx Hazardous Waste

- Kroger stores use 5-gallon locking buckets for Rx hazardous waste

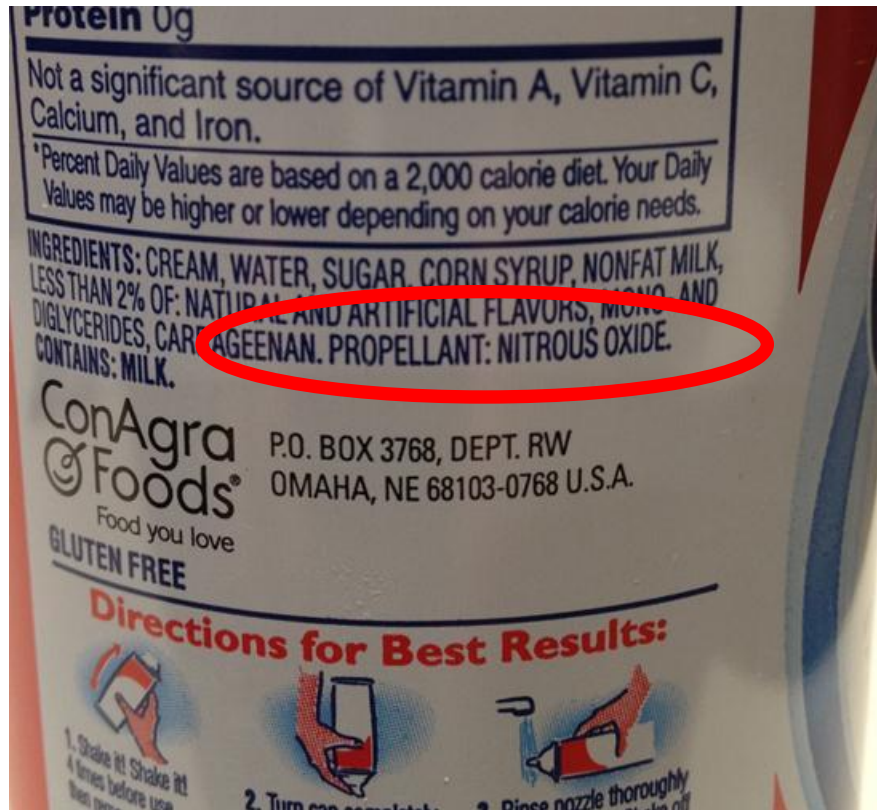


Distribution Center Household Waste

- Similar products as those at retail stores
- Large variety and quantity generated and can be much greater than a retail store



What dairy product (spray can) is edible and contains a chemical used in rocket engines?



Hazardous Waste When

- Hazardous products become unsalable due to:
 - Damage and can't be used internally
 - Leakage and can't be used internally
 - Spills and are cleaned up
 - Expired, empty or are used aerosol cans

Hazardous Waste Storage at Distribution Center

Larger scope than Retail Store but
same storage requirements:

- No Smoking Sign
- Guide
- Waste Labels
- 5+ Waste Barrels
- 1 PPE/Spill Response Kit
- Drum liners
- Re-sealable Waste Storage Bags
- 9"x12" & 13"x18" bags
- HW Binder
- Absorbent for leaking items



Drum/Container Labeling

Containers
must be
labeled



Drum Label

This label is NOT to be used as a DOT shipping label - see your StrongTalk technician for clarification.

Hazardous Waste

Oxidizers
Physical State: solid and liquid

Ox

Location #: _____

Location Address: _____

Accumulation Start Date: _____

Contents:

<input type="checkbox"/> Laundry Bleach	<input type="checkbox"/> Hydrogen Peroxide
<input type="checkbox"/> Hair Bleach Products	<input type="checkbox"/> Pool Chemicals
<input type="checkbox"/> Benzoyl Peroxide	
<input type="checkbox"/> Other _____	

THIS CONTAINER MUST REMAIN CLOSED EXCEPT WHEN IN USE.



Handling Hazardous Waste

- If not leaking..... place in re-sealable bag
- If leaking..... double bag and include absorbent

LABELING

1. Print product name and date on outside of bag
2. Fill in accumulation start date on waste container label
3. Circle physical state of waste on container label
4. Place bag in appropriate labeled hazardous waste container

Large Hazardous Material Spill

For large spills (i.e. full pallet damage)

- Use caution cones to secure the area
- Do not touch the spill
- Notify on site Risk Control Manager or Sanitation Supervisor.
- Consult the MSDS/SDS and /or 3E
- Ensure that a trained and authorized employee consults the spill response instructions for proper handling, clean-up, and disposal.

Hazardous Inventory Log

- Each facility maintains a hazardous waste log
- Log is kept in hazardous waste binder
- Waste log completed each time a product is put in container. Log includes:
 - Date
 - Product Name
 - Container size
 - Waste Type
 - Employee Signature

Inspections

- Inspect Hazardous waste accumulation area (weekly at DC's)
- Designated person completes weekly inspection for record of compliance
- Copy kept in Hazardous Waste Binder

WEEKLY AUDIT
HAZARDOUS WASTE STORAGE AREA

WEEK	WASTE STORAGE AREA IN ORDER (No leaks, lids on buckets, postings up)	SPILL CLEAN-UP MATERIALS AVAILABLE	INITIALS (Print)	DATE
EX	% of what was done for compliance (closed lid)	% of container (filled gloves)	EF	2/26/2010
1				
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6				
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Hazardous Waste Pickup

- Authorized hazardous waste hauler picks up the waste
- Waste hauler takes the waste to authorized waste disposal facility
- Containers picked up annually or special pickup arranged as needed (May differ such as Conditionally Exempt)

Manifest

- Hazardous waste must have a manifest (Unless conditionally exempt or state law indicates otherwise)
- Manifest must be completed and signed when picked up by hazardous waste hauler
- Waste hauler leaves a copy with facility
- Keep in designated file (Hazardous waste binder) for 3 years

Hazardous Waste Binder

The Hazardous Waste Binder at the storage site contains:

- Training presentation
- Weekly audit
- Hazardous waste log
- Manifest copies
- Emergency Contact info



Training Levels

1. Train the Trainer
 - a) Safety Team for facilities
 - b) On Site Managers
 - c) Sanitation Supervision
2. General Awareness training for all employees
3. Pharmacy employees receives special training

Reclamation will not:

- Accept hazardous waste
- Hazardous waste must be:
 - Removed
 - Logged, bagged and placed in hazardous waste container
- A/K/A Reverse distribution and EPA looking at this



Other Possible Hazardous Waste at Distribution Centers

Fleet Maintenance Hazardous Waste

- Motor Oil
- Oil Filter
- Transmission Fluid
- Antifreeze
- Hydraulic fluid
- Brake Fluid
- Oil and solvent soaked rags
- Aerosol Cans
 - Cleaning fluid
 - Lubricant



Fleet Maintenance Waste Capture and hold for Recycle

- Oil Filters:
 - Dome punctured and filter crushed
 - Placed on rack to drain for 12 hours
 - Put in metal scrap bin for recycling.



Facility/Equipment Maintenance and Sanitation cont.

Aerosol cans are hazardous waste, even if you think they're empty.

- Dispose as Hazardous waste

Or...purchase special puncturing device:

- Puts a hole in can
- Drains residual substance into filter and container.



Solvent/Oil Contaminated Wipes/Rags

Two designations:

- Reusable
- Disposable

Not hazardous
provided the exclusion
conditions are met.

Oil soaked rags:

- Launder or ring out
- Send to oil recycler.

	Solvent-Contaminated Reusable Wipes	Solvent-Contaminated Disposable Wipes
Regulation Citation	40 CFR 261.4(a)(26) (Solid Waste Exclusion)	40 CFR 261.4(b)(18) (Hazardous Waste Exclusion)
Description	Solvent-contaminated wipes that are sent for cleaning and reuse are not solid wastes, provided the conditions of the exclusion are met.	Solvent-contaminated wipes that are sent for disposal are not hazardous wastes, provided the conditions of the exclusion are met.
Includes	<p>➤ Wipes containing one or more of the 100 or 1005 listed solvents listed in § 261.21 or the corresponding P- or H-coded solvents found in § 261.53, including:</p> <ul style="list-style-type: none"> - Acetone - Benzaldehyde - Benzene - Chlorobenzene - Creosols - Cyclohexanone - Dichlorobenzene - Ethyl acetate - Ethyl benzene - 2-Ethoxyethanol - Isobutyl alcohol - Methanol - Methyl ethyl ketone - Methyl isobutyl ketone - Methylene chloride - Tetrachloroethylene - Toluene - Trichloroethylene - Trichloroethylene (*For reuse only.) - Xylenes <p>➤ Wipes that exhibit the hazardous characteristic resulting from a solvent listed in part 261.</p> <p>➤ Wipes that exhibit only the hazardous characteristic of ignitability when containing one or more of the listed solvents.</p>	
Does not include	<p>➤ Wipes that contain listed hazardous waste other than solvents.</p> <p>➤ Wipes that exhibit the characteristic of toxicity, corrosivity, or reactivity due to non-listed solvents or contaminants other than solvents.</p>	<p>➤ Wipes that contain listed hazardous waste other than solvents.</p> <p>➤ Wipes that exhibit the characteristic of toxicity, corrosivity, or reactivity due to non-listed solvents or contaminants other than solvents.</p> <p>➤ Wipes that are hazardous waste due to the presence of trichloroethylene.</p>

U.S. Environmental Protection Agency (EPA) guidance: State regulations may be different from the federal program

Facility/Equipment Maintenance and Sanitation Department

Hazardous Waste:

- Used Oil
- Hydraulic Fluid
- Spray Paint
- Cans of Paint
- Spray Lubricant
- Parts Washing
- Solvents/Cleaners
- Cleaning Chemicals



Facility/Equipment Maintenance and Sanitation Department

Recycle: Used oil and hydraulic fluid

- Empty spray paint and cans of paint
- Puncture empty aerosol cans

Prepare for disposal:

- Parts washing solvents, chemicals and cleaners

Recycling

- Recycling of hazardous waste has many advantages:
 - Can be cheaper than disposal
 - Becomes a commodity again without becoming part of waste stream
 - Avoid long term cradle to grave liability (environmental cleanup responsibility and health claims)

What Recycling Can Do

- Reduce hazardous waste generation
- Reduce pickup, reporting & disposal costs
- Minimize generator compliance requirements (training, etc.) and risks
- Not shipping using hazardous waste manifests
- Walk the “green” talk corporately



Alternatives to Consider

Many non-saleable products do not have to automatically be treated as hazardous waste

Approaches to Hazardous Waste Reduction

- Continued Use
- Conditionally-Exempt Generator
- Universal Waste
- Ingredient/Substitute
- “Reclaimed” Commercial Chemical Product



Continued Use

Using a product for its “intended purpose”

- Cleaning chemicals used to clean your facilities
- Vehicle chemicals used to maintain your fleet
- Donations/employee use
- Send to consolidator for use as-is

What to watch out for:

- Using far more than you really need
- Storage and handling
- “Donating waste”
- Loss prevention/inventory processes
- Excess stockpiling = Not allowed
- Documentation

Returned



Used On Site



Conditionally-Exempt Generator

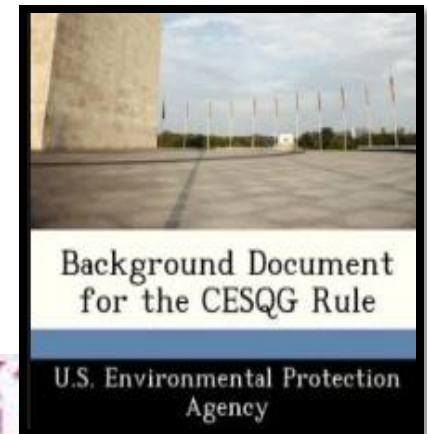
CESQG (Conditionally Exempt Small Quantity Generator)

- No hazardous waste manifest for shipping (usually)
- Usually time/waste pickup advantages
- Materials can go to a “beneficial use” facility
- Technical approach to waste management

What to watch out for:

- Generator status assumptions
- Any state CESQG requirements/differences
- Still have DOT/shipping rules

Work with your environmental folks!



Universal Waste

Still hazardous waste, but relaxed rules

- Fluorescent bulbs
- Batteries (Lithium, etc. - Also alkaline batteries in CA)
- Uncommon: Devices with mercury
 - Sump float switches, old thermostats, etc.

Certain states regulate other items this way

- Electronics (About nine states)
- Aerosols (CA, CO)
- Pharmaceuticals (MI, FL)

What to watch out for:

- State-by-State regulations
- Container labeling
- Closed containers
- Time limits to get off-site



Ingredient/Substitute

Materials are not hazardous wastes when they can be shown to be recycled by being:

- Used or reused as ingredients in an industrial process to make a product
- Used or reused as effective substitutes for commercial products...”

What to watch out for:

- Must put into process “as-is” to make your new product
- Documentation of process

Ingredient/Substitute

For Example...

Nail Polish
Returns/
Damaged



Soap and Shampoo
Returns/ Damaged



Reclaimed Commercial Chemical Product

Extracting usable material from unused product that would have otherwise been a hazardous waste:

- Alcohol-based products – extract alcohol to make fuel (most states)
- Fuel-type for intended purposes – burned for energy

What to watch out for:

- Must start with “usable” product (ex. not sludge/gunk)
- Some states don’t allow or may restrict this option
- Must have a “legitimate” reuse – recovered material has “value/market”

Reclaimed (Example) Commercial Chemical Product

**Expired Nicotine
Products**

**Recovered
Nicotine**

**New Nicotine
Products**



Real-World Example

Retailer

- Sells food and general merchandise
- Began hazardous waste program due to agency enforcement activities

Proactively began piloting recycling in some jurisdictions, using several pathways

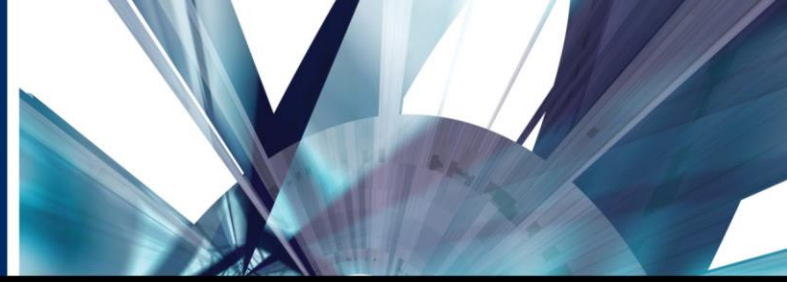
- Continued use
- Ingredient/substitute
- Reclaimed commercial chemical product



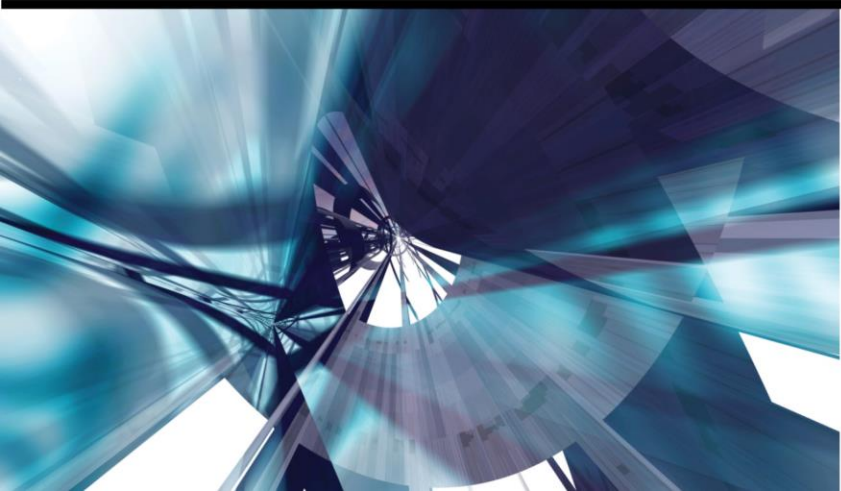
  Documented 30% savings (retailer's numbers)

  Expanded recycling programs

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QUESTIONS



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