



Hazardous Waste Section Audit Policy Guidance

What is the Hazardous Waste Section Audit Policy?

The Hazardous Waste Section Audit Policy (Audit Policy) conditions are similar to the EPA Audit Policy ([65 FR 19618; April 11, 2000](#)). A facility wishing to use the Hazardous Waste Section Audit Policy must submit, in writing, information on how all nine conditions are met in order to be considered for a penalty waiver. If a facility meets the nine conditions set forth in the policy, the Hazardous Waste Section will not seek administrative or civil penalties beyond the economic benefit the company received from non-compliance. When conditions are not met, the Hazardous Waste Section may consider the nature and extent of any audit or compliance system in deciding the appropriate response.

What are the nine conditions of the Audit Policy?

- 1) The violation(s) must have been discovered through either an environmental audit, or a compliance management system that reflects due diligence in preventing, detecting, and correcting violations.
- 2) The violation(s) must have been identified voluntarily, and not through a monitoring, sampling, or auditing procedure that is required by statute, regulation, permit, judicial or administrative order, or consent agreement.
- 3) The entity must disclose the violation(s) in writing to NCDEQ, Hazardous Waste Section, within 21 calendar days after discovery. (See "[How do I submit the written information when the Audit Policy is used?](#)")
- 4) The entity must discover the violation(s) independently. The violation(s) must be discovered and identified before NCDEQ, or another government agency likely would have identified the problem either through its own investigative work or from information received through a third party.
- 5) The entity must expeditiously remedy any harm caused by the violation(s) and certify in writing to the Hazardous Waste Section that the violation(s) were corrected. Correction and remediation in this context include responding to spills and carrying out any removal or required remedial actions.
- 6) The entity must agree to take steps to prevent a recurrence of the violation(s) after it has been disclosed. Preventive steps may include, but are not limited to, improvements to the entity's environmental auditing efforts or compliance management system.
- 7) Any disclosed violation(s) may not be a violation that is the same violation that occurred at the same facility within the past 3 years.
- 8) Disclosed violation(s) may not be a violation that result in serious actual harm to the environment, or which may have presented an imminent and substantial endangerment to public health or the environment. When events of such a consequential nature occur, violators are ineligible for penalty relief and other incentives under the Audit Policy.
- 9) The entity must cooperate with the Hazardous Waste Section and provide information to determine Policy applicability.

How do I submit the written information when the Audit Policy is used?

Documentation that includes how the nine conditions of the Audit Policy are met and any supporting information must be submitted either by mail or email to the Hazardous Waste Section Inspector covering the region where the site using the Audit Policy is located. The contact information and regions for the Hazardous Waste Section Inspectors can be found at this link:

<https://www.deq.nc.gov/compliance-map-inspector/download?attachment>

What is the history of the Audit Policy?

During the 2015 session, the North Carolina General Assembly enacted legislation establishing an "Environmental Audit Privilege and Limited Immunity" program ([SL 2015-286/HB 765, s. 4.1\(a\)](#)). This legislation was codified in the [North Carolina General Statute \(NCGS\) at Chapter 8, Article 7D, Sections 58.50 through 63](#). The "Enforcement Policy for Self-Reported Violations" (revised July 10, 2000) previously used by NCDEQ has been rescinded. Although N.C.G.S. 8-58.50 through 63 ("Environmental Audit Privilege and Limited Immunity Law") was ratified September 30, 2015, it is not yet in effect for the Hazardous Waste Section. The Hazardous Waste Section has been authorized by EPA to administer and enforce the federal Resource Conservation and Recovery Act (RCRA) hazardous waste management program, in lieu of EPA, with the exception of e-Manifest fees and hazardous waste import/export requirements. The 2015 Environmental Audit Privilege and Limited Immunity Law is effective on the date approval is received by EPA. To date, the 2015 Environmental Audit Privilege and Limited Immunity Law is still under review by EPA ([Link to the information NCDEQ submitted to EPA](#)). Until the 2015 Environmental Audit Privilege and Limited Immunity Law is approved by EPA, the Hazardous Waste Section is utilizing conditions similar to the EPA Audit Policy ([65 FR 19618; April 11, 2000](#)).

What is the scope of the Audit Policy?

The Hazardous Waste Section Audit Policy applies only to the state laws and rules for which the Hazardous Waste Section has regulatory jurisdiction.

- The Hazardous Waste Management Rules are codified in the North Carolina Administrative Code (NCAC) at [15A NCAC 13A](#).
- Federal hazardous waste regulations are incorporated by reference in [15A NCAC 13A](#). The Hazardous Waste Section has been authorized by EPA to administer and enforce the federal RCRA hazardous waste management program, in lieu of EPA, with the exception of e-Manifest fees and hazardous waste import/export requirements.
- State laws associated with hazardous waste management can be found in [North Carolina General Statute 130A, Article 9](#).

Where can I find more information about the North Carolina hazardous waste requirements?

- Link to North Carolina hazardous waste laws and rules:
<https://deq.nc.gov/about/divisions/waste-management/hw/rules>
- North Carolina hazardous waste guidance documents can be found at this link:
<https://deq.nc.gov/about/divisions/waste-management/hw/technical-assistance-education-guidance/documents>

Is this Audit Policy the same as EPA's Audit Policy?

While similar, the NCDEQ Hazardous Waste Section Audit Policy is separate and independent from the EPA Audit Policy. The EPA Audit Policy, formally titled "Incentives for Self-Policing: Discovery, Disclosure, Correction and Prevention of Violations," is printed in the Federal Register in [65 FR 19618; April 11, 2000](#).

Who do I contact if I have questions about the Audit Policy?

Contact your local Hazardous Waste Section Inspector (contact information and region provided on the map at this link): <https://www.deq.nc.gov/compliance-map-inspector/download?attachment>