
**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION**

Washington, D.C. 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 OR 15(d) of The Securities Exchange Act of 1934

Date of Report (Date of earliest event reported)

December 15 2004

Appliance Recycling Centers of America, Inc.

(Exact name of registrant as specified in its charter)

Minnesota
(State or other jurisdiction
of incorporation)

000-19621
(Commission
File Number)

41-1454591
(IRS Employer
Identification No.)

7400 Excelsior Blvd., Minneapolis, MN
(Address of principal executive offices)

55426-4517
(Zip Code)

Registrant's telephone number, including area code **(952) 930-9000**

(Former name or former address, if changed since last report.)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
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EX099.1 PRESS RELEASE

ITEM 2.02: RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The following information is furnished pursuant to Item 12, "Disclosure of Results of Operations and Financial Condition."

On December 15 2004, Appliance Recycling Centers of America, Inc. issued a press release announcing that it has signed a service agreement with Austin Energy to manage appliance recycling operations in the Texas utility's service territory.

ITEM 9.01: FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS

(c) Exhibits

<u>Exhibit Number</u>	<u>Description</u>
99.1	Press Release dated December 15, 2004

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

APPLIANCE RECYCLING CENTERS OF AMERICA, INC.

Date: December 15, 2004

Linda Koenig
Linda Koenig, Vice President of Finance

Exhibit Index

Exhibit Number	Description
99.1	Press Release dated December 15, 2004



Appliance Recycling Centers of America, Inc.
7400 Excelsior Boulevard, Minneapolis MN 55426 (952) 930-9000

FOR IMMEDIATE RELEASE

FOR MORE INFORMATION CONTACT:
Edward R. (Jack) Cameron (952) 930-9000

**Appliance Recycling Centers of America Enters
Agreement to Provide Services for Austin Energy**

Minneapolis, MN—December 15, 2004—Appliance Recycling Centers of America, Inc. (OTC BB: ARCI) today announced that it has signed a service agreement with Austin Energy to manage appliance recycling operations in the Texas utility's service territory. Austin Energy is the nation's 10th largest community-owned electric utility, serving 360,000 customers within the City of Austin, Travis County and a small portion of Williamson County.

Preparations are underway to open ARCA's processing and recycling facility in north Austin and begin program operations in January 2005. The term of the initial service agreement is 12 months, with options for Austin Energy to extend the program annually through 2008.

Edward R. (Jack) Cameron, president and chief executive officer, said, "We are gratified that Austin Energy has selected ARCA to provide services to support their residential refrigerator and freezer recycling program. Austin Energy is at the forefront of innovative measures to promote energy efficiency in Texas and clearly recognizes the positive impact of removing working but inefficient household appliances from service. ARCA is proud to be associated with Austin Energy's program."

About ARCA

ARCA is the nation's largest recycler of major household appliances for the energy conservation programs of electric utilities. Through its ApplianceSmart (www.ApplianceSmart.com) operation, ARCA is also one of the nation's leading retailers of special-buy household appliances, primarily those

manufactured by Maytag, GE, Frigidaire, and Whirlpool. These special-buy appliances, which include close-outs, factory overruns and scratch-and-dent units, typically are not integrated into the manufacturer's normal distribution channel. ApplianceSmart sells these virtually new appliances at a discount to full retail, offers a 100% money-back guarantee and provides warranties on parts and labor. As of December 2004, ApplianceSmart was operating eleven factory outlets: four in the Minneapolis/St. Paul market; three in the Columbus, Ohio market; two in the Atlanta market; one in the Los Angeles market; and one in the San Antonio, Texas market.

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Statements about ARCA's outlook are forward looking and involve risks and uncertainties, including but not limited to: the strength of recycling programs, the growth of appliance retail sales, the speed at which individual retail stores reach profitability, and other factors discussed in the Company's filings with the Securities and Exchange Commission.

Visit our web site at www.arcainc.com
