

Via Email and Certified Mail with return receipt

April 24, 2019

Mr. Gabriel Moreno Aerocraft Heat Treating Company 15701 Minnesota Avenue Paramount, CA 90723

Subject: Conditional Approval of Rule 1402 Risk Reduction Plan (RRP) for Aerocraft Heat Treating Company (South Coast AQMD Facility ID No.: 023752)

Dear Mr. Moreno:

The South Coast Air Quality Management District (South Coast AQMD) staff has completed the review of the proposed Risk Reduction Plan (RRP) for Aerocraft Heat Treating Company, Inc. (Aerocraft), located at 15701 Minnesota Avenue, Paramount (Facility ID No. 23752). The RRP was prepared and submitted by ToxStrategies, Aerocraft's consultant, to South Coast AQMD on May 17, 2018, as required pursuant to South Coast AQMD Rule 1402. Please note that based on our review of the RRP and subsequent information provided by Aerocraft and our discussions with Aerocraft and your consultants, the South Coast AQMD is hereby granting conditional approval of the RRP.

Background

On December 14, 2016, South Coast AQMD staff sent you a letter designating Aerocraft as a Potentially High Risk Level facility under Rule 1402. As detailed within that letter, the submittal of an Air Toxics Inventory Report (ATIR) within 150 days, and a Health Risk Assessment (HRA) and RRP within 180 days of the date of notification were required under Rule 1402. South Coast AQMD staff received the ATIR on May 16, 2017, and the HRA and RRP on June 13, 2017.

On February 9, 2018, South Coast AQMD staff provided you with comments on the submitted ATIR, HRA, and RRP, and requested revision and resubmittal of those respective documents. After conference calls with Aerocraft representatives, South Coast AQMD staff received the revised ATIR on March 29, 2018. The revised ATIR was approved on May 9, 2018. The revised HRA and RRP were received on May 17, 2018. South Coast AQMD staff and the Office of Environmental Health Hazard Assessment reviewed the revised HRA and approval was granted on October 9, 2018.

The revised HRA, representing the 2016 inventory year, indicated that Aerocraft exceeded the Action Risk Level defined in Rule 1402(c). The revised HRA showed that Aerocraft posed a maximum cancer risk of 1,900 in-a-million for a residential receptor, and 350 in-a-million for a worker receptor, both mainly from hexavalent chromium emissions from furnaces and rack welding operations. The estimated cancer burden is 11 based on a 70-year exposure.

Risk Reduction Plan and Next Steps

After careful review of the revised RRP and the proposed Risk Reduction Measures (RRMs), South Coast AQMD staff has determined that Aerocraft's revised RRP is consistent with Rule 1402 requirements to reduce the facility's risk permanently below the Rule 1402 Action Risk Level or the lowest achievable level. South Coast AQMD staff hereby grants conditional approval of this plan, contingent upon the following:

- 1. Aerocraft shall continue to implement all existing housekeeping RRMs as stated in the revised RRP dated May 17, 2018.
- 2. Aerocraft shall submit the standard operating procedures developed specific to housekeeping and fugitive dust mitigation as describe in RRM #12 (Housekeeping SOP) for review and approval within 30 days from the date of this letter to South Coast AQMD.
- 3. Aerocraft shall submit a complete RECLAIM/Title V application pursuant to Rule 3004 to revise its RECLAIM/Title V permit to include facility-wide conditions incorporating RRMs not directly related to equipment requiring a written permit; including housekeeping, prohibition and restrictions as described in RRMs #s 1, 2, 3, 5, 6, 7, 8, 9, 11, 12, 15, 16, 17, 18, 19, 21, 22, 23, 24, 26, 28, 29, 30, and 31.
- 4. Aerocraft shall submit complete applications and receive approval for any revision to the facility-wide conditions pursuant to item No. 3 above, or installation of any heat treating equipment or any other activity that may potentially result in emissions of air contaminants, including air toxic contaminants (e.g., hexavalent chromium emissions), in Buildings 1 or 4 as described in RRM #27. In the event of any proposed modification or installation of any equipment as described above in Buildings 1 or 4, the effected building(s) shall be converted to a permanent total enclosure and the exhaust from the building shall be vented to an air pollution control device equipped with Ultra Low Particulate Air (ULPA) filters.
- 5. Aerocraft shall complete construction and operate permanent total enclosures with associated baghouses and ULPA filters for Buildings 2 and 3 (RMM #27) by December 20, 2019. ULPA filters shall achieve 99.999% control efficiency for 0.1 μm particles as stated in the Permits to Construct for Application Nos. 604478-81 issued on December 21, 2018.

Please be advised, pursuant to South Coast AQMD Rule 1402(k)(1), if information becomes known to the Executive Officer after the last submitted risk reduction plan that would substantially impact risks to exposed persons, implementation, or effectiveness of the plan, the Executive Officer may require the plan to be updated and resubmitted. Such examples include discovery of fugitive emissions emitted outside of traditional ventilation stacks or new equipment or processes such as grinding operations.

Based on the proposed RRMs and the estimated emission reductions, South Coast AQMD staff has conservatively estimated Aerocraft's risks (excluding the risk from the grinding operation) when all RRMs are implemented. This RRP projects potential maximum cancer risks of less than 1.0 in-a-million for both residential and worker receptors. The maximum non-cancer chronic indices will be less than 0.10 for both residential and worker receptors, the maximum 8-hour chronic hazard index is less than 0.01, and maximum acute hazard index is estimated to be 1.20. All of these risk values will be reviewed again once the RRP is completely implemented.

In addition, pursuant to Rule 1402(j), Aerocraft is required to submit annual progress reports to demonstrate the progress achieved in implementing the RRMs. The first annual progress report is due 12 months from the date of this approval letter. A final implementation report must be submitted once implementation is fully achieved.

Please submit all permit related information or application(s) to the attention of Dr. Laki Tisopulos, Deputy Executive Officer, Engineering & Permitting, 21865 Copley Drive, Diamond Bar, CA 91765-4178. If you have any questions, please feel free to contact me at (909) 396-3106 or Victoria Moaveni, Program Supervisor at (909) 396-2455.

Sincerely,

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Tracy A. Goss, P.E. Planning & Rules Manager Planning, Rule Development & Area Sources

TG:AD:VM:HY:FC

cc: Philip Fine, South Coast AQMD Sarah Rees, South Coast AQMD Bayron Gilchrist, South Coast AQMD William Wong, South Coast AQMD Laki Tisopulos, South Coast AQMD Amir Dejbakhsh, South Coast AQMD Ed Muehlbacher, South Coast AQMD