



South Coast Air Quality Management District

CEQA Scoping Meeting #2: Quemetco Capacity Upgrade Project

October 11, 2018
6:00 p.m. to 9:00 p.m.
Presentation begins at 6:30 p.m.

Hacienda Heights Community Center
1234 Valencia Avenue, Hacienda Heights, CA 91745



Who is SCAQMD?

- Regional air pollution control agency responsible for regulating air emissions from industrial and commercial businesses
 - 27,000 permitted facilities
- Evaluates applications and issues air quality permits, only if project meets all rule requirements
- Will not issue new permit if a facility is in current violation of SCAQMD rules
- Enforces rules and permit conditions





Limitations in SCAQMD Authority

- No authority over zoning or land use decisions
- No authority over environmental areas not related to air quality
 - soil testing, water consumption, wastewater, storm water, and groundwater
- SCAQMD will evaluate all environmental topic areas in the California Environmental Quality Act (CEQA) analysis

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Introduction

- Quemetco submitted applications to the SCAQMD requesting modifications to their existing permits
- SCAQMD must evaluate proposed permit modifications
- SCAQMD can approve the project and issue permits only if the facility can comply with all regulatory requirements
- Proposed modifications are subject to CEQA
- SCAQMD is responsible for preparing CEQA documents

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Battery Recycling at Quemetco

- Quemetco is a battery recycling facility located at 720 S. 7th Avenue, City of Industry, CA 91746
- Quemetco has operated at current location since 1959
- Recycles used batteries from cars and household uses
- Used batteries are from North America
- Used batteries are crushed and melted to recover lead and other materials

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SCAQMD Air Quality Permits

- Quemetco has existing air permits with SCAQMD
- Quemetco submitted applications (**not approved**) requesting modifications to their existing permits :
 - ❑ increase amount of battery and total coke material that can be processed
 - ❑ allow petroleum coke (in addition to or in lieu of calcined coke) to be used as an additive in the battery recycling process
 - ✓ coke is a byproduct from oil refining
 - ❑ increase operational hours of furnaces
 - ❑ increase the amount of finished lead product made

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Key Operational Changes

Activity	Existing Setting	Proposed Project	Post-Project Increment
Material Processed (tons per day)	600	750	150
Total Coke Material (pounds per month)	600,000	750,000	150,000
Wastewater (gallons per day)	193,019	275,329	82,310
Truck Traffic (trips per month)	1,615	2,030	415
Lead Product Output (tons per day)	460	575	115

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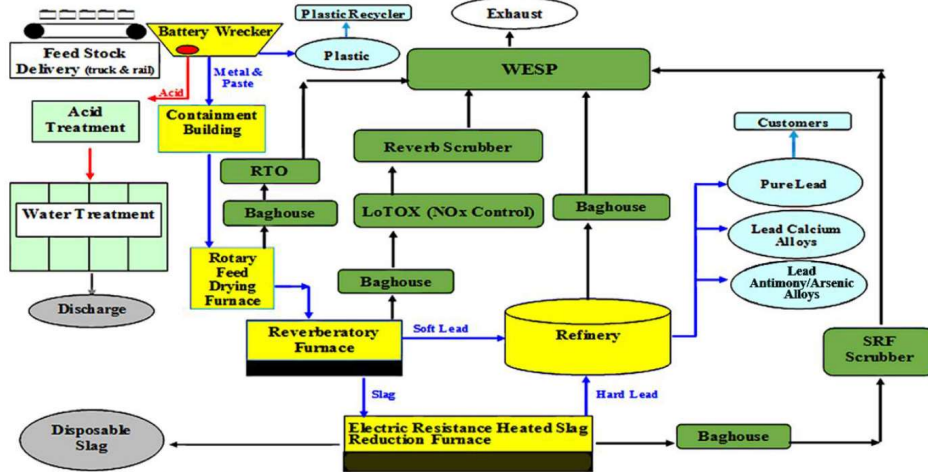


How are Emissions Controlled?

Battery Recycling Equipment	Air Pollution Control Equipment	Pollutant(s) Controlled
Two furnaces: reverberatory and slag furnaces	Baghouses and Scrubber	PM, NO _x , SO _x , and toxics
Drying furnace	Baghouse and Regenerative Thermal Oxidizer (RTO)	PM, CO, VOC, and toxics
All three furnaces and refinery kettles	Wet Electrostatic Precipitator (WESP) and Baghouses	PM and toxics
All equipment within building enclosures	Air circulation system draws air into the building to maximize collection by all air pollution control equipment	NO _x , SO _x , VOC, CO, PM, and toxics

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Quemetco's Process and Air Flow Diagram



Notes: Operations in yellow = building under negative pressure, dark green = air pollution control system, light green = liquid effluent treatment, light blue = outgoing product, grey = waste streams. Lines in dark blue = lead material flow, black = air flow, red = acid, grey = waste streams, light blue = outgoing products.

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WESP, RTO, BATTERY BREAKING ENCLOSURE



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Applicable Rules and Regulations

- Quemetco is required to comply with the following rules/regulations for air pollution:
 - Key SCAQMD Rules: 212, 401, 404, 405, 407, 409, Regulation XIII (New Source Review), Regulation XXX (Title V), 1401 (toxics)
 - Internal Combustion Engines (ICEs): SCAQMD Rules: 431.1, 431.2, 1110.2, and 1470 and Federal Rules: 40 CFR 60 Subpart IIII and 40 CFR 60 Subpart JJJ
 - Risk Reduction Plan (RRP): SCAQMD Rule 1402
 - Large Lead Smelters/Toxic Rules: SCAQMD Rules 1420 and 1420.1, and Federal Rules: 40 CFR 64, 40 CFR Subpart L, 40 CFR 63 Subpart X

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Required Monitoring

- Continuous Emissions Monitoring (CEMS) and Fenceline Monitoring

Type	Pollutants Monitored	Duration	Required Reporting
Continuous Emissions Monitoring (CEMS)	<ul style="list-style-type: none"> • Multi-metals: arsenic and lead • NOx and SOx 	24 hours per day	<ul style="list-style-type: none"> • Daily to SCAQMD • Daily electronic submittal to SCAQMD
Fenceline Monitoring	Arsenic and lead	24 hours per day	<ul style="list-style-type: none"> • Monthly to SCAQMD; and • Daily exceedances to be reported within 24 hours to SCAQMD and Rule 1420.1 mailing list

- 3rd party verifies CEMS equipment and Fenceline Monitors; SCAQMD Laboratory Approval Program (LAP)
- Exhaust stack source testing

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Monitoring Stations



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SCAQMD Permit Limits and Quemetco's Actual Emissions

Pollutant	SCAQMD Permit Limits (per Rule 1420.1)	Quemetco's Actual Emissions (per 2017 source test or Annual Emission Report)	Meets Limits?
Arsenic* (pound per hour)	0.00114	0.0000323	Yes
Arsenic* (pound per year)	6.5	4.902	
Lead (pound per hour)	0.003	0.000167	Yes
Benzene (pound per hour)	0.0514	0.024634	Yes
1,3-Butadiene (pound per hour)	0.00342	0.00556**	No

*Only Arsenic has an hourly and annual emission limit

**Under investigation, see NOV P67052. Until compliance issues are resolved, permits cannot be issued.

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Quemetco's Compliance Status

- Notices of Violation (NOVs) in SCAQMD's Facility Information Detail (FIND) system

Notice Number	Notice of Violation Issue Date	Violation Description	Current Status
P52418	7/14/2017	Exceeded limits for arsenic and lead at fenceline monitors	Closed; not yet updated in FIND
P52420	2/8/2018	Exceeded limit for arsenic at fenceline monitor	Corrective action completed; Pending Legal review
P64422	6/13/2018	Reporting discrepancy of SOx	Corrective action completed; Pending Legal review
P67052	7/27/2018	Exceeded of limit for 1,3-butadiene (from source test)	Ongoing investigation

- Until compliance issues are resolved, permits cannot be issued

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Risk Reduction Plan (RRP)

- Quemetco was required to prepare a RRP under SCAQMD Rule 1402, because the facility exceeded health risk thresholds for arsenic
- SCAQMD conditionally approved Quemetco's RRP on June 22, 2017
- RRP includes new permit conditions and a schedule for reducing the risk
 - Annualized arsenic emission calculation
 - Procedures for CEMS
 - High arsenic notification
 - Arsenic risk reduction measures
 - Failure or shutdown notification

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Department of Toxic Substances Control (DTSC)

- Responsible Agency under CEQA
 - Has discretion over the proposed project because of DTSC's existing Resource Conservation and Recovery Act (RCRA) Permit
 - RCRA Permit authorizes the treatment and storage of hazardous waste
- RCRA Permit Renewal
 - In progress - does not include throughput increase
- RCRA Permit Modification
 - Required for throughput increase, but Quemetco has not yet submitted application to DTSC
 - DTSC would rely on SCAQMD's CEQA document for throughput increase for processing RCRA permit modification

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DTSC's Soil Study

- Quemetco was required by DTSC to conduct off-site soil sampling
 - DTSC approved the work plan prepared by Quemetco and Quemetco conducted off-site soil sampling which included a residential, commercial and background study
 - DTSC is reviewing the study and conducting its own independent analysis of off-site impacts
- Soil samples were taken at properties within ¼ mile radius of Quemetco and background sampling conducted at 5 other areas
 - Samples were taken from about 1/3 of residential & commercial properties and results were shared with the property owners
- DTSC to hold a public meeting to discuss analysis of soil study results
- Baseline conditions from soil study will be included in Draft EIR

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Wastewater Treatment – Los Angeles County Sanitation District (LACSD)

- Quemetco's wastewater is collected and treated prior to discharge to the sewer subject to LACSD Wastewater Discharge Permit
- Project will increase amount of wastewater to be treated and discharged, but not change the type of contaminants currently being treated in the wastewater
- No change to existing Wastewater Discharge Permit needed because it allows for the proposed increase in wastewater

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Storm Water Treatment – Los Angeles Regional Water Quality Control Board (LARWQCB)

- Quemetco's storm water treatment system (since 2016) collects and treats run-off water prior to discharge
- LARWQCB responsible for inspecting and monitoring storm water discharge
- Quemetco has an Industrial General Permit (IGP), also known as the National Pollutant Discharge Elimination System (NPDES)
 - Status: In compliance

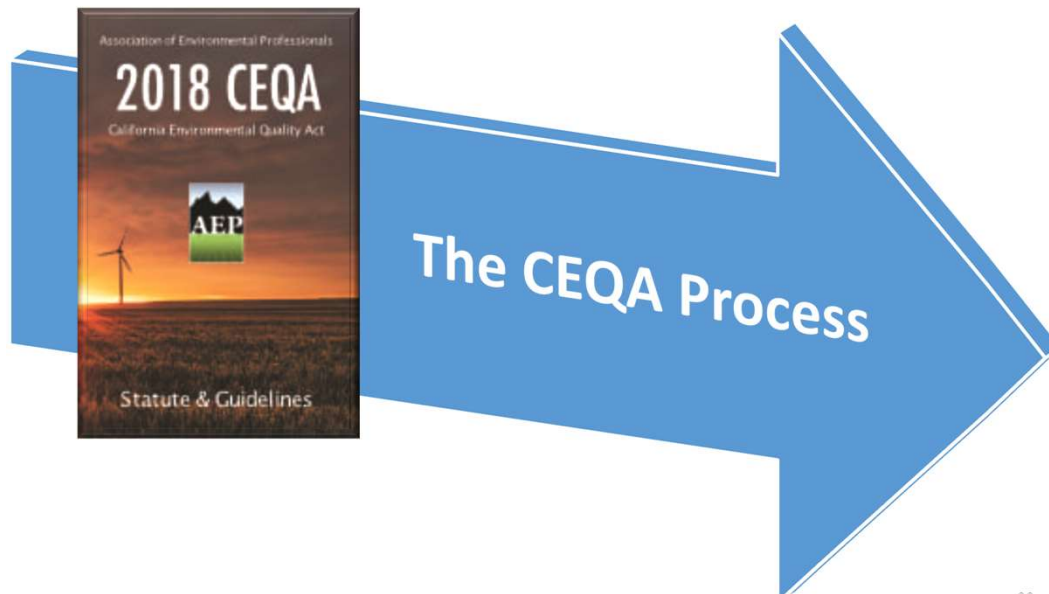
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Proposition 65 – Safe Drinking Water and Toxic Enforcement Act

- Businesses are required to post warnings of potential exposure to chemicals that are above levels established by the Office of Environmental Health Hazard Assessment (OEHHA)
 - Includes lead, arsenic, cadmium, nickel, and 1-3 butadiene
- In 1993, Quemetco settled a lawsuit filed by the County of Los Angeles District Attorney's (DA's) office and agreed in a stipulated judgment to provide Prop 65 warnings (posting, mailing, newspaper)
- In 2010, the Court modified the judgement because Quemetco demonstrated to the DA's office that compliance with SCAQMD Rule 1402 would achieve levels below Prop 65 warning levels
 - SCAQMD does not have authority to enforce Prop 65 warning levels
- Settlement with DA's office continues to require Quemetco to provide Prop 65 warning to the extent emissions are in amounts requiring a warning

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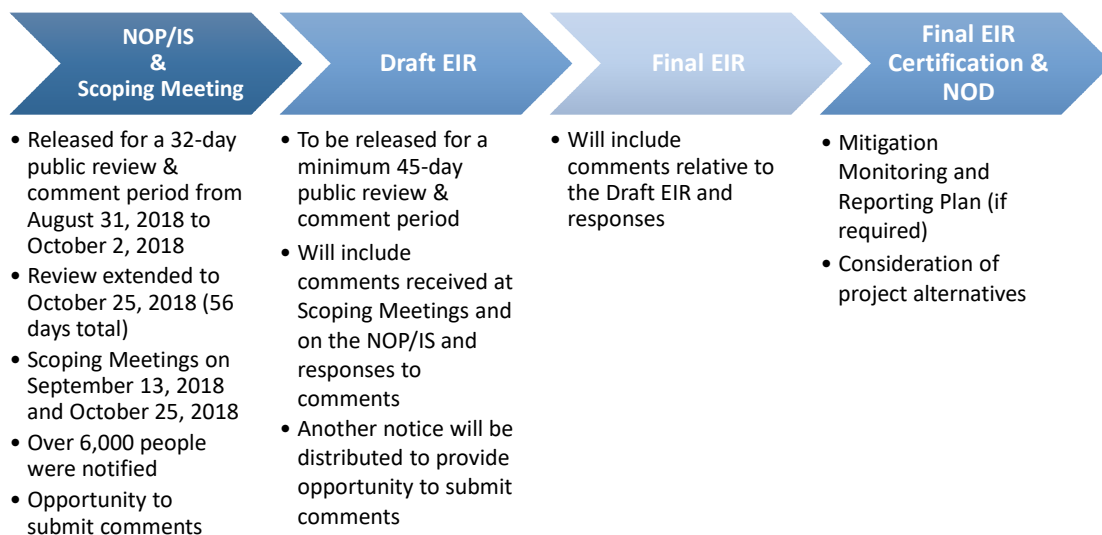
Project is Subject to CEQA

- State law
- Evaluates 17 environmental topics
- Topics to be analyzed in Draft EIR because they are considered potentially significant
 - ✓ Air Quality and Greenhouse Gases
 - ✓ Energy
 - ✓ Hazards and Hazardous Materials (includes toxics in soil)
 - ✓ Hydrology and Water Quality
- Traffic/transportation will also be analyzed

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CEQA Process



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Notice of Preparation/Initial Study (NOP/IS) (1 of 3)

- Prepared by SCAQMD
- NOP/IS begins the CEQA process
- First opportunity for the public, other agencies and interested parties to participate and provide comments
- NOP/IS can be accessed online at http://www.aqmd.gov/docs/default-source/ceqa/documents/permit-projects/2018/2018-quemetco-nop_is-august-30_2018.pdf
- Hardcopies can be obtained at Scoping Meeting, at SCAQMD Headquarters, or by calling 909.396.2039

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Notice of Preparation/Initial Study (2 of 3)

- Chapter 1 provides background information and project description
- Chapter 2 identifies and analyzes environmental topics/impacts
- CEQA requires 17 environmental topics to be analyzed. Topics that are potentially significant will be analyzed in forthcoming Draft EIR:

Topic Areas with Potentially Significant Impacts	Topic Areas with No Potentially Significant Impacts	
<ul style="list-style-type: none"> • Air Quality and Greenhouse Gases • Energy • Hazards and Hazardous Materials • Hydrology and Water Quality • Transportation and Traffic 	<ul style="list-style-type: none"> • Aesthetics • Agricultural Resources • Biological Resources • Cultural Resources • Geology and Soils • Land Use and Planning 	<ul style="list-style-type: none"> • Mineral Resources • Noise • Population and Housing • Public Services • Recreation • Solid and Hazardous Waste

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Notice of Preparation/Initial Study (3 of 3)

- NOP/IS released for 56-day public review period from August 31, 2018 to ~~October 2, 2018~~ (**extended to October 25, 2018**)
- Comments on NOP/IS will be considered when preparing Draft EIR
- Comments on the NOP/IS may be submitted to the SCAQMD no later than 5:00 p.m. October 25, 2018 to:
 - By Mail: Attn: Ms. Diana Thai
South Coast AQMD
21865 Copley Drive
Diamond Bar, CA 91765
 - By Email: dthai@aqmd.gov
 - By Fax: 909.396.3982

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CEQA Scoping Meeting

- Required for projects with potentially significant environmental impacts
- Typically held during Notice of Preparation/Initial Study (NOP/IS) comment period
- Opportunity for the public, other agencies, and interested parties to find out more about proposed project and to provide suggestions on:
 - ✓ Additional Topics to Evaluate in Draft EIR
 - ✓ Mitigation Ideas
 - ✓ Project Alternatives
- Comments at CEQA Scoping will be considered when preparing Draft Environmental Impact Report (EIR)

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Draft Environmental Impact Report (EIR)

- Environmental Impact Reports (or EIRs) are reports to inform the public and public agency decision-makers of significant environmental effects of proposed projects, identify possible ways to minimize those effects, and describe reasonable alternatives to those projects.
- Draft EIR contains:
 - ✓ Project description
 - ✓ Existing setting (physical conditions)
 - ✓ Detailed analysis of environmental topic areas identified in NOP/IS as potentially significant
 - ✓ Mitigation measures to eliminate or reduce significant adverse impacts
 - ✓ Analysis of feasible alternatives to the proposed project
 - ✓ Analysis of cumulative impacts (including past, present, and reasonably foreseeable future projects)
 - ✓ Copy of the NOP/IS
 - ✓ Comments received at CEQA Scoping and responses
 - ✓ Comments received relative to the NOP/IS and responses
 - ✓ Reference materials such as technical studies, calculations, etc.

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Final EIR and Project Application Decision

- Final EIR will include:
 - ✓ Any changes/updates made to the project after the Draft EIR was released for public review and comment
 - ✓ Comments received relative to the Draft EIR and responses
 - ✓ All previous content from the Draft EIR
- Mitigation Monitoring and Reporting Plan
- Findings identifying remaining significant adverse impacts after mitigation is applied
- Statement of Overriding Considerations, if the benefits of the project outweigh any significant adverse impacts

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Contact Information

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