South Coast
Air Quality Management District
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(909) 396-2000 • www.aqmd.gov

November 18, 2016

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

Via Email, Certified Mail and return receipt

Subject: Notice that Aerocraft Heat Treating Company, Inc. (Facility ID 23752) May Be Designated a Potentially High Risk Level Facility

Pursuant to SCAQMD Rule 1402(g), the SCAQMD is notifying you that Aerocraft Heat Treating Company, Inc. may be designated as a Potentially High Risk Level Facility.[1] As discussed later, the SCAQMD has monitored extremely high levels of hexavalent chromium, a highly toxic chemical, in the industrial areas of the City of Paramount where your facility is located. Because the resulting cancer risk is so high in that area, the SCAQMD needs to expeditiously determine whether your facility significantly contributes to this high level of risk. Based on further information gathered independently and from your facility, the SCAQMD may later designate your facility as a Potentially High Risk Level Facility. If your facility is designated as a Potentially High Risk Level Facility, you will be required to expeditiously reduce risks from your facility and provide reports on your toxic emissions and potential health risks to the surrounding community. Details regarding the evidence regarding this designation and possible next steps are described below.

Summary of Available Information Regarding Air Quality Impacts From Aerocraft Heat Treating Company, Inc.

Ambient Air Quality Monitoring Data

On October 15, 2016, the SCAQMD staff began collecting hexavalent chromium air monitoring samples in the industrial portion of Paramount. Figure 1 below shows the location of the various air monitors. SCAQMD has been collecting air samples at Sites #2 and #3 since 2013, while monitoring for Sites #4 through #17 began in mid-October. As seen in Table 1, the levels that were recently recorded near your facility (e.g., Sites 7, 8, 9, 11, 13, 14, and 15) are substantially higher than those found at Sites 2 and 3. Lower monitored levels have also been found at monitors located farther from your facility.

[1] Pursuant to Rule 1402(c)(14), a Potentially High Risk Facility is a facility for which the Executive Officer has determined that emissions data, ambient data, or data from a previously approved Health Risk Assessment indicate that the facility has a likely potential to either exceed or has exceeded a Significant Risk Level. A Significant Risk Level for purposes of this letter is a cancer risk to surrounding areas of greater than 100 chances in a million. http://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1402.pdf

Figure 1 – Map of Air Monitoring Sites in Paramount

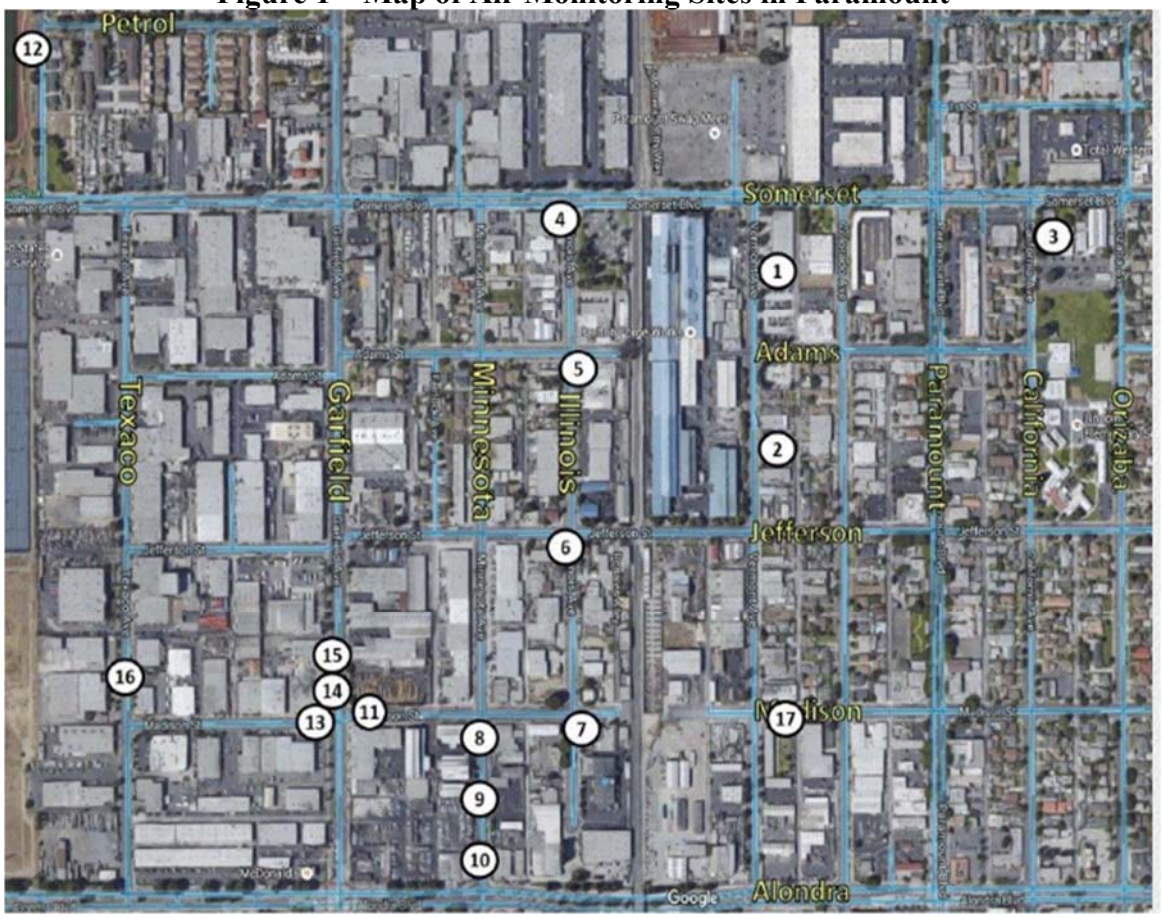

Table 1 – Hexavalent Chromium Air Monitoring Results (ng/m^3)

Sample Date	Site #2	Site #3	Site #4	Site #5	Site #6	Site #7	Site #8	Site #9	Site #10	Site #11	Site #12	Site #13	Site #14	Site #15	Site #16	Site #17
Sat, Oct 15, 2016	0.27	0.13	0.28	0.06	1	7.9	N/A	N/A	N/A	N/A	0.08	N/A	N/A	N/A	N/A	N/A
Tue, Oct 18, 2016	0.53	----	0.43	1.2	0.46	Invalid	N/A	N/A	N/A	N/A	0.2	N/A	N/A	N/A	N/A	N/A
Fri, Oct 21, 2016	0.14	0.11	0.41	0.68	0.9	1.1	N/A	N/A	N/A	N/A	0.24	N/A	N/A	N/A	N/A	N/A
Mon, Oct 24, 2016	1.5	----	0.34	0.59	0.89	4.2	N/A	N/A	N/A	N/A	0.24	N/A	N/A	N/A	N/A	N/A
Thu, Oct 27, 2016	1.1	0.2	0.21	0.28	0.98	5	26	2.7	1.4	17	0.2	N/A	N/A	N/A	N/A	N/A
Sun, Oct 30, 2016	0.46	----	0.08	0.23	0.29	4.8	25	1.1	0.31	0.15	Invalid	N/A	N/A	N/A	N/A	N/A
Wed, Nov 2, 2016	0.33	0.15	0.2	0.42	0.53	2.7	12	2.4	1.3	11	0.11	N/A	N/A	N/A	N/A	N/A
Sat, Nov 5, 2016	0.25	---	N/A	N/A	N/A	3.6	14	1.2	0.80	6.8	N/A	2.3	12	26	0.51	0.61
Tue, Nov 8, 2016	0.43	0.16	N/A	N/A	N/A	3.4	13	1.8	0.97	6.4	N/A	8.8	18	13	0.28	0.71
Fri, Nov 11, 2016	Pending	---	N/A	N/A	N/A	2.6	17	2.4	1.8	3.3	N/A	8.4	15	16	0.64	0.44
Mon, Nov 14, 2016	Pending	Pending	N/A	N/A	N/A	2.7	12	0.87	0.43	9.5	N/A	Invalid	12	14	Invalid	0.79
Average	---	---	0.28	0.49	0.72	3.8	17	1.8	1.0	7.7	0.18	6.5	14	17	0.48	0.64

Notes:
N/A Means no monitor at this location to collect sample and --- means no monitoring scheduled to be collected on this date.
Invalid means sample collected was invalid due to a variety of reasons such as loss of power, equipment malfunction, etc.
Site #1 was discountinued in 2013.
Additional monitoring data available for Sites #2 and #3 at: http://www.aqmd.gov/home/regulations/compliance/air-monitoring-activities

The average hexavalent chromium monitored level at the highest site (Site 15) is 17 ng/m^3. Over many years, this level would present a cancer risk to offsite workers of well over the Rule 1402 (c)(19) significance risk threshold of 100 chances per million. The closest resident is located next to Site #7, where the average hexavalent chromium monitored level is 3.8 ng/m^3. Over many

years, this level would also present a cancer risk to residents of well over the Rule 1402 significance risk threshold.

Inspection of Your Facility by District Staff

As you are aware, District staff visited your facility on October 26, November 3, 9, 10, and 17, 2016. During this visit, District staff noted that there were potential sources of hexavalent chromium emissions including, but not limited to: the facility's metal heat treating, cooling, cutting, and grinding operations.

Designation as a Potentially High Risk Facility

Based on the evidence presented above, your facility may be designated as a Potentially High Risk Facility pursuant to Rule 1402(g). Prior to making this designation, you are required to meet with us so that you can present any additional relevant information to us as we consider this designation. Please contact me at (909) 396-3244 no later than 5 business days from the date of this letter to schedule a meeting.

Rule 1402 Requirements for Potentially High Risk Facilities

If designated as a Potentially High Risk Level Facility, Aerocraft Heat Treating Company, Inc. will be required to submit an Early Action Reduction Plan, an Air Toxics Emission Inventory Report, a Health Risk Assessment, and a Risk Reduction Plan. The timelines for each submittal is outlined below. Each of the due dates below would be measured from the date that the District notifies you that your facility has received a final designation as a Potentially High Risk Facility.

Deliverable	Due Date	Rule Reference
Initial Information for ATIR	30 days	1402(d)(1)
Early Action Risk Reduction Plan	90 days	1402(g)(2)
Air Toxics Inventory Report	150 days	1402(d)(2)
Health Risk Assessment	180 days	1402(g)(3)
Risk Reduction Plan	180 days	1402(g)(4)

Guidelines for Preparing Rule 1402 Deliverables

Guidance for preparing each of the previously mentioned documents can be found online in the SCAQMD AB 2588 Supplemental Guidelines available here: http://www.aqmd.gov/home/regulations/compliance/toxic-hot-spots-ab-2588

The California Air Resources Board (CARB) has developed the "Hot Spots" Analysis and Reporting Program (HARP) which includes the emissions inventory and risk assessment requirements of the "Hot Spots" Program into a set of program modules. ATIRs must be prepared with the Emission Inventory Module (EIM) module of HARP2, and HRAs must be prepared using the Air Dispersion and Risk Management Tool (ADMRT) module of HARP2. A free copy of the HARP software is available here: http://www.arb.ca.gov/toxics/harp/harp.htm.

Additional guidance for preparing ATIRs is available in CARB's Emission Inventory Criteria and Guidelines here: https://www.arb.ca.gov/ab2588/2588guid.htm. Guidance for preparing HRAs is available from the Office of Environmental Health Hazard Assessment (OEHHA) here: http://oehha.ca.gov/air/crnr/notice-adoption-air-toxics-hot-spots-program-guidance-manual-preparation-health-risk-0

If you have questions, please contact me at (909) 396-3244.

Sincerely,

Ian MacMillan
Planning & Rules Manager
Planning, Rule Development & Area Sources

cc: Kurt Wiese, SCAQMD
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