



*Via Email and Certified Mail with return receipt*

December 18, 2020

Marc Viljoen  
Coastline High Performance Coatings  
7181 Oranewood Ave  
Garden Grove, CA 92841

Subject: Notice that **Coastline High Performance Coatings** (South Coast AQMD ID: **112684**) May Be Designated as a Potentially High-Risk Level Facility

Dear Mr. Viljoen:

Pursuant to South Coast AQMD Rule 1402(g), the South Coast AQMD is notifying you that Coastline High Performance Coatings (Coastline HPC) may be designated as a Potentially High Risk Level Facility.<sup>1</sup> When 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 this designation and possible next steps are described below.

### **Summary of Available Information from Coastline HPC**

Beginning in early 2018, we requested information from you since we noted that you failed to submit Annual Emissions Reports for several years from 2014 through 2017. Subsequently, we noted that you reported 110 pounds of hexavalent chromium emissions for the 2018 reporting year. We contacted you to investigate the accuracy of this report since we were concerned about the potential health risk impacts due to those reported emissions. Despite many repeated outreach efforts by both phone and email by South Coast AQMD staff, no information was provided. Consequently, we sent you a letter dated February 5, 2020 requiring you to prepare an Air Toxics Inventory Report (ATIR) for the 2019 calendar year due on July 7, 2020 pursuant to South Coast AQMD Rule 1402 (d).

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<sup>1</sup> Pursuant to Rule 1402(c)(14), a Potentially High Risk Level 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 as well as a total acute HI of five (5.0) for any target organ system at any receptor location.  
<http://www.aqmd.gov/docs/default-source/rule-book/reg-xiv/rule-1402.pdf>

**Findings from ATIR**

The Initial Information for the ATIR was received on April 24, 2020 and the first submittal of the full ATIR was received on September 24, 2020 after multiple attempts by South Coast AQMD staff to contact Coastline HPC. The most recent revision of the ATIR was received on November 11, 2020 from which staff conducted preliminary air dispersion modeling and health risk analysis which yielded maximum individual cancer risks greater than 200 chances in a million for a residential receptor and greater than 1,500 chances in a million for a worker receptor<sup>2</sup>. The predicted cancer health risk is substantially greater than the Rule 1402 Significant Risk Levels for the 2019 calendar year.

**Findings from Inspection**

Based on a compliance inspection conducted on September 17, 2020, South Coast AQMD staff confirmed the following sources of hexavalent chromium emissions:

- Direct emissions resulting from coating and spraying operations conducted in paint spray booths that were not equipped with HEPA filters, as was reported in the ATIR.
- Various coatings were found stored on site that contain hexavalent chromium compounds.
- Dip/etching tanks containing sodium dichromate had been installed. A scrubber that would be used to vent the tanks was in the process of being installed, but during the inspection there were no controls in place.
- Samples of two of the tanks were taken for verification of the contents. The emissions from these tanks were not included as part of the submitted ATIR and as a result were not included in the preliminary health risk analysis performed by South Coast AQMD staff. Including these emissions will result in an even greater health risk estimate.

**Designation as a Potentially High Risk Level Facility**

Based on the evidence presented above, your facility may be designated as a Potentially High Risk Level Facility pursuant to Rule 1402(g). Prior to making this designation, you are required to confer with us so that you can present any additional relevant information to us as we consider this designation. Please contact me at (909) 396-3106 no later than 5 business days from the date of this letter to schedule a conference.

**Rule 1402 Requirements for Potentially High Risk Level Facilities**

If designated as a Potentially High Risk Level Facility, Coastline HPC will be required to submit an Early Action Reduction Plan, 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 South Coast AQMD notifies you that your facility has received a final

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<sup>2</sup> Residential receptor located at 406355m E, 3740035m N. Worker receptor located at 406700m E, 3740015m N.

designation as a Potentially High Risk Facility. Note that you have already submitted an ATIR in accordance to our earlier letter.

<b>Deliverable</b>	<b>Due Date</b>	<b>Rule Reference</b>
ATIR	N/A	
Early Action Risk Reduction Plan	90 days	1402(g)(2)
HRA	180 days	1402(g)(3)
Risk Reduction Plan	180 days	1402(g)(4)

We have noted that the facility plans to complete installation of a scrubber for the tanks and install HEPA filters for the PSBs. Emissions from these tanks must be considered as part of the Risk Reduction Plan that you submit for Rule 1402. However, you should note the permitting activity itself is separate from the Rule 1402 process and permit approval will not be impeded by your designation as a Potentially High Risk Level Facility.

Further, Coastline HPC will be required to conduct public notification within 30 days after the HRA is approved and will need to implement the Risk Reduction Plan as soon as feasible, but no later than two years after the Risk Reduction Plan is approved. Coastline HPC is strongly encouraged to aggressively reduce risks to the surrounding neighborhood as quickly as possible and faster than the timeline provided above.

### **Guidelines for Preparing Rule 1402 Deliverables**

Guidance for preparing each of the previously mentioned documents can be found online in the South Coast AQMD AB 2588 Supplemental Guidelines available here:

<http://www.aqmd.gov/docs/default-source/planning/risk-assessment/ab-2588-supplemental-guidelines.pdf?sfvrsn=19>

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 HARP, and HRAs must be prepared using the Air Dispersion and Risk Management Tool (ADMRT) module of HARP. A free copy of the HARP software is available here:

<https://ww2.arb.ca.gov/our-work/programs/hot-spots-analysis-reporting-program>

Additional guidance for preparing ATIRs is available in CARB’s Emission Inventory Criteria and Guidelines here:

<https://ww3.arb.ca.gov/ab2588/2588guid.htm>

Guidance for preparing HRAs is available from the Office of Environmental Health Hazard Assessment (OEHHA) here:

<https://oehha.ca.gov/air/crrr/notice-adoption-air-toxics-hot-spots-program-guidance-manual-preparation-health-risk-0>

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,

A handwritten signature in cursive script that reads "Tracy A. Goss".

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

TG:VM:FC:VT