BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

EXECUTIVE OFFICER OF THE SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT,

Petitioner,

v.

EXIDE TECHNOLOGIES, INC., a Delaware corporation,

Respondent.

Case Nos. 3151-29 and 3151-32

SEPTEMBER 2014 STATUS REPORT OF RESPONDENT EXIDE TECHNOLOGIES FILED IN ACCORDANCE WITH STIPULATED ORDERS FOR ABATEMENT
Respondent Exide Technologies ("Exide") files this combined Status Report in accordance with the two stipulated Orders for Abatement issued in Case No. 3151-29 and in Case No. 3151-32 on July 10, 2014. This single status report covers the period between August 15, 2014, and September 15, 2014, updating the Hearing Board on Risk Reduction Plan (subject of the Stipulated Order for Abatement in Case No. 3151-29) and Dust Mitigation Plan (subject of the Stipulated Order for Abatement in Case No. 3151-32) activities during this time period.¹

STATUTORY REPORT ON CASE NO. 3151-29.

As explained in the August 2014 Status Report, Exide submitted a Revised Final Risk Reduction Plan on August 8, 2014, describing the District-approved concept to use a regenerative thermal oxidizer ("RTO") rather than an afterburner to control emissions from the top of the blast furnace chute. The District’s permitting staff has not yet responded formally to the Revised Final Risk Reduction Plan.

To reflect the changes set forth in the Revised Final Risk Reduction Plan, Exide revised its permit applications and submitted those applications to the District’s permitting group. On August 22, the District sent Exide detailed draft permit modifications covering the projects at issue. The same day, the District provided Exide with a draft Negative Declaration ("Draft ND") under the California Environmental Quality Act related to the risk reduction projects. Exide reviewed the draft permit and the Draft ND, and submitted proposed revisions to the District on September 2. Exide and the District met on September 4 to discuss the draft permit. On Friday September 5, the District sent Exide a draft permit that incorporated several suggested Exide

¹ In Case No. 3151-29, the Hearing Board required Exide to file a status report on the 15th of every month “summarizing the progress on all work being performed pursuant to this Order for Abatement.” Order for Abatement, Case No. 3151-29, p. 8, ¶ 5. Similarly, in the Order for Abatement in Case No. 3151-32, the Hearing Board required Exide to file a status report summarizing “the progress on all work being performed pursuant to [the] Order for Abatement” in Case No. 3151-32. Order for Abatement, Case No. 3151-32, p. 4, ¶ 4. Exide files this single status report in response to both Orders.
revisions. Exide and the District engaged in further discussion and made additional revisions, ultimately agreeing on the language on September 9. The District has to submit the draft permit and the Draft ND for public comment and EPA review, which will be followed by revisions as necessary and issuance of the final permit. Under the Order for Abatement, Exide will have 180 days from the final permit issuance date to complete the risk reduction projects. (Order for Abatement 3151-29, p. 7, ¶ 1). Exide and the District have worked in a professional manner to resolve legal and technical issues without the need for Hearing Board intervention.

The District has expressed its intention to modify the Order for Abatement in Case No. 3151-29 to reflect the Revised Final Risk Reduction Plan. To avoid multiple proceedings, the District intends to petition the Hearing Board to modify the Order for Abatement at the conclusion of the public and EPA comment period on the permit and the Draft ND.

STATUS REPORT ON CASE NO. 3151-32.

As stated in the August 2014 Status Update, to address the modified projects described in the Revised Final Risk Reduction Plan, Exide submitted a Revised Dust Mitigation Plan on August 8. Given the proposed changes to the type and construction of emission control equipment to be installed according to the Revised Final Risk Reduction Plan, and pending issuance of the final permit, Exide has not been able to perform any significant work relating to the Dust Mitigation Plan or the Order for Abatement in Case No. 3151-32 (some maintenance activity has occurred with District approval, but work has not yet commenced on the approved risk reduction projects).

On Tuesday, August 26, the District confirmed that it had retained Tetra Tech, an environmental and engineering firm, to serve as the third-party oversight consultant. Exide and Tetra Tech had an initial meeting the same day. Exide and Tetra Tech have engaged in several additional meetings and/or telephone calls over the last three weeks (many involving the District)
to go over scope of work, scheduling, and roles and responsibilities. Tetra Tech will soon be prepared to provide the District with required weekly reports. As construction moves forward, future monthly status updates will provide the Hearing Board additional detail on project schedules.

The District has expressed its intention to modify the Order for Abatement in Case No. 3151-32 to reflect the revised Dust Mitigation Plan. To avoid multiple proceedings, the District intends to petition the Hearing Board to modify the Order for Abatement at the conclusion of the public and EPA comment period on the permit and the Draft ND.

VARIANCE PETITION

Exide filed a petition for variance on July 25, 2014, seeking an extension of time to complete source testing for total enclosures under District Rule 1420.1(k)(13). The hearing was August 28, 2014. The Hearing Board granted the variance by a 5-0 vote, extending the deadline to perform the source test until July 31, 2015.

Dated: September 12, 2014

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EXIDE TECHNOLOGIES