NOTICE OF PUBLIC MEETING TO DISCUSS AIR TOXIC RISK FROM A FACILITY IN YOUR NEIGHBORHOOD

State law ensures your right to know about possible health risks from toxic air pollutants emitted by facilities in your neighbourhood. The law requires the following facility to notify you:

- Facility Name: GERDAU
- Address: 12459-B Arrow Route
- Type of Business: Steel Mill

Even though this facility may be complying with all current air pollution control regulations, some toxic chemicals escape to the air during its normal operations. State law requires the facility to notify all of the people in the area where there is a potential health risk above established thresholds.

Summary of Health Risks

Toxic air pollutants from Gerdau may be increasing the cancer and non-cancer risks for people who live and work in the area shown on the attached “Facility Risk Map.” Assuming the facility’s emissions in 2011 persisted for 30 years, people who live closest to the facility could have a maximum increase of about 53 chances in one million of getting cancer. Those who work closest to the facility could have a maximum increase of about 23 chances in one million of getting cancer over a 25-year exposure to the facility’s 2011 emissions. Maximum long-term and short-term non-cancer risks are up to three times higher than the level at which negative health impacts could begin to occur for nearby workers. The potential health risks are lower for those living and working farther away from the facility.

As the air pollution control agency for this area, the South Coast Air Quality Management District (SCAQMD) has prepared the enclosed “Information Sheet.” Officials from SCAQMD will conduct a public meeting in the community near Gerdau to answer questions about the toxic chemicals, the potential health risks, and what is being done to reduce toxic emissions. Officials from Gerdau will also attend the meeting to present information about their operations and to help answer your questions.

PUBLIC MEETING

Date and Time: November 30, 2015 @ 6:30 pm
Location: Victoria Gardens Cultural Center
12505 Cultural Center Dr., Rancho Cucamonga, CA 91739

As per SCAQMD procedures, the facility is permitted to include their own letter in this notice (see attachment). SCAQMD is not responsible for, nor does it endorse the contents of the attached letter from Gerdau.

For more information about SCAQMD programs to control toxic air pollution or the public meeting, contact Ian MacMillan with SCAQMD at (909) 396-3244 or e-mail him at imacmillan@aqmd.gov. For more information about the facility, please contact Mr. Mark Olson with Gerdau at (909) 666-0547 or email him at molson@gerdau.com.

Businesses receiving this notice should post it where it is most likely to be read by employees
Facility Risk Map
Gerdau (ID No. 18931), Rancho Cucamonga

Notes:
1) The extent of the Residential Impact Area is defined by a cancer risk equal to 10 in a million. The residential non-cancer risk does not exceed SCAQMD thresholds for public notification.
2) The extent of the Worker Impact Area is defined by a cancer risk equal to 10 in a million, or non-cancer Hazard Index equal to 1.0.
3) The cancer risk to residents in the county jail (the square cut-out) to the south of Gerdau are less than 10 in a million because there are no residential childhood exposures there.
INFORMATION SHEET

What are toxic air pollutants?
Chemicals that cause cancer, birth defects or other health effects are known as toxic substances. When these toxic substances are released in the air, they are called toxic air pollutants.

Where do toxic air pollutants come from?
Toxic air pollutants come from a variety of sources. These sources include chemical plants and large manufacturers as well as cars and trucks and smaller businesses. Many products used at home, such as cleaners and paint thinners also contain toxic air pollutants.

What toxic air pollutants does this facility emit?
Under normal operation in 2011, this facility emitted the toxic air pollutants listed below that were key drivers affecting health risks.

<table>
<thead>
<tr>
<th>Pollutant</th>
<th>Possible Health Effects from Gerdau’s Emissions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Hexavalent chromium</td>
<td>Cancer</td>
</tr>
<tr>
<td>Dioxins</td>
<td>Cancer</td>
</tr>
<tr>
<td>Diesel Particulate Matter</td>
<td>Cancer</td>
</tr>
<tr>
<td>Cadmium</td>
<td>Cancer</td>
</tr>
<tr>
<td>Lead</td>
<td>Cancer, Non-cancer</td>
</tr>
<tr>
<td>Manganese</td>
<td>Non-cancer</td>
</tr>
<tr>
<td>Arsenic</td>
<td>Non-cancer</td>
</tr>
<tr>
<td>Nickel</td>
<td>Non-cancer</td>
</tr>
</tbody>
</table>

What is the potential health risk from this facility?
For chemicals that could cause health effects, a calculation called a “Health Risk Assessment” was done. This is the best method officials currently have for estimating the chance that breathing or otherwise being exposed to small amount of a chemical over a long period of time will cause health effects. For cancer, because the odds are generally small, risks are described as the “number of chances in one million” of getting cancer. For non-cancer health effects, risks are expressed with a “Hazard Index”. If a Hazard Index is less than 1.0, then non-cancer health effects are not expected. A Hazard Index above 1.0 indicates that a non-cancer health effect is possible.

The health risk estimate conservatively assumes that a person is continually exposed for 30 years at a single location to the toxic emissions that came from Gerdau in 2011. Most people do not stay in one location for that amount of time, so their actual risk is likely to be lower. Based on the Health Risk Assessment, people who live in the Residential Impact Area shown on the attached Facility Risk Map would have their chance of getting cancer increased between 10 and 53 chances in one million because of emissions from this facility. People exposed at work in the Worker Impact Area would have their chance of getting cancer increased between 10 and 23 chances in one million and/or would have non-cancer risks up to three times higher than SCAQMD thresholds.

How does the risk from this facility compare to other risks?
The cancer risk from this facility is relatively small compared to the average overall cancer risk from all causes for people living in the United States. Currently, according to the American Cancer Society, about four out of ten people will get cancer sometime during their lifetime. In other words, the odds of getting cancer at some time in your life are about 400,000 per million.
What is the cancer risk from toxic air pollution in general?
SCAQMD’s Multiple Air Toxics Exposure Study IV (MATES IV) presents estimates of cancer risk throughout SCAQMD’s four county jurisdiction. The average cancer risk from all pollutants emitted from all sources (cars, trucks, factories, power plants, etc.) is about 900 per million. In the residential neighbourhood closest to Gerdau, the background cancer risk is about 1,080 per million, somewhat higher than average primarily due to heavy-duty diesel trucks travelling along the I-15 and I-10 freeways and serving warehouses in the area. The maximum additional cancer risk from toxic emissions from Gerdau is about twice as high as the level where SCAQMD requires a facility to implement actions to reduce risks.

How was the health risk from this facility determined?
The health risk assessment relied on data collected from air quality monitoring instruments set up on and near Gerdau as inputs into a computer model that predicts air pollutant concentrations throughout the community. As required by law, guidance from the state Office of Environmental Health Hazard Assessment was used to determine how the predicted levels of air pollutants in the air may impact people’s health. This guidance was updated in March 2015 to specifically address recent scientific advancements in the understanding of how toxic air pollutants have a greater influence on children than they do on adults. This method of determining risk may differ from other regulatory programs, such as public notification being carried out under Proposition 65.

What is being done to reduce the health risks from this facility?
The state law requiring issuance of this public notice is one step in getting facilities throughout the state to reduce toxic emissions resulting from their operations. The SCAQMD and other agencies have also developed other programs designed to prevent pollution and reduce exposure to toxic air pollution. For example, SCAQMD’s Rule 1402 (Control of Toxic Air Contaminants from Existing Sources), applies to facilities that exceed specific risk thresholds (e.g., cancer risk greater than 25 per million) and requires Gerdau to submit a Risk Reduction Plan detailing how it will reduce its risk below this threshold as quickly as feasible and no later than three years after the Risk Reduction Plan is approved. Further, the SCAQMD Governing Board recently adopted Rule 1420.2, which requires facilities like Gerdau to install air pollution controls to reduce lead emissions. Finally, Gerdau has already replaced some equipment with diesel engines with electrically powered equipment and has received permits from SCAQMD to install new air pollution controls for toxic emissions coming from its operations.

How can I get more information?
A copy of the Gerdau Health Risk Assessment report is available for your review at the following libraries. The Health Risk Assessment and other information about SCAQMD activities related to Gerdau can be found on our website at: www.aqmd.gov/home/regulations/compliance/toxic-hot-spots-ab-2588/gerdau

Rancho Cucamonga Library
12505 Cultural Center Drive
Rancho Cucamonga, CA 91739
(909) 477-2720
Mon - Thur: 10am – 8pm
Fri & Sat: 10am – 6pm
Sun: Closed

SCAQMD Library
21865 Copley Drive
Diamond Bar, CA 91765
(909) 396-2600
Tue - Fri: 8am – 5pm
Sat, Sun, Mon: Closed