Via Certified Mail and Return Receipt and Electronic Mail

April 3, 2014

Mr. Bruce Greene Hixson Metal Finishing 829 Production Place Newport Beach, CA 92663-2809

Subject: Notice to Prepare a Health Risk Assessment (HRA) Hixson Metal Finishing (SCAQMD No.: 011818)

Dear Mr. Greene:

In accordance with the state of California's Air Toxics "Hot Spots" Information and Assessment Act (AB 2588), your facility is required to submit a Health Risk Assessment (HRA) within 150 days from the receipt of this letter.

SCAQMD staff has monitored outdoor levels of hexavalent chromium (Cr(VI) for several years at two locations near Hixson Metal Finishing (or Hixson): across the street at the Robert A. Millet Co. at 834 Production Place, and on the roof of a carport at Newport Villa Apartments, immediately south of Hixson at 1549 Placentia Avenue. Based on recent ambient Cr(VI) levels measured in 2013, the incremental cancer risks at the Newport Villa carport and at the Millet site are substantially exceeding the action risk level of 25 in a million established in SCAQMD's R1402. SCAQMD staff has determined through investigations of the surrounding area, onsite sampling, and review of Hixson's operations, that Hixson is the source of these high ambient Cr(VI) concentrations and cancer risks and is thus requiring that you prepare a health risk assessment expeditiously and as soon as possible, but no later than 150 days from the receipt of this letter. Hixson is also required to reconcile the facility's Cr(VI) emissions and subsequent dispersion model results with the observed ambient Cr(VI) concentrations measured in 2013.

Since the cancer risk levels estimated from the ambient Cr(VI) measurements are significantly above SCAQMD's Rule 1402 action risk level of 25 in a million, pursuant to Rules 1402(d) and (f)(2), Hixson is required to also submit a Risk Reduction Plan (RRP) as soon as possible, but no later than 180 days from the receipt of this notification. We strongly recommend that your facility expedite the HRA and RRP preparation earlier than the required timeframes specified above to the extent feasible.

The remainder of this letter informs you of the following:

- Guidelines and procedures for preparing the HRA;
- Process used to review and approve the HRA; and

• Further assistance is available.

Guidelines for Preparing the HRA

The State of California Air Resource Board (ARB) has developed a "Hot Spots" Analysis and Reporting Program (HARP) which streamlines the emissions inventory and risk assessment requirements of the "Hot Spots" Program into a single integrated analysis tool. You are required to submit your HRA using the HARP software. A copy of the HARP software can be obtained from the following website: http://www.arb.ca.gov/toxics/harp/harp.htm. The latest version of the software must be used. The HRA must be prepared in accordance with The Air Toxics Hot Spots Program Guidance Manual for Preparation of Health Risk Assessments (August 2003) developed by the State of California Office of Environmental Health Hazard Assessment (OEHHA). This document can be obtained at following the http://www.oehha.ca.gov/air/hot_spots/HRAguidefinal.html. The SCAOMD has prepared supplemental guidelines for preparing an HRA which also must be followed. This document can be obtained at: http://www.aqmd.gov/prdas/AB2588/AB2588 B3.html, where it is listed there under the bullet item labeled, "AQMD risk assessment guidelines."

Diesel particulate matter emissions were identified as a toxic air contaminant (TAC) by California Air Resources Board (CARB) in 1998, and were added to SCAQMD Rule 1401 list of compounds on March 7, 2008. Under the current AB2588 Air Toxics "Hot Spots" Emission Inventory Criteria and Guidelines Regulation, amended on August 27, 2007, you are required to include health risk impacts of any diesel exhaust particulate emissions from stationary emergency and prime compression ignition internal combustion engines, as well as portable diesel engines. Please clearly identify emergency diesel internal combustion engines (DICEs) and their corresponding emissions. This is essential because, on January 5, 2007, the SCAOMD Board adopted separate public notification procedures for emergency DICEs.

Air emissions of any substances listed in Appendix A-I of the OEHHA guidelines must be quantified and evaluated in the HRA. Please follow the detailed outline for the HRA report, which is contained in Appendix C of the SCAQMD supplemental risk assessment guidelines mentioned above. Lastly, please also include a signed copy of the AB 2588 Air Toxics Document Certification & Application Form (Attachment) along with your HRA submittal.

Process for Reviewing and Approving the HRA

The HRA will be reviewed by staff from both the SCAQMD and OEHHA. State law provides OEHHA 180 days to complete their review. You will be notified of the status of your HRA within a few weeks after it is returned to the SCAQMD from OEHHA. An HRA that is not consistent with state and SCAQMD guidelines will be returned to the facility with a list of necessary corrections, prior to approval.

Public Notification and Risk Reductions

When an approved HRA shows that your facility, **excluding risks from emergency DICEs**, poses a maximum individual lifetime cancer risk of ten in one million or greater, or the non-cancer health effects hazard index exceeds one, you are required to provide public notice to all

individuals exposed above notification levels. If the cancer risks from emergency DICEs exceed the above-mentioned public notice threshold, your facility is subject to a newspaper notification and information will be made available on the SCAQMD website. Once your HRA is approved, you will receive further information regarding the public notification process at that time.

Further Assistance

If you have questions regarding the guidelines, the HARP software, or need any other assistance, please contact Ian MacMillan at (909) 396-3244.

Sincerely,

Susan Nakamura

Director of Strategic Initiatives

Planning, Rule Development, & Area Sources

Susan Nakamin

tc (11818hra.doc)

Attachments:

AB2588 Air Toxics Document Certification & Application Form

Elements of a Risk Reduction Plan