



South Coast Air Quality Management District

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(909) 396-2000 • www.aqmd.gov

Via Email and Certified Mail with return receipt

January 23, 2020

Mr. Steven Rossi
Lubeco, Inc.
6859 Downey Avenue
Long Beach, CA 90805

Subject: Conditional Approval of Rule 1402 Risk Reduction Plan (RRP) for
Lubeco, Inc. (South Coast AQMD Facility ID No.: **041229**)

Dear Mr. Rossi:

The South Coast Air Quality Management District (South Coast AQMD) staff has completed the review of the proposed Risk Reduction Plan (RRP) for Lubeco, Inc. (Lubeco), located at 6859 Downey Avenue, Long Beach (Facility ID No. 041229). The RRP was prepared and submitted by JE Compliance Services, Lubeco's consultant, to South Coast AQMD on December 24, 2019, as required pursuant to South Coast AQMD Rule 1402. **Please note that based on our review of the RRP and subsequent information provided by Lubeco and our discussions with Lubeco and your consultants, the South Coast AQMD is hereby granting conditional approval of the RRP.**

Background

On July 21, 2017, South Coast AQMD filed a petition for an Order for Abatement against Lubeco with the South Coast AQMD Hearing Board. The Hearing Board adopted a Stipulated Order for Abatement (Stipulated OA) on August 23, 2017 which included measures designed to reduce Lubeco's emissions of hexavalent chromium (Case No. 6089-1). One of the conditions of the Stipulated OA required Lubeco to submit a plan identifying all feasible measures by which it can reduce its hexavalent chromium emissions.

Separate from the Stipulated OA process, South Coast AQMD staff designated Lubeco as a Potentially High Risk Level Facility pursuant to Rule 1402 on September 28, 2017. This designation required Lubeco to submit: 1) Initial Information for an Air Toxics Inventory Report (ATIR) due October 31, 2017, 2) Early Action Reduction Plan due December 27, 2017, 3) ATIR due February 27, 2018, and 4) Health Risk Assessment (HRA) and RRP due March 27, 2018.

On October 5, 2017, Lubeco submitted a Hexavalent Chromium Emissions and Risk Reduction Plan¹ (“OA Plan”) which was rejected by South Coast AQMD staff since it did not address all the items listed in the Stipulated OA. On December 8, 2017, Lubeco submitted an amended Hexavalent Chromium Emissions and Risk Reduction Plan. Upon review, staff found that this plan satisfied the requirement of the Stipulated OA as well as the requirements of the Early Action Reduction Plan for Potentially High Risk Level Facilities pursuant to Rule 1402. The plan was then approved for both purposes on March 29, 2018.

Subsequent to the approval of the OA/Early Action Reduction Plan, Engineering and Permitting met with Lubeco to discuss revisions to improve the plan. As a result, Lubeco submitted a second amended Hexavalent Chromium Emissions and Risk Reduction Plan on April 19, 2018 and submitted permit applications to Engineering and Permitting on April 27, 2018.

Pursuant to Rule 1402, Lubeco submitted a Rule 1402 HRA and RRP on March 27, 2018. Upon review of the March 27, 2018 Rule 1402 RRP, South Coast AQMD noted that the proposed risk reduction measures are based on the measures presented in the OA/Early Action Reduction Plan approved on March 29, 2018 and not the second amended plan submitted on April 19, 2018. However, certain elements of the April 19, 2018 plan were consistent with the permits to construct issued on September 28, 2018. As a result, Lubeco was asked to submit a revised Rule 1402 RRP that reflected the updated risk reduction measures (including a new HRA demonstrating the effectiveness of the proposed RRP) by November 8, 2019. After several discussions and revisions that were requested by South Coast AQMD staff, Lubeco submitted a finalized RRP on December 24, 2019.

Risk Reduction Plan and Next Steps

After careful review of the revised RRP and the proposed Risk Reduction Measures (RRMs), South Coast AQMD staff has determined that Lubeco’s revised RRP is consistent with Rule 1402 requirements to reduce the facility’s risk permanently below the Rule 1402 Action Risk Level or the lowest achievable level. South Coast AQMD staff hereby grants conditional approval of this plan, contingent upon the following:

1. Lubeco shall continue to implement all existing housekeeping RRMs as stated in the revised RRP dated December 24, 2019.
2. Lubeco shall complete the modification to the air pollution control system as described in item number 4 of the revised RRP dated December 24, 2019. The implementation schedule for item 4 (modification of air pollution control for tanks 14, 16 and 37) was for completion by January 8, 2020. Since modification of this air pollution control is still pending, tanks 14, 16 and 37 shall not be operated until the air pollution control system is installed.²

¹ Note that this risk reduction plan was intended to satisfy a Stipulated OA requirement and is separate from the Rule 1402 risk reduction plan.

² These contingencies are set forth with reference to the RRP dated December 24, 2019. We separately note that Lubeco has not been operating Tanks 14, 16, and 37. On December 4, 2019, the District’s Hearing Board issued an Order for Abatement prohibiting use of those tanks until installation of the air pollution control equipment is complete.

Please be advised, pursuant to South Coast AQMD Rule 1402(k)(1), if information becomes known to the Executive Officer after the last submitted risk reduction plan that would substantially impact risks to exposed persons, implementation, or effectiveness of the plan, the Executive Officer may require the plan to be updated and resubmitted. Such examples include discovery of fugitive emissions emitted outside of traditional ventilation stacks or new equipment or processes.

Based on the proposed RRM and the estimated emission reductions, South Coast AQMD staff has conservatively estimated Lubeco's risks all RRM are implemented. This RRP projects potential maximum cancer risks of less than 2.7 in-a-million for residential receptors and less than 0.2 in-a-million for worker receptors. These risk values will be reviewed again once the RRP is completely implemented.

In addition, pursuant to Rule 1402(j), Lubeco is required to submit annual progress reports to demonstrate the progress achieved in implementing the RRM. The first annual progress report is due 12 months from the date of this approval letter. A final implementation report must be submitted once implementation is fully achieved. If all measures are fully implemented within 12 months from the date of this letter, Lubeco may submit only the Final Implementation Report describing how all the elements contained in the RRP and the Conditional Approval letter have been satisfied and will be maintained.

Please submit all permit related information or application(s) to the attention of Amir Dejbakhsh, Deputy Executive Officer, Engineering & Permitting, 21865 Copley Drive, Diamond Bar, CA 91765-4178. 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,



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

TG:VM:TT:KC

cc: Amir Dejbakhsh
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