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Via Email

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South Coast Air Quality Management District
21865 East Copley Drive
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RE: Proposed Rule 1480 –Toxic Metal Air Emission Monitoring

Dear Min, Dan, Susan and Neil -

With the approaching Workshop #5 on March 26, the Metal Finishing Association of Southern California [MFASC] would like to reiterate and emphasize several key issues that we have raised in previous workshops.

Metal Finishing Industry

The Metal Finishing Association of Southern California, together with the Metal Finishing Association of Northern California, together represent over 130 companies throughout Northern and Southern California, which comprise a diverse industrial base of metal finishing and related businesses that employ thousands of workers.

Our members provide necessary products and services to manufacturers in various other industries, including, automotive, consumer products, industrial, energy, aerospace and numerous others. In particular, a large segment of our memberships provide mission critical parts and components for military aircraft, satellites, telecommunications, defense and the like. In addition, well over 90% of the associations' members meet the federal definition of Small Business with fewer than 150 employees, and these are typically private family businesses or otherwise small closely held companies.

Our industry has a statewide economic impact of more than \$13 billion per year, and it is responsible for more than 130,000 jobs.

Context – PAR 1469

Metal finishing facilities are now endeavoring to meet the significant new requirements and related compliance costs now that the district has adopted Proposed Amended Rule 1469 (PAR 1469). This follows almost two years of meetings and negotiations.

The rule addresses hexavalent chromium containing tanks not previously known to be sources of hexavalent chromium

emissions and includes requirements such as building enclosures, best management practices, and housekeeping provisions that minimize the release of fugitive emissions from chromium electroplating and chromic acid anodizing operations.

PAR 1469 also has provisions to ensure continuous proper operation of point source pollution controls and contingency provisions to add pollution controls for a building enclosure for any facility that repeatedly fails to comply with the point source emission requirements or fails to shut down a tank after not passing a test to evaluate the collection efficiency of a tank with pollution controls.

The District estimates that small decorative plating facilities will experience an average impact of 3.4% to 7.4% of their revenues, and that this will increase dramatically if chemical fume suppressants are not certified and they are required to install add-on pollution controls. The district also projects that approximately 37 to 63 jobs will be lost each year.

Toxic Metal Air Emission Monitoring

The District is now proposing a new Rule 1480. Under this rule, if data collected by SCAQMD demonstrates that a facility is a *Potentially Significant Source* of toxic metal emissions, the district would notify the facility and could subject the facility to new air monitoring requirements including sampling, monitoring and analysis.

The metals addressed by the rule include Arsenic (As), Cadmium (Cd), Copper (Cu), Hexavalent Chromium (CrVI), Nickel (Ni), and Manganese (Mn). The emissions processes include metal finishing, metal heat treating, metal forging, chromate coatings, metal shredding, metal melting, and metal buffing and grinding.

A facility designated as a Potentially Significant Source would be required to:

- Submit an ambient air monitoring plan, and
- Comply with the requirements for a Potentially High Risk Level facility pursuant to Rule 1402 (e.g. Early Action Reduction Plan)

These proposed new requirements are substantial and metal finishing facilities will be required to incur significant time, workload, and economic burdens in their efforts to comply. The District has already mentioned potential costs in the amount of several thousands of dollars each week for the monitoring and analysis. These are in addition to the new costs being incurred in compliance with the new PAR 1469.

The metal finishing industry is urging the District to address key issues prior to finalization. These include:

1. *Adequate time to respond* – facilities should be provided a reasonable period of time to respond to a District notification that they are a Potentially Significant Source.

The current proposal - 14 days - is an insufficient amount of time for a facility to develop and submit its response to this significant notification. This is especially true with regard to the District's example of the type of response it desires to receive within this timeframe: "Substantiate why the facility is not a source."

The rule should also address the information that will be made available to facilities with this significant notification, in order to enable them to prepare an informed response. This information should include not only the data itself but also the data collection methodologies, as well as other potential sources of emissions.

2. *Clear and separate regulatory process* – facilities should be able to reference and rely upon a distinct set of rules and procedures, as opposed to the current rule that references Rule 1402.

The current proposal references Rule 1402 early action reduction plan procedures that currently apply to other facilities and could be revised over time.

It is also important that Rule 1480 clearly provide for:

- The identification and quantification of all other sources of the emissions.
 - The methodology to be utilized for ambient air monitoring.
 - The quantitative guidelines for ambient air measurements.
 - The quantitative determination the District will employ to
 - The criteria for the determination that a facility is a Potentially Significant Source.
 - The criteria for notifying a facility that it is a Potentially Significant Source.
3. *Cost Impacts* – the industry should be provided with the District’s cost estimates in sufficient advance time that will allow the impacted facilities to review the information and provide a response.

The cost estimates should address every cost to be borne by facilities including but not limited to the preparation of the response to the District’s notification that they are a Potentially Significant Source, the preparation of an air monitoring plan, the performance of sampling and analysis, and the review of air monitoring data.

MFASC also requests, consistent with our comments in the recent PAR 1469 process, that the district include within this rulemaking the financial measures it will adopt in acknowledgement of the public statements that: “It is unrealistic to expect a small plating shop or other metalworking facility to be able to support the amount of monitoring required.” [July 27, 2017 joint air district letter to Governor Brown and the Legislature regarding AB 938 and AB 617].

Thank you for the consideration of these and the other issues that our association and its members are raising in this rulemaking. MFASC and our representatives look forward to continued discussions on the PR 1480 with the District.

Sincerely,



Dale Watkins,
President