

BOARD MEETING DATE: October 3, 2014

AGENDA NO. 25

REPORT: Stationary Source Committee

SYNOPSIS: The Stationary Source Committee met Friday, September 19, 2014.  
Following is a summary of that meeting.

RECOMMENDED ACTION:  
Receive and file.

Dennis Yates, Chair  
Stationary Source Committee

MN:am

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### **Attendance**

The meeting began at 10:30 a.m. In attendance at SCAQMD Headquarters were Mayor Dennis Yates and Mayor Judith Mitchell. Mayor Pro Tem Ben Benoit attended via videoconference. Absent were Dr. Joseph Lyou and Supervisor Shawn Nelson.

### **INFORMATIONAL ITEMS**

#### **1. Exide Status Update**

Mohsen Nazemi, Deputy Executive Officer, Engineering and Compliance, stated that an Exide Community Advisory Committee Meeting was held this past Wednesday evening. Mayor Yates inquired about how many public members attended. Barry Wallerstein, Executive Officer, and Mr. Nazemi responded that 16 community members who were members of the Advisory Committee attended and other persons were in the audience.

Mr. Nazemi provided a status update on the SCAQMD's Legal Actions including civil penalty lawsuit, Order of Abatement; Oversight including discussions on Risk Reduction Plan, Dust Mitigation Plan, Third-Party Monitor, SCAQMD Inspections, and Permitting and CEQA. Lastly, Upcoming Events were provided including finalizing permits and CEQA document; Modification of Order for Abatement; installation of upgraded air pollution control systems and equipment enhancements;

earliest potential plant operation, and consideration of amendments to Rule 1420.1 regarding lead emissions.

Mayor Yates asked who will conduct the clean-up of homes and properties beyond Exide's property line and if the clean-up has began. Mr. Nazemi explained that 39 homes have been evaluated by a firm that is to be paid by Exide but which receives oversight review and approval of plans and programs by California Department of Toxics Substance Control (DTSC), this provides checks and balances, and two homes have had remediation programs completed.

Mayor Mitchell asked if DTSC will issue their permit. She additionally asked about how many residents participated in the blood test offered by the Los Angeles County Health Department. Barry Wallerstein, Executive Officer, explained that SCAQMD does not know the answer at this time on when or if DTSC will issue their permit. Mr. Nazemi responded that he believes there are about 150 people who participated in the blood testing. Mayor Mitchell added that she has participated in many public meetings and Hearing Board meetings concerning this facility and stated that the SCAQMD has been on top of the situation as soon as SCAQMD had knowledge of issues concerning wide spread contamination. Dr. Wallerstein added that SCAQMD has been in communications with other agencies that have jurisdiction over this facility such as Cal OSHA, Los Angeles County Department of Public Health, and DTSC. Dr. Wallerstein added that SCAQMD staff was on a facility site visit when their CO monitors were activated and that Cal OSHA was notified. The results from Cal OSHA's investigation resulted in a relatively small penalty.

Mayor Pro Tem Ben Benoit, inquired about the SCAQMD CEQA timing for permits and the two houses that have been remediated and where they were located in respect to the facility. Mr. Nazemi responded that it is anticipated the CEQA document will be completed by end of the month or early part of next month and he does not recall where the two houses are located but can provide that information. Mayor Pro Tem Benoit lastly commented this was a good update.

Mayor Yates asked members of the public for any comments; no comments were offered by the public.

## **2. Allenco Status Update**

Mohsen Nazemi provided an update on facility operations at Allenco Energy, Inc. (Allenco), Los Angeles. Allenco is an oil field production facility currently operating seven production wells and four water injection wells. The facility is located in a residential area surrounded by homes and multi-dwelling units on the west and north, and Franklin Lanterman High School and Mount Saint Mary's College on the south and east, respectively. Allenco has been a source of numerous

odor complaints received since 2011 from nearby residents and schools. Mr. Nazemi's presentation included background information about the facility's operating, permitting and compliance history. Included also in Mr. Nazemi's presentation was an update on the results of SCAQMD's ambient air monitoring and sampling conducted before and after Allenco's voluntarily/temporarily ceased operations in November 2013 until all necessary repairs and operational changes could be completed. Mr. Nazemi summarized the various actions completed by Allenco to mitigate emissions and odors from the facility including the repair and replacement of corroded/leaking tanks, removal/re-piping of the previously open trench and sump and the redesign and upgrading of the air pollution control system at the site. Included also in this presentation was discussion about the implementation of an enhanced Odor Mitigation Plan during well rework activities.

Following Mr. Nazemi's presentation Dr. Barry Wallerstein, commented that Allenco was one of three oil field production facilities in the Los Angeles area near USC. Dr. Wallerstein noted that oil field production facilities are prevalent through our Air Basin and many are situated in proximity to sensitive receptors such as residential communities and schools. Many of these oil production sites exist with very little buffer zones between operations and receptors. He commented that he had recently attended a Community Health Fair where urban oil field production sites were a key topic of discussion and concern. Dr. Wallerstein noted upcoming SCAQMD Rule 1148.1 amendment efforts to better protect nearby communities and public health.

Mayor Judith Mitchell commented that the SCAQMD needed to keep a close watch on Allenco and other similar facilities as we progressed towards our rule amendment efforts. She also inquired if the health complaints previously alleged by residents/nearby school employees had subsided. Dr. Wallerstein responded that complaints had been reduced significantly since Allenco temporarily ceased operations. He further noted that he had earlier requested that Los Angeles County Department of Public Health (Health Department) conduct an investigation into the health related complaints. The results of that study were based primarily on interviews with the complainants conducted by a medical doctor on staff with the Health Department. SCAQMD had hoped for a more scientific based study to quantify the health impacts from exposure to these kinds of operations. SCAQMD has since let a small contract to UCLA to conduct a literature search to evaluate recent studies in an effort for the SCAQMD to be more responsive to health related inquiries from the public i.e. identify possible causes for the reported nose bleeds.

Mayor Yates commented that Allenco should have done a more thorough evaluation of the condition of the facility prior to the purchase and identified any problems that may exist. Dr. Wallerstein responded that he had been advised that Allenco had performed some well work for the previous owners and were not paid for their

work. As such, arrangements were made for Allenco, to take over the facility and operations. Mayor Yates commented about the oil field production site currently present in the city of Brea and the encroachment of new housing developments. He encouraged the SCAQMD to proceed with rule amendments efforts to further protect the public from operations of existing/future urban oil field production facilities.

Mayor Yates then called for Public Comment. Logan Allen, Allenco, Vice President of Sales, provided public comment to the Committee. He stated that Allenco has been the subject of great agency and public scrutiny and expressed his appreciation to the SCAQMD for 'sticking to the fact's' relating to Allenco. He noted that Allenco has spent 'millions of dollars' on improvements to the facility and they have yet to receive their revised Permit to Operate from the District. Mr. Allen noted that Allenco had fully complied with EPAs' recent Administrative Compliance Order and that his company had been the recipient of various awards over the years. Mr. Allen acknowledged the importance of outreach to the surrounding community.

No further public comments were received.

### **WRITTEN REPORTS**

All written reports were acknowledged by the Committee.

### **PUBLIC COMMENTS**

There were no public comments.

Mayor Yates announced that the next Stationary Source Committee meeting is scheduled for October 17, 2014 and adjourned the meeting at 11:30 a.m.

### **Attachments**

Attendance Roster

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
STATIONARY SOURCE COMMITTEE  
September 19, 2014  
ATTENDANCE ROSTER (Voluntary)**

<b>NAME</b>	<b>AFFILIATION</b>
Mayor Dennis Yates	SCAQMD Governing Board
Mayor Pro Tem Benoit (VT)	SCAQMD Governing Board
Mayor Judith Mitchell	SCAQMD Governing Board
Marisa Perez	SCAQMD Governing Board (Mitchell)
Ron Ketcham	SCAQMD Governing Board (Cacciotti)
Dr. Barry Wallerstein	SCAQMD Staff
Mohsen Nazemi	SCAQMD Staff
Elaine Chang	SCAQMD Staff
Kurt Wiese	SCAQMD Staff
Barbara Baird	SCAQMD Staff
Bay Gilchrist	SCAQMD Staff
Naveen Berry	SCAQMD Staff
Edwin Pupka	SCAQMD Staff
William Thompson	SCAQMD Staff
Andrew Lee	SCAQMD Staff
Cher Snyder	SCAQMD Staff
Sam Atwood	SCAQMD Staff
Kim White	SCAQMD Staff
Susan Nakamura	SCAQMD Staff
Rudy Eden	SCAQMD Staff
Bill Wong	SCAQMD Staff
Laki Tisopulos	SCAQMD Staff
Jean Ospital	SCAQMD Staff

**SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT  
STATIONARY SOURCE COMMITTEE  
September 19, 2014  
ATTENDANCE ROSTER (Voluntary)**

Philip Fine	SCAQMD Staff
Curtis Coleman	So. Calif. Air Quality Alliance
Mike Buckantz	RSR Corporation
Susan Stark	Tesoro
Bill Pearce	Boeing
David Rothbart	LA County Sanitation District
Bill LaMarr	California Small Business Alliance
Vlad Kogan	Orange County Sanitation District
Richard Friedman	EES
Rita Loof	RadTech International