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BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

In the Matter of

STERIS, INC.

[Facility ID No. 120829]

CASE NO. 6297-1

**[PROPOSED] FINDINGS AND
DECISION AND ORDER GRANTING
VARIANCE**

District Rule: 203(a)

Date: October 20, 2026
Time: 9:30 a.m.
Place: 21865 Copley Drive
Diamond Bar, CA 91765

FINDINGS AND DECISION OF THE HEARING BOARD

The Petition for Variance in Case No. 6297-1 was filed on September 11, 2026, by STERIS Inc. (“STERIS” or “Petitioner”) and was heard on the Consent Calendar on October 20, 2026, pursuant to notice and in accordance with the provisions of South Coast Air Quality Management District (“SCAQMD” or “the District”) Rule 510. The matter was placed on the Consent Calendar pursuant to the Stipulation to Place Petition for Variance on Consent Calendar. The following members of the Hearing Board were present: Micah Ali, Chair; Robert Pearman, Vice Chair; Jerry Abraham, MD, MPH, CMQ; Mohan Balagopalan; and Cynthia Verdugo-Peralta. Petitioner, represented by Tom Boer, Esq., did not appear. Respondent SCAQMD, represented by Mary Reichert, Senior Deputy District Counsel, did not appear.

1 The matter was submitted for consideration on the Consent Calendar. Public notice for the
2 October 20, 2026, hearing was provided. The public was given the opportunity to testify, and no
3 testimony was provided. The Declarations of Eva Mejia, Earl Marcum, and John West were
4 received into evidence by the Hearing Board. The [Proposed] Findings and Decision of the Hearing
5 Board was received, and the case submitted. The Parties have agreed by Joint Stipulation to place
6 this matter on the Consent Calendar and to the issuance of this Order. The Joint Stipulation
7 incorporates by reference all evidence and testimony offered in support of Petitioner's requests for
8 a Regular Variance.

9 The Hearing Board finds and declares as follows:

10 **FINDINGS OF FACT**

11 1. PSTERIS(Facility ID No. 120829) is a contract sterilization provider. Petitioner's
12 facility is located at 43425 Business Park Drive, Temecula, California 92590 ("Facility").

13 2. Pursuant to contracts with its customers, the Facility provides ethylene oxide
14 ("EtO") sterilization services for critical healthcare products. Approximately 110 manufacturers
15 rely upon the Facility for sterilization services related to a broad range of products utilized in
16 patient diagnosis, treatment, disease management, and surgical intervention. The demand for
17 sterilization services needed to ensure an uninterrupted supply of sterilized medical devices to the
18 healthcare market is very high and, as a result, the Facility operates twenty-four hours a day, seven
19 days a week.

20 3. The Facility operates a catalytic oxidizer as part of its air pollution control system
21 required to treat EtO-containing exhaust streams from the sterilization chambers and associated
22 process areas. On July 30, 2026, the Facility conducted a source test of the catalytic oxidizer,
23 approximately two weeks in advance of the Rule 1405 deadline. The preliminary test results
24 indicated that the catalytic oxidizer did not meet the applicable 99.99% EtO removal efficiency.
25 Given the successful August 2025 source test of the catalytic oxidizer and the absence of known
26 operational conditions indicating a performance deficiency, the July 30th source test results were
27 unexpected.
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1 4. The Facility performed an evaluation and took corrective action; however, the
2 August 11, 2026, retest of the catalytic oxidizer also failed to demonstrate compliance with the
3 required removal efficiency. The Facility then undertook additional corrective action, including
4 replacement of the catalyst in its entirety. A third source test performed on August 27 and 28, 2026,
5 again showed the catalytic oxidizer was not meeting the required 99.99% EtO removal efficiency.

6 5. The Facility is therefore out of compliance with Rule 1405(d)(1)(C), Rule
7 1405(d)(1)(E)(iii), Rule 203(b), and A/N 664738, Condition No. 4.

8 6. The Facility is continuing its technical evaluation and has taken additional
9 affirmative measures, including ordering additional air pollution control equipment to supplement
10 the existing control system, which goes beyond the air pollution control equipment required
11 pursuant to the Facility's existing permit.

12 7. The failure of the source tests to demonstrate compliance with District rules and the
13 applicable permit was beyond the Facility's reasonable control because the catalytic oxidizer had
14 passed the 2025 source test, routine maintenance had been performed on the catalytic oxidizer since
15 that test, no operational changes occurred at the Facility that would have indicated that the catalytic
16 oxidizer would fail its 2026 source test, and the Facility could not have reasonably anticipated the
17 performance issue prior to conducting the source test in July 2026. The Facility took prompt
18 corrective action once the issue was discovered, including contacting District staff, making
19 adjustments to the equipment, conducting additional source tests, and ultimately ordering new
20 control equipment. As the catalytic oxidizer is required for performing its sterilization services,
21 requiring compliance pending completion of corrective action would result in a shutdown of the
22 Facility.

23 8. The closing of the Facility would be without a corresponding benefit in reducing air
24 contaminants because the most recent source test showed the catalytic oxidizer is operating at a
25 99.92% removal efficiency and that the Facility satisfied the separate facility-wide mass-emission-
26 rate requirement of Rule 1405(d)(1)(D)(i) and permit to operate A/N 664738. Additionally, the
27 sterilization services Petitioner provides are essential for critical healthcare needs. Finally,
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1 Petitioner would lose approximately \$1.6 million per month and need to lay off up to 30 employees
2 if it were forced to shut down.

3 9. Petitioner is unable to curtail operations in lieu of obtaining a variance. The Facility
4 provides the medical industry with critical sterilization services. The substantial demand for these
5 services requires the Facility to operate 24 hours a day, seven days a week. Many of the Facility's
6 customers do not have a validated alternative contract sterilization process, from another
7 sterilization provider, that has been approved by the Food & Drug Administration. If Petitioner
8 were required to reduce its operations at the Facility, it would have a material negative impact on
9 the healthcare industry in Southern California.

10 10. Petitioner agrees to monitor emissions according to Rule 1405(d)(7), the conditions
11 on its permit to operate A/N 664738, and as set forth in the Conditions in this Order.

12 **CONCLUSION AND ORDER**

13 THEREFORE, the Hearing Board orders as follows:

14 A. The variance from SCAQMD Rules 203(b), 1405(d)(1)(C), 1405(d)(1)(E)(iii), and
15 Condition No. 4 of Permit to Operate A/N 664738 is hereby granted until March 31, 2027, or until
16 Petitioner comes into compliance with District Rules, whichever occurs first.

17 B. The variance granted herein is subject to the following conditions:

18 1. Petitioner shall submit an Alteration/Modification application for the following:

19 a. Installation of a new dry bed scrubber system to the catalytic oxidizer's exhaust
20 system.

21 b. Installation of a closed loop chilling system for the peak shaver.

22 2. The Alteration/Modification application required in Condition 1, and appropriate fees, must
23 be submitted by November 30, 2026. Petitioner shall also request expedited permit
24 processing review by submitting Form 400-XPP and remitting fees for expedited
25 processing.

26 3. Petitioner shall utilize an independent third-party operator to conduct mobile monitoring
27 capable of:
28

- a. Measuring Ethylene Oxide (EtO) using an Ethylene Oxide specific instrument, or other method approved by the South Coast AQMD, with a method detection limit of 1.0 ppb or lower, and a measurement frequency of at least once every five (5) seconds.
- b. A measurement protocol approved by the South Coast AQMD, capable of collecting concurrent grab canister samples for subsequent analysis.

The concentration of EtO shall be measured:

- a. At least once every other calendar week whenever the sterilizing equipment is in operation;
- b. For at least 2 hours along a drivable and accessible route that is closes to all property boundaries of the Facility and surrounding area; and
- c. Pursuant to a measurement protocol approved by South Coast AQMD.

If three (3) consecutive readings of EtO measure above a concentration of 3.0 ppb, then the frequence of mobile monitoring shall increase to once every calendar week for the remainder of the variance period.

4. Petitioner shall submit a new mobile monitoring measurement protocol that complies with the requirements of Condition #3 no later than October 23, 2026, and request and pay for expedited processing of that protocol by submitting Expedited Evaluation Form 222-XST. Until the new mobile monitoring measurement protocol is approved, Petitioner shall use its existing protocol.
5. The Petitioner shall collect a grab canister sample at locations with three (3) consecutive readings of EtO that measure above the concentration of 3.0 ppb and analyze the grab canister samples collected using a method specified in Rule 1405 (p)(2)(B)(ii)(I) or (p)(2)(B)(ii)(II) with a detection limit of 0.2 ppb or lower.
6. The Petitioner shall comply with the curtailment requirements of Rule 1405(q) and the mobile monitoring reporting requirements of Rule 1405(t)(6) when the EtO Trigger Result is at or above the trigger threshold of 3.0 ppb.

- 1 7. Petitioner shall be submit a source test protocol to comply with Rule 1405 emission limits
2 to the South Coast AQMD (addressed to the South Coast AQMD, Attn: Clarisse Polintan,
3 Engineering and Permitting, 21865 Copley Drive, Diamond Bar, CA 91765 or
4 cpolitnan@aqmd.gov, copying Peter Homsey (phomsey@aqmd.gov)) no later than 60
5 calendar days from the date the Permit to Construct is issued, unless otherwise approved in
6 writing by the South Coast AQMD. The test protocol shall be approved by the South Coast
7 AQMD in writing before the test commences. The protocol shall include but not limited to
8 the following:
- 9 a. Operating conditions of any Sterilizer, Combined Sterilizer/Aerator, Back-Draft
10 Valve, Aerator, Post-Aerator, and Permanent Total Enclosure being controlled by
11 the Control System.
 - 12 b. Number of Sterilizer, Combined Sterilizer/Aerator, Back-Draft Valve, Aerator, Post-
13 Aerator, and Permanent Total Enclosure being controlled by the Control System;
14 and
 - 15 c. Planned sampling parameters and performance standard.
- 16 8. Petitioner shall conduct a source test on the control system within 45 calendar days after
17 modification of the equipment to demonstrate compliance with the following stack emission
18 requirements listed below in Rule 1405:
- 19 a. For each Control System either:
 - 20 i. Meet a control efficiency of 99.99% or greater, by weight, of Ethylene Oxide
21 emissions; or
 - 22 ii. Not exceed an Ethylene Oxide concentration of 0.01 parts per million (ppm),
23 by volume at stack conditions.
 - 24 b. The facility-wide mass emission rate from all exhaust stacks for all Control Systems
25 at the facility does not exceed either:
 - 26 i. 0.015 pounds per hour (lbs/hr) of Ethylene Oxide; or
 - 27 ii. A calculated facility-wide mass emission rate of Ethylene Oxide, based on
28 permitted Ethylene Oxide usage and the required control efficiency of

99.99% or greater, by weight, determined pursuant to Appendix 1 in Rule 1405.

9. Petitioner shall request expedited review and processing of any source test protocol and source test report pertaining to this Variance by submitting the Expedited Evaluation Form 222-XST. Petitioner shall request and remit fees for expedited processing of source test protocol, source testing, lab analyses, and report reviews.
10. Petitioner shall submit a monthly progress report to South Coast AQMD (Attn: Clarisse Polintan, cpolintan@aqmd.gov; Peter Homsey, phomsey@aqmd.gov) after a Permit to Construct is issued for the Alteration/Modification application regarding the construction, installation, and source testing of Rule 1405 compliant equipment, including any delays that would impact the ability to come into compliance with deadlines set forth in this Variance. The report shall be submitted 7 calendar days following the end of each calendar month.
11. Petitioner shall, within 7 calendar days after the completion of construction of the dry bed scrubber, submit a report to the South Coast AQMD (send report to Clarisse Polintan (cpolintan@aqmd.gov); Peter Homsey (phomsey@aqmd.gov); and to the Clerk of the Board at clerkofboard@aqmd.gov) with the following information:
- Date when construction was completed
 - Excess emissions calculations for the operation of the catalytic oxidizer, on a per day basis and the number of days the equipment was operating. Excess emissions from the catalytic oxidizer shall be calculated as follows:

$$E_2 \left(\frac{lb}{hr} \right) = 0.17 \text{ ppm} \times \frac{1}{10^6} \times 539,100 \frac{scf}{hr} \times \frac{1 \text{ lbmol}}{385 \text{ scf}} \times \frac{44.05 \text{ lb EtO}}{\text{lbmol EtO}}$$

$$E_1 \left(\frac{lb}{hr} \right) = 0.01 \text{ ppm} \times \frac{1}{10^6} \times 539,100 \frac{scf}{hr} \times \frac{1 \text{ lbmol}}{385 \text{ scf}} \times \frac{44.05 \text{ lb EtO}}{\text{lbmol EtO}}$$

$$\text{Excess emissions} \left(\frac{lb}{day} \right) = (E_2 - E_1) \times \frac{\text{no. hours operating}}{\text{day}}$$

12. Petitioner shall pay all applicable fees to the Clerk of the Board or the variance shall be invalidated pursuant to Rule 303(k), except for excess emissions fees, which shall be paid

1 within fifteen (15) days of notification in writing that the fees are due, unless otherwise
2 ordered by the Hearing Board.

- 3 13. Petitioner shall notify the South Coast AQMD (Attention: Peter Homsey
4 (phomsey@aqmd.gov) and the Clerk of the Hearing Board in writing when final
5 compliance has been achieved.
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