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SUPERIOR COURT OF THE STATE OF CALIFORNIA

COUNTY OF LOS ANGELES

PEOPLE OF THE STATE OF CALIFORNIA, ex rel SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT, a Public Entity, Plaintiff, v. EXIDE TECHNOLOGIES, INC., and DOES 1 through 50, Defendants.	Case No. BC533528 FIRST AMENDED COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF Health and Safety Code §§ 41513, 42402, 42402.1(a), 42402.2(a), 42402.3(a), District Rules 203(b), 1407(d)(5), 1420.1(d)(2), 1420.1(h)(6), 1420.1(i)(1), 2004(b)(4), 3002(c)(1), 3004(a)(4)(F), and 3004(a)(10)(E) DEMAND FOR JURY TRIAL *(Filing Fees Exempt, Per Gov't Code § 6103)*

THE PEOPLE OF THE STATE OF CALIFORNIA ("People"), on the relation of the SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT ("District"), bring this action to recover civil penalties from, and enjoin any violation of the Health and Safety Code and District

Rules by, defendant EXIDE TECHNOLOGIES, INC. ("Exide"), and defendants DOES 1 through 50, and allege as follows:

PLAINTIFF'S INTRODUCTORY ALLEGATIONS

1. At all times herein mentioned, the District was and is organized and existing pursuant to Division 26, Part 3, Chapter 5.5 of the Health and Safety Code ("Health and Safety Code").

2. The District is responsible for regulating non-vehicular air pollution and emissions in the parts of Los Angeles, Orange, Riverside, and San Bernardino Counties included in the South Coast Air Basin, as described in Health and Safety Code Section 40410 and Title 17 of the California Code of Regulations Section 60104 ("the Basin").

3. Pursuant to Health and Safety Code Section 40702, the District shall adopt rules and regulations and engage in acts as may be necessary or proper to execute the powers and duties granted to, and imposed upon, the District.

4. Pursuant to Health and Safety Code Section 42403, the District may bring a civil action in the name of the People for civil penalties under Health and Safety Code Sections 42402, 42402.1, 42402.2 and 42402.3, for violation of District Rules.

5. Pursuant to Health and Safety Code Section 41513, the District may bring a civil action in the name of the People to enjoin any violation of the Health and Safety Code and any violation of District Rules.

6. Defendant Exide is a Delaware corporation which, directly or through affiliates and other entities, does or did business in its own capacity and/or through a location in the Basin. Exide owns and operates a large lead-acid battery recycling facility ("Facility") located at 2700 South Indiana Street, Vernon, California 90058.

7. Exide begins its recycling operations by receiving batteries, crushing the batteries, and separating out the plastic components from the lead. The lead-bearing materials are separated into grids, metal, and filter cake. The Reverberatory ("Reverb") Furnace smelts the metals and produces a relatively pure or "soft" lead. The molten material from the Reverb Furnace is tapped and transferred to either soft lead refining kettles or the Cupola/Blast ("Blast") Furnace.

8. The Blast Furnace is used to recover a less pure or "hard" lead from the slag produced in the Reverb Furnace, other scrap, and drosses generated from refining operations at the Facility. The Blast Furnace is loaded from the top of the furnace at the opening known as the "feed chute" or "charge chute." A "bucket" containing the feed materials and fuels such as petroleum coke moves up a conveyor system to the top of the Blast Furnace and dumps the feed materials into a funnel-like chute referred to as the "thimble." Exide sometimes adds other chemicals to harden the lead, and one of the chemicals Exide adds is arsenic. The Blast Furnace generates emissions of various contaminants, including but not limited to lead and arsenic.

9. Arsenic is a toxic air contaminant. It has been identified as a carcinogen that has no exposure threshold level below which adverse health effects are not likely to occur. In addition to being a carcinogen, arsenic also has adverse acute and chronic non-cancer effects.

10. Lead is a toxic air contaminant. Exposure to lead can cause damage to the brain and nervous system, cardiovascular problems, decreased kidney function, and other health problems.

11. Because of the toxic nature of chemicals like lead and arsenic involved in Exide's business, and the need to control the emissions of those chemicals into the air, Exide is required to have a series of Air Pollution Control Devices to control emissions from its Blast Furnace. Exide designed its Air Pollution Control Devices to operate in the following manner. Emissions generated in the Blast Furnace are intended to be drawn by air pressure into the Blast Furnace's primary air pollution control system. These emissions are intended to be ducted and vented through the Blast Furnace thimble to an afterburner designed to destroy organic emissions. From the afterburner, the emissions are then intended to be ducted to a baghouse designed to capture filterable particulate emissions. From the baghouse, the emissions are then intended to be ducted to a wet scrubbing system consisting of a Venturi Scrubber and a Neptune Scrubber. The Venturi Scrubber is a high pressure device that uses liquid to react with the gases and the small amount of particulate matter that makes it through the baghouse. The Neptune Scrubber is a tray-type scrubber where the gas stream is brought into contact with caustic liquid. The chemical reactions generated by the contact with the caustic liquid precipitate out remaining gases and fine

particulate that have passed through the baghouse filter. Emissions that pass through the wet scrubbing system are then vented to the atmosphere via the Neptune Stack. These scrubbers are effective at removing gaseous arsenic when it is routed through them as intended.

12. The afterburner, scrubbers, and other air pollution control devices involved in controlling gaseous emissions can only capture gaseous emissions if those gaseous emissions are being directed to the air pollution control devices designed to control them. This requires that Exide properly operate and maintain its ventilation system and air pollution control devices.

13. Emissions generated in the Blast Furnace that escape the primary air pollution control system described above, are typically vented to the Hard Lead Baghouse. These emissions are filtered for particulate matter as they pass through the Hard Lead Baghouse – but the Hard Lead Baghouse is not designed to capture gaseous emissions. Any emissions, including gaseous arsenic emissions, not removed by the Hard Lead Baghouse are vented to the atmosphere via the Hard Lead Stack.

14. Pursuant to the Air Toxics Hot Spots Information and Assessment Act of 1987 ("Air Toxics Hot Spots Act"), codified in California Health and Safety Code Section 44300 et seq., certain stationary sources, including Exide, are required to report the types and quantities of certain toxic substances their facilities routinely release into the air. These Health Risk Assessments ("HRA") are performed according to the guidance provided by the Office of Environmental Health Hazards Assessment ("OEHHA"), as required by the Air Toxics Hot Spots Act. Emissions of interest are those that result from the routine operation of a facility or that are predictable, including but not limited to continuous and intermittent releases and process upsets or leaks. The goals of the Air Toxics Hot Spots Act are to collect emission data, to identify facilities having localized impacts, to ascertain health risks, to notify nearby residents of significant risks, and to address the reduction of significant risks. Every facility subject to the Air Toxics Hot Spots Act must prepare and submit an HRA. A risk assessment, as defined under the Air Toxics Hot Spots Act, includes a comprehensive analysis of the dispersion of hazardous substances into the environment, the potential for human exposure, and a quantitative assessment of both individual and population-wide health risks associated with those levels of exposure. The methodology

typically employs a standardized computer model that takes into account the type and amount of emissions from a facility, weather conditions, and the nearby population of residents and workers.

15. In this First Amended Complaint, when reference is made to any act or omission of Exide, such allegations shall include the acts and omissions of owners, officers, directors, agents, employees, contractors, vendors, affiliates, and/or representatives of Exide while acting within the course and scope of their employment or agency on behalf of Exide.

16. Plaintiff is ignorant of the true names and capacities of DOES 1–50 who are sued herein under fictitious names. Plaintiff will amend this First Amended Complaint to allege their true names and capacities when ascertained. Plaintiff is informed and believes and thereon alleges that each of the fictitiously named defendants is responsible in some manner for the occurrences herein alleged, and that such violations were proximately caused by their conduct.

17. Plaintiff is informed and believes and thereon alleges that DOES 1–50 include individuals in a position of responsibility allowing them to influence corporate policies or activities with respect to Exide's compliance with California environmental laws and regulations at its Facility and in the conduct of its business in the State of California, and had, by reason of their position in Exide, responsibility and authority either to prevent in the first instance, or promptly correct, the violations complained of herein, but failed to do so. In addition to any direct personal liability of these individuals, these DOES also are personally liable under the "responsible corporate officer doctrine" for violations of law committed by Exide as alleged herein.

18. For each day on which defendants failed to comply with any District Rule as hereinafter alleged, defendants committed a separate violation that gave rise to civil penalties of up to $10,000.00 for each and every day of each noncompliance, up to $25,000.00 for each and every day of each negligent emission violation, up to $40,000.00 for each and every day of each knowing emission violation, and up to $75,000.00 for each and every day of each willful and intentional emission violation pursuant to Health and Safety Code Sections 42402 through 42402.3. Health and Safety Code Section 42403 requires that numerous factors be considered in assessing civil penalties for a violation, including, but not limited to, the extent of harm caused by

the violation, the nature and persistence of the violation, the length of time over which the violation occurs, and the frequency of past violations.

19. Exide has a lengthy history of violating District Rules, including for excessive emissions, and plaintiff may seek to further amend this First Amended Complaint if Exide continues its pattern of conduct.

JURISDICTION AND VENUE

20. Venue is proper in this County pursuant to Health and Safety Code section 42403, in that violations alleged in this First Amended Complaint occurred in the County of Los Angeles and in the Basin. The Court has jurisdiction pursuant to Article 6; Section 10 of the California Constitution and section 393 of the Code of Civil Procedure.

PLAINTIFF'S FIRST CAUSE OF ACTION

FOR VIOLATIONS OF DISTRICT RULE 1407(d)(5)

21. Plaintiff realleges paragraphs 1–20, inclusive, and by this reference incorporates the same as though fully set forth herein.

22. At all relevant times herein mentioned, District had, and continues to have, in full force and effect its Rule 1407 relating to the control of arsenic emissions. A copy of District Rule 1407 is attached hereto as Exhibit 1. District Rule 1407(d)(5) states that "[g]ood operating practices shall be used by the facility, and demonstrated through a maintenance program and the use of measuring devices, or other procedures approved by the District, to maintain air movement and emission collection efficiency by the system consistent with the design criteria for the system." District Rule 1407(b)(12) defines "good operating practices" as "any specific activities necessary to maintain the collection and control efficiencies as designed and permitted for. These activities include, but are not limited to, verifying operating specifications such as production throughput, temperature control, cleaning cycles, air flow and velocity, and inspecting equipment, such as filter cartridges or bags in a baghouse, pressure gauges, duct work, blowers and components of the control equipment, through a general maintenance and inspection program."

23. As described above in the Introductory Allegations, Exide designed its air pollution control system so that gaseous arsenic was intended to leave the blast furnace via the downstream

afterburner, baghouse, and Neptune Scrubber and Venturi Scrubber, because those scrubbers effectively control gaseous arsenic emissions.

24. Exide's Title V permit required that Exide operate its air pollution control system, including the portions connected to the Venturi and Neptune Scrubbers, pursuant to Exide's design.

25. As part of its regular maintenance procedures, Exide used an access door to visually inspect a portion of the interior of a ventilation riser connected to Exide's Blast Furnace. Based on information and belief, Exide recognized that failing to prevent material from building up within its air pollution control system could affect the proper flow of air movement and prevent the efficient collection of emissions.

26. The access door that was being used for these inspections was not large enough to allow Exide's employees to conduct a thorough visual inspection of a ventilation riser connected to Exide's Blast Furnace. Exide also failed to otherwise train its employees to conduct a thorough inspection of this ventilation riser. In addition, Exide failed to provide its employees with cleaning tools designed to regularly clean this ventilation riser.

27. As outlined below, in part because of the failures referenced in the prior paragraph, Exide failed to keep a ventilation riser connected to Exide's Blast Furnace free from blockage, and this failure was partially responsible for Exide unlawfully emitting arsenic into the air.

28. In or about 2007, based on information and belief, Exide conducted an emissions test of its Hard Lead Baghouse. The testing showed that Exide was emitting arsenic at a rate of approximately 0.0000774 pounds per hour ("lb/hr") from its Hard Lead Baghouse. This meant that over a day, Exide was emitting approximately 0.0018 pounds of arsenic a day. Exide later noted that these arsenic emissions were "in line with reasonable expectation and normal operation, and not associated with risks at a level of concern."

29. On or about October 10, 2008, the District conducted an emissions test of Exide's Hard Lead Baghouse. The test showed that Exide was emitting arsenic at a rate of approximately 0.000851 lb/hr from its Hard Lead Baghouse. This meant that over a day, Exide was emitting

approximately 0.02 pounds of arsenic a day. Exide considered these emissions to be similar to the results from the 2007 tests and described them as "relatively low arsenic emissions."

30. Based on information and belief, at some point after the October 2008 test, a blockage began forming in a ventilation riser connected to Exide's Blast Furnace, and this was partially responsible for steadily increased arsenic emissions. Based on information and belief, proper maintenance and inspection by Exide would have discovered the blockage. Indeed, based on information and belief, proper maintenance would have simply required routinely looking throughout the entire riser to check for blockages, and regularly using cleaning tools designed to clean the ventilation riser.

31. Based on information and belief, at some point after the October 2008 test, Exide failed to operate its blast furnace ventilation system in a manner that would minimize process gases from being drawn into the hooding served by the Hard Lead Ventilation System. Because of this failure, Blast Furnace process exhaust containing gaseous arsenic was not being confined on its intended path that would ultimately lead it through the scrubbers. To preclude the gaseous emissions from escaping, Exide could have, and should have, increased the air flow in the blast furnace ventilation system to effectively send the gaseous emissions to their intended air pollution control system. In addition, failing to have a physical barrier on the charge chute, and failing to prevent leakage points in the walls around the Blast Furnace and elsewhere, allowed process exhaust gases containing arsenic to escape into the atmosphere.

32. By October 2010, Exide was emitting arsenic at "significant levels." On or about October 4, 5, and 7, 2010, Exide's consultant conducted comprehensive emission stack tests, obtaining a spectrum of air toxics emissions data so that Exide's HRA and Emission Inventory Report ("EIR") could be revised. Each test included a minimum of three test runs, which were performed "on the outlet of the Hard Lead baghouse during typical process unit and control operating conditions." Based on the average of those three tests, Exide's Hard Lead Baghouse was emitting arsenic at a rate of approximately 0.0759 lb/hr. This meant that over an average day, Exide was emitting approximately 1.82 pounds of arsenic a day, much higher than the level of emissions that it considered to be in line with reasonable expectation and normal operation.

Notably, Exide's arsenic emissions had the potential to be much higher than this average. The October 4, 2010 test showed that Exide emitted arsenic at a rate of approximately 0.110 lb/hr, which meant that Exide had the potential to emit approximately 2.64 pounds of arsenic a day.

33. Exide's consultant "reviewed" the test results, believed them to be "accurate," and noted that the "equipment was operated at normal conditions during testing." Exide's consultant stated that during the testing, a "strict quality assurance program (QAP) was adhered to throughout the source sampling and analytical phases of the program. The QAP incorporated reference test methods, performance standards, and internal standard operating procedures to ensure that all measurements are valid, representative, and scientifically defensible."

34. Exide's consultant stated that the "purpose of the test was to conduct the AB2588 testing in support of the collection of emissions data so that the Exide Emission Inventory Report (EIR) and Health Risk Assessment (HRA) could be revised and the Resource Conservation and Recovery Act (RCRA) Part B Application could be updated." Based on information and belief, Exide understood that the emissions being tested contained toxic substances including carcinogens like arsenic.

35. Based on information and belief, despite knowing that arsenic was a carcinogen, and that its Facility was emitting arsenic at significant levels, Exide continued to operate its Facility in the same manner. Based on information and belief, Exide continued to emit arsenic at significant levels on a daily basis.

36. On or about July 21, 2011, shortly after Exide submitted its report with its October 2010 results to the District, Exide informed the District that it was going to repeat its "multi-metal and hexavalent chrome testing" because of what it described as "anomalous results." Beginning several days later, on or about July 26, 27, and 28, 2011, Exide's consultant performed stationary source emissions testing of the Hard Lead Baghouse located at its Vernon Facility.

37. The July 26, 27, and 28, 2011 tests confirmed that Exide continued to emit arsenic at "significant levels" and that the emissions had grown significantly worse. The tests revealed that Exide was emitting arsenic at a rate of approximately 0.137 lb/hr. This meant that over a day,

Exide was emitting approximately 3.288 pounds of arsenic a day, much higher than the level of emissions that it considered to be in line with reasonable expectation and normal operation.

38. These July 2011 tests were run using different amounts of feed material, and the highest arsenic emissions occurred when Exide's consultant included more than 80% of Exide's permitted amount of feed material. The test on July 27, 2011 was run using 83% of the permit limit, and it resulted in the highest arsenic emissions, approximately 0.233 lb/hr. The next day, Exide's consultant reduced the amount of feed material to 75%, and this resulted in the lowest arsenic emissions, approximately 0.0565 lb/hr. Thus, when Exide ran its blast furnace at more than 80% of its permitted capacity it was potentially emitting 5.59 pounds of arsenic a day.

39. During these July 2011 tests, Exide's consultant determined the amount of arsenic being let into the hard lead system, in addition to determining the amount that was escaping from the hard lead system. The results showed that Exide was only controlling approximately 27% of the arsenic that came into its hard lead system, which meant that approximately 73% of the arsenic was escaping.

40. Exide's consultant "reviewed" the July 26, 27 and 28, 2011 test results, believed them to be "accurate," and noted that the "equipment was operated at normal conditions during testing." Exide's consultant performed three test runs and all three test runs were "performed on the outlet of the Hard Lead baghouse during typical process unit and control operating conditions." Exide's consultant stated that during the testing, a "strict quality assurance program (QAP) was adhered to throughout the source sampling and analytical phases of the program. The QAP incorporated reference test methods, performance standards, and internal standard operating procedures to ensure that all measurements are valid, representative, and scientifically defensible."

41. Exide's consultant stated that the "purpose of the test was to conduct the AB2588 testing in support of the collection of emissions data so that the Exide Emission Inventory Report (EIR) and Health Risk Assessment (HRA) could be revised and the Resource Conservation and Recovery Act (RCRA) Part B Application could be updated." Based on information and belief, Exide understood that the emissions being tested contained toxic substances including carcinogens like arsenic.

42. Based on information and belief, despite knowing that arsenic was a carcinogen, that its Facility was only controlling approximately 27% of the arsenic entering its hard lead system, and that it was emitting arsenic at significant levels, Exide continued to operate its Facility in the same manner. Based on information and belief, Exide continued to emit arsenic at significant levels on a daily basis.

43. Exide later claimed that "the root cause of the abnormally high arsenic results" was "material buildup in the blast furnace exhaust ventilation system at the transition from the feed shaft as it passes through the riser." After making this claim, Exide performed additional tests, which showed a temporary reduction in arsenic emissions. On February 16, 2012, Exide's consultant ran two tests to evaluate arsenic emissions from the hard lead system. The first test showed a noticeably lower rate than the October 2010 or July 2011 tests, at 0.0046 lb/hr of arsenic emissions. But the second test was more than twice as high, at 0.0099 lb/hr of arsenic emissions. Exide's consultant did not perform a third test that day. Taken together, these numbers indicated that Exide's air pollution control system continued to function improperly.

44. In a March 12, 2012 letter to the District, Exide admitted that a problem in its hard lead ventilation system had caused high arsenic emissions. Exide stated that based on its October 2010 source test there was an "increase in calculated risk [that] was essentially entirely due to elevated arsenic emission from the hard lead baghouse stack" and noted that prior HRA emissions data from 2007 for "arsenic emission from that stack were much lower, in line with reasonable expectation and normal operation, and not associated with risks at a level of concern." Exide stated that material buildup had "the effect of drawing process gases into the hard lead ventilation system," instead of sending the gases through air pollution control devices designed to control arsenic emissions. Exide acknowledged that it had failed to identify and remove the material buildup in the riser. Exide also wrote that it had "modified its published Proposition 65" warning notice to reflect the area affected by the arsenic emissions.

45. In a March 30, 2012 email to the District, Exide again admitted that a problem in its Hard Lead Ventilation System had caused high arsenic emissions. It stated that the problem was "related to the fact that process off-gases were drawn into the blast furnace charge area

hooding served by the Hard Lead Ventilation System due to a partial obstruction and back pressure in the process exhaust system directed to the Neptune Scrubber."

46. On May 2, 3, and 4, 2012, Exide's consultant performed three tests with substantially less material going to the Blast Furnace than the October 2010 or July 2011 tests. The October 2010 tests were run at approximately 83.5% to 95% of the Blast Furnace's permitted throughput limit, which meant that between approximately 6.21 and 7.06 tons per hour were going through the Blast Furnace during the tests. The July 2011 tests were run at approximately 75% to 83% of the Blast Furnace's permit limit, which meant that between approximately 5.6 and 6.2 tons per hour were going through the Blast Furnace during the tests. In contrast, the May 2012 tests were run at only approximately 46% to 61% of the Blast Furnace's permit limit, which meant that only approximately 3.42 and 4.53 tons per hour were going through the Blast Furnace during the tests.

47. Despite substantially lowering the amount of material going to its Blast Furnace, the May 2012 tests revealed that Exide's normal operations could still emit over one pound per day of arsenic. The tests confirmed that Exide was still failing to operate its air pollution control system properly. The average of the three tests showed an emission rate of approximately 0.0212 lb/hr. This meant that over an average day, even with substantially less material going to their Blast Furnace, Exide was emitting approximately 0.5 pounds of arsenic a day, much higher than the level of emissions that it considered to be in line with reasonable expectation and normal operation. Notably, two of the three tests showed arsenic emission rates higher than the 0.0099 rate from the second February 16, 2012 test. The May 3, 2012 was significantly higher at 0.0437 lb/hr. The elevated rate of the May 3, 2012 test showed that Exide's normal operations could still emit over one pound per day of arsenic. Notably, the May 3, 2012 test was run at only 61% of the permit limit. Exide's consultant ran the next test, on May 4, 2012, with an even lower amount of material, this time only 46%, and this still resulted in emission rate of 0.0114 lb/hr. Based on information and belief, if Exide's consultant had run these tests using material amounts similar to those used in the October 2010 and July 2011 tests, the arsenic emission rates would have been significantly higher.

48. Exide's consultant "reviewed" the May 2, 3, and 4, 2012 tests, believed them to be "accurate," and noted that the "equipment was operated at normal conditions during testing." Exide's consultant performed three test runs and all three test runs were "performed on the outlet of the Hard Lead baghouse during typical process unit and control operating conditions." Exide's consultant stated that during the testing, a "strict quality assurance (QAP) was adhered to throughout the source sampling and analytical phases of the program. The QAP incorporated reference test methods, performance standards, and internal standard operating procedures to ensure that all measurements are valid, representative, and scientifically defensible."

49. Exide's consultant stated that the "purpose of the test was to conduct the AB2588 testing in support of the collection of emissions data so that the Exide Emission Inventory Report (EIR) and Health Risk Assessment (HRA) could be revised and the Resource Conservation and Recovery Act (RCRA) Part B Application could be updated." Exide understood that the emissions being tested contained toxic substances including carcinogens like arsenic.

50. The May 2, 3, and 4, 2012 tests showed that Exide was still failing to operate its air pollution control system properly. Gaseous emissions from the Blast Furnace process exhaust were not being confined on the intended path that would ultimately lead them through the scrubbers. To preclude the gaseous emissions from escaping Exide could have, and should have, increased the air flow in the blast furnace ventilation system to send the gaseous emissions to their intended air pollution control device. In addition, failing to have a physical barrier on the charge chute and failing to prevent leakage points in the walls around the blast furnace and elsewhere, allowed process exhaust gases containing arsenic to more easily escape.

51. Pursuant to AB 2588, Exide used the information gathered from its October 2010 and May 2012 tests to compile an HRA for its Vernon Facility, but did not include information gathered during its July 2011 tests that showed the highest arsenic emissions. This HRA identified elevated health risk levels at the Facility. Exide's HRA disclosed an off-site cancer risk of 156 in a million to the maximally exposed off-site worker and 22 in a million to the maximally exposed nearby residents. A cancer risk of 156 in a million means that emissions from Exide are expected to result in an additional risk of 156 chances in a million beyond normal risks of cancer

to any person exposed to that level of risk over 70 years. Approximately 90% of this excess cancer risk was caused by emissions of arsenic. Exide's off-site worker cancer risk of 156 in a million was one of the highest off-site cancer risks of any AB 2588 HRA ever submitted to the District.

52. Exide's HRA disclosed that its emissions resulted in a cancer burden of approximately 10. The cancer burden is calculated by considering the population of all persons exposed to a cancer risk of greater than one in a million. In this case, approximately 3,668,318 residents were exposed to a cancer risk of one in a million or greater. The cancer burden in a population is calculated by multiplying the estimated cancer risk at each census tract centroid by the population in that census tract and adding up the totals. Exide's cancer burden of 10 means that its emissions are expected to result in 10 additional cancer cases if these emissions occurred over a 70-year period. Under District Rule 1402(c)(2) and (e)(1), a facility must reduce its cancer burden to below 0.5 as quickly as feasible. As the HRA demonstrated, Exide's cancer burden was 20 times the allowable level.

53. Exide's HRA disclosed a maximum chronic hazard index for off-site workers of 63 for arsenic. A hazard index is the ratio of the maximum estimated level of a substance divided by its Reference Exposure Level established by OEHHA. A Reference Exposure Level is the level below which no adverse health effects are expected. A Chronic Reference Exposure Level refers to long term exposure over several years. This chronic hazard index is more than 20 times the action risk level of 3, which Exide must meet under Rule 1402(c)(2) and (e)(1).

54. Based on information and belief, Exide's Facility has a control room with a video monitor that continuously allows Exide's employees to watch the top of the Blast Furnace. Based on information and belief, this video monitor showed that large puffs of gray fumes were regularly escaping the Blast Furnace instead of travelling along their intended route that would lead them through the scrubbers designed to control gaseous arsenic emissions. Despite its video monitor showing that gaseous fumes were escaping from their air pollution control system, and Exide's awareness that these fumes contained arsenic, a carcinogen, Exide continued to operate its air pollution control system without sufficient air flow to send gaseous emissions to the scrubber and

failed to repair the Blast Furnace's leakage points, both of which allowed gaseous emissions to escape.

55. On or about June 10, 2013, Exide declared bankruptcy. Based on information and belief, after Exide declared bankruptcy, Exide continued to operate its air pollution control system without sufficient air flow to send gaseous emissions to the scrubber and failed to repair the Blast Furnace's leakage points, both of which allowed gaseous emissions to escape, despite its video monitor showing that gaseous fumes were escaping from their air pollution control system, and Exide's awareness that these fumes contained arsenic, a carcinogen. Exide could have fixed these problems by upgrading its air pollution control system, but chose to continue to operate its air pollution control system without sufficient air flow to send gaseous emissions to the scrubber and without fixing the Blast Furnace's leakage points.

56. Plaintiff is informed and believes that beginning at some point after the October 10, 2008 test and continuing until on or about March 14, 2014, when Exide finally shut down its operations to conduct maintenance work, defendants, and each of them, operated Exide's Blast Furnace, its Reverbatory Furnace, and/or Exide's related air pollution control system without using good operating practices to maintain air movement and emission control efficiency consistent with the design criteria for the system. The lack of good operating practices included, but is not limited to, defendants' failure to prevent blockages from forming in its air pollution control system and equipment connected to its air pollution control equipment, defendants' failure to maintain the air movement necessary to direct gaseous arsenic emissions into the air pollution control equipment designed to control them, and defendants' failure to maintain emission collection efficiency because they failed to route gaseous arsenic emissions to the air pollution control devices designed to control arsenic emissions, in violation of District Rule 1407(d)(5). As a result, Exide emitted gaseous arsenic into the atmosphere.

PLAINTIFF'S SECOND CAUSE OF ACTION

FOR VIOLATIONS OF DISTRICT RULES 203(b) and 3002(c)(1)

57. Plaintiff realleges paragraphs 1 56, inclusive, and by this reference incorporates the same as though fully set forth herein.

58. At all relevant times herein mentioned, District Rule 203(b) required, and continues to require, that equipment not be operated contrary to the conditions specified in the permit to operate issued to the facility. A copy of District Rule 203 is attached hereto as Exhibit 2.

59. At all relevant times herein mentioned, District Rule 3002(c)(1) required, and continues to require, all equipment located at a Title V facility to be in compliance with all terms, requirements, and conditions specified in the Title V permit at all times. Exide is a Title V facility. A copy of District Rule 3002 is attached hereto as Exhibit 3.

60. At all relevant times herein mentioned, Section E of Exide's Title V permit contained, and continues to contain, the following Administrative Conditions:

> 2. The operator shall maintain all equipment in such a manner that ensures proper operation of the equipment.
>
> 4. The operator shall not use equipment identified in this facility permit as being connected to air pollution control equipment unless they are so vented to the identified air pollution control equipment which is in full use and which has been included in this permit.

Plaintiff is informed and believes that beginning at some point after the October 10, 2008 test and continuing thereafter, defendants, and each of them, operated Exide's Blast Furnace, its Reverbatory Furnace, and/or Exide's related air pollution control system without maintaining them in a manner that ensured their proper operation, and while venting to air pollution control equipment that was not in full use. Specifically, defendants failed to, among other things, prevent blockages from forming in its air pollution control system and equipment connected to its air pollution control system equipment, failed to maintain the air movement necessary to direct gaseous arsenic emissions into the air pollution control equipment designed to control them, and failed to maintain emission collection efficiency because they failed to route gaseous arsenic emissions to an air pollution control system designed to control arsenic emissions, in violation of District Rules 203(b) and 3002(c)(1), and Permit Conditions 2 and 4 of Section E of Exide's Title V permit.

PLAINTIFF'S THIRD CAUSE OF ACTION

FOR VIOLATIONS OF DISTRICT RULES 3002(c)(1) and 3004(a)(10)(E)

61. Plaintiff realleges paragraphs 1–60, inclusive, and by this reference incorporates the same as though fully set forth herein.

62. At all relevant times herein mentioned, District Rule 3004(a)(10)(E) required, and continues to require, that a Title V permit shall include compliance requirements, including submitting compliance certifications at least annually. A copy of District Rule 3004 is attached hereto as Exhibit 4. Section K, Provision 24, of Exide's Title V Permit required that defendants submit to the District an Annual Compliance Certification, and that it was due when the Annual Permit Emissions Program report was due, in this case February 29, 2012.

63. On or about October 3, 2012, an Exide employee sent an email stating he had "neglected" to submit an Annual Compliance Certification that was due in "Feb 2012" and further stated that he was "late on submittal" of the Semi-Annual Monitoring Report.

64. Plaintiff is informed and believes, and thereupon alleges, that beginning on or about March 1, 2012 and continuing until on or about October 10, 2012, defendants, and each of them, failed to submit an Annual Compliance Certification Report, in violation of District Rules 3002(c)(1) and 3004(a)(10)(E), and Section K, Provision 24, of Exide's Title V Permit.

PLAINTIFF'S FOURTH CAUSE OF ACTION

FOR VIOLATIONS OF DISTRICT RULES 3002(c)(1) and 3004(a)(4)(F)

65. Plaintiff realleges paragraphs 1–64, inclusive, and by this reference incorporates the same as though fully set forth herein.

66. At all relevant times herein mentioned, District Rule 3004(a)(4)(F) required, and continues to require, that a Title V permit shall include monitoring, recordkeeping, and reporting requirements, including "Submittal, to the Executive Officer, of reports of any required monitoring at least every six months." A copy of District Rule 3004 is attached hereto as Exhibit 4. Section K, Provision 23, of Exide's Title V Permit required that defendants submit to the District a report for the last six calendar months of the prior year by February 28.

67. Plaintiff is informed and believes, and thereupon alleges, that beginning on or about February 29, 2012 and continuing until on or about October 10, 2012, defendants, and each of them, failed to submit a Semi-Annual Monitoring Report, in violation of District Rules 3002(c)(1) and 3004(a)(4)(F), and Section K, Provision 23, of Exide's Title V Permit.

PLAINTIFF'S FIFTH CAUSE OF ACTION

FOR VIOLATIONS OF DISTRICT RULES 203(b) and 3002(c)(1)

68. Plaintiff realleges paragraphs 1– 67, inclusive, and by this reference incorporates the same as though fully set forth herein.

69. Plaintiff is informed and believes, and thereupon alleges, that beginning on or about July 8, 2013 and continuing until on or about July 9, 2013, defendants, and each of them, operated equipment connected to air pollution control equipment while the air pollution control equipment was not in full use because numerous baghouse filters in the West MAC Baghouse had burned, in violation of District Rules 203(b) and 3002(c)(1), and Section E, Condition 4, of Exide's Title V Permit.

PLAINTIFF'S SIXTH CAUSE OF ACTION

FOR VIOLATIONS OF DISTRICT RULE 1420.1(d)(2)

70. Plaintiff realleges paragraph 1–69, inclusive, and by this reference incorporates the same as though fully set forth herein.

71. At all relevant times herein mentioned, District Rule 1420.1 required, and continues to require, that the owner or operator of a large lead-acid battery recycling facility shall not discharge emissions into the atmosphere that contribute to ambient air concentrations of lead that exceed 0.15 micrograms per cubic meter averaged over any 30 consecutive days. A copy of District Rule 1420.1 is attached hereto as Exhibit 5.

72. Plaintiff is informed and believes, and thereupon alleges, that from on or about the following dates to on or about the following dates, defendants, and each of them, discharged emissions into the atmosphere that contributed to ambient air concentrations of lead at its midway monitor that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days, in violation of District Rule 1420.1(d)(2):

October 28, 2012 to November 3, 2012;

November 5, 2012 to November 6, 2012; and

November 9, 2012 to November 10, 2012.

PLAINTIFF'S SEVENTH CAUSE OF ACTION

FOR VIOLATIONS OF DISTRICT RULE 1420.1(h)(6)

73. Plaintiff realleges paragraphs 1–72, inclusive, and by this reference incorporates the same as though fully set forth herein.

74. At all relevant times herein mentioned, District Rule 1420.1(h)(6) required, and continues to require that the owner or operator of a large lead-acid battery recycling facility shall store all materials capable of generating any amount of fugitive lead-dust including lead-containing waste generated from housekeeping or maintenance activities in sealed, leak-proof containers, unless located within a total enclosure. A copy of District Rule 1420.1 is attached hereto as Exhibit 5.

75. On or about September 9, 2013, Exide began performing work to repair and replace a storm drain. During this work, Exide excavated, transported, and stored soil and asphalt capable of generating any amount of fugitive lead-dust.

76. Plaintiff is informed and believes, and thereupon alleges, that beginning on or about September 16, 2013 and continuing to on or about September 23, 2013, defendants, and each of them, failed to store dirt and dust materials capable of generating any amount of fugitive lead-dust including lead-containing waste generated from housekeeping or maintenance activities in sealed, leak-proof containers, and instead left these materials outside on the ground, in violation of Rule 1420.1(h)(6). Based on information and belief, these housekeeping failures contributed to the discharge of emissions into the atmosphere that contributed to ambient air concentrations of lead that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days.

PLAINTIFF'S EIGHTH CAUSE OF ACTION

FOR VIOLATION OF DISTRICT RULE 1420.1(d)(2)

77. Plaintiff realleges paragraphs 1–76, inclusive, and by this reference incorporates the same as though fully set forth herein.

78. Plaintiff is informed and believes, and thereupon alleges, that beginning on or about September 9, 2013 and continuing to on or about September 20, 2013, defendants, and each of them, discharged emissions into the atmosphere that contributed to ambient air concentrations of lead at its northeast monitor that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days, in violation of District Rule 1420.1(d)(2).

79. Plaintiff is informed and believes, and thereupon alleges, that beginning on or about September 18, 2013 and continuing to on or about September 22, 2013, defendants, and each of them, discharged emissions into the atmosphere that contributed to ambient air concentrations of lead at its on-site north monitor that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days, in violation of District Rule 1420.1(d)(2).

80. Plaintiff is informed and believes, and thereupon alleges, that beginning at some point in December 2013 and continuing until at least December 27, 2013, Exide's Facility had dried sediment exposed to the ambient air in its north yard that, based on information and belief, resulted at least in part from the use of a nearby sump pump without using proper housekeeping procedures. At another location in its north yard, Exide was using a tent intended to control lead dust emissions, but a mesh tarp that formed part of the tent had holes in it, which exposed the tent's contents to the ambient air. Based on information and belief, these issues contributed to the discharge of emissions into the atmosphere that contributed to ambient air concentrations of lead that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days.

81. On or about January 2, 2014, Exide began another phase of repairing and replacing the storm drain. During this work, which continued until at least January 9, 2014, Exide excavated, transported, and stored soil and asphalt capable of generating any amount of fugitive lead-dust. Based on information and belief, Exide knew that its recent use of the sump pump had resulted in dried sediment being exposed to the ambient air. Despite this knowledge, Exide again used a sump pump in a manner that, based on information and belief, resulted in dried sediment being exposed to the ambient air. Based on information and belief, this contributed to the discharge of emissions into the atmosphere that contributed to ambient air concentrations of lead that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days. Plaintiff

is informed and believes, and thereupon alleges, that beginning on or about January 3, 2014 and continuing to on or about January 9, 2014, defendants, and each of them, discharged emissions into the atmosphere that contributed to ambient air concentrations of lead at its on-site north monitor that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days, in violation of District Rule 1420.1(d)(2).

PLAINTIFF'S NINTH CAUSE OF ACTION

FOR VIOLATION OF DISTRICT RULE 2004(b)(4)

82. Plaintiff realleges paragraphs 1–81, inclusive, and by this reference incorporates the same as though fully set forth herein.

83. The Regional Clean Air Incentives Market ("RECLAIM") is a market incentive program designed to allow facilities flexibility in achieving emission reduction requirements for Oxides of Nitrogen (NOx), and Oxides of Sulfur (SOx) under the District's Air Quality Management Plan. At all relevant times herein mentioned, District Rule 2004(b)(4) required, and continues to require, that a facility operating under the RECLAIM program submit an Annual Permit Emissions Program report for the purpose of compliance reporting, permit review, and determination of fees. As part of the Annual Permit Emissions Program report, a facility must accurately report information used by the District in conducting its annual RECLAIM audit. Here, defendants were required to submit Exide's Annual Permit Emissions report by March 1, 2014. A copy of District Rule 2004 is attached hereto as Exhibit 6.

84. Exide is, and at all relevant times was, a facility operating under the RECLAIM program. Plaintiff is informed and believes, and thereupon alleges, that beginning on or about March 2, 2014 and continuing until on or about March 4, 2014, defendants, and each of them, failed to submit an Annual Permit Emissions Program, in violation of District Rule 2004(b)(4).

PLAINTIFF'S TENTH CAUSE OF ACTION

FOR VIOLATIONS OF DISTRICT RULE 1420.1(i)(1)

85. Plaintiff realleges paragraphs 1–84, inclusive, and by this reference incorporates the same as though fully set forth herein.

86. At all relevant times herein mentioned, District Rule 1420.1(i)(1) required, and continues to require that the owner or operator of a large lead-acid battery recycling facility shall conduct any maintenance activity in a negative air containment enclosure that is vented to a permitted negative air machine, and that encloses all affected areas where fugitive lead-dust generation potential exists. Rule 1420.1(c)(17)(c) defines "maintenance activity" as including the "replacement of any duct section used to convey lead-containing exhaust." A copy of District Rule 1420.1 is attached hereto as Exhibit 5.

87. On or about March 21 and 22, 2014, Exide performed maintenance on the Reverb Furnace's A-Pipe, which is a section of duct used to convey lead-containing exhaust. Exide's maintenance work included hammering the A-Pipe to dislodge chunks of debris, and cutting the A-Pipe into several pieces. Exide knew that it had recent lead violations of Rule 1420.1(d)(1) that were caused in part by failing to follow the proper housekeeping protocols necessary to prevent fugitive lead emissions. Despite this knowledge, Exide performed this work on the A-Pipe without using a negative air containment enclosure that is vented to a permitted negative air machine, and that encloses all affected areas where fugitive lead-dust generation potential exists, in violation of Rule 1420.1(i)(1). Based on information and belief, this failure contributed to the discharge of emissions into the atmosphere that contributed to ambient air concentrations of lead that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days.

PLAINTIFF'S ELEVENTH CAUSE OF ACTION

FOR VIOLATION OF DISTRICT RULE 1420.1(d)(2)

88. Plaintiff realleges paragraphs 1–87, inclusive, and by this reference incorporates the same as though fully set forth herein.

89. Plaintiff is informed and believes, and thereupon alleges, that beginning on or about March 21, 2014 and continuing to on or about April 19, 2014, defendants, and each of them, discharged emissions into the atmosphere that contributed to ambient air concentrations of lead at its northeast monitor that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days, in violation of District Rule 1420.1(d)(2).

PLAINTIFF'S TWELFTH CAUSE OF ACTION

FOR NEGLIGENT EMISSIONS OF AIR CONTAMINANTS IN

VIOLATION OF DISTRICT RULES 203(b), 1407(d)(5), 3002(c)(1) AND HEALTH AND SAFETY CODE SECTION 42402.1(a)

90. Plaintiff realleges paragraphs 1–89, inclusive, and by this reference incorporates the same as though fully set forth herein.

91. Plaintiff is informed and believes, and based thereon alleges, that defendants, and each of them, failed to use good operating practices and negligently emitted arsenic into the atmosphere, in violation of District Rule 1407(d)(5) and Health and Safety Code Section 42402.1(a).

92. Plaintiff is informed and believes, and based thereon alleges, that defendants operated equipment without maintaining them in a manner that ensured their proper operation, and while venting to air pollution control equipment that was not in full use, and negligently emitted arsenic into the atmosphere in violation of District Rules 203(b) and 3002(c)(1), Permit Conditions 2 and 4 of Section E of Exide's Title V permit, and Health and Safety Code Section 42402.1(a).

PLAINTIFF'S THIRTEENTH CAUSE OF ACTION

FOR KNOWING EMISSIONS OF AIR CONTAMINANTS IN VIOLATION OF DISTRICT RULES 203(b), 1407(d)(5), 3002(c)(1) AND HEALTH AND SAFETY CODE SECTION 42402.2(a)

93. Plaintiff realleges paragraphs 1–92, inclusive, and by this reference incorporates the same as though fully set forth herein.

94. Plaintiff is informed and believes, and based thereon alleges, that each defendant's failure to use good operating practices resulted in arsenic emissions into the atmosphere, and that defendants, and each of them, knew of these emissions and failed to take corrective action within a reasonable period of time, in violation of District Rule 1407(d)(5), and Health and Safety Code Section 42402.2(a).

95. Plaintiff is informed and believes, and based thereon alleges, that each defendant operated equipment in a manner that failed to ensure the equipment's proper operation, and operated equipment while it was venting to air pollution control equipment that was not in full use, which resulted in arsenic emissions into the atmosphere, and that defendants, and each of them, knew of these emissions and failed to take corrective action within a reasonable period of time, in violation of District Rules 203(b) and 3002(c)(1), Permit Conditions 2 and 4 of Section E of Exide's Title V permit, and Health and Safety Code Section 42402.2(a).

PLAINTIFF'S FOURTEENTH CAUSE OF ACTION

FOR NEGLIGENT EMISSIONS OF AIR CONTAMINANTS IN VIOLATION OF DISTRICT RULE 1420.1(d)(2) AND HEALTH AND SAFETY CODE SECTION 42402.1(a)

96. Plaintiff realleges paragraphs 1–95, inclusive, and by this reference incorporates the same as though fully set forth herein.

97. Plaintiff is informed and believes, and based thereon alleges, that defendants, and each of them, negligently discharged emissions into the atmosphere that contributed to ambient air concentrations of lead that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days, in violation of District Rule 1420.1(d)(2), and Health and Safety Code Section 42402.1(a).

PLAINTIFF'S FIFTEENTH CAUSE OF ACTION

FOR KNOWING EMISSIONS OF AIR CONTAMINANTS IN VIOLATION OF DISTRICT RULE 1420.1(d)(2) AND HEALTH AND SAFETY CODE SECTION 42402.2(a)

98. Plaintiff realleges paragraphs 1–97, inclusive, and by this reference incorporates the same as though fully set forth herein.

99. Plaintiff is informed and believes, and based thereon alleges, that defendants, and each of them, discharged emissions into the atmosphere that contributed to ambient air concentrations of lead that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days, and that defendants knew of these emissions and failed to take corrective action

within a reasonable period of time, in violation of District Rule 1420.1(d)(2), and Health and Safety Code Section 42402.2(a).

PLAINTIFF'S SIXTEENTH CAUSE OF ACTION

FOR WILLFUL AND INTENTIONAL EMISSIONS OF AIR CONTAMINANTS IN VIOLATION OF DISTRICT RULE 1420.1(d)(2) AND HEALTH AND SAFETY CODE SECTION 42402.3(a)

100. Plaintiff realleges paragraphs 1–99, inclusive, and by this reference incorporates the same as though fully set forth herein.

101. Plaintiff is informed and believes, and based thereon alleges, that defendants, and each of them, willfully and intentionally discharged emissions into the atmosphere that contributed to ambient air concentrations of lead that exceeded 0.15 micrograms per cubic meter averaged over any 30 consecutive days, in violation of District Rule 1420.1(d)(2), and Health and Safety Code Section 42402.3(a).

WHEREFORE, Plaintiff prays for judgment against defendants as follows:

ON PLAINTIFF'S FIRST THROUGH ELEVENTH CAUSES OF ACTION

1. For civil penalties as prescribed in California Health and Safety Code Section 42402 in the amount of Ten Thousand Dollars ($10,000.00) for each and every day of violation, for a sum according to proof;

ON PLAINTIFF'S TWELFTH AND FOURTEENTH CAUSES OF ACTION

2. For civil penalties as prescribed in California Health and Safety Code Section 42402.1(a) in the amount of Twenty-Five Thousand Dollars ($25,000.00) for each and every day of violation, for a sum according to proof;

ON PLAINTIFF'S THIRTEENTH AND FIFTEENTH CAUSES OF ACTION

3. For civil penalties as prescribed in California Health and Safety Code Section 42402.2(a) in the amount of Forty Thousand Dollars ($40,000.00) for each and every day of violation, for a sum according to proof;

ON PLAINTIFF'S SIXTEENTH CAUSE OF ACTION

4. For civil penalties as prescribed in California Health and Safety Code Section 42402.3(a) in the amount of Seventy-Five Thousand Dollars ($75,000.00) for each and every day of violation, for a sum according to proof;

ON PLAINTIFF'S FIRST THROUGH SIXTEENTH CAUSES OF ACTION

5. A permanent injunction, issued pursuant to Health and Safety Code Section 41513, requiring defendants, and each of them, to comply with the Health and Safety Code Sections and District Rules that defendants, and each of them, are alleged to have violated.

ON ALL CAUSES OF ACTION

6. For costs of suit incurred herein including, but not limited to, plaintiff's costs of inspection, investigation, attorneys' fees, enforcement, prosecution, and suit herein;

7. For civil penalties in the sum of no less than $40,000,000;

8. For such other and further relief as the Court deems just and proper.

DATED: August 7, 2014

OFFICE OF THE GENERAL COUNSEL
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
KURT WIESE
BAYRON T. GILCHRIST

PAUL HASTINGS LLP
THOMAS P. O'BRIEN
KATHERINE F. MURRAY

By: _____
Katherine F. Murray

Attorneys for Plaintiff
PEOPLE OF THE STATE OF CALIFORNIA, ex rel SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

DEMAND FOR JURY TRIAL

Plaintiff requests a trial by jury on all issues of fact or law so triable.

DATED: August 7, 2014

OFFICE OF THE GENERAL COUNSEL
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT
KURT WIESE
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PAUL HASTINGS LLP
THOMAS P. O'BRIEN
KATHERINE F. MURRAY

By: _____
Katherine F. Murray

Attorneys for Plaintiff
PEOPLE OF THE STATE OF CALIFORNIA, ex rel SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

EXHIBIT 1

(Adopted July 8, 1994)

RULE 1407. CONTROL OF EMISSIONS OF ARSENIC, CADMIUM AND NICKEL FROM NON-FERROUS METAL MELTING OPERATIONS

(a) Purpose

The purpose of this rule is to reduce emissions of arsenic, cadmium, and nickel from non-ferrous metal melting operations.

(b) Applicability

This rule applies to all persons who own or operate non-ferrous metal melting operation(s), including but not limited to, smelters (primary and secondary), foundries, die-casters, coating processes (galvanizing and tinning) and other miscellaneous processes such as dip soldering, brazing and aluminum powder production.

For the purpose of this rule, the following definitions shall apply:

(1) ALUMINUM AND ALUMINUM-BASED ALLOY is any metal that is at least 80 percent aluminum by weight.

(2) CLEAN ALUMINUM SCRAP is scrap that is composed solely of aluminum or aluminum alloys (including anodized aluminum) and that is free of paints, oils, greases, coatings, rubber, or plastics.

(3) COPPER OR COPPER BASED ALLOY is any metal that is more than 50 percent copper by weight, including, but not limited to, brass and bronze.

(4) DISTRICT is the South Coast Air Quality Management District.

(5) DUST FORMING MATERIAL is any material containing more than 15 percent by weight of particulate matter less than 0.84 millimeter (mm) equivalent diameter as determined by ASTM C136-84a "Standards for Sieve Analysis of Fine and Coarse Aggregates" using a Number 20 U.S. Bureau of Standards sieve with 0.84-mm square openings or an alternate method deemed acceptable by the Executive Officer or his designee.

(6) EMISSION COLLECTION SYSTEM is any equipment installed for the purpose of directing, taking in, confining, and conveying an air contaminant, and which conforms to design and operation specifications given in the most current edition of Industrial Ventilation, Guidelines and Recommended Practices, published by the American Conference of

Government and Industrial Hygienists (20th Edition or thereafter) at the time a complete permit application is on file with the District.

(7) EMISSION POINT is any location where molten metal is or can be exposed to air, including, but not limited to, furnaces, crucibles, refining kettles, ladles, tap holes, pouring spouts, and slag channels. A mold or die in which metal is cooling is not considered an emission point.

(8) ENCLOSED STORAGE AREA is any space used to contain materials that has a wall or partition on at least three sides or three-quarters of its circumference and that screens the materials stored therein to prevent emissions of the material to the air.

(9) FACILITY is any real or personal property which is located on one or more contiguous or adjacent parcels of property in actual contact or separated solely by a public roadway or other public right-of-way and is owned or operated by the same person or person(s), corporation, government agency, public district, public officer, association, joint venture, partnership, or any combination of such entities.

(10) FUGITIVE EMISSIONS are emissions from sources that enter the atmosphere without passing through a stack or vent designed to direct or control their flow or that escape from a properly designed and operated emission collection systems. Fugitive emissions broadly include emissions from process or open sources. Process sources include, but are not limited to, emissions from storage and handling of materials such as baghouse dust. Open sources include, but are not limited to, emissions from entrainment of solid particulates by the forces of wind or machinery acting on exposed sources such as dust settled from charging and tapping of metallurgical furnaces.

(11) FUGITIVE EMISSIONS CONTROL is any equipment, activity, or process that is utilized to reduce fugitive emissions.

(12) GOOD OPERATING PRACTICES are any specific activities necessary to maintain the collection and control efficiencies as designed and permitted for. These activities include, but are not limited to, verifying operating specifications such as production throughput, temperature control, cleaning cycles, air flow and velocity, and inspecting equipment, such as filter cartridges or bags in a baghouse, pressure gauges, duct work, blowers and components of the control equipment, through a general maintenance and inspection program.

(13) HARD LEAD is any alloy containing at least 90 percent lead and more than 0.001 percent arsenic by weight or 0.001 percent cadmium by weight.

(14) MOLTEN METAL is metal or metal alloy in a liquid state, in which a cohesive mass of metal will flow under atmospheric pressure and take the shape of a container in which it is placed.

(15) METAL MELTING FURNACE is any apparatus in which metal in a container is brought to a liquid state including, but not limited to, reverberatory, cupola, induction, direct arc furnaces, sweat furnaces, and refining kettles, regardless of the heating mechanism. METAL MELTING FURNACE does not include any apparatus in which the metal is heated but does not reach a molten state, such as a sintering furnace or an annealing furnace.

(16) NEW SAND is any sand not exposed to the casting process.

(17) NON-FERROUS METAL is any metal that contains aluminium, arsenic, cadmium, copper, lead, zinc or their alloys.

(18) PARTICULATE MATTER OR PM is any material, except uncombined water, which exists in a finely divided form at standard conditions of temperature and pressure (293° K and 760 mm mercury).

(19) FINE PARTICULATE MATTER or PM_{10} is any material, except uncombined water, which exists in a finely divided form, less than 10 microns in size, at standard conditions of temperature and pressure (293° K and 760 mm mercury).

(20) PARTICULATE MATTER CONTROL SYSTEM is any device or series of devices designed and operated in a manner intended to remove or reduce fine particulate matter (<10 um) from an air or gas stream.

(21) PERSON is any firm, business establishment, association, partnership, corporation or individual, whether acting as principal, agent, employee or other capacity, including any governmental entity or charitable organization as defined in Health and Safety Code Section 39047.

(22) PROCESS EMISSION CONTROL is any equipment installed and operated to control emissions of toxic metals from any emission point.

(23) PURE LEAD is any alloy that is at least 90 percent lead and contains no more than 0.001 percent cadmium by weight and no more than 0.001 percent arsenic by weight.

(24) RINGLEMANN CHART is the Ringlemann Chart published in the United States review of Mine Information Circular No. 1C8333, (May 1967), as specified in Health and Safety Code Section 41701 (b).

(25) RERUN SCRAP is any material that includes sprues, gates, risers, foundry returns, and similar material intended for remelting that has been generated at the facility as a consequence of casting or forming process but has not been coated or surfaced with any material containing cadmium, arsenic, or nickel.

(26) SCRAP is any metal or metal-containing material that has been discarded or removed from the use for which it was produced or manufactured and which is intended for reprocessing. This does not include rerun scrap.

(27) SOLDER is any metal in which the sum of the lead and tin content is greater than 50 percent by weight and which is used to join two metals or join a metal to any other material.

(28) TYPE METAL is any lead-based alloy used for Linotype machines.

(d) Requirements

Any person who owns or operates a non-ferrous metal melting facility shall be in compliance with all the requirements specified in subdivisions (d) and (e), no later than July 6, 1996.

(1) All emission points shall be vented to an emission collection system designed and operated in accordance with the manufacturer specifications, which was submitted in the permit application to the District, and the conditions specified in the issued permit.

(2) The gas stream from any emission collection system shall be ducted to a control device which shall reduce the particulate emissions by 99 percent or more by weight.

(3) The temperature of the gas stream entering any particulate matter control device that is part of the emission collection system shall not exceed 360 degrees Fahrenheit, unless it can be demonstrated and is approved in writing by the District, that a control efficiency of 99 percent or more for arsenic and cadmium will be achieved at a higher temperature.

(4) The control efficiency of the particulate control device shall be determined by a source test conducted in accordance with SCAQMD Method 5.2 - Determination of Particulate Matter Emissions From Stationary Sources Using Heated Probe and Filter. An alternate test method to Method 5.2

may be used if it is approved by the Executive Officer or his designee and the Executive Officer or his designee of the California Air Resources Board. The control efficiency shall be calculated using the following equation:

$$\frac{C_{in} - C_{out}}{C_{in}} \times 100 = \%\ \text{emission reduction}$$

Where: C_{in} = mass of particulate matter at the inlet to the control device

C_{out} = mass of particulate matter at the outlet of the control device

Mass = sum of filter catch, probe catch, impinger catch, and solvent extract

The Executive Officer or his designee may require additional source testing periodically to verify continued compliance or when the process is changed.

(5) Good operating practices shall be used by the facility, and demonstrated through a maintenance program and the use of measuring devices, or other procedures approved by the District, to maintain air movement and emission collection efficiency by the system consistent with the design criteria for the system.

(A) Maintenance Program

The maintenance program shall specify at a minimum the following:

(i) Maximum allowable variation from designed values of operating parameters, such as air velocity in the hood and ducts and pressure drop across the control device.

(ii) Areas to be visually inspected, such as the clean side of the baghouse and ducts operating under positive pressure, and the required frequency of such inspections.

(iii) Methods of documenting compliance with these requirements, such as a log of such inspections and records of observations and measurements.

(B) Measuring Devices

(i) Flow Meter

Flow meter(s) shall be installed in the collection system to indicate the air velocity in the duct leading to or from the control device.

(ii) Pressure Gauge

A magnehelic or a light sensitive gauge shall be installed to indicate the pressure drop. This gauge should have a high and low setting for the pressure drop and should trigger an alarm system when the high or low set points are exceeded or the cleaning cycle when the high set point is reached.

(iii) Broken Bag Detector

A broken bag detector with an alarm system shall be installed in the dry filter control device to sound an alarm, if there are broken or damaged filter media or leaks in the baghouse.

(iv) Temperature Gauge

A thermocouple and a temperature controller to monitor the temperature to the inlet of the control device shall be installed.

(e) Fugitive Emission Control

(1) No activity associated with non-ferrous metal melting at a facility, including furnace operation, casting, emission control system operation, and the storage, handling, or transfer of any materials (except new sand), shall discharge into the air any air contaminant, other than uncombined water vapor, for a period aggregating more than three minutes in any one hour which is:

(A) Half as dark or darker in shade as that designated as Number 1 on the Ringlemann Chart, as published by the United States Bureau of Mines, or

(B) Of such opacity so as to obscure an observer's view to a degree equal to or greater than smoke as described in subparagraph (e)(1)(A) or 10 percent opacity.

(2) Dust-forming material including, but not limited to, dross, ash, or feed material, shall be stored in an enclosed storage area or stored in a manner which meets the requirements of paragraph (e)(1).

(3) Material collected by a particulate matter control system shall be discharged into closed containers or an enclosed system that is completely sealed to prevent any dust emissions.

(4) Surfaces that are subjected to vehicular or foot traffic shall be vacuumed, wet mopped, or otherwise maintained in accordance with a District approved housekeeping plan, which shall be submitted as part of the compliance plan.

(f) Compliance Schedule

(1) All facilities subject to this rule, including those seeking an exemption pursuant to paragraph (i)(1) and/or (i)(2), shall submit a compliance plan no later than January 6, 1995, to show how they will comply with all the applicable provisions of the rule or to demonstrate proof of exemption.

The compliance plan shall, at a minimum, contain the following information:

(A) how the exemptions (i)(1) and/or (i)(2) may apply;

(B) how the control measure or proposed alternate control measure, (h), will meet the requirements of (d)(1) through (d)(4);

(C) how the maintenance program measures for the control device will ensure continuous compliance; and,

(D) how the housekeeping measures will minimize fugitive emissions.

Those seeking exemptions pursuant to (i)(3) through (i)(6), may submit in writing a letter, instead of a compliance plan, to the District, providing proof of exemption.

(2) Facilities required to install or modify control equipment pursuant to this rule shall submit permit to construct application(s) by no later than July 6, 1995, and shall comply with the rule no later than July 6, 1996.

(g) Recordkeeping

(1) Facilities subject to subdivision (d) shall maintain on site for a period of two years, and make available to the District upon request, a record of the results of any source testing required by the District to demonstrate that the

particulate matter control device(s) are operating as required by paragraph (d)(2).

(2) Facilities seeking an exemption under paragraphs (i)(1) and/or (i)(2) or (i)(3) shall maintain for two years records of the amount and type of metal processed in those furnaces including results of analyses as required to support exemption under paragraph (i)(2). These records shall be made available to the District upon request.

(h) Alternative Emission Control

The District may approve an alternative emission control measure proposed by a facility if the facility operator can demonstrate to the satisfaction of the Executive Officer or his designee that the alternative control measure is enforceable, achieves equivalent or greater reductions in emissions and risk, and achieves the reduction within the same time period as required by this rule. The Executive Officer or his designee shall revoke this approval if the facility operator fails to adequately implement the alternative approach or the alternative approach does not reduce emissions as required.

(i) Exemptions

(1) Small Quantity Exemptions.

A facility shall be exempt from subdivisions (d) and (e), if they meet either one of the following conditions:

(A) The facility melts a total of no more than one ton per year of all non-ferrous metals,

or

(B) For facilities melting solely metals listed in Table I, [not including any metal or alloy that meets the purity exemption of paragraph (i)(2)], the eligibility for exemption shall be determined using the following formula:

$$A/A_0 + B/B_0 + C/C_0 + \ldots\ldots < -1$$

Where A, B, C, ..., are quantities of Table I metals melted and A_0, B_0, C_0, ..., are the exemption limits listed in Table I.

(i) For each metal listed in Table I, divide the quantity melted by the specific exemption limit listed.

(ii) Sum the resulting fractions for all the metals.

(iii) If the sum does not exceed 1.0, the facility qualifies for exemption under paragraph (i)(1).

Table I

Exemption Limits For Metal Melted

Metal	Exemption Limit (tons per year)
Pure Lead	400
Hard Lead	200
Aluminum Scrap	125
Aluminum Ingot containing more than 0.004 percent cadmium or 0.002 percent arsenic by weight	125
Solder	100
Zinc Scrap	30
Copper or copper-based alloys (except scrap) containing more than 0.004 percent cadmium or 0.002 percent arsenic by weight	30
Type Metal	25

(2) Metal or Alloy Purity Exemption

Facilities or furnaces which do not melt scrap except clean aluminum scrap or rerun scrap and which melt a metal or alloy (other than metals listed in Table I) which is shown by laboratory analysis to have less than 0.004 percent of cadmium and less than 0.002 percent of arsenic by weight are exempt from subdivisions (d) and (e).

(3) Clean Aluminum Scrap

Furnaces used exclusively to process clean aluminum scrap or a mixture of clean aluminum scrap and aluminum ingot to produce extrusion billet are exempt from paragraphs (d)(1) through (d)(5).

(4) Aluminum Scrap Furnaces

The combustion chamber in a reverberatory furnace is exempt from the requirements of paragraphs (d)(1) through (d)(5) if the furnace meets the following conditions:

(A) The furnace is used solely to melt aluminum and aluminum based alloys; and,

(B) The furnace is constructed with a charging well or similar device in which feed is added to molten metal in a separate chamber.

(5) Aluminum Pouring Exemption

Ladles, launders or other equipment used to convey aluminum from a melting or holding furnace to casting equipment is exempt from the requirements of paragraphs (d)(1) through (d)(5).

(6) Rule 1420 - Emissions of Lead

Facilities that emit lead and who have demonstrated 99 percent or greater control efficiency for particulate matter or 98 percent or greater for lead pursuant to the requirement of Rule 1420 paragraph (e)(2), shall be exempt from the requirement of paragraph (d)(2) provided:

(A) The source test method used meets the requirement of paragraph (d)(4) for particulate matter or SCAQMD Method 12.1 for lead; and,

(B) The inlet temperature to the control device meets the requirement of paragraph (d)(3).

(7) Control Devices for Fugitive Emissions

Devices used solely to control fugitive emissions are exempt from the requirements of (d)(1) through (d)(5).

(j) Applicable Material Testing Methods

One of the following methods as identified in paragraphs (j)(1) through (j)(7) or an alternate method deemed acceptable by the Executive Officer or his designee shall be used. Sampling for these methods shall comply with ASTM E 88-58 (1986), "Standard Practice for Sampling Nonferrous Metals and Alloys in Cast Form for Determination of Chemical Composition."

(1) To determine the composition of alloys defined in paragraph (c) (1) and to determine the cadmium content of aluminum alloys to evaluate eligibility for exemption under paragraph (i) (2), one of the following methods shall be used:

(A) ASTM E 227-67 (1982), "Standard Method for Optical Emission Spectrometric Analysis of Aluminum and Aluminum Alloys by the Point-to-Plane Technique."

(B) ASTM E 607-90, "Standard Method for Optical Emission Spectrometric Analysis of Aluminum and Aluminum Alloys by the Point-to-Plane Technique, Nitrogen Atmosphere;" or

(C) ASTM E 1251-88, "Standard Method for Optical Emission Spectrometric Analysis of Aluminum and Aluminum Alloys by the Argon Atmosphere, Point-to-Plane Unipolar Self-Initiating Capacitor Discharge."

(2) To determine alloy composition as defined in paragraphs (c)(13) and (c)(23), ASTM E 117-64 (1985) "Standard Method for Spectrographic Analysis of Pig Lead by the Point-to-Plane Technique" shall be used.

(3) To determine alloy composition as defined in paragraph (c)(26), ASTM E 46-87 "Test Method for Chemical Analysis of Lead and Tin-Base Solder" shall be used.

(4) To determine cadmium concentration in zinc and zinc alloys to evaluate eligibility for exemption under paragraph (i)(2), ASTM E 536-84 (1988), "Standard Test Method for Chemical Analysis of Zinc and Zinc Alloys" shall be used.

(5) To determine cadmium concentration in copper and copper based alloys to evaluate eligibility for exemption under paragraph (i)(2), ASTM E 53-86a "Standard Test Method for Chemical Analysis of Copper" shall be used.

(6) To determine arsenic concentration in copper or copper based alloys to evaluate eligibility for exemption under paragraph (i)(2), ASTM E 62-89, "Standard Test Method for Chemical Analysis of Copper and Copper Alloys" shall be used.

(7) To determine arsenic content in aluminium or zinc (or any other alloy in which determination or arsenic by spectrochemical methods is compromised by interference) to evaluate eligibility for exemption under paragraph (i)(2), US-EPA Method 7061 (Revision 1, December, 1987), "Arsenic (Atomic Absorption, Gaseous Hydride)," U.S. EPA Test Methods for Evaluating Solid Waste Physical and Chemical Methods, First Update (3rd Edition), January, 1988; EPA/530/SW-846.3-1; PB 89-14876 shall be used. For aluminum alloys, sample digestion shall employ the hydroxide digestion technique listed in Attachment A.

ATTACHMENT A
Digestion of Metal Aluminum Sample for Determining Arsenic

1. Introduction:
Metal aluminum cannot react with nitric acid or concentrated sulfuric acid. It can dissolve in dilute sulfuric acid or hydrochloric acid. Active hydrogen, generated during the acid digestion process, will reduce arsenic to AsH_3, which will escape from solution, resulting in a low or negative arsenic value. The proposed method sets up a protocol to dissolve metal alumina without loss of arsenic.

2. Reagent:
3M NaOH, 10% $HgSO_4$ Solution, 30% H_2O_2
1:1 H_2SO_4, Concentrated HNO_3, Tiling Copper.

3. Procedure:
3.1. Dissolve
3.1.1 Dissolve using NaOH (Method 1).
Weigh 0.5 g of metal aluminum sample to a 125 ml Erlenmeyer flask, add 15 ml of 3M NaOH solution, allow to react and dissolve about 20 minutes. Again add 10 ml of 3M NaOH, continue reaction until no gas bubbles are present and the sample is dissolved completely.
3.1.2 Dissolve using $HgSO_4$ (Method 2).
Weigh 0.5 g of metal aluminum sample to a 125 ml Erlenmeyer flask, add 10 ml of 10% $HgSO_4$ solution and 5 ml of 30% H_2O_2. After 20 minutes, add appropriate amount of $HgSO_4$. Allow reaction to continue until no gas bubbles are present. Add metal copper strips (large surface area) into the sample solution. After 10 minutes, withdraw the copper strips and add new copper strips. Repeat until the surface of copper strips in sample solution do not change to a silver color. Withdraw all copper strips from sample solution.
3.2 Digestion
Add 3 ml of concentrated HNO_3, 5 ml of 1:1 H_2SO_4 into the sample solution obtained from 3.1.1 or 3.1.2. Heat slowly and evaporate the sample solution until SO_3 fumes are present for 5 minutes. Cool and dilute the sample to 50.0 ml. Determine Arsenic by Atomic Absorption method.

EXHIBIT 2

(Adopted January 9, 1976)(Amended January 5, 1990)(Amended December 3, 2004)

RULE 203. PERMIT TO OPERATE

(a) A person shall not operate or use any equipment or agricultural permit unit, the use of which may cause the issuance of air contaminants, or the use of which may reduce or control the issuance of air contaminants, without first obtaining a written permit to operate from the Executive Officer or except as provided in Rule 202.

(b) The equipment or agricultural permit unit shall not be operated contrary to the conditions specified in the permit to operate.

EXHIBIT 3

(Adopted October 8, 1993)(Amended August 11, 1995)
(Amended November 14, 1997)(Amended November 5, 2010)

RULE 3002. REQUIREMENTS

(a) Requirement for Title V Permit

(1) A person shall not construct, modify, relocate, or operate a Title V facility, or equipment located at a Title V facility, without first obtaining a Title V permit or permit revision that allows such construction, modification, relocation or operation, except for:

(A) Equipment exempted from permitting requirements pursuant to Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II;

(B) Operation of equipment or a facility pursuant to the application shield provisions of subdivision (b) of this rule; and,

(C) Construction, modification, relocation and operation of equipment or a facility authorized by a non-Title V permit issued by the Executive Officer. The Executive Officer may issue a non-Title V permit to existing Phase One or Phase Two facilities that apply for a non-Title V permit prior to the issuance of their initial Title V permit.

(2) On and after January 2, 2011, applicable requirements for greenhouse gases shall be included in Title V permits for any facility that is otherwise required, after that date, to obtain a new, renewed, or revised Title V permit pursuant to paragraph (a)(1) of this rule.

(3) On and after July 1, 2011, any facility with a potential to emit ≥ 100,000 tpy CO_2e, on a CO_2e basis (Global Warming Potential applied) and a Potential to Emit GHGs > 100 tpy GHGs on a mass basis (no Global Warming Potential applied) shall apply for a Title V permit within 180 days after July 1, 2011, unless a Title V permit has already been applied for, and all GHG requirements that are applicable requirements (as defined in Rule 3000 (b)(4)) shall be included in the permit.

(4) On and after July 1, 2011, any new or modified facility with a Potential to Emit increase of ≥ 100,000 tpy CO_2e shall be subject to the requirements specified in paragraph (a)(1) of this rule.

(b) Application Shield

Notwithstanding subdivision (a) of this rule, it is not a violation of this rule to operate a Title V facility or equipment located at a Title V facility without a Title V permit, provided that:

(1) A timely and complete application for initial Title V permit issuance or Title V permit renewal for such facility or equipment has been filed with the Executive Officer; and,

(2) The Executive Officer has not taken final action on the application.

For the purpose of an application shield, a timely and complete application is one that has been submitted in accordance with subdivisions (a) and (c) of Rule 3003. The application shield shall not apply if the permit applicant has failed to submit information required pursuant to subdivision (d) of this rule.

(c) Duty to Comply

(1) A person shall construct and operate a Title V facility and all equipment located at a Title V facility in compliance with all terms, requirements, and conditions specified in the Title V permit at all times.

(2) Any non-compliance with a Title V facility permit term, requirement, or condition is a violation of Regulation XXX and is a violation of the federal Clean Air Act if the permit term, requirement or condition is federally enforceable. Each day during any portion of which a violation occurs is a separate offense. Any non-compliance shall be grounds for:

(A) enforcement action (under the California Health & Safety Code and the federal Clean Air Act);

(B) permit termination;

(C) permit revocation and reissuance;

(D) permit revision; and

(E) denial of a permit renewal or revision application.

(3) It shall not be a defense for a person in any of the actions listed in paragraph (c)(2) of this rule that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of the permit, except as provided for in subdivision (g) of Rule 3002.

(4) A permit may be revised, revoked, reopened and reissued, or terminated for cause as provided in Rule 3004 - Permit Types and Content, and Rule 3005 - Permit Revisions. The filing of a request by the holder of a Title V

permit, for a permit revision, revocation and reissuance, or termination, or of a notification of planned changes or anticipated non-compliance does not stay any permit condition.

(d) Duty to Provide Timely Information

An applicant for, or holder of, a Title V permit shall furnish to the Executive Officer within a reasonable time, as specified by the Executive Officer in writing, any information that the Executive Officer requests in writing to process a permit application or to determine whether cause exists for revising, revoking and reissuing, or terminating the permit, or to determine compliance with the permit.

(e) Duty to Provide Records

A holder of a Title V permit shall furnish to the Executive Officer within a reasonable time, as specified by the Executive Officer in writing, copies of records that are required, by the permit, to be kept. Copies of information claimed to be confidential shall be submitted in a form segregated from other information, conspicuously marked "confidential" on each page, with a concise identification of the basis for the claim.

(f) Duty to Pay Fees

(1) The applicant for, or holder of, a Title V permit shall pay all required fees as specified in Regulation III - Permit Fees.

(2) Failure to pay fees in compliance with paragraph (f)(1) of this rule shall be grounds for permit expiration or revocation of the subject permit(s).

(g) Emergency Provisions

An emergency shall constitute an affirmative defense to an action brought for non-compliance with a technology-based limitation if all of the following conditions are met:

(1) Properly signed, contemporaneous operating logs or other credible evidence that demonstrates compliance with this subdivision are kept at the facility;

(2) The owner/operator of a Title V facility demonstrates that an emergency occurred and that the permit holder can identify the cause(s) of the emergency;

(3) During the period of the emergency, the facility permit holder took all reasonable steps to minimize levels of emissions that exceeded the emission standards, or other requirements in the permit;

(4) The owner/operator of a Title V facility submitted a written notice of the emergency to the District within two working days of the time when emission limitations were exceeded due to the emergency. This notice shall contain a description of the emergency, any steps taken to mitigate emissions, and corrective actions taken;

(5) The permitted facility was being operated properly (i.e., operated and maintained in accordance with the manufacturer's specifications, and in compliance with all regulatory requirements or a compliance plan) before the emergency; and

(6) The facility complies with the breakdown provision of Rule 430 - Breakdown Provisions, or subdivision (i) of Rule 2004 - Requirements, whichever is applicable.

In any enforcement proceeding, the facility permit holder seeking to establish the occurrence of an emergency shall have the burden of proof.

EXHIBIT 4

(Adopted October 8, 1993)(Amended August 11, 1995)
(Amended November 14, 1997) (Amended December 12, 1997)

RULE 3004. PERMIT TYPES AND CONTENT

(a) Permit Content for Non-RECLAIM Facilities

Each Title V permit shall include:

(1) Emissions limitations and those operational requirements that assure compliance with all regulatory requirements at the time of permit issuance.

(2) The permit expiration date and a statement that the facility's right to operate terminates on the permit expiration date unless the facility is protected by an application shield pursuant to subdivision (b) of Rule 3002 due to the filing of a timely and complete application for renewal.

(3) The origin and authority of each permit term or condition, and the identification of any difference in form from the applicable requirement upon which the term or condition is based.

(4) Monitoring, recordkeeping, and reporting requirements, as follows:

(A) All emissions monitoring and analysis procedures or test methods required by regulatory requirements;

(B) Monitoring and recordkeeping sufficient to substantiate the facility's compliance with the terms and conditions of Title V permit. With respect to recordkeeping, the permit shall require, where applicable, records of required monitoring information that include, but not limited to, the following:

(i) the date, place as defined in the permit, and time of sampling or measurements;

(ii) the date(s) analyses were performed;

(iii) the company or entity that performed the analyses;

(iv) the analytical techniques or methods used;

(v) the results of such analyses; and

(vi) the operating conditions as existing at the time of sampling or measurement;

(C) Where the applicable requirement does not require periodic monitoring or testing, the permit shall include periodic monitoring or recordkeeping sufficient to yield reliable data from a relevant time period that is representative of the source's compliance with

the terms of the permit. Recordkeeping provisions may be sufficient to meet the requirements of this subparagraph;

(D) Requirements concerning the use, maintenance, and, where appropriate, installation of monitoring and recordkeeping equipment or methods;

(E) Keeping all records of required monitoring data specified in permits, regulatory requirements and District monitoring protocols or rules for a period of at least five years from the date of the monitoring sample, measurement, report, or application; and,

(F) Submittal, to the Executive Officer, of reports of any required monitoring at least every six months. All instances of deviations from permit requirements shall be clearly identified in such reports.

(5) A requirement for prompt reporting, as defined by District protocol or rule or permit condition, of deviations from permit requirements, including those attributable to upset conditions, the probable cause of such deviations, and any corrective actions or preventive measures taken.

(6) A severability clause consistent with subdivision (b) of Rule 3007.

(7) Provisions stating the following:

(A) The holder of the Title V permit shall comply with all regulatory requirements and facility permit conditions, except as provided for in subdivision (g) of Rule 3002 or in an alternative operating condition imposed pursuant to Rule 518.2;

(B) Any non-compliance with subparagraph (a)(7)(A) of this rule, shall be a violation of the federal Clean Air Act pursuant to paragraph (c)(2) of Rule 3002;

(C) The facility permit may be revised, revoked, reopened and reissued, or terminated for cause, including, but not limited to, failure to comply with regulatory requirements, permit terms or conditions;

(D) The filing of any application for permit revision, revocation, or termination, or of a notification of planned changes or anticipated non-compliance, does not stay any permit condition;

(E) The permit does not convey any property rights of any sort or any exclusive privilege;

(F) The applicant for, or holder of, a Title V permit shall furnish timely information and records to the Executive Officer when requested pursuant to subdivision (d) or (e) of Rule 3002 ;

(G) The applicant for, or holder of, a Title V permit shall pay all required fees specified in Regulation III - Permit Fees;

(H) It shall not be a defense for a person in an enforcement action, including those listed in paragraph (c)(2) of Rule 3002, that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with the conditions of this permit, except as provided for in subdivision (g) of Rule 3002; and,

(I) The conditions under which the permit will be reopened as specified in paragraph (g)(1) of Rule 3005.

(8) Provisions for alternative operating scenarios consistent with regulatory requirements, and including the requirement to maintain a contemporaneous log of the scenario under which the facility is operating.

(9) If requested by the applicant, terms and conditions for trading of emissions increases and decreases in a permitted facility, provided that regulatory requirements allow such trading without a case-by-case approval of each emission trade. Such terms and conditions:

(A) Shall include all terms required by subdivisions (a) and (b) of this rule to determine compliance;

(B) May extend the permit shield described in subdivision (c) of this rule to all terms and conditions that allow such emission trading; and,

(C) Must meet all applicable requirements and requirements of this regulation.

(10) Compliance requirements, including:

(A) Compliance certification, testing, monitoring, reporting, and recordkeeping requirements sufficient to assure compliance with the terms and conditions of the permit, consistent with paragraph (a)(4) of this rule.

(B) Inspection and entry requirements that require that, upon presentation of appropriate credentials, the holder of the Title V permit shall allow the Executive Officer or authorized representative to:

(i) Enter the premises where a Title V facility is located, emission-related activity is conducted, or records are kept under the conditions of the permit;

(ii) Have access to and copy, at reasonable times, any records that must be kept under the conditions of the permit;

(iii) Inspect at reasonable times, any facilities, equipment (including monitoring and air pollution control equipment), practices, or operations regulated or required under the permit; and,

(iv) Sample or monitor, at reasonable times, substances or parameters for the purpose of assuring compliance with the permit or regulatory requirements.

(C) For facilities that are not in compliance with all applicable regulatory requirements at the time of permit issuance or permit renewal, a requirement to comply with all requirements of an alternative operating condition, variance or order for abatement issued by the District Hearing Board. The permit shall include a compliance schedule of remedial measures, including an enforceable sequence of actions with milestones, to be taken by the owner or operator to achieve compliance. This compliance schedule shall resemble and be at least as stringent as that contained in any:

(i) Judicial consent decree or administrative order to which the source is subject; or

(ii) Findings or decisions issued by the District Hearing Board as a result of any administrative proceeding concerning the source.

(D) Progress reports consistent with the terms established in the schedule of compliance, as specified in subparagraph (a)(10)(C) of this rule, to be submitted at least semi-annually, or at a more frequent period if specified in the schedule. Such progress reports shall contain:

(i) Dates for achieving the activities, milestones or compliance required in the schedule of compliance and dates when such activities, milestones or compliance were achieved; and,

(ii) An explanation of why any dates in the schedule of compliance were not, or will not be met, and any preventative or corrective measures adopted.

(E) Requirements for compliance certification with terms and conditions contained in the permit, including emissions limitations, standards, and work practices. Permits shall include each of the following:

(i) The frequency (not less than annually or such more frequent periods as specified in the regulatory requirements, schedule of compliance or by the Executive Officer in the permit) of the submissions of compliance certifications;

(ii) In accordance with paragraph (a)(4) of this rule, a means for monitoring the compliance of the facility with its emissions limitations, standards, and work practices;

(iii) A requirement that the compliance certification include the following:

(a) The identification of each term or condition of the permit that is the basis of the certification;

(b) The compliance status for the duration of the reporting period;

(c) Whether compliance was continuous or intermittent;

(d) The method(s) used for determining the compliance status of the Title V facility, currently and over the reporting period specified in paragraph (a)(4) of this rule; and,

(e) Such other facts that the Executive Officer may require to determine the compliance status of the facility.

(iv) The requirement that all compliance certifications be submitted to the EPA Administrator as well as the Executive Officer; and,

(v) Such additional requirements as may be specified pursuant to Sections 114(a)(3) and 504(b) of the federal Clean Air Act.

(F) Such other provisions as the Executive Officer may require.

(11) To the extent feasible, identification of those permit conditions which are not federally enforceable.

(12) Provisions that all documents, including compliance documents, required by a Title V permit or Regulation XXX to be submitted to the District or EPA shall contain a certification consistent with paragraph (c)(7) of Rule 3003 by a responsible official.

(13) A listing of all equipment not described by subdivision (h) of this rule that are subject to any source-specific regulatory requirements.

(b) Permit Content for RECLAIM Facilities

Each Title V permit for RECLAIM facilities shall include:

(1) all applicable provisions specified in Rule 2006 - Permits;

(2) provisions specified in subdivision (a) of this rule; and,

(3) a provision stating that permit revisions are not required for emission trading to the extent allowed by Regulation XX.

(c) Permit Shield

(1) The Executive Officer may expressly include in a Title V permit a provision stating that compliance with the conditions of the permit shall be deemed compliance with any regulatory requirements as of the date of permit issuance, provided that:

(A) (i) Such regulatory requirements are included and are specifically identified in the permit; or,

(ii) The Executive Officer, in acting on the permit application or revision determines in writing that other requirements specifically identified are not applicable to the facility, and the permit includes this determination or a concise summary thereof.

(B) The facility specifically requests a permit shield and indicates the following:

(i) Specific process units for which a permit shield is sought or indicates the shield is for the entire facility ;

(ii) Reason that a permit shield is sought; and,

(iii) Proposed duration of a permit shield.

(2) A permit that does not expressly state that a permit shield exists shall be conclusively presumed not to provide such a shield.

(3) Nothing in this rule or in any Title V permit shall alter or affect the following:

(A) The provisions of Section 303 of the federal Clean Air Act (emergency orders) including the authority of the EPA Administrator.

(B) The liability of an owner or operator of a facility for any violation of regulatory requirements prior to, or at the time of, permit issuance;

(C) The applicable requirements of the acid rain program, consistent with Section 408(a) of the federal Clean air Act;

(D) The ability of EPA to obtain information from a facility pursuant to Section 114 of the federal Clean Air Act;

(E) The applicability of State or local requirements that are not "applicable requirements", as defined in Rule 3000, at the time of permit issuance but which do apply to the facility, such as toxics requirements unique to the State; or,

(F) The applicability of regulatory requirements with compliance dates after the permit issuance date.

(4) A request for a permit shield made outside an application for an initial permit or a permit renewal, shall be applied for as a significant permit revision..

(5) A permit shield shall not apply to any operational change required pursuant to paragraph (i)(1) of Rule 3005.

(d) Temporary Source Permits

(1) Except in the cases of an affected source under the acid rain program or portable equipment registered to operate statewide pursuant to Article 5 - Portable Engine and Equipment Registration, Title 13 of the California Code of Regulations, an applicant may request, and the Executive Officer may issue, a single Title V permit to a temporary source authorizing emissions from similar operations by the same facility owner or operator at multiple temporary locations.

(2) An application for a temporary source permit shall be denied unless the permit applicant demonstrates that the operation covered by the permit is temporary, involves at least one change of location during the term of the

permit, and does not operate at any one location or stationary facility for more than twelve consecutive months.

(3) Each operator of a temporary source shall notify the Executive Officer in writing, postmarked at least 10 calendar days in advance of each change in location, with the following information:

(A) The address of the new equipment location;

(B) The date operations are to begin at the new location; and,

(C) Any terms of the temporary source permit which will be applicable at the new location but were not applicable at the previous location.

(4) Except as modified by this rule, an application for a temporary source permit is governed by all Regulation XXX rules.

(5) In addition to the requirements of subdivision (a) of Rule 3004, a temporary source permit shall include:

(A) Conditions that will assure compliance with all regulatory requirements at all authorized locations;

(B) A requirement that the owner or operator notify the Executive Officer of location changes in compliance with paragraph (d)(3) of this rule; and,

(C) Conditions that will assure that the operation is temporary, involves at least one change of location during the term of the permit, and does not operate at any one location or facility for more than twelve consecutive months.

(e) General Permits

The Executive Officer may issue a general permit covering numerous similar equipment after notice and opportunity for EPA review and public participation in compliance with Rules 3005 and 3006.

(1) To qualify as a general permit, the equipment category shall meet all of the following criteria:

(A) the general permit complies with all regulatory requirements; and,

(B) the equipment category does not require a Rule 1401 - New Source Review of Carcinogenic Air Contaminants, evaluation.

(2) All general permits shall contain:

(A) criteria by which equipment qualifies for the permit; and,

(B) standard conditions and terms and emissions limits.

(3) Once a general permit has been issued by the Executive Officer, Title V facilities with equipment that would qualify for a general permit may apply to the Executive Officer for coverage under the terms of the general permit. General permits are not authorized for affected sources under the acid rain program.

(4) Unless otherwise provided in the applicable general permit, an applicant for coverage under the general permit shall submit an application containing all the information required by subdivision (b) of Rule 3003 and shall include a certification by a responsible official complying with paragraph (c)(7) of Rule 3003.

(5) The Executive Officer shall deny the application for coverage under a general permit unless the application demonstrates that the equipment would qualify for coverage as specified in the terms of the permit, and has the ability to comply with all the conditions and terms of the general permit.

(6) Unless otherwise provided in the applicable general permit, the Executive Officer shall determine if the application is complete pursuant to subdivision (c) of Rule 3003 and shall approve or deny the application for coverage under the general permit within thirty days after the application is deemed complete.

(7) Issuance or denial of an application for coverage under a general permit shall not be a final permit action for purposes of judicial review.

(8) If the equipment that has been approved for coverage under a general permit is later determined not to qualify for the conditions and terms of the general permit, the Title V facility shall be subject to enforcement action for operating without a Title V permit.

(f) Permit Expiration and Renewal

(1) Except for solid waste incineration facilities subject to standards under Section 129(e) of the Clean Air Act, a Title V permit shall expire 5 years from the date of issuance unless such permit has been renewed pursuant to this regulation.

(2) A Title V permit for a solid waste incineration facility combusting municipal waste subject to standards under Section 129(e) of the Clean Air Act shall expire 12 years from the date of issuance unless such permit has

been renewed pursuant to this regulation. These permits shall be reviewed by the Executive Officer at least every five years from the date of issuance.

(3) Except as provided in paragraph (f)(4) of this rule, on and after the date of expiration of a Title V permit a person shall not operate a Title V facility, or equipment located at a Title V facility, unless such permit has been renewed pursuant to this regulation.

(4) If a timely and complete application for permit renewal has been filed, consistent with paragraph (a)(5) of Rule 3003, but the Executive Officer has failed to issue or deny the renewal permit before the end of the term of the previous permit, then the previous permit shall not expire and all the terms and conditions of the previous permit, including any permit shield, shall remain in effect until the Executive Officer issues or denies the renewal permit.

(5) The provisions of paragraph (f)(4) of this rule do not apply to a Title V facility if the applicant for, or holder of, the Title V permit has failed to submit, by the deadline specified in writing by the Executive Officer, any additional information identified as being needed to process the application.

(6) Permits being renewed are subject to the same procedural requirements that apply to initial new source Title V permit issuance, including those for public participation and affected State and EPA review.

(g) Federal Enforceability

All terms and conditions in a Title V permit, including any provisions designed to limit a facility's potential to emit, are enforceable by the EPA Administrator and citizens under the federal Clean Air Act, unless the term or condition is designated as not federally enforceable.

(h) The following equipment shall not be listed on a Title V permit:

(1) Permitted portable equipment, provided that such equipment:

(A) is not a major source as defined by 40 CFR Part 70, Section 70.2;

(B) usage does not conflict with the terms or conditions of the Title V permit of the facility visited by the portable equipment; and

(C) is not located at the facility for more than twelve consecutive months after commencing operation.

(2) Equipment that, pursuant to Rule 219 - Equipment Not Requiring a Written Permit Pursuant to Regulation II, do not require a written permit and are not subject to any source-specific regulatory requirements, unless otherwise required under Regulation XX - Regional Clean Air Incentives Market (RECLAIM).

(3) Rule 441 - Research Operations, provided that such research operation:

(A) does not individually meet the applicability criteria pursuant to Rule 3001; and,

(B) is not a support facility making a significant contribution to the product of a collocated facility.

(4) Non-road engines, as defined by 40 CFR Part 89, Section 89.2,manufactured on or after November 15, 1990 or another date subsequently determined by EPA.

(5) Military tactical support equipment registered to operate statewide pursuant to Article 5 - Portable Engine and Equipment Registration, Title 13 of the California Code of Regulations.

EXHIBIT 5

(Adopted November 5, 2010)

RULE 1420.1. EMISSIONS STANDARD FOR LEAD FROM LARGE LEAD-ACID BATTERY RECYCLING FACILITIES

(a) Purpose

(1) The purpose of this rule is to protect public health by reducing exposure and emissions of lead from large lead-acid battery recycling facilities, and to help ensure attainment of the National Ambient Air Quality Standard for Lead.

(b) Applicability

(1) This rule applies to all persons who own or operate a lead-acid battery recycling facility that has processed more than 50,000 tons of lead a year in any one of the five calendar years prior to November 5, 2010, or annually thereafter, hereinafter a large lead-acid battery recycling facility. Applicability shall be based on facility lead processing records required under subdivision (m) of this rule, and Rule 1420 – Emissions Standards for Lead. Compliance with this rule shall be in addition to other applicable rules such as Rule 1420.

(c) Definitions

For the purposes of this rule, the following definitions shall apply:

(1) AGGLOMERATING FURNACE means a furnace used to melt flue dust that is collected from a lead control device, such as a baghouse, into a solid mass.

(2) AMBIENT AIR for purposes of this rule means outdoor air.

(3) BATTERY BREAKING AREA means the plant location at which lead-acid batteries are broken, crushed, or disassembled and separated into components.

(4) DRYER means a chamber that is heated and that is used to remove moisture from lead-bearing materials before they are charged to a smelting furnace.

(5) DRYER TRANSITION PIECE means the junction between a dryer and the charge hopper or conveyor, or the junction between the dryer and the smelting furnace feed chute or hopper located at the ends of the dryer.

(6) DUCT SECTION means a length of duct including angles and bends which is contiguous between two or more process devices (e.g., between a

furnace and heat exchanger; baghouse and scrubber; scrubber and stack; etc.).

(7) EMISSION COLLECTION SYSTEM means any equipment installed for the purpose of directing, taking in, confining, and conveying an air contaminant, and which at minimum conforms to design and operation specifications given in the most current edition of *Industrial Ventilation, Guidelines and Recommended Practices*, published by the American Conference of Government and Industrial Hygienists, at the time a complete permit application is on file with the District.

(8) FUGITIVE LEAD-DUST means any solid particulate matter containing lead that is in contact with ambient air and has the potential to become airborne.

(9) FURNACE AND REFINING/CASTING AREA means any area of a large lead-acid battery recycling facility in which:

(a) Smelting furnaces or agglomerating furnaces are located; or

(b) Refining operations occur; or

(c) Casting operations occur.

(10) LEAD-ACID BATTERY RECYCLING FACILITY means any facility, operation, or process in which lead-acid batteries are disassembled and recycled into elemental lead or lead alloys through smelting.

(11) LEAD means elemental lead, alloys containing elemental lead, or lead compounds, calculated as elemental lead.

(12) LEAD CONTROL DEVICE means any equipment installed in the ventilation system of a lead point source or emission collection system for the purposes of collecting and containing lead emissions.

(13) LEAD POINT SOURCE means any process, equipment, or total enclosure used in the lead-acid battery recycling operation, including, but not limited to, agglomerating furnaces, dryers, and smelting furnaces, that pass through a stack or vent designed to direct or control its exhaust flow prior to release to the atmosphere.

(14) LEEWARD WALL means the furthest exterior wall of a total enclosure that is opposite the windward wall.

(15) MAINTENANCE ACTIVITY means any of the following activities conducted outside of a total enclosure that generates fugitive lead-dust:

(a) building construction, renovation, or demolition;

(b) replacement or repair of refractory, filter bags, or any internal or

external part of equipment used to process, handle, or control lead-containing materials;

(c) replacement of any duct section used to convey lead-containing exhaust;

(d) metal cutting or welding that penetrates the metal structure of any equipment, and its associated components, used to process lead-containing material, such that lead dust within the internal structure or its components can become fugitive lead-dust; or

(e) resurfacing, repair, or removal of ground, pavement, concrete, or asphalt.

(16) MATERIALS STORAGE AND HANDLING AREA means any area of a large lead-acid battery recycling facility in which lead-containing materials including, but not limited to, broken battery components, reverberatory furnace slag, flue dust, and dross, are stored or handled between process steps. Areas may include, but are not limited to, locations in which materials are stored in piles, bins, or tubs, and areas in which material is prepared for charging to a smelting furnace.

(17) MEASURABLE PRECIPITATION means any on-site measured rain amount of greater than 0.01 inches in any complete 24-hour calendar day (i.e., midnight to midnight).

(18) PARTIAL ENCLOSURE for purposes of this rule means a structure comprised of walls or partitions on at least three sides or three-quarters of the perimeter that surrounds areas where maintenance activity is conducted, in order to prevent the generation of fugitive lead-dust.

(19) PROCESS means using lead or lead-containing materials in any operation including, but not limited to, the charging of lead-containing materials to smelting furnaces, lead refining and casting operations, and lead-acid battery breaking.

(20) RENOVATION for purposes of this rule means the altering of a building or permanent structure, or the removal of one or more of its components that generates fugitive lead-dust emissions.

(21) SENSITIVE RECEPTOR means any residence including private homes, condominiums, apartments, and living quarters; education resources such as preschools and kindergarten through grade twelve (k-12) schools; daycare centers; and health care facilities such as hospitals or retirement and nursing homes. A sensitive receptor includes long term care

hospitals, hospices, prisons, and dormitories or similar live-in housing.

(22) SLAG means the inorganic material by-product discharged, in molten state, from a lead smelting furnace that has a lower specific gravity than lead metal and contains lead compounds. This shall include, but not limited to, lead sulfate, lead sulfide, lead oxides, and lead carbonate consisting of other constituents charged to a smelting furnace which are fused together during the pyrometallurgical process.

(23) SMELTING means the chemical reduction of lead compounds to elemental lead or lead alloys through processing in high temperatures greater than 980° C.

(24) SMELTING FURNACE means any furnace where smelting takes place including, but not limited to, blast furnaces, reverberatory furnaces, rotary furnaces, and electric furnaces.

(25) TOTAL ENCLOSURE means a permanent containment building/structure, completely enclosed with a floor, walls, and a roof to prevent exposure to the elements, (e.g., precipitation, wind, run-on), with limited openings to allow access and egress for people and vehicles, that is free of cracks, gaps, corrosion, or other deterioration that could cause or result in fugitive lead-dust.

(26) WINDWARD WALL means the exterior wall of a total enclosure which is most impacted by the wind in its most prevailing direction determined by a wind rose using data required under paragraph (j)(5) of this rule, or other data approved by the Executive Officer.

(d) General Requirements

The owner or operator of a large lead-acid battery recycling facility shall be subject to the following requirements:

(1) Prior to January 1, 2012, emissions shall not be discharged into the atmosphere which contribute to ambient air concentrations of lead that exceed 1.5 micrograms per cubic meter ($\mu g/m^3$) pursuant to District Rule 1420.

(2) On and after January 1, 2012, emissions shall not be discharged into the atmosphere which contribute to ambient air concentrations of lead that exceed 0.15 $\mu g/m^3$ averaged over any 30 consecutive days. The ambient air concentrations of lead shall be determined by monitors pursuant to subdivision (j) or at any District-installed monitor.

(3) No later than July 1, 2011, install, maintain, and operate total enclosures pursuant to subdivision (e) and lead point source emission control devices pursuant to subdivision (f). The owner or operator of a large lead-acid battery recycling facility shall comply with both subparagraphs (d)(3)(A) and (d)(3)(B):

(A) Submit complete permit applications for all construction and necessary equipment within 30 days of November 5, 2010.

(B) Complete all construction within 180 days of receiving Permit to Construct approvals from the Executive Officer, or by July 1, 2011, whichever is earlier.

(C) The Executive Officer may approve a request for an extension of the compliance deadline date if the facility can demonstrate that it timely filed all complete permit applications and is unable to meet the deadline due to reasons beyond the facility's control. The request shall be submitted to the Executive Officer no less than 30 days before the compliance deadline date.

(4) On and after July 1, 2011 submit a Compliance Plan pursuant to subdivision (g) if emissions are discharged into the atmosphere which contribute to ambient air concentrations of lead that exceed 0.12 ($\mu g/m^3$) averaged over any 30 consecutive days determined by monitors pursuant to subdivision (j) or at any District-installed monitor.

(e) Total Enclosures

(1) Enclosure Areas

The owner or operator of a large lead-acid battery recycling facility shall enclose within a total enclosure the following areas in groups or individually:

(A) Battery breaking areas;

(B) Materials storage and handling areas, excluding areas where unbroken lead-acid batteries and finished lead products are stored;

(C) Dryer and dryer areas including transition pieces, charging hoppers, chutes, and skip hoists conveying any lead-containing material;

(D) Smelting furnaces and smelting furnace areas charging any lead-containing material;

(E) Agglomerating furnaces and agglomerating furnace areas charging

any lead-containing material; and

(F) Refining and casting areas.

(2) Total Enclosure Lead Emissions Control

The owner or operator of a large lead-acid battery recycling facility shall vent each total enclosure to an emission collection system that ducts the entire gas stream to a lead control device pursuant to subdivision (f).

(3) Total Enclosure Ventilation

Ventilation of the total enclosure at any opening including, but not limited to, vents, windows, passages, doorways, bay doors, and roll-ups shall continuously be maintained at a negative pressure of at least 0.02 mm of Hg (0.011 inches H_2O) measured pursuant to paragraph (e)(4).

(4) Digital Differential Pressure Monitoring Systems

The owner or operator of a large lead-acid battery recycling facility shall install, operate, and maintain a digital differential pressure monitoring system for each total enclosure as follows:

(A) A minimum of one building digital differential pressure monitoring system shall be installed and maintained at each of the following three walls in each total enclosure having a total ground surface area of 10,000 square feet or more:

(i) The leeward wall;

(ii) The windward wall; and

(iii) An exterior wall that connects the leeward and windward wall at a location defined by the intersection of a perpendicular line between a point on the connecting wall and a point on its furthest opposite exterior wall, and intersecting within plus or minus ten (±10) meters of the midpoint of a straight line between the two other monitors specified in clauses (e)(4)(A)(i) and (e)(4)(A)(ii). The midpoint monitor shall not be located on the same wall as either of the other two monitors described in clauses (e)(4)(A)(i) or (e)(4)(A)(ii).

(B) A minimum of one building digital differential pressure monitoring system shall be installed and maintained at the leeward wall of each total enclosure that has a total ground surface area of less than 10,000 square feet.

(C) Digital differential pressure monitoring systems shall be certified

by the manufacturer to be capable of measuring and displaying negative pressure in the range of 0.01 to 0.2 mm Hg (0.005 to 0.11 inches H_2O) with a minimum accuracy of plus or minus 0.001 mm Hg (0.0005 inches H_2O).

(D) Digital differential pressure monitoring systems shall be equipped with a continuous strip chart recorder or electronic recorder approved by the Executive Officer. If an electronic recorder is used, the recorder shall be capable of writing data on a medium that is secure and tamper-proof. The recorded data shall be readily accessible upon request by the Executive Officer. If software is required to access the recorded data that is not readily available to the Executive Officer, a copy of the software, and all subsequent revisions, shall be provided to the Executive Officer at no cost. If a device is required to retrieve and provide a copy of such recorded data, the device shall be maintained and operated at the facility.

(E) Digital differential pressure monitoring systems shall be calibrated in accordance with manufacturer's specifications at least once every 12 calendar months or more frequently if recommended by the manufacturer.

(F) Digital differential pressure monitoring systems shall be equipped with a backup, uninterruptible power supply to ensure continuous operation of the monitoring system during a power outage.

(5) In-draft Velocity

The in-draft velocity of the total enclosure shall be maintained at $\geq$ 300 feet per minute at any opening including, but not limited to, vents, windows, passages, doorways, bay doors, and roll-ups. In-draft velocities for each total enclosure shall be determined by placing an anemometer, or an equivalent device approved by the Executive Officer, at the center of the plane of any opening of the total enclosure.

(f) Lead Point Source Emissions Controls

(1) The owner or operator of a large lead-acid battery recycling facility shall vent emissions from each lead point source to a lead control device that meets the requirements of this subdivision and is approved by the Executive Officer.

(2) The total facility mass lead emissions from all lead point sources shall not

exceed 0.045 pounds of lead per hour. The maximum emission rate for any single lead point source shall not exceed 0.010 pounds of lead per hour. The total facility and maximum emission rates shall be determined using the most recent source tests conducted by the facility or the District.

(3) The owner or operator of a large lead-acid battery recycling facility shall install a secondary lead control device that controls lead emissions from the exhaust of the primary lead control device used for a dryer. The secondary lead control device shall be fitted with dry filter media, and the secondary lead control device shall only be used to vent the primary lead control device used for the dryer. An alternative secondary lead control method that is equally or more effective for the control of lead emissions may be used if a complete application is submitted as part of the permit application required under paragraph (d)(3) and approved by the Executive Officer.

(4) For any lead control device that uses filter media other than a filter bag(s), including, but not limited to, HEPA and cartridge-type filters, the filter(s) used shall be rated by the manufacturer to achieve a minimum of 99.97% capture efficiency for 0.3 micron particles.

(5) For any lead control device that uses a filter bag(s), the filter bag(s) used shall be polytetrafluoroethylene membrane-type, or any other material that is equally or more effective for the control of lead emissions, and approved for use by the Executive Officer.

(6) Each emission collection system and lead control device shall, at minimum, be inspected, maintained, and operated in accordance with the manufacturer's specifications.

(g) Compliance Plan

On and after July 1, 2011, the owner or operator of a large lead-acid battery recycling facility shall submit a Compliance Plan if emissions are discharged into the atmosphere which contribute to ambient air concentrations of lead that exceed 0.12 $\mu g/m^3$ averaged over any 30 consecutive days determined by monitors pursuant to subdivision (j) or at any District-installed monitor shall:

(1) Notify the Executive Officer in writing within 72 hours of when the facility knew or should have known of exceeding an ambient air lead concentration of 0.12 $\mu g/m^3$ averaged over any 30 consecutive days. Notification shall only be required for the first time the ambient air lead

concentration of 0.12 $\mu g/m^3$ is exceeded;

(2) Submit, within 30 calendar days of exceeding an ambient air lead concentration of 0.12 $\mu g/m^3$ averaged over any 30 consecutive days, a complete Compliance Plan to the Executive Officer for review and approval, subject to plan fees as specified in Rule 306. The Compliance Plan shall, at a minimum, include the following:

(A) A description of additional lead emission reduction measures to achieve the ambient lead concentration of 0.15 $\mu g/m^3$ averaged over any 30 consecutive days, as required under paragraph (d)(2), including, but not limited to, requirements for the following:

(i) Housekeeping, inspection, and maintenance activities;

(ii) Additional total enclosures;

(iii) Modifications to lead control devices;

(iv) Installation of multi-stage lead control devices;

(v) Process changes including reduced throughput limits; and

(vi) Conditional curtailments including, at a minimum, information specifying the curtailed processes, process amounts, and length of curtailment.

(B) The locations within the facility and method(s) of implementation for each lead reduction measure of subparagraph (g)(2)(A); and

(C) An implementation schedule for each lead emission reduction measure of subparagraph (g)(2)(A) to be implemented if lead emissions discharged from the facility contribute to ambient air concentrations of lead that exceed 0.15 $\mu g/m^3$ averaged over any 30 consecutive days measured at any monitor pursuant to subdivision (j) or at any District-installed monitor. The schedule shall also include a list of the lead reduction measures of subparagraph (g)(2)(A) that can be implemented immediately prior to plan approval.

(3) The Executive Officer shall notify the owner or operator in writing whether the Compliance Plan is approved or disapproved. Determination of approval status shall be based on, at a minimum, submittal of information that satisfies the criteria set forth in paragraph (g)(2). If the Compliance Plan is disapproved, the owner or operator shall resubmit the Compliance Plan, subject to plan fees specified in Rule 306, within 30 calendar days after notification of disapproval of the Compliance Plan.

The resubmitted Compliance Plan shall include any information necessary to address deficiencies identified in the disapproval letter. If the resubmitted Compliance Plan is denied, the operator or owner may appeal the denial by the Executive Officer to the Hearing Board under Rule 216 – Appeals and Rule 221 - Plans.

(4) The owner or operator shall implement measures based on the schedule in the approved Compliance Plan if lead emissions discharged from the facility contribute to ambient air concentrations of lead to exceed 0.15 $\mu g/m^3$ averaged over any 30 consecutive days measured at any monitor pursuant to subdivision (j) or at any District-installed monitor.

(5) The owner or operator may make a request to the Executive Officer to modify or update an approved Compliance Plan.

(h) Housekeeping Requirements

No later than 30 days after November 5, 2010, the owner or operator of a large lead-acid battery recycling facility shall control fugitive lead-dust by conducting all of the following housekeeping practices:

(1) Clean by wet wash or a vacuum equipped with a filter(s) rated by the manufacturer to achieve a 99.97% capture efficiency for 0.3 micron particles in a manner that does not generate fugitive lead-dust, the following areas at the specified frequencies, unless located within a total enclosure vented to a lead control device. Days of measurable precipitation in the following areas occurring within the timeframe of a required cleaning frequency may be counted as a cleaning:

(A) Monthly cleanings of roof tops on structures $\leq$ 45 feet in height that house areas associated with the storage, handling or processing of lead-containing materials; and

(B) Quarterly cleanings, no more than 3 calendar months apart, of roof tops on structures > 45 feet in height that house areas associated with the storage, handling or processing of lead-containing materials; and

(C) Weekly cleanings of all areas where lead-containing wastes generated from housekeeping activities are stored, disposed of, recovered or recycled.

(D) Initiate immediate cleaning, no later than one hour, after any maintenance activity or event including, but not limited to,

accidents, process upsets, or equipment malfunction, that causes deposition of fugitive lead-dust onto areas specified in subparagraph (h)(1)(A) through (h)(1)(C). Immediate cleanings of roof tops shall be completed within 72 hours if the facility can demonstrate that delays were due to safety or timing issues associated with obtaining equipment required to implement this requirement.

(2) Inspect all total enclosures and facility structures that house, contain or control any lead point source or fugitive lead-dust emissions at least once a month. Any gaps, breaks, separations, leak points or other possible routes for emissions of lead or fugitive lead-dust to ambient air shall be permanently repaired within 72 hours of discovery. The Executive Officer may approve a request for an extension beyond the 72-hour limit if the request is submitted before the limit is exceeded.

(3) Upon receipt, any lead-acid battery that is cracked or leaking shall be immediately sent to the battery breaking area for processing or stored pursuant to paragraph (h)(6).

(4) Pave, concrete, asphalt, or otherwise encapsulate all facility grounds as approved by the Executive Officer. Facility grounds used for plant life that are less than a total surface area of 100 square feet shall not be subject to encapsulation. Facility grounds requiring removal of existing pavement, concrete, asphalt or other forms of encapsulation, necessary for maintenance purposes shall not require encapsulation while undergoing work, and shall be re-encapsulated immediately after all required work is completed. All work shall be conducted in accordance with subdivision (i).

(5) Remove any weather cap installed on any stack that is a source of lead emissions.

(6) Store all materials capable of generating any amount of fugitive lead-dust including, but not limited to, slag and any other lead-containing waste generated from housekeeping requirements of subdivision (h) and maintenance activities of subdivision (i), in sealed, leak-proof containers, unless located within a total enclosure.

(7) Transport all materials capable of generating any amount of fugitive lead-dust including, but not limited to, slag and any other waste generated from housekeeping requirements of subdivision (h), within closed conveyor

systems or in sealed, leak-proof containers, unless located within a total enclosure.

(8) Initiate removal of any lead-containing material, including sludge, from the entire surface area of any surface impoundment pond or reservoir holding storm water runoff or spent water from housekeeping activities within 1 hour after the water level is $\leq$ 1 inch above the bottom of the pond or reservoir. Removal of lead-containing material is required to be completed as soon as possible, and no later than six calendar days after the time initiation of the removal was required. Thereafter, surfaces shall be washed down weekly in a manner that does not generate fugitive lead-dust until the pond or reservoir is used again for holding water.

(9) Maintain and Use an Onsite Mobile Vacuum Sweeper or Vacuum
The owner or operator of a large lead-acid battery recycling facility shall maintain an onsite mobile vacuum sweeper that is in compliance with District Rule 1186, or a vacuum equipped with a filter(s) rated by the manufacturer to achieve a 99.97% capture efficiency for 0.3 micron particles to conduct the following sweeping activities:

(A) Vacuum sweep all paved, concreted or asphalted facility areas subject to vehicular or foot traffic three times per day and occurring at least once per operating shift with each event not less than four hours apart, unless located within a total enclosure vented to a lead control device.

(B) Immediately vacuum sweep any area specified in subparagraph (h)(9)(A), no later than one hour after any maintenance activity or event including accidents, process upsets, or equipment malfunction that results in the deposition of fugitive lead-dust.

(C) Vacuum sweeping activities specified in paragraph (h)(9) shall not be required during days of measurable precipitation.

(i) Maintenance Activity

(1) Beginning November 5, 2010, the owner or operator of a large lead-acid battery recycling facility shall conduct any maintenance activity in a negative air containment enclosure, vented to a permitted negative air machine equipped with a filter(s) rated by the manufacturer to achieve a 99.97% capture efficiency for 0.3 micron particles, that encloses all affected areas where fugitive lead-dust generation potential exists, unless

located within a total enclosure or approved by the Executive Officer. Any maintenance activity that cannot be conducted in a negative air containment enclosure due to physical constraints, limited accessibility, or safety issues when constructing or operating the enclosure shall be conducted:

(A) In a partial enclosure, barring conditions posing physical constraints, limited accessibility, or safety issues;

(B) Using wet suppression or a vacuum equipped with a filter(s) rated by the manufacturer to achieve a 99.97% capture efficiency for 0.3 micron particles, at locations where the potential to generate fugitive lead-dust exists prior to conducting and upon completion of the maintenance activity. Wet suppression or vacuuming shall also be conducted during the maintenance activity barring safety issues;

(C) While collecting 24-hour samples at monitors for every day that maintenance activity is occurring notwithstanding paragraph (j)(2); and

(D) Shall be stopped immediately when instantaneous wind speeds are $\geq$ 25 mph. Maintenance work may be continued if it is necessary to prevent the release of lead emissions.

(2) Store or clean by wet wash or a vacuum equipped with a filter(s) rated by the manufacturer to achieve a 99.97% capture efficiency for 0.3 micron particles, all lead-contaminated equipment and materials used for any maintenance activity immediately after completion of work in a manner that does not generate fugitive lead-dust.

(j) Ambient Air Monitoring and Sampling Requirements

Prior to January 1, 2011, ambient air monitoring and sampling shall be conducted pursuant to District Rule 1420. No later than January 1, 2011, the owner or operator of a large lead-acid battery recycling facility shall conduct ambient air monitoring and sampling as follows:

(1) Collect samples from a minimum of four sampling sites. Locations for sampling sites shall be approved by the Executive Officer.

(A) Locations for sampling sites shall be based on maximum expected ground level lead concentrations, at or beyond the property line, as determined by Executive Officer-approved air dispersion modeling

calculations and emission estimates from all lead point sources and fugitive lead-dust sources, and other factors including, but not limited to, population exposure and seasonal meteorology.

(B) The Executive Officer may require one or more of the four sampling sites to be at locations that are not based on maximum ground level lead concentrations, and that are instead at locations at or beyond the property line that are representative of upwind or background concentrations.

(C) Sampling sites at the property line may be located just inside the fence line on facility property if logistical constraints preclude placement outside the fence line at the point of maximum expected ground level lead concentrations.

(2) Collect 24-hour, midnight-to-midnight, samples at all sites for 30 consecutive days from the date of initial sampling, followed by one 24-hour, midnight-to-midnight, sample collected at least once every three calendar days, on a schedule approved by the Executive Officer.

(3) Submit samples collected pursuant to paragraphs (j)(1) and (j)(2) to a laboratory approved under the SCAQMD Laboratory Approval Program for analysis within three calendar days of collection and calculate ambient lead concentrations for individual 24-hour samples within 15 calendar days of the end of the calendar month in which the samples were collected. Duplicate samples shall be made available and submitted to the District upon request by the Executive Officer.

(4) Sample collection shall be conducted using Title 40, CFR 50 Appendix B - *Reference Method for the Determination of Suspended Particulate Matter in the Atmosphere (High Volume Method)*, or U.S. EPA-approved equivalent methods, and sample analysis shall be conducted using Title 40, CFR 50 Appendix G - *Reference Method for the Determination of Lead in Suspended Particulate Matter Collected from Ambient Air*, or U.S. EPA-approved equivalent methods.

(5) Continuously record wind speed and direction data at all times using equipment approved by the Executive Officer at a minimum of one location and placement approved by the Executive Officer.

(6) Ambient air quality monitoring shall be conducted by persons approved by the Executive Officer and sampling equipment shall be operated and maintained in accordance with U.S. EPA-referenced methods.

(7) All ambient air quality monitoring systems required by this subdivision shall be equipped with a backup, uninterruptible power supply to ensure continuous operation of the monitoring system during a power outage.

(8) Cleaning activities including, but not limited to, wet washing and misting, that result in damage or biases to samples collected shall not be conducted within 10 meters of any sampling site required under this subdivision.

(9) On and after January 1, 2012, if the owner or operator of a large lead-acid battery recycling facility exceeds an ambient air lead concentration 0.15 $\mu g/m^3$ measured pursuant to paragraph (d)(2), the owner or operator shall:

(A) Begin daily ambient air monitoring and sampling no later than three calendar days of the time the facility knew or should have known of the exceedance. Conduct daily ambient air monitoring and sampling for sixty (60) consecutive days at each sampling site that measured an exceedance with paragraph (d)(2).

(B) The 60 consecutive-day period shall be restarted for any subsequent exceedance.

(k) Source Tests

(1) The owner or operator of a large lead-acid battery recycling facility shall conduct a source test of all lead point sources at least annually to demonstrate compliance with the control standards specified in subdivision (f). If the results of the most recent source test for a lead point source demonstrating compliance with the lead emission standard of subdivision (f) demonstrate emissions of 0.0025 pounds of lead per hour or less, the next test for that lead point source shall be performed no later than 24 months after the date of the most recent test.

(2) The owner or operator of a large lead-acid battery recycling facility with an existing lead control device in operation before November 5, 2010 shall conduct a source test for it no later than January 1, 2011. The owner or operator of a large lead-acid battery recycling facility with a new or modified lead control device with initial start-up on or after November 5, 2010 shall conduct the initial source test for it within 60 calendar days after initial start-up.

(3) Prior to the owner or operator of a large lead-acid battery recycling facility conducting a source test pursuant to paragraph (k)(1) or (k)(2), shall submit a pre-test protocol to the Executive Officer for approval at least 60

calendar days prior to conducting the source test. The pre-test protocol shall include the source test criteria of the end user and all assumptions, required data, and calculated targets for testing the following:

(A) Target lead control standard;

(B) Preliminary lead analytical data;

(C) Planned sampling parameters; and

(D) Information on equipment, logistics, personnel, and other resources necessary for an efficient and coordinated test.

(4) The owner or operator of a large lead-acid battery recycling facility shall notify the Executive Officer in writing one week prior to conducting any source test required by paragraph (k)(1) or (k)(2).

(5) The owner or operator of a large lead-acid battery recycling facility shall notify the Executive Officer within three business days, including Mondays, of when the facility knew or should have known of any source test result that exceeds any of the emission standards specified in paragraph (f)(2). Notifications shall be made to 1-800-CUT-SMOG.

(6) Source tests shall be conducted while operating at a minimum of 80% of equipment maximum capacity and in accordance with any of the following applicable test methods:

(A) SCAQMD Method 12.1 - *Determination of Inorganic Lead Emissions from Stationary Sources Using a Wet Impingement Train*

(B) ARB Method 12 – *Determination of Inorganic Lead Emissions from Stationary Sources*

(C) EPA Method 12 – *Determination of Inorganic Lead Emissions from Stationary Sources*

(D) ARB Method 436 – *Determination of Multiple Metal Emissions from Stationary Sources*

(7) The average of triplicate samples, obtained according to approved test methods specified in paragraph (k)(6), shall be used to determine compliance.

(8) The operator may use alternative or equivalent source test methods as defined in U.S. EPA 40 CFR 60.2, approved in writing by the Executive Officer, the Air Resources Board, and the U.S. EPA.

(9) The operator shall use a test laboratory approved under the SCAQMD Laboratory Approval Program for the source test methods cited in this

subdivision. If there is no approved laboratory, then approval of the testing procedures used by the laboratory shall be granted by the Executive Officer on a case-by-case basis based on SCAQMD protocols and procedures.

(10) When more than one source test method or set of source test methods are specified for any testing, the application of these source test methods to a specific set of test conditions is subject to approval by the Executive Officer. In addition, a violation established by any one of the specified source test methods or set of source test methods shall constitute a violation of the rule.

(11) An existing source test conducted on or after January 1, 2009 for lead control devices existing before November 5, 2010 may be used as the initial source test specified in paragraph (k)(1) to demonstrate compliance with the control standard of subdivision (f) upon Executive Officer approval. The source test shall meet, at a minimum, the following criteria:

(A) The test is the most recent conducted since January 1, 2009;

(B) The test demonstrated compliance with the control standard of subdivision (f); and

(C) The test is representative of the method to control emissions currently in use; and

(D) The test was conducted using applicable and approved test methods specified in paragraphs (k)(6), (k)(8), or (k)(9).

(l) New Facilities

The owner or operator of a large lead-acid battery recycling facility beginning construction or operations on or after November 5, 2010 shall:

(1) Demonstrate to the satisfaction of the Executive Officer that the facility is not located in an area that is zoned for residential or mixed use; and

(2) Demonstrate to the satisfaction of the Executive Officer that the facility is not located within 1,000 feet from the property line of a sensitive receptor, a school under construction, park, or any area that is zoned for residential or mixed use. The distance shall be measured from the property line of the new facility to the property line of the sensitive receptor.

(3) Submit complete permit applications for all equipment required by this rule prior to beginning construction or operations, and otherwise on or

before the time required by District rules.

(m) Recordkeeping

(1) The owner or operator of a large lead-acid battery recycling facility shall keep records of the following:

(A) Daily records indicating amounts of lead-containing material processed, including, but not limited to, purchase records, usage records, results of analysis, or other District-approved verification to indicate processing amounts;

(B) Results of all ambient air lead monitoring, meteorological monitoring, and other data specified by subdivision (j); and

(C) Records of housekeeping activities completed as required by subdivision (h), maintenance activities of subdivision (i), and lead control device inspection and maintenance requirements of paragraph (f)(6), including the name of the person performing the activity, and the dates and times on which specific activities were completed.

(D) Records of unplanned shutdowns of any smelting furnace including the date and time of the shutdown, description of the corrective measures taken, and the re-start date and time.

(2) The owner or operator of a large lead-acid battery recycling facility shall maintain all records for five years, at least two years onsite.

(n) Reporting

(1) Ambient Air Monitoring Reports

(A) Beginning no later than January 1, 2011, the owner or operator of a large lead-acid battery recycling facility shall report by the 15th of each month to the Executive Officer, the results of all ambient air lead and wind monitoring for each preceding month, or more frequently if determined necessary by the Executive Officer. The report shall include the results of individual 24-hour samples and 30-day averages for each day within the reporting period.

(B) Any exceedances of ambient air lead concentrations specified in paragraph (d)(2) shall be reported with a notification made to the 1-800-CUT-SMOG within 24 hours of receipt of the completed sample analysis required in paragraph (j)(3), followed by a written

report to the Executive Officer no later than three calendar days after the notification. The written report shall include the causes of the exceedance and the specific corrective actions implemented.

(2) Shutdown, Turnaround, and Maintenance Activity Notification

The owner or operator of a large lead-acid battery recycling facility shall:

(A) Notify the Executive Officer and the public within one hour after an unplanned shutdown of any lead control device has occurred. The notification shall include the associated processes or equipment vented by the shutdown lead control device. If the unplanned shutdown involves a breakdown pursuant to Rule 430, the breakdown notification report required by Rule 430 shall serve in lieu of this notification to the Executive Officer.

(B) Notify the Executive Officer and the public at least ten calendar days prior to a planned turnaround or shutdown of any smelting furnace, battery breaker, or lead control device that result in lead emissions. The notification shall specify the subject equipment and the start and end date of the turnaround or shutdown period.

(C) Notify the Executive Officer at least ten calendar days prior to the beginning of maintenance activity, as defined in paragraph (c)(15), that is conducted routinely on a monthly or less frequent basis. The notification and report required under subparagraph (n)(2)(E) shall include, at a minimum, the following:

(i) Dates, times, and locations of activities to be conducted;

(ii) Description of activities;

(iii) Name of person(s)/company conducting the activities;

(iv) Lead abatement procedures, including those specified in subdivision (i), to be used to minimize fugitive lead-dust emissions; and

(v) Date of expected re-start of equipment.

(D) Notify the public at least ten calendar days prior to the beginning of building construction, renovation, or demolition, and resurfacing, repair, or removal of ground pavement, concrete or asphalt if such activities are conducted outside of a total enclosure and generate fugitive lead-dust. The notification shall include, at a minimum, the following:

(i) Dates, times, and locations of activities to be conducted;

(ii) Description of activities;

(iii) Date of expected re-start of equipment.

(E) Provide the notification to the Executive Officer required under subparagraphs (n)(2)(A), (n)(2)(B), and (n)(2)(C) to 1-800-CUT-SMOG followed by a written notification report to the Executive Officer no later than three business days, including Mondays, after the unplanned shutdown occurred.

(F) Provide notification to the public required under subparagraphs (n)(2)(A), (n)(2)(B), and (n)(2)(D) through a facility contact or pre-recorded notification center that is accessible 24 hours a day, 7 days a week, and through electronic mail using a list of recipients provided by the Executive Officer. Another method of notification to the public may be used provided it is approved by the Executive Officer.

(G) Install a sign indicating the phone number for the facility contact or pre-recorded notification center that meets the following requirements, unless otherwise approved in writing by the Executive Officer:

(i) Installed within 50 feet of the main entrance of the facility and in a location that is visible to the public;

(ii) Measures at least 48 inches wide by 48 inches tall;

(iii) Displays lettering at least 4 inches tall with text contrasting with the sign background; and

(iv) Located between 6 and 8 feet above grade from the bottom of the sign.

(3) Initial Facility Status Report

(A) Initial Facility Status Report Due Date

The owner or operator of a large lead-acid battery recycling facility existing before November 5, 2010 shall submit an initial facility status report to the Executive Officer no later than January 1, 2011. Large lead-acid battery recycling facilities beginning construction or initial operations after November 5, 2010 shall submit the initial compliance status report upon start-up.

(B) The initial facility status report shall contain the information identified in Appendix 1.

(4) Ongoing Facility Status Report

The owner or operator of a large lead-acid battery recycling facility shall submit a summary report to the Executive Officer to document the ongoing facility status.

(A) Frequency of Ongoing Facility Status Reports
The report shall be submitted annually on or before February 1 for all sources and shall include information covering the preceding calendar year.

(B) The content of ongoing facility status reports shall contain the information identified in Appendix 2.

(5) Adjustments to the Timeline for Submittal and Format of Reports
The Executive Officer may adjust the timeline for submittal of periodic reports, allow consolidation of multiple reports into a single report, establish a common schedule for submittal of reports, or accept reports prepared to comply with other state or local requirements. Adjustments shall provide the same information and shall not alter the overall frequency of reporting.

(o) On and after July 1, 2011, if emission are discharged into the atmosphere which contribute to ambient air concentrations of lead that exceed 0.12 $\mu g/m^3$, averaged over any 30 consecutive days, determined by monitors pursuant to subdivision (j) or at any District-installed monitor, the owner or operator of a large lead-acid battery recycling facility shall submit a study addressing the technical, economic and physical feasibility of achieving a total facility mass lead emission rate of 0.003 pounds per hour from all lead point sources. The study shall be submitted within 30 calendar days after exceeding 0.12 $\mu g/m^3$, averaged over any 30 consecutive days.

Appendix 1 – Content of Initial Facility Status Reports

Initial compliance status reports shall contain, at a minimum, the following information:

1. Facility name, District Facility ID number, facility address, owner/operator name, and telephone number.
2. The distance from the property line of the facility to the property line of the nearest commercial/industrial building and sensitive receptor.
3. Worker and sensitive receptor locations, if they are located within one-quarter mile from the center of the facility.
4. Building parameters
   - Stack heights in feet (point sources); or
   - Building area in square feet (volume sources).
5. A description of the types of lead processes performed at the facility.
6. The following information shall be provided for each of the last five calendar years prior to November 5, 2010:
   - Annual amount of lead-containing material processed;
   - The maximum and average daily and monthly operating schedules;
   - The maximum and average daily and monthly lead-processing rates for all equipment and processes;
   - The maximum and average daily and annual emissions of lead from all emission points and fugitive lead-dust sources.
7. The approximate date of intended source tests for all lead control devices, as required by subdivision (k) of this rule.
8. Engineering drawings, calculations or other methodology to demonstrate compliance with paragraphs (d)(1) through (d)(3) and (k).
9. Air dispersion modeling calculations using procedures approved by the Executive Officer to determine the location of sampling sites as required by subdivision (j).
10. All information necessary to demonstrate means of compliance with subdivision (j).
11. The name, title, and signature of the responsible official certifying the accuracy of the report, attesting to whether the source has complied with the provisions of this rule.
12. The date of the report.

Appendix 2 – Content of Ongoing Facility Status Reports

Ongoing facility status reports shall, at a minimum, contain the following information:

1. Facility name, District Facility ID number, facility address, owner/operator name, and telephone number.
2. The beginning and ending dates of the calendar year for the reporting period.
3. The following information shall be provided for each of the last 12 calendar months of the reporting period:
   - Annual amounts of lead-containing material processed;
   - The maximum and average daily and monthly lead-processing rates for all equipment and processes;
   - The maximum and average daily and annual emissions of lead from all emission points and fugitive lead-dust sources.
4. Worker and sensitive receptor distances, if they are located within ¼ of mile from the center of the facility and facility maximum operating schedule, if changed since submittal of the initial compliance status report or prior year's ongoing compliance status and emission reports.
5. A description of any changes in monitoring, processes, or controls since the last reporting period.
6. The name, title, and signature of the responsible official certifying the accuracy of the report.
7. The date of the report.

EXHIBIT 6

(Adopted October 15, 1993)(Amended December 7, 1995)(Amended July 12, 1996)
(Amended May 11, 2001)(Amended April 6, 2007)

RULE 2004. REQUIREMENTS

(a) Purpose

The purpose of this rule is to establish the requirements for operating under the RECLAIM program. The rule includes provisions pertaining to permits, Allocations, reporting, variances, and breakdowns.

(b) Compliance Period and Certification of Emissions

(1) The compliance year shall be divided into four quarters for emission reporting and certification purposes. The 30 calendar days after the conclusion of each of the first three quarters shall be a reconciliation period. During the reconciliation period, the Facility Permit holder shall calculate the facility's total emissions for the quarter, acquire and have credited to the facility, pursuant to Rule 2007 - Trading Requirements and Rule 2020 – RECLAIM Reserve, any RTCs necessary to reconcile the Allocation to the emissions, and except as provided under paragraph (b)(6), submit to the Executive Officer a Quarterly Certification of Emissions. In addition, to reconcile the Allocation to the emissions, power producing facilities may utilize the Mitigation Fee Program specified in subdivision (o) of this rule.

(2) The Quarterly Certification of Emissions shall be made in the manner and form specified by the Executive Officer and shall be certified for accuracy by the highest ranking management official with responsibility for operation of equipment subject to the Facility Permit, except as provided under paragraph (b)(6). The Quarterly Certification of Emissions shall be calculated as required by Rules 2011 - Requirements for Monitoring, Reporting and Recordkeeping for Oxides of Sulfur (SO_X) Emissions, and 2012 - Requirements for Monitoring, Reporting and Recordkeeping for Oxides of Nitrogen (NO_X) Emissions, and Facility Permit conditions applicable to the facility.

(3) Upon receipt of the certified Quarterly Report, the Executive Officer will debit the RTC Listing for the submitting facility by the amount certified in the report.

(4) The 60 calendar days following the last day of each compliance year shall be the reconciliation period for the last quarter. On or before the last day of such reconciliation period, the Facility Permit holder shall calculate the facility's total emissions for the last quarter, acquire and have credited to the facility, pursuant to Rule 2007 and Rule 2020, any RTCs necessary to reconcile the Allocations to the emissions, and except as provided under paragraph (b)(6), submit an Annual Permit Emissions Program (APEP) report, as prescribed by the Executive Officer, for the purpose of compliance reporting, permit review, and determination of fees. As part of the APEP report, the Facility Permit holder shall accurately report the information specified in Rule 2015 subparagraph (b)(1)(C), (b)(1)(D), and (b)(1)(H) for the District's annual audit.

(5) Except as provided in subdivision (c), the reconciliation period following the end of a quarter shall be used to reconcile the Allocation only with emissions from that quarter.

(6) The Facility Permit holder of a facility that does not have any NOx or SOx emitting sources located at the facility (including, but not limited to, permitted equipment, non-permitted equipment pursuant to Rule 219, rental or leased equipment, or equipment operated by contractors) shall not be required to submit Quarterly Certification of Emissions pursuant to paragraphs (b)(1) and (b)(2) and APEP reports pursuant to paragraph (b)(4) provided that the Facility Permit holder:

(A) submits an application for permit amendment;

(B) demonstrates to the satisfaction of the Executive Officer that there are no NOx or SOx sources located at the facility; and

(C) receives an amended Facility Permit containing permit conditions to ensure that there are no NOx or SOx emissions from the facility at all times.

(7) A Facility Permit holder which has submitted an application for permit amendment pursuant to paragraph (b)(6) for exemption from the reporting requirements of paragraphs (b)(1), (b)(2), and (b)(4) shall not locate or operate NOx or SOx sources at the facility unless such application has been cancelled or denied or the permit has been amended to allow construction and operation of NOx or SOx sources. Once the Executive Officer has issued a permit amendment allowing construction and operation of a NOx or SOx source, the facility shall no longer be exempt

under this paragraph. If the Facility Permit holder is found in violation of any permit condition issued pursuant to paragraph (b)(6), the facility shall be assessed a single separate violation of this rule for each source and each day the source was on the premises. For purposes of determining emissions from each violating source, on each and every day that the source was on the premises, emissions shall be calculated assuming the source was uncontrolled and operated at maximum capacity for 24 hours a day.

(c) Correction of Quarterly Certification of Emissions

(1) The Facility Permit holder may, at any time prior to the end of the reconciliation period for the last quarter of the compliance year, make corrections to any quarterly certification of emissions, provided that the Facility Permit holder demonstrates that:

(A) emissions were inaccurately certified due to an error caused by conditions beyond the reasonable control of the Facility Permit holder; and

(B) the corrected information is accurate; and

(C) the Facility Permit holder has made the correction within thirty days of discovering the error necessitating the correction or within thirty days of when the error reasonably could have been discovered, whichever is earlier.

(2) If a correction is made to a Quarterly Certification of Emissions:

(A) the certification requirements set forth in paragraph (b)(2) shall apply to the correction; and

(B) the RTC Listing will be amended to show the corrected amount.

(C) the Facility Permit holder shall, within 30 days of the correction of the Quarterly Certification of Emission, but no later than the end of the reconciliation period for the last quarter, acquire any RTCs as necessary pursuant to Rule 2007 and Rule 2020 to reconcile the Allocation to the revised certification, and for a Facility Permit holder of a Power Producing Facility, comply with subdivision (o) of this rule.

(d) Prohibition of Emissions in Excess of Annual Allocation

(1) Emissions from a RECLAIM facility from the beginning of a compliance year through the end of any quarter shall not exceed the annual emissions Allocation in effect at the end of the applicable reconciliation period for such quarter. Except as provided in paragraph (d)(2), or subdivision (o), any such emissions in excess of the Allocation shall constitute a single, separate violation of this rule for each day of the compliance year (365 days).

(2) In the event of a violation of paragraph (d)(1), the Facility Permit holder may, pursuant to this paragraph, establish a number of violations less than that set forth in paragraph (d)(1) above. The number of violations under this paragraph shall be the number of days or portion thereof, during which any source of the subject RECLAIM pollutant operated after the Allocation was exceeded, plus one violation for each 1,000 pounds, or portion thereof, emitted in excess of the Allocation. In order to establish the number of violations under this paragraph, the Facility Permit holder shall have the burden of establishing the number of days, or such lesser period as can be established, that the cumulative facility emissions were less than the annual emission Allocation. If the Facility Permit holder is not able to establish the number of days or period during which the cumulative facility emissions were less than the annual emission Allocation, the facility shall be in violation pursuant to paragraph (d)(1) of this rule.

(3) If the average annual price of RTCs exceeds $8,000 dollars per ton then for purposes of paragraph (d)(2) of this rule, one violation per 500 pounds or portion thereof, of excess emissions shall be used in lieu of one violation per 1,000 pounds or a portion thereof, of excess emissions. The average annual price of RTCs will be the price most recently determined pursuant to Rule 2015 (b)(1)(E).

(4) For purposes of this rule, emissions from the facility shall be determined solely pursuant to methods and procedures specified in Regulation XX - Regional Clean Air Incentives Market (RECLAIM) and the Facility Permit, if applicable.

(e) Prohibition of Submission of an Inaccurate Quarterly Certification of Emissions

(1) Any Quarterly Certification of Emissions determined by the Executive Officer to be inaccurate, shall constitute a violation of this rule, unless the report was corrected by the Facility Permit holder in accordance with the requirements of paragraph (c)(1).

(2) A violation of this subdivision shall constitute a single, separate violation of this rule for each day in the quarter.

(f) Permit Requirements

(1) The Facility Permit holder shall, at all times, comply with all rules and permit conditions applicable to the facility, as specified in the Facility Permit.

(2) A person shall not build, erect or install a new source or a modification as defined in Rule 2000 - General, without first complying with Rule 201 - Permit to Construct.

(g) Emissions in Excess of a Concentration Limit

(1) In the event emissions exceed a concentration limit, as established by a source test, the days of violation shall be presumed to include the date of the source test and each and every day thereafter until the Facility Permit holder establishes that continuous compliance has been achieved, except to the extent the Facility Permit holder can prove that there were intervening days during which no violation occurred or that the violation was not continuing in nature.

(2) In the event emissions exceed a concentration limit, as established by a source test, the emissions from the source to which the concentration limit applies shall be calculated using the higher concentration for purposes of determining compliance with the facility's Allocation until the Facility Permit holder demonstrates that it is in compliance with the concentration limit set forth in the Facility Permit.

(h) Federal Requirements for the Use of Clean Fuels or Advanced Control Technology

Effective November 15, 1998, each new, modified, and existing electric utility and industrial and commercial boiler which emits more than 25 tons per year of Oxides of Nitrogen shall:

(1) burn as its primary fuel natural gas, methanol, or ethanol (or a comparably low polluting fuel); or

(2) use advanced control technology, such as catalytic control technology or other comparably effective control methods, for reduction of emissions of Oxides of Nitrogen.

For purposes of paragraph (h)(1), the term "primary fuel" means the fuel which is used 90 percent or more of the operating time. This subdivision shall not apply during any natural gas supply emergency as defined in Title III of the Natural Gas Policy Act of 1978.

(i) Breakdown Provisions

(1) Reporting Requirements

(A) The Facility Permit holder shall report any breakdown which results in:

(i) a violation of any rule or permit condition not specified in subparagraph (i)(2)(B); or

(ii) a request of excess emissions not be counted in determining compliance with the RECLAIM facility's annual allocations.

Such breakdown shall be reported by telephone, or other District-approved method to the Executive Officer within one hour of such breakdown or within one hour of the time the Facility Permit holder knew or reasonably should have known of its occurrence. Such report shall identify the time, specific location, equipment involved, responsible party to contact for further information, and to the extent known, the causes of the breakdown and the estimated time for repairs. In the case of emergencies that prevent a person from reporting all required information within the one-hour limit, the Executive Officer may extend the time for the reporting of required information provided such person has

notified the Executive Officer of the breakdown within the one-hour limit.

(B) Within seven (7) calendar days after the breakdown has been corrected, but no later than thirty (30) calendar days from the initial date of the breakdown, unless an extension has been approved in writing by the Executive Officer, the Facility Permit holder shall submit a Breakdown Emissions Report to the Executive Officer which contains all of the following:

(i) an identification of the equipment involved in causing or suspected in having caused or having been affected by the breakdown;

(ii) the duration of the breakdown;

(iii) the date of correction and information demonstrating that compliance is achieved;

(iv) an identification of the types of emissions, if any, resulting from the breakdown;

(v) a quantification of the emissions in excess of those occurring under normal operating conditions ("excess emissions"), if any, resulting from the breakdown using a District-approved method consistent with the requirements of Rules 2011 and 2012 and Appendix A for each rule;

(vi) information substantiating that the breakdown did not result from operator error, neglect or improper operation or maintenance procedures;

(vii) information substantiating that steps were immediately taken to correct the condition causing the breakdown and to minimize the emissions, if any, resulting from the breakdown;

(viii) a description of the corrective measures undertaken and/or to be undertaken to avoid such a breakdown in the future; and

(ix) pictures of the equipment which failed, if available.

(2) Compliance During Breakdown

(A) Any rule or permit condition not specified in subparagraph (i)(2)(B) shall be inapplicable to a violation directly caused by a breakdown, provided that all of the following criteria are met:

(i) the Facility Permit holder meets the reporting requirements specified in paragraph (i)(1);

(ii) the breakdown did not result from operator error, neglect, or improper operation or maintenance procedures;

(iii) steps are immediately taken to correct conditions leading to the breakdown, and emissions caused by the breakdown are mitigated to the maximum extent feasible; and

(iv) the equipment in violation is shut down by the end of an operating cycle, or within twenty-four hours from the time the Facility Permit holder knew or reasonably should have known of the breakdown, whichever is sooner.

For the purpose of this rule, an operating cycle means a period of time within which a round of regularly recurring events is completed, and cannot be stopped without the risk of endangering public safety or health, causing material damage to the equipment or product, or cannot be stopped due to technical constraints. Economic reasons alone will not be sufficient to extend this time period. The operating cycle includes batch processes that may start and finish several times within a twenty-four hour period, in which case each start to finish interval is considered a complete cycle.

(B) Subparagraph (i)(2)(A) shall not apply to the following District Regulations, Rules and permit conditions:

(i) Regulations I, IX, X, XIV, XVII, XXX, and XXXI;

(ii) Rules 402, 2004 (b), (d), (e), (j), and (l), 2011, and 2012;

(iii) any permit condition which implements any Rule or Regulation specified in clause (i) or (ii).

(C) If a violation of any rule or permit condition not specified in subparagraph (i)(2)(B) is likely or suspected as a result of a reported breakdown, the Executive Officer will promptly

investigate and determine whether the occurrence constitutes a breakdown in accordance with the criteria set forth in subparagraph (i)(2)(A). If the Executive Officer determines that the occurrence did not constitute a breakdown, no relief shall be granted under subparagraph (i)(2)(A).

(D) Equipment may be operated beyond the time limit in clause (i)(2)(A)(iv), provided that a petition for an emergency variance has been filed with the Clerk of the Hearing Board in accordance with Regulation V. In the event that the breakdown occurs or the time limit in clause (i)(2)(A)(iv) ends outside of the normal District working hours, the intent to file for an emergency variance shall be transmitted to the District in the manner and form prescribed by the Executive Officer.

(3) Excess Emissions and Annual Allocations

(A) The Facility Permit holder meeting the reporting requirements specified in paragraph (i)(1) may request that excess emissions not be counted in determining compliance with the RECLAIM facility's annual Allocation pursuant to the requirements specified in subparagraphs (i)(3)(B) or (i)(3)(C).

(B) Excess emissions occurring within the first 24 hours after the breakdown shall not be counted in determining compliance with the RECLAIM facility's annual Allocation if the Breakdown Emissions Report specified in subparagraph (i)(1)(B) contains the following additional information, and the Executive Officer approves the Breakdown Emissions Report:

(i) the names of operators of the identified equipment, their immediate supervisors, and the managers responsible for the operation and/or maintenance of the identified equipment; and

(ii) the names of any other witnesses to the breakdown, if any.

(C) Excess emissions occurring beyond the first 24 hours and up to thirty (30) calendar days after the breakdown shall not be counted in determining compliance with the RECLAIM facility's annual Allocation if the Breakdown Emissions Report specified in subparagraph (i)(1)(B) contains the additional information specified in subparagraph (i)(3)(B) and the following additional

information, and the Executive Officer approves the Breakdown Emissions Report:

(i) information substantiating that it was beyond the RECLAIM Facility Permit holder's reasonable control to correct the breakdown condition within 24 hours; and

(ii) information substantiating that the RECLAIM Facility Permit holder was unable to provide on-site offsets for the excess emissions resulting from the breakdown.

(D) The Executive Officer will notify the RECLAIM Facility Permit holder, in writing, within thirty calendar days of submission of a Breakdown Emissions Report, regarding whether the report is approved or disapproved. If approved, the notification shall specify the duration during which the excess emissions resulting from the breakdown shall not be counted in determining the RECLAIM facility's annual Allocation, and the type and amount of emissions so exempt. If the Executive Officer does not respond within thirty days, the Facility Permit holder may deem the report denied for appeal purposes.

(j) Tampering

A person shall not tamper or interfere with, alter or adjust any monitoring or other equipment used to detect the amount, concentration, rate or other characteristic of emissions emanating from any source in a RECLAIM facility in any way which conceals or disguises the type and quantity of any such emissions.

(k) Compliance Dates

The failure to comply with any requirement in this regulation within the time specified shall constitute a separate violation for each day until such requirement is satisfied.

(l) Variances

No variance may be granted from the following provisions of this regulation:

(A) any provisions which require Permits to Construct or which set forth requirements for Permits to Construct;

(B) subdivision (n) of this rule or the missing data provisions of Appendices A to Rules 2011 and 2012; and

(C) subdivisions (b) and (d) of Rule 2004, and any permit conditions which state annual Allocations.

(m) Emergencies

In the event that responses to national, regional, or local emergencies require increased emissions in excess of Department of Defense (DoD) facility Allocations, such emissions shall not be counted for purposes of determining compliance with Rule 2004 (d)(1). The DoD facility will notify the Executive Officer, in writing, within one week after the start of increased emissions caused by emergency operations as listed above.

(n) Missing Data Provisions for Recordkeeping and Reporting

(1) In the event the Executive Officer determines that the emissions data developed or reported by the Facility Permit holder are inaccurate or incomplete or not derived in the manner required by this regulation or the Facility Permit, the missing data provisions set forth in Rules 2011 and 2012, Appendices A shall be used for the purpose of calculating emissions for recordkeeping, reporting, certification, and compliance with Allocations.

(2) In the event a facility does not meet the monitoring requirements, emissions shall be determined pursuant to the missing data provisions of the applicable Rule 2011 or 2012 Appendices A for purposes of determining compliance with Rule 2004 (d)(1).

(o) Emission Mitigation Fee Program for Power Producing Facilities

(1) The mitigation fee program specified in Rule 2020 may be used through the 2004 compliance year by power producing facilities that emit greater than their annual allocations provided the facility or any facility under common ownership has not transferred or sold RTCs to any other entity (other than facilities under common ownership) or the District since January 11, 2001 for any compliance year during which the mitigation fee program is used.

(2) The Executive Officer will:

(A) deduct RTCs in accordance with paragraphs (b)(3) and (b)(4) of Rule 2010; and

(B) replace the amount of deducted RTCs on a prorated basis according to the amount of RTCs generated, but not to exceed the

original amount of RTCs deducted, no later than the compliance year during which RTCs are deducted.

(3) Notwithstanding the provisions of paragraphs (b)(3) and (b)(4) of Rule 2010, if the RTCs required to reconcile emissions pursuant to Rule 2004 (b)(1) is:

(A) less than the amount requested from the Mitigation Fee Program, then the difference between RTCs deducted from the future year allocation and RTCs required to reconcile emissions shall be refunded to the facility; or

(B) greater than the amount requested from the Mitigation Fee Program, then the facility shall be subject to the provisions of subdivision (d) of this rule, and paragraph (b)(1) and subdivisions (c) and (d) of Rule 2010, for the emissions in excess of the amount requested from the Mitigation Fee Program.

(p) RECLAIM Air Quality Investment Program (AQIP)

Emission reductions from the RECLAIM AQIP may be used through the 2004 compliance year by RECLAIM facilities that meet the definition of Structural Buyer, as defined in Rule 2000 (c)(74).

(q) Modeling Requirements

(1) If actual NOx or SOx emissions for any compliance year from a RECLAIM facility exceed its initial allocation provided by the District for that facility by forty (40) tons per year or more, the Facility Permit holder shall conduct modeling to analyze the potential impact of the increased emissions.

(2) The modeling analysis shall be submitted within 90 days of the end of the compliance year.

(3) Analysis shall be conducted for all equipment identified as a major source, as defined by Rule 2011 and Rule 2012 for the RECLAIM pollutants subject to the requirement in paragraph (q)(1), pursuant to the methodology in Rule 2005, Appendix A, consistent with applicable portions of 40 CFR Part 51, Appendix W, or other method approved by AQMD, CARB, and EPA.

PROOF OF SERVICE

STATE OF CALIFORNIA)
) ss:
CITY OF LOS ANGELES AND COUNTY OF)
LOS ANGELES)

I am employed in the City of Los Angeles and County of Los Angeles, State of California. I am over the age of 18, and not a party to the within action. My business address is 515 South Flower Street, Twenty-Fifth Floor, Los Angeles, California 90071-2228.

On August 7, 2014, I served the foregoing document(s) described as:

FIRST AMENDED COMPLAINT FOR CIVIL PENALTIES AND INJUNCTIVE RELIEF

on the interested parties by placing a true and correct copy thereof in a sealed envelope(s) addressed as follows:

Randolph C. Visser, Esq.
Stephen J. O'Neil, Esq.
Jeffrey J. Parker, Esq.
Olivier Theard, Esq.
Alison N. Kleaver, Esq.
Sheppard, Mullin, Richter & Hampton LLP
333 South Hope Street, 43rd Floor
Los Angeles, California 90071-1422
Phone: (213) 620-1780
Fax: (213) 620-1398

VIA EMAIL AND U.S. MAIL

☐ **VIA OVERNIGHT MAIL:**

VIA UPS: By delivering such document(s) to an overnight mail service or an authorized courier in a sealed envelope or package designated by the express service courier addressed to the person(s) on whom it is to be served.

☒ **VIA U.S. MAIL:**

I am readily familiar with the firm's practice of collection and processing of correspondence for mailing. Under that practice such sealed envelope(s) would be deposited with the U.S. postal service on August 7, 2014 with postage thereon fully prepaid, at Los Angeles, California.

I declare under penalty of perjury under the laws of the State of California that the above is true and correct.

Executed on August 7, 2014, at Los Angeles, California.

Maggie Icart