



BAY AREA  
AIR QUALITY  
MANAGEMENT  
DISTRICT  
SINCE 1955

December 6, 2011

Alejandro Galdamez  
Department of Toxic Substances Control Office  
700 Heinz Avenue  
Berkeley, CA 94710-2721

Subject: Xstrata Recycling Inc., Draft Standardized Hazardous Waste Facility Permit,  
Series A, Negative Declaration/Initial Study

Dear Mr. Alejandro Galdamez:

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(Chairperson)  
Scott Haggerty  
Jennifer Hosterman  
Nate Miley

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Ash Kalra  
(Secretary)  
Liz Kniss  
Ken Yeager

**SOLANO COUNTY**

James Sperring

**SONOMA COUNTY**

Susan Gorin  
Shirlee Zane

Jack P. Broadbent  
EXECUTIVE OFFICER/APCO

Bay Area Air Quality Management District (District) staff has reviewed your agency's Negative Declaration/Initial Study (Initial Study) for the issuance of a Draft Standardized Hazardous Waste Facility Permit, Series A (Project), for Xstrata Recycling Inc. (Xstrata) located in the City of San Jose. We understand that the Project will authorize Xstrata to continue to treat, store and ship liquid and solid hazardous waste off-site to an authorized Treatment, Storage or Disposal Facility. The Project will also allow for the installation and operation of hazardous waste treatment equipment in addition to what is currently being utilized at Xstrata. Xstrata currently holds a permit (A1732) from the District for a number of operations. If the Project is approved, an authority to construct/permit to operate will need to be obtained from the District for the operation of Xstrata pursuant to the Project. Therefore, the District is a Responsible Agency under the California Environmental Quality Act (CEQA) for this project.

District staff has the following specific comments on the Project's environmental analysis.

**Criteria Air Pollutant Emissions Analysis**

According to the Initial Study, the proposed Project activities will not result in a cumulatively net increase of any criteria air pollutant because Xstrata will be required to be in compliance with all applicable District standards and permit requirements. The Initial Study finds a less than significant impact for operational-related criteria air pollutant emissions.

The Initial Study did not follow the methodology outlined in the District's 2010 CEQA Guidelines for assessing project level, operational-related impacts from criteria air pollutant emissions. The Initial Study did not estimate criteria air pollutant emissions from mobile sources, area sources, or all of the stationary sources associated with the Project. The Initial Study did not compare any estimated criteria air pollutant emissions to the District's thresholds of significance.

In addition, the project description in the Initial Study does not provide sufficient information to determine whether the Project will increase the capacity of the hazardous waste storage and treatment at Xstrata, and if yes, how that capacity will be handled (i.e. with the use of additional trucks, pipelines, etc.). Accordingly, the baseline conditions for the Project were not identified, and it is not clear whether the proposed Project will not result in a project alone or a cumulative net increase of any criteria air pollutant. Therefore, the analysis in the Initial Study is insufficient to accurately characterize the impacts from this Project as less than significant. The District recommends following the

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methodology starting on pg. 4-2 of the 2010 CEQA Guidelines in estimating project level, operational-related criteria air pollutant emission impacts; comparing the potential impacts to the District's thresholds of significance; and identifying mitigation measures and emissions reductions (if applicable).

#### **Stationary Source Air Pollutant Emissions Analysis**

According to the Initial Study, Xstrata currently has a valid permit from the District (A1732) which sets conditions for operations. Xstrata will also need to obtain permits for the new equipment proposed in the Project, as well as obtain a permit renewal of the original permit (A1732) for increased throughput. According to the District's Engineering Division, a comparison of the emission sources outlined in the Initial Study to District permit files indicates that Xstrata is currently operating a number of stationary sources that are not listed nor permitted with the District.

In general, the Initial Study does not contain sufficient information to estimate stationary source emissions. The CEQA document for this Project should identify the amount of emissions resulting from this Project and the methodology used to estimate stationary source emissions. This should be consistent with the calculations that would be needed to fulfill requirements of the permitting process (pg. 4-3 of the 2010 CEQA Guidelines). The Initial Study provided neither the methodology nor the calculations necessary to: estimate stationary source emissions from all the sources associated with the proposed Permit; to determine compliance with District permitting requirements; and to determine the necessary abatement technology (if applicable). District staff recommends that you encourage the project proponent to contact the District to clarify current and proposed operations and emissions, and applicable regulatory requirements.

#### **Risks and Hazards for New Sources Analysis**

According to the Initial Study, a residential mobile home park is located approximately 250 feet to the west of the Xstrata parking area. The Initial Study includes a finding of no impact for the exposure of sensitive receptors to toxic air contaminant (TAC) and/or PM concentrations because the operations will be contained inside the building and will be conducted in full compliance with all applicable air standards.

The Initial Study did not follow the methodology outlined in the District's 2010 CEQA Guidelines for evaluating whether a new source of TAC and/or PM emissions would adversely affect existing or future proposed sensitive receptors. The Initial Study did not determine the TAC levels and/or PM concentrations associated with the Project, nor did the Initial Study identify the maximally exposed individual (MEI). The Initial Study did not examine the extent to which the new source would increase risk levels, hazard index and/or PM concentrations at nearby sensitive receptors, nor did it compare risk or concentration estimates of PM<sub>2.5</sub> from screening or modeling with the District's threshold for TACs and/or PM<sub>2.5</sub> concentrations.

The District recommends that all sensitive receptors located within a 1,000 ft. radius of the project's fence line be assessed for potentially significant impacts from the incremental increase in risks and hazards from the proposed new source. The Initial Study identified sensitive receptors within a 1,000 ft. radius of Xstrata's fence line, but did not assess the potentially significant impacts to the sensitive receptors from the new stationary or mobile sources. In addition, the Initial Study did not account for all sources, including non-permitted sources such as heavy-duty trucks, in the analysis. Due to the lack of analysis in the Initial Study, the District does not support the finding of less than significant impact for risks and hazards impacts, and recommends following the methodology starting on pg. 5-5 of the 2010 CEQA Guidelines. In addition, a risk analysis may need to be performed to determine compliance with the District's Regulation 2-5, Toxics New Source Review.

**Greenhouse Gas (GHG) Emissions Analysis**

The Initial Study states on pg. 18 that “the BAAQMD does not currently recommend GHG thresholds, citing lack of sufficient evidence to determine a level at which emissions are significant”. In fact, the District *does* currently recommend GHG thresholds of significance for stationary sources, projects other than stationary sources, and general plans. The thresholds of significance for GHG’s were adopted by the District’s Board of Director’s in June 2010. The 2010 Guidelines contain instructions on how to evaluate, measure, and mitigate air quality impacts generated from land development, construction and operation activities, and focus on criteria air pollutant, GHG, and toxic air contaminant emissions.

The Initial Study includes a finding of less than significant impact for project level, operational-related GHG emissions from the Project because, as stated on pg. 20, Xstrata currently generates less than one pound of GHG emissions per year.

The Initial Study did not follow the methodology outlined in the District’s 2010 CEQA Guidelines for evaluating potential project level, operational-related GHG impacts. The Initial Study did not identify nor quantify direct and indirect GHG emissions associated with the Project, including emissions from industrial processes, fuel combustion from mobile sources (such as car trips generated from employees of Xstrata, trucks delivering hazardous waste to/from the Xstrata, etc.), and the offsite emissions from energy production and water conveyance (to operate Xstrata). The District recommends calculating the GHG emissions from permitted stationary sources separately from the Project’s operational emissions. The emissions from the permitted sources within Xstrata should be calculated and compared to the GHG threshold for stationary sources to determine the impact level, and the remaining direct and indirect sources should be calculated and compared to the GHG threshold for projects other than stationary sources to determine the impact level (pg. 4-5 of the CEQA Guidelines). Due to the lack of analysis in the Initial Study, the District does not support the finding of less than significant impact for GHGs, and recommends following the methodology starting on pg. 4-4 of the CEQA Guidelines.

District staff is available to assist the Department of Toxic Substances Control staff in addressing these comments. If you have any questions, please contact Jackie Winkel, Environmental Planner, (415) 749-4933.

Sincerely,



Jean Roggenkamp *JRS*  
Deputy Air Pollution Control Officer

cc: BAAQMD Director Susan Garner  
BAAQMD Director Ash Kalra  
BAAQMD Director Liz Kniss  
BAAQMD Director Ken Yeager