

**INDUSTRIAL SERVICES OIL COMPANY**  
**HAZARDOUS WASTE FACILITY APPLICATION**

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**Attachment 1:**  
**Statement of Findings,**  
**Statement of Overriding Considerations, and**  
**Mitigation Measure Monitoring and Reporting Plan**

**State Clearinghouse No. 1995101030**

**Prepared for:**

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## **I. INTRODUCTION**

This document contains the Statement of Findings, Statement of Overriding Considerations, and the Mitigation Measure Monitoring and Reporting Plan for the Environmental Impact Report prepared for the Industrial Services Oil Company, Inc. (ISOCI) Hazardous Waste Facility Application. The California Environmental Quality Act (CEQA) provides that “no public agency shall approve or carry out a project for which an EIR has been certified and which identifies one or more significant effects on the environment that would occur if the project is approved or carried-out unless both of the following occur:

a) The public agency makes one or more of the following findings with respect to each of the significant findings:

- 1) Changes or alterations have been required in, or incorporated into, the project which mitigate or avoid the significant effects on the environment.
  - 2) Those changes or alterations are within the responsibility and jurisdiction of another agency and have been, or can and should be adopted by that other agency.
  - 3) Specific economic, legal, social, technological, or other considerations, including considerations for the provision of employment opportunities for highly trained workers, make infeasible the mitigation measures or alternatives identified in the EIR.
- b) With respect to significant effects which were subject to a finding under paragraph 3), of subdivision a), the public agency must also find that specific overriding economic, legal, social, technological, or other benefits of the project outweigh the significant effects on the environment. (PRC §21081)

The following sets forth 1) a Statement of Findings describing the significant effects of the project as identified in the EIR that cannot be reduced to insignificance; 2) a Statement of Overriding Considerations that identifies the benefits of the project that outweigh the significant effects on the environment; and 3) a Mitigation Measure Monitoring and Reporting Plan identifying mitigation measures imposed to mitigate or avoid significant adverse environmental effects. DTSC hereby adopts these findings and Plan as part of the approval of the ISOCI Part B Permit Application.

## **II. STATEMENT OF FINDINGS**

### **A. POTENTIALLY SIGNIFICANT IMPACTS WHICH CANNOT BE MITIGATED TO A LEVEL OF INSIGNIFICANCE**

The Final EIR identified two potentially significant adverse environmental impacts that cannot be reduced to a level of insignificance: (1) air quality emissions associated with facility operations; and (2) cumulative operational emissions.

**1. Proposed project impacts due to the operation of the facility would exceed significance thresholds for nitrogen oxide emissions and will remain significant. The impacts of the overlap of construction emissions with the facility operations are also significant for NO<sub>x</sub>.**

Finding: DTSC makes the following findings with respect to this air quality impact: (1) mitigation measures were incorporated into the project that would reduce the significant adverse operational air quality impacts for NO<sub>x</sub> emissions, but not to insignificance; (2) such mitigation measures are generally within the jurisdiction of the California Air Resources Board; and (3) no other feasible mitigation measures are available to lessen the significant impact to air quality.

Explanation: The operational emissions of NO<sub>x</sub> are expected to exceed the applicable significance thresholds (see Final EIR, Section 3.0). The dominant source of NO<sub>x</sub> emissions is from trucks.

On January 18, 2001, United States Environmental Protection Agency's (U.S. EPA) 40 Code of Federal Regulations (CFR) §§80, 500 published a final rule on diesel fuel standards. As of June 1, 2006, refiners must begin selling highway diesel fuel that meets a maximum sulfur standard of 15 ppm. The 2006 deadline was issued to ensure that adequate supplies of ultra low sulfur diesel or ULSD would be available to meet the demand in 2007, when according to the U.S. EPA, all on-road, diesel-fueled vehicles (new and existing) must be equipped to run on ULSD fuel. In Los Angeles, heavy-duty trucks and buses contribute more than a quarter of the nitrogen oxide (NO<sub>x</sub>) pollution and 14 percent of the particulate matter less than 2.5 microns in diameter (PM 2.5) pollution from mobile sources. Pollution-control devices for heavy-duty engines are sensitive to sulfur and will not work unless the amount of sulfur in the fuel is reduced. Such pollution-control devices include diesel particulate traps and catalysts.

The use of ULSD will indirectly reduce the emissions of pollutants from diesel engines by enabling the use of vehicle pollution control devices, such as particulate traps and NO<sub>x</sub> catalysts installed in a vehicle's exhaust system, that remove pollutants from tailpipe emissions. Exhaust emission control devices such as the "catalytic converter" have been used in gasoline-fueled automobiles for approximately 30 years. Exhaust emission control devices have not been widely used in trucks, buses and other heavy equipment that run on diesel fuel, however, because these devices are very sensitive to sulfur levels in the fuel and will not function effectively when fuel has high sulfur levels. These control devices will result in substantial reductions of fine particulate matter and NO<sub>x</sub>

emissions that result from combustion in all types of diesel fueled combustion sources.

As the above rules and fuel requirements become effective, the NO<sub>x</sub> emission factor for trucks is expected to decrease. Using the EMFAC2002 model, it was determined that by the year 2012, the NO<sub>x</sub> emissions from trucks that visit ISOCI will be reduced by about 57 percent (see Table 3.3-14 of the Final EIR). Therefore, the existing rules and regulations that are currently being implemented on diesel truck engines will eventually reduce truck emissions but not to less than significant. The regulations that will reduce emissions from trucks become effective in the near future. However, it will take several years before the truck fleet has turnover sufficiently to reduce NO<sub>x</sub> emissions. NO<sub>x</sub> emissions associated with the ISOCI project will remain significant.

ISOCI does not own a dedicated fleet of trucks so that mitigation measures that would require use of the lower sulfur diesel fuels and NO<sub>x</sub> catalysts are not feasible to implement on trucks that visit the ISOCI facility because: (1) ISOCI does not have control (own) over the trucks that visit their facility; and (2) requiring these mitigation measures on trucks would be expected to result in the trucks traveling to another oil recycling facility, rather than installing addition control equipment.

Another source of NO<sub>x</sub> emissions is railcar activities, i.e., railcar idling. Elimination of these activities at the ISOCI facility would have no impact to the surrounding community as the railcars would continue to transit on the railroad tracks adjacent to the ISOCI facility. ISOCI should investigate the feasibility of using electric or hybrid switch engines for delivery of railcars to the facility. These engines do not use or use substantially less diesel fuel and generate less emissions of diesel exhaust. ISOCI does not control the railcar operations so it has no control over the type of railcar engine used to deliver railcars to the facility. However, electric or hybrid switch engines should be used, if they are available. No other feasible mitigation measures have been identified for railcar emissions because they would continue to be generated in the area with or without the project, due to the location of the ISOCI facility with respect to the local rail yards.

The above measures will not reduce NO<sub>x</sub> emissions below the significance thresholds; no other feasible mitigation measures or project alternatives have been identified. Note that NO<sub>x</sub> emissions will be reduced once construction activities have been completed.

- 2. Cumulative operational emissions of CO, VOC, NO<sub>x</sub>, SO<sub>x</sub>, and PM<sub>10</sub> associated with the ISOCI proposed project and other cumulative projects could result in significant air quality impacts.**

Finding: DTSC makes the following findings with respect to cumulative operational air quality impacts: (1) mitigation measures were incorporated into the proposed ISOCI project because the proposed project operational emissions exceeded the applicable significance thresholds; (2) such mitigation measures are within the jurisdiction of the SCAQMD; and (3) feasible mitigation measures have been identified for the other cumulative projects.

Explanation: The cumulative operational CO, VOC, NO<sub>x</sub>, SO<sub>x</sub>, and PM<sub>10</sub> emissions are expected to exceed the applicable significance thresholds (see Final EIR pages 5-6 through 5-17). The emissions from the ISOCI proposed project have been limited to the extent feasible through the use of best available control technology (BACT). BACT, by definition, is the cleanest commercially available control equipment or technique. The use of BACT controls emissions to the greatest extent feasible for new and modified emission sources. In addition, the fugitive components will be required to be included in an inspection and maintenance program to ensure that the equipment is properly maintained. Therefore, additional VOC emission reductions (through mitigation measures) from fugitive emissions associated with the proposed project equipment are not feasible. Finally, the emission estimates for the ISOCI proposed project were conservative.

Stationary sources of emissions that require permits for the other cumulative projects will also be subject to BACT requirements, offset requirements, and inspection and maintenance programs, as applicable, though these measures may not reduce cumulative operational emissions below the applicable significance thresholds. No other feasible mitigation measures have been identified.

**B. POTENTIALLY SIGNIFICANT IMPACTS WHICH CAN BE MITIGATED TO A LEVEL OF INSIGNIFICANCE**

**1. Proposed project impacts due to the operation of the ISOCI facility would exceed significance thresholds for VOC and are potentially significant.**

Finding: DTSC makes the following findings with respect to this impact: (1) mitigation measures were incorporated into the project that would reduce the significant adverse VOC emission impacts associated with the proposed project to less than significance; and (2) such mitigation measures are within the jurisdiction of the SCAQMD.

Explanation: The impacts associated with operation of the proposed project are expected to be significant for VOC emissions so feasible mitigation measures are required. In developing the Health Risk Assessment it was determined that additional air pollution control equipment would be required on the fuel blending tank (Tank 600) because of the potentially high vapor pressure material (RCRA wastes) that could be stored in this tank. Additional mitigation measures are

required to minimize project emission from the oil water separators. The required air pollution control equipment is expected to reduce the overall VOC emissions to less than significant.

**2. The proposed project has the potential to handle additional hazardous chemicals at the site that could result in significant off-site exposure.**

Finding: DTSC makes the following findings with respect to this impact: (1) mitigation measures were incorporated into the project that would reduce the potentially significant adverse hazard impacts associated with the proposed project to less than significance; and (2) such mitigation measures are within the jurisdiction of DTSC.

Explanation: The impacts associated with operation of the proposed project are potentially significant for hazard impacts. Significant impacts were identified for the release of certain hazardous materials from a 55 gallon drum. Therefore, mitigation measures are required to minimize the potential for a significant adverse hazard impacts due to exposure from these chemicals. The mitigation measures are expected to reduce the hazard impacts to less than significant.

**C. IMPACTS ASSOCIATED WITH ALTERNATIVES**

**1. Project alternatives that would reduce the potentially significant impacts are not available.**

Finding: DTSC finds that the identified alternatives would not achieve the goals of the proposed project and would not result in fewer or less severe environmental impacts. Most of the alternatives would result in longer transport distances and higher air emissions than the proposed project.

Explanation: Potential adverse environmental impacts from three project alternatives were analyzed and it was determined that no feasible project alternatives were identified that would achieve the goals of the project with fewer or less severe environmental impacts than the proposed project (see Final EIR, pages 4-1 through 4-24).

Alternatives evaluated in the EIR for the proposed project include the No Project Alternative, Facility Relocation Alternative, and Reduced Operations Alternative. No feasible alternatives have been identified that would reduce the proposed project's environmental impacts to less than significant while achieving the objectives of: (1) continuing the treatment and storage of hazardous wastes to allow the continued recycling of used oil and storage of use antifreeze; (2) modifying manufacturing processes to increase operational efficiency; (3) increasing existing tank and container storage capacities; (4) expanding facility operational capabilities; (5) accepting additional waste streams; (6) allowing for

the phased implementation or remedial measures consistent with maintenance of health and safety of workers and the general public; and (7) discharging treated wastewater to the public sewer system. Consequently, the proposed project is preferred over the alternatives because it will ensure that ISOCI will be able to achieve the primary objectives of the proposed project.

#### **D. STATEMENT OF FINDINGS CONCLUSION**

Changes or alterations have been incorporated into the proposed project to mitigate or minimize the potentially significant environmental effects associated with certain impacts, i.e., air quality impacts associated with operations. No additional feasible mitigation measures or alternatives to the proposed project, other than those already included in the Final EIR, have been identified that can further mitigate the potentially significant project impacts on air quality while meeting the objectives of the proposed project.

All feasible mitigation measures identified in the Final EIR have been adopted as set forth in the Mitigation, Monitoring and Reporting Plan. The analysis in the Final EIR also indicates that the alternatives would not reduce to insignificant levels the significant impacts identified for the proposed project.

The proposed project is intended to allow ISOCI to continue to operate as a hazardous waste treatment facility, allow modifications to facility operations, and allowing the handling of additional waste streams. DTSC finds that the proposed project achieves the best balance between minimizing potential adverse environmental impacts and achieving the overall objectives. The DTSC further finds that all of the findings presented here are supported by substantial evidence in the record.

The record of approval for this proposed project may be found at DTSC regional offices located at 1011 N. Grandview Avenue, Glendale, California, 91201.

### **III. STATEMENT OF OVERRIDING CONSIDERATIONS**

Pursuant to PRC §21081(b) and CCR §15093, DTSC makes the following findings as to why the benefits of the proposed project outweigh the significant effects on the environment:

1. Approval of the proposed project will provide for a portion of the long-term hazardous treatment needs of the region, using an existing facility that has been designed and upgraded to meet environmental requirements, eliminating the need for: (a) future siting and permitting of a new facility or the significant expansion of an existing facility, with probable significant delays in the capacity becoming available; (b) the construction related impacts of a new facility or facility

- expansion at an alternative location; and (c) the displacement of most or all of the environment impacts of the proposed project to an alternative location.
2. Approval of the proposed project will minimize region-wide transportation and associated risks and impacts, because of the central location of the ISOCI facility with respect to the community of hazardous waste generators and haulers.
  3. Approval of the proposed project will minimize the region-wide transportation and hazard risks associated with the production and distribution of recycled oil. The recycled oil produced at ISOCI can be used in the greater Los Angeles area, i.e., near the area it was produced so that distribution transport is minimized.
  4. Approval of the proposed project will minimize air emissions from the transport of hazardous waste via trucks.
  5. Approval of the proposed project will allow additional hazardous waste to be transported via railcar, thereby minimizing the transport of hazardous waste via truck and the related transportation impacts.
  6. Approval of the proposed project will minimize truck traffic, thereby reducing the potential hazards associated with a truck accident/release.
  7. Approval of the proposed project will minimize truck traffic, thereby reducing region-wide traffic congestion.
  8. The analyses of the significant adverse impacts were based on conservative assumptions regarding the construction and operation of the proposed project. The actual project impacts (e.g., emission estimates) are expected to be less than estimated in the EIR. Further, the hazard impacts are based on worst-case assumptions that would only occur on rare occasions.

#### **IV. MITIGATION MEASURE MONITORING AND REPORTING PLAN**

PRC §21081.6(a)(1) provides that “the public agency shall adopt a reporting or monitoring program for the changes made to the project or conditions of project approval, adopted in order to mitigate or avoid significant effects on the environment.” Pursuant to this requirement, DTSC has prepared and adopted the following Mitigation Measure Monitoring and Reporting Plan that identifies mitigation measures imposed to mitigate or avoid significant adverse environmental effects of the project

##### **A. MITIGATION MEASURES**

##### **1. Air Quality Impacts and Mitigation Measures**

The impacts associated with operation of the proposed project are expected to be significant for VOC emissions so feasible mitigation measures are required. Additional air pollution control equipment would be required on the fuel blending tank (Tank 600) because of the potentially high vapor pressure material (RCRA wastes) that could be stored in this tank. Therefore, the following mitigation measures are expected to reduce VOC emissions to less than significant:

- AQ-1 Storage tank 600 is required to comply with SCAQMD Rule 1178 – Further Control of VOC Emissions from Storage Tanks at Petroleum Facilities. This rule requires that fixed roof tanks that store organic liquid with a vapor pressure of 0.1 psi or greater have vapor control installed that is capable of 95 percent emission reduction, or convert the fixed roof tank to an internal or external floating roof tank.
- AQ-2 Additional air pollution control must be considered for the oil water separator, e.g., carbon adsorption or other equivalent control which would be about 90 percent efficient in reducing emissions of VOC.
- AQ-3 An inspection and maintenance program would require monitoring fugitive components on a monthly basis. Components that do not leak during two successive monthly inspections will revert to a quarterly inspection interval. Implementation of an inspection and maintenance program is expected to reduce emissions from fugitive sources as sources that were found to leak would require fixing.

Implementation of the above mitigation measures would be expected to reduce VOC emissions from wastewater separators and fugitive emissions to less than significant.

## 2. Air Quality Mitigation Monitoring and Reporting

**Implementing Party:** The DTSC finds that air quality mitigation measures AQ-1 to AQ-2 will be implemented by ISOCI and the SCAQMD. AQ-3 will be implemented by ISOCI.

**Monitoring Agency:** DTSC has made these mitigation measures fully enforceable by including them as permit conditions. In addition, SCAQMD permits are expected to be required for Tank 600 and the oil water separator so additional permit conditions are expected to be enforced by the SCAQMD. Mitigation monitoring and reporting will be accomplished as follows:

**MMAQ-1: Storage Tanks 600 Is Required To Comply With SCAQMD Rule 1178**  
- ISOCI shall prepare, submit SCAQMD permit applications for Tank 600, and receive approval from the SCAQMD prior to installation and operation of Tank 600. Copies of the SCAQMD Permit to Construction/Operate shall be submitted to DTSC.

**MMAQ-2: Air Pollution Control Shall Be Considered For the Oil Water Separator** - ISOCI shall prepare, submit SCAQMD permit applications for the oil water separator, and receive approval from the SCAQMD prior to installation and operation of the oil water separator. Copies of the SCAQMD Permit to Construction/Operate shall be submitted to DTSC.

**MMAQ-3: Implement an Inspection and Maintenance Program for Fugitive Sources** - An inspection and maintenance program shall be conducted to monitor fugitive components on a monthly basis. Fugitive components shall include pumps, valves, flanges, fittings, pressure relief devices and pressure relief valves in light liquid service. Light liquid service includes any liquid with more than 10 percent VOC by volume evaporated at 150°C (302°F), as determined according to SCAQMD Rule 1173(j) (2). Monitoring for light liquid leaks shall be per the requirements of SCAQMD Rule 1173 for frequency of inspection, test methods, requirements for re-testing and replacement/repair. ISOCI shall maintain records of all inspections, leaks, repairs, and re-inspections on a quarterly or annual basis as applicable.

### **3. Hazard Impacts and Mitigation Measures**

The hazard impacts associated with operation of the proposed project are potentially significant. Significant impacts were identified for the release of certain materials from a 55 gallon drum. Therefore, the following mitigation measure was imposed to reduce the hazard impacts to less than significant.

HZ-1: Waste streams handled at ISOCI must be limited to the maximum concentration of the chemicals identified in Table 1. This will prevent a release from traveling off-site and exposing people to concentration above the significance threshold.

**TABLE 1**  
**Maximum Waste Stream Concentrations**

<b>Chemical</b>	<b>Max. Mole Fraction<sup>(1)</sup></b>
Nickel Carbonyl	0.0016
Acetyl Chloride	0.0021
Phosgene <sup>(2)</sup>	0.0027
Phosphine	0.0068
Osmium Tetroxide (OsO <sub>4</sub> , as Os)	0.0139
Methyl Isocyanate <sup>(2)</sup>	0.0148
Propenal, 2- (Acrolein)	0.0231
Acrolein (2- Propenal)	0.0237
Chlorine	0.0406
Methyl Chlorocarbonate	0.0467
Bromine	0.0598
Fluorine	0.0677
Hydrogen Cyanide <sup>(2)</sup>	0.0752
Cyanogen	0.1354
Formaldehyde	0.1354
Methyl Hydrazine	0.1426
Ethyleneimine	0.1463
Hydrocyanic Acid (Hydrogen Cyanide)	0.1633
Nitrogen Dioxide	0.2144
Hydrofluoric Acid	0.2708

(1) 1 mole =  $6.02 \times 10^{23}$  Molecules. Mole Fraction is the ratio of moles of component A to total moles in a waste stream.

(2) Phosgene, methyl isocyanate, and hydrogen cyanide are no longer included in the Part B permit application and will not be handled by the ISOCI facility.

#### 4. Hazard Mitigation Monitoring and Reporting

**Implementing Party:** The DTSC finds that the hazard mitigation measures will be implemented by DTSC.

**Monitoring Agency:** The DTSC has the authority to implement this mitigation measure. Mitigation monitoring and reporting will be accomplished as follows:

**MMHZ-1: The Maximum Concentrations of Specific Chemicals Must Be Limited To Concentrations Identified In Table 1** - The Part B permit will include a permit condition that limits the chemicals identified in Table 1 to the maximum concentrations identified in that table. The Part B permit includes implementation of a Waste Analysis Plan. This Plan applies to all waste at the ISOCI facility. Implementing the Waste Analysis Plan is expected to provide sufficient data to determine the presence of hazardous

materials. Records on waste analyses are required to be maintained by ISOCI for a period of *five* years. DTSC can inspect the facility and review the records on an as needed basis.

## **V. CONCLUSION**

ISOCI will maintain records on-site of applicable compliance activities to demonstrate the steps taken to assure compliance with imposed Mitigation Measures as specified herein. DTSC staff and ISOCI will evaluate the effectiveness of this monitoring program. If either the monitoring program or the mitigation measures as set forth above are deemed inadequate, the DTCS or another responsible agency may require ISOCI to employ additional or modified monitoring measures and/or measures to effectively mitigate identified significant adverse impacts to the levels identified in the Final EIR.