

Neighborhood Advisory Committee
April 12, 2016

NAC members: NCA: Tom Giese, NEDC: Aubrey Baldwin, NWDA: Bob Amundson, Sharon Genasci, Bob Holmstrom

Not Present: Mary Peveto (NCA)

ESCO Representatives: Austin Peterson, Travis Quarles

Other Attendees: ESCO: Shannon Huggins, Jeremy Pritchett

Aubrey Baldwin called the meeting to order at 10:12 A.M.

Annual report

Travis Quarles provided a summary of the 2015 Annual Report. Quarles explained the downward trends of ESCO's markets, which has led to decreased production in Portland and several closures of ESCO sites throughout the company. Quarles further explained that decreased production led to the closure of Plant 2 (doghouse) in 2014, followed by the announced closure of the Main Plant. Quarles provided a summary of total air emissions from Main Plant and Plant 3 and showed how emissions have decreased in 2015 compared to 2014. The emissions decrease included a 20% reduction in HAPS, primarily due to closure of Plant 2. Quarles further added that the Main Plant reduced production by 12% in 2015 while production remained steady at Plant 3 compared to the previous year. Other aspects of the report include a project update which describes the addition of emission controls, AOD modification and personnel training, and last summer's thermal sand reclaimer study that confirmed a minimum operating temperature of 1200° F. The report also includes a summary of air complaints. There were 24 complaints filed last calendar year. Complaints have decreased steadily and significantly from 190 in 2009. Quarles explained that most odor complaints are related to Plant 3. Bob Holmstrom asked if the other two complaint monitoring sites show a similar trend. Baldwin replied that Ethics Point should reflect all notifications, including the notifications to ODEQ.

Annual Tour

Shannon Huggins suggested hosting the annual tour in the evening between 4:00 to 7:00 P.M. to be the most accommodating for the public. Huggins suggested scheduling the tour on a Wednesday or Thursday in May. Sharon Genasci inquired about the proper clothing to bring for the tour. Quarles mentioned that ESCO will provide boots and other PPE. The committee is considering May 11, 12, 18 or 19 as potential dates. Baldwin suggested that the tour should be shortened to 5:00 to 7:00 P.M. Austin Peterson asked Huggins to send out schedule options via email to determine the best date and time. Quarles asked if there is anything in particular that the neighbors want to see during the tour and if the tour should highlight GNA projects. Baldwin requested the opportunity to meet some of the day-to-day workers at the plants. Genasci added that the committee should provide the option of which plant to see. Huggins will send out an email to vote on the preferred date and the preferred plant to tour.

ESCO - DEQ Communications

Quarles provided a summary of a Permit Deviation Report submitted to DEQ in February, which describes a flaw in a production report that caused under-reporting of production data and therefore resulted in under-reporting emissions. The root cause was the internal production report not being

designed to capture parameter changes over time. ESCO identified this error and corrected the melting and pouring data and recalculated and submitted revised emissions accordingly. Quarles added that the emissions increase did not violate the Plant Site Emissions Limits (PSEL) or the GNA. Holmstrom asked for the deviation report via email. Quarles explained that it will be posted on the NAC webpage. Quarles explained that production data were revised more for Plant 3 (compared to Main Plant) and that the primary source for phenol and formaldehyde emissions is Plant 3. Genasci stated it means nothing to the neighbors that ESCO did not violate permit limits.

Holmstrom asked about the trend of lead emissions. Quarles explained that metal emissions are dependent upon production and correlate primarily to the amount of metal melted. Holmstrom asked when ESCO conducts source testing for lead. Quarles explained that the most recent source testing of the furnaces was in 2014, which included testing for lead emissions. Baldwin asked if the test results correlated with emission factors. Quarles explained that the furnace emission factors are based on an average of source tests. Baldwin asked when the emission factors are changed. Quarles explained that the emission factors do not change immediately after source testing, but are updated during permit renewal to include the more recent testing.

Holmstrom inquired about the emission limit for lead. Quarles replied that there is a voluntary limit of 0.1 tons per year, which is lower than DEQ requirements. Genasci expressed hope that ESCO will go beyond the requirements established by the DEQ in minimizing emissions. Amundson inquired if ESCO has conducted any testing for lead in the baghouse dust and if the lead levels have decreased since the plants switched to purchasing clean plate. Quarles did not have the data available to answer the question but would look into it. Amundson further added that ESCO may have used clean plate steel early on, which would have marked an early improvement in lead reduction.

Amundson noted the increase in NOx and CO in the revised emissions. Quarles explained that some pollutants increased more than others due to the greater revisions to pouring data at Plant 3 compared to the Main Plant. Quarles explained that the melting data didn't change as significantly as the pouring data, and some pollutants are tied to melting more than pouring, which accounts for the variety in how pollutants were revised.

Quarles explained the proposed reduction in PSEL and overall emissions (compared to currently permitted) in an Emission Summary Table showing 2012 – 2015 calculated emissions and 2017 requested emissions as part of the recent permit renewal application. Baldwin asked which emission factors have changed for these calculations. Quarles replied that the emission factor changes are included in the emission detail sheets and the revision list, which will be posted on the NAC webpage. Amundson recommended adding another column to the table to separate Main Plant from Plant 3 emissions. Genasci asked how effective the new binders are at reducing phenol emissions. Quarles responded that the calculated results of the low phenol binder system show a 70% reduction in phenol emissions. Quarles added that the 2017 requested PSEL is not necessarily what ESCO will be granted by DEQ. Baldwin assumed that ESCO will probably get higher limits from DEQ compared to the requested emission limits. Baldwin further added that Oregon is unique in how it uses PSELs and that it encourages voluntary compliance for industry, while other states have less industry friendly requirements.

The Semiannual Compliance Certification and Annual Compliance Report were submitted to DEQ on February 15, 2016. Quarles explained that these are standard reports and include the revised emissions based on correct production data.

Quarles mentioned that ESCO submitted the permit renewal application on March 1, 2016 but noticed errors in the calculations. Consequently, ESCO submitted revised emission calculations to DEQ on March 24, 2016. The remaining DEQ correspondence include the Construction Completion Notice for the robotic paint booth at Plant 3 and the Annual Pollution Prevention Report (submitted on March 15, 2016), which discusses project updates on the GNA and other projects.

Complaint Trend Report

Quarles explained that ESCO received 5 complaints in the first quarter of 2016 and that all complaints were relevant to Plant 3 production. Quarles added that the graphs were updated and the 2012 graph was removed as previously discussed by the committee. Baldwin inquired if ESCO has conducted any mapping of the complaints. Quarles replied that ESCO informally has in the past, but is not currently. Genasci stated that the neighbors are experiencing complaint fatigue. Holmstrom asked if most complaints are related to phenol. Quarles explained that most complaints are related to pouring at Plant 3. Bob Amundson added that there were more odor complaints close to the plants before the stacks were extended, and now there is likely a larger area impacted but it is less intense.

Main Plant Closure

Amundson inquired about the announcement regarding the closure of Main Plant and asked if ESCO is updating the neighborhood on the timing. Baldwin noted that the Annual Report states that the Main Plant is closing but there currently is not a definite timeline. Quarles explained that the neighbors will be notified of the timeline once it is finalized by management. Huggins added that the announcement should make it clear that Plant 3 will remain operational. Amundson added that decommissioning the Main Plant can potentially impact the neighborhood as well.

Schedule

Quarles informed the group that the next NAC meeting is scheduled for July 12, 2016. Holmstrom asked for an update regarding GNA renegotiation. Huggins mentioned that ESCO is aiming for June to host a meeting to discuss GNA renegotiation. Holmstrom also asked when the Chapman Elementary School study results will be available. Quarles informed the group that Linda George said the report should be ready in about a month, and ESCO and DEQ will review the report before it is made available to the public.

Public Comment: None present

The meeting adjourned at 11:23 AM.