



Important Information Update

December 2010

There is a lot of misinformation currently circulating regarding Lehigh's operations – we hope that the following document will help add clarity to a few complicated issues. If you have any questions, please call our community hotline at (408) 500-5034 or email us at Lehigh.Permanente@gmail.com. You can also visit our website at www.LehighPermanente.com.

Title V Permit

Santa Clara County has stated the following in response to Councilmember Chang's comments about Title V permit at the October 19th Santa Clara County Board of Supervisors meeting ¹: *The Bay Area Air Quality Management District (BAAQMD) confirmed that the **Lehigh Southwest Cement Company operates under a valid Title V permit**, as previously reported on September 30, 2010.*

Emission Monitoring

As required by Federal and State regulations, all emission testing at the Permanente Plant is performed by BAAQMD engineers or by independent emission testing companies certified by the State of California. All continuous emission monitors at the Permanente Plant are frequently calibrated by these companies to deliver the most accurate data.

Health Risk Assessment

Based on current operating conditions at the facility, potential health risks were below levels (set by the BAAQMD) requiring notification for both residents and workers – this includes levels set for benzene and mercury. The BAAQMD requested an updated health risk assessment since they adopted more stringent limits by considering an age sensitivity factor, which was established in January 2010. A health risk analysis looks at a 70-year period, under the worst-case exposure assumptions.

Mercury

Mercury occurs naturally in the limestone found in the Santa Clara Hills. After more than two years studying various technologies to reduce emissions at the Permanente site, Lehigh installed new equipment to immediately reduce annual mercury emissions by more than 25 percent. The second phase of Lehigh's environmental leadership strategy is underway and will include a pilot study with the installation of an Activated Carbon Injection (ACI) system, which will further reduce mercury emissions. This will enable Lehigh to meet the EPA's standards long before the 2013 deadline. The air district estimates current mercury emissions to be 337 lbs per year.

NO_x and SO₂

Santa Clara County Board of Supervisors has stated the following in response to Councilmember Chang's comments on NO_x and SO₂ at the September 28th Santa Clara County Board of Supervisors meeting ²:

According to the Bay Area Air Quality Management District (BAAQMD), the Title V permit allows a maximum NO_x of 5,072 tons per year at this facility. BAAQMD pointed out that the current emissions from the facility are calculated at 1,235 tons per year.

BAAQMD staff further explained that SO₂ emissions are also limited under the Title V permit to a maximum of 2,107 tons per year, and they calculate that current emissions to be 420 tons per year.

Monta Vista Mobile Air Monitor

A mobile monitoring station is in place today at Monta Vista Park where the BAAQMD will perform air quality tests over the next year. Most of the data gathered from the station is available instantaneously online at the BAAQMD site.

Instructions for data retrieval: <http://www.baaqmd.gov/>

On the home page, under the "Know" option, select "Real Time Air Quality Data."

Use the "Measurement" field to the left of the page to select various data (for example, PM 2.5 Continuous). Use the tabs to view data by "Daily," "Monthly" and "Annual" layouts.

Chromium 6

Air monitoring tests for chromium 6 (also referred to as hexavalent chromium) were conducted by the U.S. EPA at Stevens Creek Elementary between June and September of 2009. After a thorough analysis of the data, the EPA recently announced the following results:

- Based on the individual monitoring results from the three-month sampling period, the EPA stated that there is "no concern for risk of health problems from short-term exposures to hexavalent chromium."
- The analysis also found that levels of hexavalent chromium are "below levels of concern for long-term exposure."
- The analysis indicates that hexavalent chromium concentrations in the air near the school "do not appear to be influenced by a nearby industrial facility."
- The most recently available chromium emission estimates for Lehigh from EPA's Toxics Release Inventory for 2008 are lower than previously available estimates.

For more information, please reference the EPA's full write-up on their site at:
<http://www.epa.gov/schoolair/StevensCre.html>

Notice of Violation

It's important to point out that when a Notice of Violation (NOV) is issued, a final determination has not been made. Rather, an NOV lays out the position of the regulatory authority and an investigation is then initiated. The Cupertino facility operates with all necessary permits and in compliance with all current air quality standards set by the Bay Area Air Quality Management District (BAAQMD), including Lehigh's current and valid Title V Permit.

The East Material Storage Area (EMSA) and the Comprehensive Reclamation Plan

The EMSA Reclamation Plan Amendment and the Comprehensive Reclamation Plan are both subject to the California Environmental Quality Act (CEQA) and the County is currently processing an Environmental Impact Report (EIR) report for both.

Mining began at the facility in 1903. In 1939, Henry J. Kaiser's companies acquired the facility and expanded mining operations have continued to today without interruption. The facility is considered "vested" because the Kaiser companies' use began before any permit was required by law.

EMSA

Lehigh has fully complied with the County's compliance schedule for preparing the reclamation plan amendment, which is now being processed.

The County's manner of enforcement against Lehigh is based directly from state law. The law does not allow the County to impose financial penalties unless Lehigh does not take action to bring the facility into compliance. Compliance is possible only by amending the 1985 reclamation plan.

The EMSA reclamation plan amendment will accomplish the following:

- Amend the existing reclamation plan boundaries to include the EMSA.
- Establish vegetation of native trees, shrubs and grasses from the surrounding area, to visually blend the area into its surroundings.
- Improve the visual character of the property by shielding certain plant areas from nearby views.
- Establish final contours for the area consistent with the surrounding topography.
- Formally adopt reclamation standards required by state law.

When the reclamation of the EMSA stockpiles is complete, views of Permanente plant operations will be screened from the Valley floor.



Comprehensive Reclamation Plan

In May 2010, Lehigh filed an application with the County of Santa Clara for an amendment to the reclamation plan for the Permanente Quarry. The Amendment would update the existing reclamation plan to include additional areas that are or will be disturbed by mining operations. Lehigh also requests a conditional use permit to allow a transition of mining to a different area within Lehigh's property.

Currently, Lehigh Permanente is actively using 618 acres out of 3,500 acres of our total property. Thousands of acres remain undisturbed habitat.

Our reclamation plan outlines how and what we will do to reclaim the land once mining is finished. The product we produce here is an incredibly important resource for all of Northern California - and particularly for Santa Clara County. We will continue to provide that material - but when we're done, we're committed to restoration.

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^{1,2} All references to SCC Board of Supervisor statements can be verified at the following web address under the heading "Board of Supervisor Meetings - Responses to Public Comments":
<http://www.sccgov.org/portal/site/planning/agencyarticle?path=%252Fv7%252FPanning%252C%2520Office%2520of%2520%2528DEP%2529&contentId=c012cb72c3cd4110VgnVCM10000048dc4a92>