What does Ecobat do?

- We recycle, in a closed environmental loop, over 10 million batteries each year, producing 120,000 tons of recycled lead for use in new batteries and other products.
- We provide 250 local union jobs. Many of our employees have been with us for decades, and all are incentivized to achieve safety, health, and environmental performance goals. Employees are subject to strict health and safety protocols, including frequent blood lead level screening tests. The health of our employees is our priority.
- Our facility is fully permitted to handle hazardous waste. Our operations are overseen by numerous state and local regulatory agencies including the South Coast Air Quality Management District ("SCAQMD") and the California Department of Toxic Substances Control ("DTSC"). In California, we operate under the strictest environmental standards in the world.
- We are committed to continuing to be a good neighbor, supporting those who live and work in our community.

What does Ecobat do to ensure it operates in an environmentally-responsible manner?

Ecobat, by any measure, is the cleanest lead recycling facility in the world and is committed to meeting or exceeding all applicable federal, state, and local environmental standards through robust, cutting-edge control, mitigation, and monitoring systems. We are proud to have publicly supported SCAQMD's enactment of strict regulatory limits for lead and arsenic emissions that currently apply to our facility. Ecobat uses the best available control (and retrofit) technology, including sophisticated pollution control systems that Ecobat has voluntarily added to go beyond what is required by its permits.

Since 2008, Ecobat has invested almost $50 million to install and maintain new pollution control equipment and monitoring devices. The Ecobat facility has multiple, *state-of-the-art* environmental control and monitoring systems to ensure the safe and clean operation of our recycling facility. These systems include:

- A Wet Electrostatic Precipitator ("WESP") that Ecobat installed in 2008 at a cost of over $25 million. The WESP system dramatically reduces emissions of lead, arsenic, and other hazardous air pollutants.
- A Regenerative Thermal Oxidizer – similar to an afterburner – was installed to destroy certain smog–forming organic compounds and to eliminate potential odors.
- An Air Quality Fence Line Monitoring System that continuously samples for lead and arsenic. Samples, collected daily are analyzed by a state-certified laboratory, and sent to the SCAQMD to

assist in the assessment of air quality. This air quality monitoring ensures compliance with strict emissions limits.

- A Wastewater Treatment System that collects and treats on-site water utilized during the lead recycling process prior to being reused or discharged to a Sanitation District water treatment plant. In addition, liner membranes are installed underneath the floors of the areas in which processing occurs.
- An Rx Stormwater Treatment Unit that collects and treats stormwater that falls on areas of the Site not directed towards the Wastewater Treatment System.

Has soil been sampled around Ecobat to evaluate the effectiveness of these environmental controls?

Yes. Between May 2016 and February 2017, Ecobat and DTSC conducted a soil investigation to identify potential impacts from our historical operations on soil in areas near the facility. During this investigation, over 6,000 soil samples were collected and analyzed.

The sample results showed lead levels consistent with, or lower than, those in the soil in other residential areas which were built during a time when paint contained lead. Nearly 68% of the residential soil samples contained lead at less than 80 parts per million (ppm), the California screening level for lead in soil, and only 4% of the residential soil samples contained lead above 200 ppm, the federal screening level for lead in soil.

Not one of the residential properties sampled had a representative soil lead concentration that would qualify that home for soil replacement if it were in the vicinity of the former Exide facility.

DTSC has acknowledged that the evidence collected to date does not indicate that Ecobat's facility has had an adverse effect on its neighbors.

What about impacts to groundwater?

Ecobat also has performed extensive groundwater monitoring over the previous two decades which clearly demonstrates that Ecobat's operations have had no material impact upon groundwater beneath or downgradient of the Ecobat facility, a conclusion recently acknowledged by DTSC.

Has Ecobat Impacted the Health of its Neighbors?

In recent comments, some members of the public have alleged that Ecobat's operations have led to higher rates of cancer and similar chronic health conditions in the surrounding community. These claims are wrong.

Ecobat has conducted health risk assessments supervised by local and state regulatory authorities to evaluate what, if any, potential health impacts Ecobat's operations may pose to the surrounding community. These studies demonstrate that Ecobat's operations do not pose significant risks to anyone living or working near the facility.

Recent third-party studies have shown no evidence of increased blood lead levels or cancer in the communities surrounding Ecobat, including:

- A 2016 cancer cluster study conducted by the University of Southern California Cancer Surveillance Program (CSP), which maintains data on all cancer cases diagnosed in Los Angeles County. The information collected includes age, race/ethnicity, patient's address, gender, and specific type of cancer. The study, conducted at the request of SCAQMD, DTSC, and Ecobat, concluded that there was no elevated cancer risk from living close to the facility.
- Blood lead testing conducted by the LA County Department of Public Health for residents in Hacienda Heights and Avocado Heights in 2019 and 2020. The results of this testing showed no increased blood lead levels in residents living near Ecobat. The facility offers free blood lead testing for the communities living close to the Ecobat facility.

Community health concerns deserve careful consideration by public policymakers and regulators, but like Ecobat's own concerns and statements, they ought to be thoroughly rooted in facts – not unfounded assertions that alarm and harm entire communities. Ecobat's neighbors and the wider communities throughout our region have the right to know and to trust that the available scientific evidence indicates the facility's operations do not pose a threat to its neighbors.

What Would Happen if Ecobat Ceased Operations in the City of Industry?

Lead is a toxic metal that can be harmful to children's health even at low exposure levels. Handling lead and recycling lead-based products like batteries must be done with the utmost care and highest possible containment standards.

Ecobat is proud to serve the crucial role of ensuring that over 10 million used car batteries generated every year in the United States (and nearly all generated in California) are safely recycled in an environmentally-sound manner.

- Without Ecobat, many car batteries and other dangerous lead-based products would be illegally disposed of in local landfills or shipped to other countries such as Mexico, China, and Korea. These countries have significantly lower environmental standards for lead recycling.
- Relative to Ecobat, the next closest U.S. lead-acid battery recycling facility is located in Missouri, which has significantly lower environmental and worker-safety standards than California. The shipment of these batteries out of state would also have significant negative environmental effects and result in higher costs for consumers.
- Demand and need for lead-acid battery recycling is expected to increase in the coming decades. Critical infrastructure and zero-emission vehicles depend upon lead-based batteries to operate, all of which will need to be recycled.

What Are the Details of the Recent DTSC Settlement Agreement?

In December 2022, DTSC and Ecobat entered into a settlement agreement to resolve past violations alleged by DTSC. While Ecobat continues to dispute many of DTSC's allegations, the settlement represents the final resolution of these disputes and provides for a path forward to address the small number of outstanding compliance issues related to DTSC's claims.

To be clear—none of the claims alleged by DTSC involved releases of hazardous waste, or any other environmental impacts from Ecobat's operations. And nearly all the violations alleged by DTSC in its complaint were fully addressed by Ecobat in the days following the original inspections. In fact, corrective action had been completed or was well underway prior to DTSC even filing its complaint. Claims that Ecobat has failed to implement corrective action to address DTSC's allegations are simply not true.

As part of the settlement, Ecobat has agreed to pay $1.15 million in civil penalties to DTSC and $1.15 million to two local non-profit organizations. These non-profits were vetted and recommended by DTSC based, in part, on their ability to focus the expenditure of funds on programs that will directly benefit the community near Ecobat's facility.

Safety is Ecobat's number one priority. We work to stay in compliance with all applicable regulations, and work to resolve any identified issues as promptly as possible. As part of the settlement, DTSC has acknowledged that many of the violations were minor in nature and have been properly reclassified as "Class 2" violations. In several instances, DTSC has dismissed alleged violations entirely.

In 2023, Ecobat committed to replace the facility's entire Containment Building floor area, including to install an enhanced leak detection system for the entire floor area. This commitment goes beyond the original settlement terms and constitutes a significant financial commitment to further improve the facility's operations beyond existing environmental standards. Ecobat has voluntarily agreed to memorialize this commitment by amending the judgment for court approval to make it a fully enforceable order by a court of law. Ecobat also supports the inclusion of future permit conditions requiring that the entire Containment Building floor be replaced and a new leak detection system be installed.

What Permit Changes is Ecobat Requesting?

1. DTSC Operating Permit

In March 2015, Ecobat submitted a timely application to renew its DTSC operating permit. Since submitting its original renewal application, Ecobat and DTSC have engaged in hundreds (if not thousands) of hours on the application, working collaboratively to ensure that the agency is provided with the technical information it needs to reach an informed decision on Ecobat's renewal application.

This permitting process is critical. In addition to ensuring that the permit conditions are updated to reflect current technology and regulations, Ecobat is seeking authorization to implement numerous environmental improvement projects and will significantly increase the amount of financial assurances it has in place to ensure funding for closure of the facility.

DTSC currently anticipates that issuance of its draft permit decision will occur in July 2024, followed by a public comment period and an expected final permit decision from DTSC in December 2024.

2. Dewatering Project

Ecobat has designed an improved process for managing and treating hazardous liquids generated during the battery recycling process (the "Dewatering Project"). Ecobat has applied to DTSC for authorization of the Dewatering Project on four separate occasions (the most recent permit modification request is pending). Each time it has applied, DTSC has authorized Ecobat to proceed with the project and has concluded that the Dewatering Project "results in a significant environmental improvement to the storage and treatment of the wrecker material, minimizing the risk of a release from the Containment Building, and resulting in a clear benefit to human health and environment." The Dewatering Project has been subjected to extensive regulatory review and extensive public engagement (including formal responses to public comments from DTSC).

Each time, however, DTSC's authorization has been halted by administrative appeals filed by the Clean Air Coalition of North Whittier and Avocado Heights' ("CAC"), which have challenged DTSC's authorizations largely on issues of regulatory procedure. Regrettably, lost amidst the relatively technical procedural issues in those appeals are two points on which all parties appear to agree: (1) protecting human health, safety, and the environment is of paramount importance and (2) the Dewatering Project will further protect human health, safety, and the environment. Indeed, CAC takes no issue with this fundamental point; however, as a result of the appeals, Ecobat is unable to operate this equipment, delaying the environmental benefit that will be realized once the dewatering equipment is allowed to operate. CAC most recently appealed DTSC's approval of a Temporary Authorization to the Board of Environmental Safety. Unfortunately, the Board granted the appeal, continuing to delay the clear benefit the dewatering equipment will provide. To make this environmental benefit a reality, Ecobat recently filed a Petition for Writ of Mandate in Los Angeles County Superior Court asking it to correct the Board's unlawful action and require the immediate reinstatement of the Temporary Authorization.

3. Capacity Upgrade Project

Ecobat has reached its SCAQMD throughput limit while demand for its recycling services has dramatically increased. Currently, if our facility reaches its daily tonnage limit, we must cease our daily operations, which can result in used batteries being diverted elsewhere (a negative environmental outcome that SCAQMD acknowledges). Given this, Ecobat is seeking to modify its Title V SCAQMD Permit to increase its throughput and hours to meet this demand.

This permit change will allow us to utilize additional capacity already available at our facility --- without any negative impact on employees, the community, or the environment. Through this permitting process, SCAQMD has conducted a multi-year environmental review, generating a Draft Environmental Impact Report (EIR) prepared in accordance with the California Environmental Quality Act (CEQA). Potential impacts to air quality and greenhouse gas emissions, energy, hazards and hazardous materials, hydrology and water quality, and transportation were evaluated in the Draft EIR and the analysis concluded that the proposed throughput increase would have less than significant impacts in each of these environmental topic areas. The Draft EIR was released for public review and comment in early 2022. SCAQMD and Ecobat are working to address public comments on the Draft EIR and otherwise finalize the EIR. A Health Risk Assessment (HRA) prepared for the project confirms SCAQMD's analysis that even after an increase in processing time per day, the facility would remain below the applicable health risk significance thresholds.