



South Coast Air Quality Management District

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*Office of the Executive Officer
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April 24, 2009

To Interested Parties:

Re: Gregg Industries, El Monte, California

I am writing to provide information regarding AQMD enforcement actions relating to the Gregg Industries metal foundry in El Monte, California. Neenah Industries, the parent company of Gregg Industries, recently decided to shut down the facility as a result of economic circumstances and reduced demand for the company's automotive products. The AQMD's involvement with this facility is a result of numerous and serious violations of air pollution rules that have continued to this month. The following is a description of those violations and AQMD actions:

Since January 2007, the AQMD has received 446 complaints from nearby residents about odors from the Gregg Industries facility. In response to these complaints, AQMD inspectors investigated and confirmed the odors and their source. By Fall 2008, these complaints, and resulting AQMD inspections, led the agency to issue eight notices of violation. The cited violations were for "public nuisance," as well as for violation of permit conditions and state and local air quality rules. This is an extraordinary number of complaints and citations for any type of facility. Community members also came to numerous public meetings held by the AQMD Governing Board to describe the significant impacts on their daily lives and health, and to request assistance.

Pursuant to standard practice, the agency then initiated enforcement action to remedy the problem, and to ensure an adequate deterrent against future violations by this or other companies. As you no doubt can appreciate, the District regularly confronts the challenge of having to balance the needs of public health protection and those of industry. In an effort to seek such balance in this case, in addition to numerous meetings and discussions my staff has had with Gregg's staff, I personally met with the CEO of Neenah Industries three times.

Cleaning the air that we breathe...

In late 2008, the AQMD and the company agreed to a settlement of the enforcement actions. Rather than requiring payment of a monetary penalty to the agency, the settlement required the company to upgrade its equipment so as to help ensure that future pollution impacts to the neighborhood would be prevented. AQMD viewed this as a remedy that would most effectively control emissions, and would provide *long-term* benefits for public health, the company, and its employees.

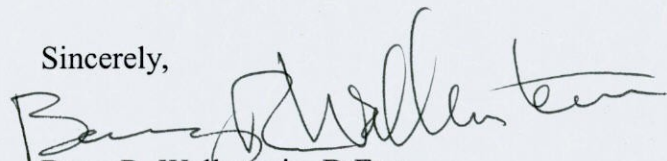
Despite the settlement agreement, public complaints about the facility recently escalated. AQMD received 24 complaints about Gregg Industries in the first three weeks of this month alone – more than three times the number of complaints regarding the facility in the last three months. Upon investigation, AQMD found that the company had not complied with terms of the settlement agreement, was violating permit conditions, and had discontinued use of an odor mitigation system despite continued operation of the associated polluting equipment. AQMD thereupon issued two notices of violation, one for public nuisance and one for violation of permit conditions. These violations are not covered by the fall 2008 settlement agreement.

The company's representatives have now pursued a letter-writing and media campaign of misinformation. The company's accusations regarding harassment or unfair treatment by AQMD field personnel are false and have no basis. Field inspection activities at the facility have been conducted in a professional manner by experienced staff using standard protocols. Their sole and necessary goals are to ensure compliance with air quality rules and a settlement that was agreed to by the company, and to protect public health.

Gregg publicly stated at the time that it announced its decision to shut down this facility that it was doing so as a result of the economy – a circumstance that unfortunately is not unique. Indeed, the company informed us that it will likely shut down other facilities in the U.S. due to the economy.

In closing, I want to assure you that the AQMD will continue to seek the proper balance in taking actions to protect public health, remedy serious air pollution violations such as those presented by Gregg Industries, ensure a level playing field for facilities that comply with air quality rules, and in creating a reasonable deterrent to future violations by this and other companies.

Sincerely,



Barry R. Wallerstein, D.Env.
Executive Officer