Deal reached with Vernon firm accused of releasing toxic emissions

Exide Technologies will set aside $7.7 million to pay for a new storm-water system and improvements to lower arsenic emissions.

By Jessica Garrison and Kim Christensen

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State regulators have reached a deal with a Vernon battery recycler accused of releasing toxic air emissions that may have threatened the health of more than 100,000 people, company and state officials said Monday.

Exide Technologies has agreed to set aside $7.7 million to pay for a new storm-water system and new filters and improvements to lower its arsenic emissions. The money will also fund previously announced tests for lead and arsenic in the soil and dust in the neighborhood around the plant, as well as voluntary blood tests for 250,000 people who might have been affected by emissions.

The deal means that the state Department of Toxic Substances Control will drop its effort to temporarily close the plant, which officials moved to do in March after reports that elevated arsenic emissions posed an increased cancer risk to 110,000 people from Boyle Heights to Maywood. Because Exide filed for bankruptcy protection this spring, the plan still must be approved by a judge in that case.

"We continue to strive to make our Vernon plant a premier recycling facility and consider the health and safety of the community and our workforce a top priority," Robert M. Caruso, Exide's chief executive, said in a statement. "Exide has taken aggressive steps to install new equipment at the plant and those efforts have paid off in substantially reducing emissions."

Brian Johnson, deputy director of the state's Hazardous Waste Program, called the agreement "a very productive first step.... This is a facility with a very checkered past, and we are aware of that past and
have crafted our inspection and enforcement presence to make ... sure they are operating in compliance, and if they are not, then we will take those appropriate steps."

He added: "Will it satisfy everyone in the community? I doubt it. But I think it will provide a pretty solid foundation."

Residents and elected leaders have been calling for the plant’s closure since the elevated cancer risk was revealed by the South Coast Air Quality Management District this spring. Even as community outrage has grown, Exide has continued to violate the air district’s rules on lead emissions. The most recent violation was issued last week.

Yana Garcia, a lawyer for Communities for a Better Environment, an environmental justice group in southeast Los Angeles, said she was "disappointed" that the Department of Toxic Substances Control had made a deal with Exide "with no community input." Her group had sought to intervene on behalf of residents in a legal action between Exide and the DTSC over the state's temporary closure order. But both sides have now moved to settle that dispute.

Garcia said she was exploring the possibility of intervening in bankruptcy court instead.

Bell City Councilman Nestor Valencia questioned whether the $7.7 million would be sufficient to address Exide's current problems with emissions, much less any long-standing damage to the environment and public health.

"We, as communities, ought to be cautious with any deals that are cut without our involvement," he said, adding that the lingering "vile, harmful effects" of lead and arsenic must be taken into consideration.

Some department critics praised the agreement, noting that it lays out specific deadlines and fines if those deadlines aren't met. It also requires the company to keep the cancer risk from its emissions below 10 in 1 million cases for workers and four in 1 million for nearby residents.

Liza Tucker, of Santa Monica-based Consumer Watchdog, called the agreement "a big improvement in terms of an approach to this company. The DTSC is actually going to impose penalties if the company doesn't do what it is supposed to do."

Tucker added that she was disappointed the company is not being asked to put up additional funds to clean up other problems, such as a slag pit that she said has contaminated groundwater. Especially, she noted, because the company recently obtained permission from the bankruptcy judge to pay $16 million in bonuses to key employees.

She and others also said that state officials could have avoided many of these problems had they regulated the facility more effectively in the past. Exide’s is the only hazardous waste plant in California that does not yet have a permit required by the landmark 1976 Resource Conservation and Recovery Act — intended to ensure the safe treatment, storage and disposal of hazardous waste.
"This case exposes deep flaws in our regulatory process," said state Sen. Kevin de León (D-Los Angeles), who plans to hold a public meeting Tuesday near Exide at Resurrection Catholic Church in Boyle Heights to discuss community concerns about the plant.

Exide is one of the world's largest recyclers of lead acid batteries. Its Vernon plant recycles about 25,000 batteries daily, or 8 million a year, according to the company's statement.

John Hogarth, Exide's plant manager in Vernon, said his company is "one of the best employers in the community, and we plan to keep it that way. Our average employee has been with us for more than 20 years, and many are the second generation in their families to work at the plant."

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