Draft NEGATIVE DECLARATION

PROJECT SPONSOR

Bay Area Air Quality Management District

PROJECT LOCATION

Schnitzer Steel Products Co. 1101 Embarcadero West Oakland, California 94609

PROJECT DESCRIPTION

Schnitzer Steel Products ("Schnitzer") operates a 26.5-acre automobile/appliance shredding facility for scrap metals, located at 1101 Embarcadero West in Oakland, California. Schnitzer is an appliance recycler certified by the California Environmental Protection Agency (Cal EPA) and the Department of Toxic Substances Control (DTSC). The scrap metal processed at the facility is bound for marine transport. The facility is located in a heavy industrial area surrounded by several other industrial facilities, railroad lines, and marine terminals.

In 2006, Schnitzer replaced the shredder at the facility with a new unit that was more efficient. The new shredder, identified as source S-6 Shredder by the Bay Area Air Quality Management District ("BAAQMD" or "the District") was installed and became operational on November 1, 2006, and it is currently in use at the facility. The S-6 Shredder is composed of multiple steel alloy hammers that are rotated by an electric motor and impacted against the material to be shredded. Infeed material consists primarily of automobile and white goods (i.e., appliances) that have been pre-processed to minimize the amount of hazardous fluids and non-usable metal content. The S-7 Infeed Conveyor is an electric-powered conveyor system that is loaded with infeed material by manually operated cranes, which is then fed into the shredder at a regulated mass rate.

The current Permit to Operate (PO) for the S-6 Shredder was issued by the District on April 26, 2007. The throughput limit in the current PTO is based on the 2005 throughput (431,471 tons in any consecutive 12-month period).

Schnitzer has submitted an application to the District requesting that the S-6 Shredder throughput limit be increased to 720,000 tons in any consecutive 12-month period, pursuant to BAAQMD Regulation 2, Rule 1, Section 404, to handle additional throughput due to inventory backlog, higher recycling and recovery rates from numerous sources, and an increase in worldwide demand for scrap metal processing.

DETERMINATION

Pursuant to the California Environmental Quality Act (Public Resources Code section 21000, *et seq*,), the District is the Lead Agency for the described project. The District has prepared an Initial Study (attached), and, on the basis of the study, has determined that the project will have a less than significant effect on the environment.

REVIEW PERIOD

Interested persons are invited to send written comments on the Negative Declaration or Initial Study to Juan Ortellado, Air Quality Planning Manager, Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, California, 94109 or to jortellado@baaqmd.gov. Such comments must be received by 5:00 pm on February 16, 2009. If you have questions about the project, please contact Dharam Singh at (415) 749-4714 or at dsingh@baaqmd.gov.