



QUEMETCO INC.

Approximately 10 million batteries are recycled at Quemetco annually, producing 120,000 tons of recycled lead for use in new products. The property has been used for recycling batteries since 1959.

The facility operates in three shifts, 24 hours per day, seven days per week, including weekends and most holidays.

Quemetco Inc.

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Quemetco: History and Operations

The Quemetco, Inc. (“Quemetco”) facility recycles used lead-based batteries from vehicles and other lead bearing scrap in order to re-claim lead and other recyclable materials. Quemetco is fully permitted to handle hazardous waste and operates under a RCRA Part B Permit that is issued by the California Department of Toxic Substances Control (“DTSC”). Quemetco is located on a 13-acre parcel along South 7th Avenue near the Pomona (State Route 60) Freeway designated for industrial use by the City of Industry. The facility is located in an area consisting predominantly of commercial and light industrial businesses with manufacturing operations surrounding the facility.

California has among the most stringent environmental requirements in the world. Quemetco is the cleanest lead recycling facility in the world and is committed to continuous improvement. Further, as part of the lead battery recycling industry, Quemetco serves an important role, ensuring that millions of used car batteries generated every year in the United States are safely recycled and not disposed of in local landfills or shipped to countries with significantly lower environmental standards for recycling.

Quemetco’s Employees

Quemetco employs approximately 250 full-time individuals. The facility is unionized, with Teamsters Local #986 representing a majority of the facility’s workforce. While hourly positions do not require a college degree, wages for unskilled labor range from \$22 to \$30 per hour and skilled workers may earn up to \$40 per hour. These wages include incentive pay for achieving certain safety, health, and environmental performance goals. Employees are required to utilize respirators and other safety equipment inside all processing and material handling buildings. Employees also undergo annual health screenings and regular blood testing to ensure the work environment does not adversely affect their health. The average tenure for Quemetco employees is 14 years, and many of the employees remain in their jobs for decades. Those with 45 years of service are awarded an automobile or truck. In the last ten years, five employees have achieved this milestone.

Quemetco's Reclamation Process

Approximately 85 percent of the lead refined at the plant is derived from spent lead-acid automotive batteries. The used automobile batteries are delivered to the facility in semi-truck trailers. All deliveries are visually inspected by facility personnel before off-loading to ensure that only recyclable lead products are present.

After delivery of the batteries, the batteries are crushed, and lead, plastic, and other materials are separated. Lead recovered during this separation process is smelted and refined.

The refined molten lead is poured into molds and cooled, forming lead ingots of various sizes. Recovered plastic components are sold to a plastic recycling facility.

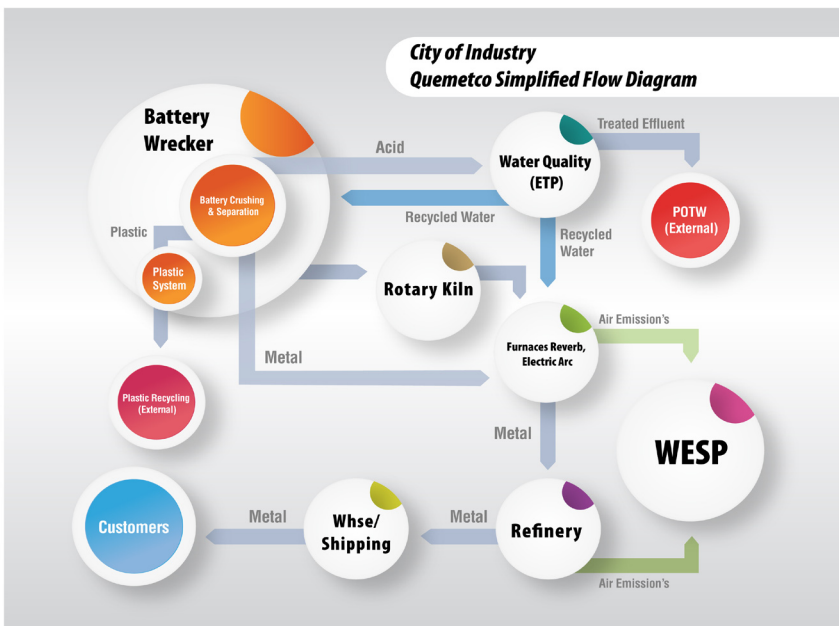
Quemetco Continuously Minimizes Its Environmental Impacts

Since 2008, Quemetco has invested close to \$50 million installing and maintaining new pollution control equipment and monitoring devices.

The Quemetco facility has multiple, state of the art environmental control and monitoring systems including:

- A **Wet Electrostatic Precipitator (“WESP”)** that Quemetco voluntarily installed in 2008 at a cost of over \$25 million. The WESP system dramatically reduces emissions of lead, arsenic and other hazardous air pollutants. (See “Pollution Control Technology” handout for additional, detailed information);
- A **Regenerative Thermal Oxidizer** – similar to an afterburner – was installed to destroy certain smog-forming organic compounds, also eliminating potential odors;
- **Air quality fence line monitoring** samples for lead and arsenic content are collected daily, analyzed by a third party laboratory and sent to the South Coast Air Quality Management District;
- **Upgrades** were made to ensure that all processing equipment operates under negative pressure to prevent materials from escaping into the air when doors are opened. In addition, liner-membranes are installed underneath the floors of the areas in which processing occurs;
- All water utilized during the lead recycling process is collected and treated on site in Quemetco’s **wastewater treatment system** prior to being reused

or discharged to a Los Angeles County water treatment plant.



Positive Economic Impacts

Direct and indirect economic impacts of Quemetco’s local operations include local jobs, tax payments, expenditures on materials, and revenue for local vendors, including an estimated \$1.3 million in annual property tax payments, \$700,000 in annual permitting fees, and \$13,000 in annual excise and sales taxes. Quemetco provides approximately \$100,000 per year of employee time, materials, and financial support to local community groups and organizations.