



INDEPENDENT LUBRICANT MANUFACTURERS ASSOCIATION

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March 5, 2009

Governing Board

South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, California 91765

RE: South Coast Air Quality Management District Proposed Rule 1144 –
Vanishing Oils and Rust Inhibitors

Dear Governing Board Members:

The Independent Lubricant Manufacturers Association (“ILMA”), subject to the two issues discussed below, supports the adoption at your March 6, 2009, meeting of Proposed Rule 1144, which will establish limits for vanishing oils and rust inhibitors used at industrial facilities, effective January 1, 2010.

Introduction of ILMA

ILMA, established in 1948, is a national trade association of 134 manufacturing member companies. As a group, ILMA member companies blend, compound and sell over 25 percent of the United States’ lubricant needs and over 75 percent of the metalworking fluids (“MWFs”) utilized in the country. A number of the Association’s members are headquartered or do business in the South Coast Air Basin. ILMA recognizes that Southern California is saddled with significant air quality challenges and appreciates the South Coast Air Quality Management District’s (“AQMD”) efforts to pursue multiple regulatory avenues under both federal and state mandates to improve air quality for its residents in the South Coast Air Basin.

MWFs are complex mixtures and their uses in working systems are even more variable. ILMA members manufacture and sell thousands of MWF formulations. AQMD staff recognizes this complexity and has made material accommodations in Proposed Rule 1144 since last summer. ILMA and its members greatly appreciate these accommodations, and we are committed to working with AQMD staff on the remaining issues discussed in the resolution language accompanying Proposed Rule 1144.

ILMA Supports Proposed Rule 1144 with One Technical Correction

ILMA and many of its members were actively involved in the rulemaking process on Proposed Rule 1144, including participation in workgroup and other

400 N. Columbus Street
Suite 201
Alexandria, VA 22314
phone: 703/684-5574
fax: 703/836-8503
email: ilma@ilma.org
web: www.ilma.org

meetings. ILMA is pleased that it is able to support the adoption of Proposed Rule 1144, which is intended to reduce volatile organic compound (“VOC”) emissions from vanishing oils and rust inhibitors used at industrial facilities during manufacturing operations where the fluids come in direct contact with the parts and products. Such operations would include metal working or metal removal activities during the manufacturing and assembly of products and goods.

The Association, in supporting Proposed Rule 1144, recommends one technical correction to paragraph (d)(2)(A): in the last line of that provision, insert the word “after” before the words “the effective date.” The clarification makes clear that the prohibition on manufacture and sale in (d)(2) will not be enforced prior to the effective dates on the use prohibitions in (d)(1). ILMA has received anecdotal information from several members that there may be some confusion with Proposed Rule 1144 by AQMD enforcement officers and regulated entities. This technical correction will eliminate this confusion and does not alter the intent of Proposed Rule 1144. (If a technical correction cannot be adopted at the March 6, 2009 hearing, ILMA is comfortable with AQMD staff stating for the rulemaking record that the prohibition on manufacture and sale is intended to have the same effective date as the use prohibitions.)

ILMA Will Continue to Work with AQMD Staff

As the Governing Board is aware, the initial AQMD staff proposal for Proposed Rule 1144 established VOC limits for direct-contact lubricants, general MWFs, vanishing oils and rust inhibitors. ILMA, its members, and other stakeholders demonstrated to AQMD staff a series of repeatability and reproducibility issues associated with SCAQMD Method 313L on various subject products. In response, AQMD staff bifurcated the rule as reflected in the draft resolution language that is part of the rulemaking “package” on Proposed Rule 1144.

Proposed Rule 1144 now will use EPA Method 24 to assure compliance for vanishing oils and rust inhibitors. The U.S. Environmental Protection Agency (“EPA”) makes clear on its website (<http://www.epa.gov/ttn/emc/methods/method24.html#aab>) that its Method 24 is for determining the VOC content of inks and coatings and may be applicable to industrial lubricants if used for surface coatings. Given the problems with EPA Method 24, ILMA and others suggested the use of alternative, more cost-effective test methods for testing VOC content, including Thermogravimetric Analysis (“TGA”).

ILMA is committed to work with AQMD and other interested stakeholders to determine the validity of TGA and SCAQMD Method 313L using approved ASTM methods (i.e., ASTM E-691), evaluating a screening tool for high water content samples, and, as appropriate, will assist in the development of VOC limits for direct-contact lubricants and MWFs at a

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later date. Assuming the Governing Board retains the resolution language, setting forth the AQMD's commitment to work with us and other interested stakeholders on these matters, then ILMA will support the adoption of Proposed Rule 1144 as presented to the Governing Board at its March 6, 2009 meeting.

Conclusion

Subject to the two items discussed above, ILMA is pleased to support Proposed Rule 1144. We would be remiss if we did not commend the AQMD staff, especially Mike Morris, for the significant outreach to affected parties during the rulemaking process and their commitment to crafting a regulation that will enhance air quality in the South Coast region.

Sincerely,

A handwritten signature in black ink that reads "Celeste Powers". The signature is written in a cursive, flowing style.

Celeste M. Powers, CAE
Executive Director

cc: ILMA Board of Directors
ILMA SHERA Committee
Jeffrey L. Leiter, Esq.
Adam B. Cramer, Esq.