

Dear Resident:

NASSCO is committed to protecting air quality and the community by safely managing emissions from our operations. We understand that you may have questions about the notice you received, so we wanted to provide some additional information about our facility, the risk assessment process, and the steps we have taken to reduce emissions.

About Health Risk Assessments

State law requires certain facilities, like manufacturers, medical facilities, water treatment plants, landfills, and cement plants to quantify and evaluate impacts from their air emissions using a process called a Health Risk Assessment (HRA). HRAs estimate the chance that a person may experience a health effect from exposure to chemicals based on a certain set of conditions and conservative assumptions.

While risk assessments can be used to estimate whether current or future chemical exposures can pose health risks to a broad population, they cannot predict actual health risks or be used to tell us if a particular health issue was caused by a chemical.

While any emission of toxic air pollutants is a concern to NASSCO, we want you to understand that the estimated risk discussed in this notice is based on a person who resides in one location and is continuously exposed to 2017 facility emission levels 24 hours a day, for 30 years. The risk estimates are computer-generated, based on the conservative assumption stated above and other assumptions of weather patterns and topography. Again, the risk number does not reflect actual cancer cases.

Results of NASSCO's most recent Health Risk Assessment

You are receiving this notice because the most recent HRA conducted by NASSCO, and approved by San Diego Air Pollution Control District (APCD), showed that facility emissions may increase the chances for nearby residents to get cancer by up to 0.0053%. San Diego APCD requires public notification when an HRA shows that a facility's emissions may increase the chances of getting cancer by 0.0010% or more.

The HRA showed that diesel engines account for most (68%) of the estimated risks. At the NASSCO facility, diesel engines have been used to power cranes, portable compressors, and emergency generators.

Actions Taken to Reduce Emissions

NASSCO has and will continue to implement measures aimed at reducing diesel emissions from the facility. NASSCO emission reduction measures to date have included:

- Widespread use of zero emission cranes in our production operations with more than 90% of the shipyard cranes powered by electricity.
- Installation of particulate filters and EPA certified engines on nine diesel-powered portal cranes
- Operation of all NASSCO diesel engines on renewable diesel fuel to reduce emissions of diesel particulate matter and greenhouse gasses
- Replacement of a stationary diesel-powered compressor with an electric compressor; and

- Implementation of requirements for contractors to use only zero or near-zero emission portable compressors when working in the shipyard.

NASSCO also implemented a number of strategies to reduce other chemical emissions and risks from the facility, including the use of EPA-recognized best management practices, like process or product modifications, and addition of filters to reduce emissions from welding. Additionally, NASSCO added a fully enclosed 66,000 square foot blast and paint facility equipped with advanced filtration systems to address particulate and painting emissions. These reduction measures have significantly reduced chemical emissions from the facility.

NASSCO will continue to evaluate and implement emission reduction measures, and provide all notifications required by the District.

For questions regarding the public notification process and NASSCO's Health Risk Assessment or emission reduction programs, please contact Sara Giobbi at 619-544-8764 or EnvironmentalInfo@nassco.com.