



September 30, 2002

VIA FACSIMILE AND FIRST CLASS MAIL

Mr. Steve Schliesser
Environmental Engineer
Division of Air Quality
1641 Mail Service Center
Raleigh, North Carolina 27699-1641

Re: Comments on Salisbury Air Quality Monitoring Study Dear

Mr. Schliesser:

On behalf of Associated Asphalt Salisbury, Inc. ("Associated Asphalt"), I am writing to provide comments regarding the "Salisbury Air Quality Monitoring Study" issued by the Division of Air Quality ("DAQ") on April 30, 2002. We appreciate the opportunity to comment on this important matter. The DAQ study reflects a significant degree of cooperation between Associated Asphalt and DAQ, particularly with regard to the exchange of emissions testing results and operational data during the study period.

The purpose of the DAQ study was "to determine whether the ambient air in the Milford Hill[s] area contains air pollutant concentrations imposing a health concern or a nuisance from their odor." (DAQ Study, p.1) Based on the data collected during the DAQ study, we believe that the ambient air in the Milford Hills area did not impose a health concern or nuisance odor during the study period.

The primary component of the study was the collection of ambient air monitoring data over the four-month study period. The report indicates that DAQ selected three locations for collection of ambient air quality data. One of these locations was located near the Milford Hills area (the "cul-de-sac" location). The other ambient monitoring sites were non-residential locations near the access road north of the Associated Asphalt property and the groundwater remediation projects southeast of the Associated Asphalt property.

At the cul-de-sac location, DAQ collected more than 2,300 ambient air samples over the four-month study period, and nearly 95% of the samples were below detection levels for hydrogen sulfide (< 1.25 ppb). Only four of the measurements exceeded 10 ppb, and the measured concentrations at the cul-de-sac never exceeded 25 ppb. Thus, the ambient monitoring data demonstrates that during the study period, the measured concentrations of hydrogen sulfide in ambient air at the cul-de-sac location were below North Carolina's current 1-hour acceptable

P.O. BOX 12626 • ROANOKE, VIRGINIA 24027 • (540) 345-8867 • FAX (540) 345-2470

www.associatedasphalt.com

ambient level ("AAL") of 1,500 ppb and the Scientific Advisory Board's recommended 1-hour level (40 ppb). Thus, we believe there is ample evidence to conclude that ambient air in the Milford Hills area does not constitute a health concern.

We understand that DAQ has forwarded the results of the Salisbury study to the North Carolina Department of Health and Human Services ("DHHS") and, based on the data provided by DAQ, DHHS has prepared a Risk Assessment. For your information, I have enclosed our comments that we provided to DHHS regarding the Risk Assessment document.

With regard to odor issues, Associated Asphalt is very concerned that the conclusions in the DAQ study are not supported by the data collected during the study period. For example, at the cul-de-sac location, none of the ambient air concentrations exceeded the "nuisance odor" level cited in the study by DAQ (40 ppb). Thus, we believe that there was not substantial evidence of a nuisance odor at the cul-de-sac location during the study period.

Despite the fact that levels of hydrogen sulfide measured at the cul-de-sac location were below the nuisance odor level, DAQ claims that hydrogen sulfide levels "very likely reached or exceeded odor nuisance levels on a periodic basis." (DAQ Study, p. 61) Yet DAQ also acknowledges that that "it remains speculative as to what peak levels of short-term exposure (less than 15-minute average) might have occurred in this area on any shorter timeframe." (DAQ Study, p. 59) Based on the extensive volume of data reported in the DAQ study, all of which appears to be below the nuisance odor level, we believe that it is inappropriate for DAQ to speculate about ambient air conditions that were not quantified during the monitoring study.

The report also states that "the liquid asphalt terminal is the primary contributor to the odor problem in the Milford Hills community." (DAQ Study, p. 61) We believe that the DAQ report reaches this conclusion without a valid scientific basis. In particular, because the ambient monitoring data do not demonstrate a nuisance odor, DAQ's conclusions about odor rely heavily on odor complaints and dispersion modeling. Although Associated Asphalt is unable to verify whether odor complaints based on subjective detection methods are valid, we can say that the dispersion modeling conducted by DAQ appears to have overestimated the ambient air impact in the Milford Hills area. Modeling is typically performed under conservative, worst-case conditions in order to predict ambient air impacts where actual monitoring data are not available. In this case, ambient monitoring data were available from the Milford Hills area. Indeed, the highest modeled hydrogen sulfide impact at the cul-desac site was 68 ppb, nearly three times higher than the highest measured concentration at the same location. Thus, we believe that the modeled concentrations resulted in overly conservative predictions of hydrogen sulfide concentrations.

Mr. Steve Schliesser
Environmental Engineer
Division of Air Quality

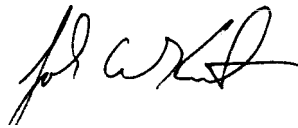
3

September 30, 2002

Finally, the DAQ study does not discuss the impact of mobile sources on ambient concentrations of hydrogen sulfide. In its analysis of VOC concentrations (Section 3.3.2), DAQ discussed the contribution of mobile sources, particularly vehicles traveling on Jake Alexander Blvd., which divides the Milford Hills area from the industrial facilities in the area. Vehicles are known sources of hydrogen sulfide emissions, yet DAQ did not account for these emissions in its analysis or explain why such emissions were not considered.

Thank you for your consideration of this important matter. If you have any questions regarding these comments, please contact me at (540) 345-8867.

Sincerely,

A handwritten signature in black ink, appearing to read "John W. Kirk, III". The signature is fluid and cursive, with a large initial "J" and "K".

John W. Kirk, III
President