1 Duane Morris LLP Viviana L. Heger, Bar No. 205051 2 VHeger@duanemorris.com 865 South Figueroa Street, Suite 3100 3 Los Angeles, California 90017-5450 Telephone: +1 213 689 7452 4 Facsimile: +1 213 403 5668 5 Attorneys for Petitioner, IPS Corporation 6 7 8 BEFORE THE HEARING BOARD OF 9 SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT 10 In the Matter of Case No. 6269-1 11 DECLARATION OF PRATAP N. IPS Corporation (Facility ID No. 800367) PADALKAR IN SUPPORT OF IPS 12 Petitioner, **CORPORATION'S PETITION FOR** SHORT VARIANCE 13 14 Hearing: March 25, 2025 Time: Consent Calendar 15 16 17 I, Pratap N. Padalkar, hereby declare: 18 19 1. I am the Environmental Health and Safety Director for the Weld-On Adhesives 20 facility located at 17109 S. Main Street, Gardena, California ("Main Street Facility" or 21 "Facility"). Weld-On Adhesives, Inc., is a subsidiary of IPS Corporation ("Petitioner" or "IPS"). 22 I have personal knowledge of the facts stated herein and, if called as a witness, could and would 23 testify competently thereto under oath. 24 2. I am familiar with the contents of the Petition for Short Variance ("Variance") that 25 IPS filed on March 12, 2025 ("Petition"). 26 3. This Declaration is submitted pursuant to District Hearing Board ("Board") Rule 27 4 in support of the Petition and for its consideration on the Board's Consent Calendar. 28

- 4. Copies of the relevant sections of the Permit to Operate ("Permit") are attached to the Variance Petition as Exhibit A (hereby renumbered Exhibit 1).
- 5. IPS hereby is re-numbering Petition Exhibits A through D to Exhibits 1 through 4, and adding variance conditions as Exhibit 5, as listed below:

Exhibit 1 Permit Excerpts

Exhibit 2 Manufacturer Guarantee

Exhibit 3 Notice of Violation

Exhibit 4 U.S. EPA Performance Test Calculation Guidelines

Exhibit 5 Variance Conditions

- 6. IPS owns and operates the Main Street Facility, which produces solvent cements and other products with low and ultra-low levels of volatile organic compounds ("VOCs"). The Facility packages and distributes low-VOC and ultra-low VOC Weld-On® solvent cements and other products for customers nation-wide and abroad. Weld-On was one of the first in the industry to offer environmentally responsible low-VOC solvent cements, primers, and cleaners, and in 2021 received the UL GREENGUARD GOLD Certification, demonstrating that IPS's low-VOC and ultra-low VOC products meet some of the world's most rigorous, third-party emission standards. Each time a low-VOC or ultra-low VOC Weld-On® product is used, it lowers VOC emissions during application as compared with other products.
- 7. IPS has filed the Petition to allow time to replace ceramic media in an emission control device while it remains in operation to control VOC from fill line, mixing, and storage operations at the Facility. IPS has also filed the Petition to allow time to conduct a source test on the emission control device.
- 8. The District supports IPS's plans to install new ceramic media in the RTO and conduct a new source test on the device ("Proposed Work").

9. The Proposed Work will enhance the performance of the RTO to achieve the 99 percent VOC destruction efficiency set forth in Condition 6 of the Permit. The Proposed Work will also allow the fill lines, mixers, and holding tanks to satisfy the Permit conditions that they remain connected to emission control that is in "full use."

- 10. The Petition pertains to the following equipment:
 - a. The Regenerative Thermal Oxidizer (Permit No. G10605) that serves as emission control for the Facility ("RTO");
 - b. Fill Line Nos. 3, 21, 22, and 23 (Permit Nos. M42127, G6402, G6404, G10603) ("Fill Lines);
 - c. Mixer Nos. MM-1 through MM-12 (Permit Nos. G6381, G12140, G12139, G12138, G6384, G6385, G12137, G6387, G6388, G6390, G6391, G6392) ("Mixers"); and
 - d. Holding Tank Nos. H-1 through H-5 (Permit Nos. G12141, F97834, F98735, F98736, F98737) ("Holding Tanks").
- The RTO is controlling 98.6% of VOC emissions; however, until the Proposed 11. Work is complete, Petitioner has no way to demonstrate that the RTO is achieving the 99% VOC efficiency set forth in the Permit and that the Fill Lines, Mixers, and Holding Tanks connected to the RTO are utilizing an emission control device in "full use."
- 12. As a result, IPS is in violation of District Rules 203(b) and 3002(c)(1) because current operations are in violation of the following Permit conditions:
 - a. RTO Condition No. 6 requires the RTO to be maintained and operated at an overall VOC control efficiency of 99%. The RTO control efficiency has recently been tested with a result of 98.6%.
 - b. Filling Line and Mixer Condition No. 3 prohibits the operation of the equipment unless it is vented to air pollution control which is in full use. The operation of the RTO at 98.6 % VOC control efficiency does not demonstrate

28

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full use.

- c. <u>Holding Tank Condition No. 4</u> prohibits the operation of the equipment unless it is vented to air pollution control which is in full use. The operation of the RTO at 98.6 % VOC control efficiency does not demonstrate full use.
- d. Administrative Condition Nos. E.3, E.4, and E.7 (applicable to the Fill Lines, Mixers, and Holding Tanks) The first sentence of Administrative Condition E.3 provides that Petitioner's Permit "does not authorize the emissions of contaminants in excess of those allowed by Division 26 of the Health and Safety Code of California or the Rules and Regulations of the AQMD." Condition E.4 in the Permit prohibits the use of equipment unless it is connected to air pollution control in full use. The first sentence of Administrative Condition E.7 provides that the Facility "shall maintain and operate all equipment to ensure compliance with all emission limits as specified in this facility permit." Petitioner requires relief from these conditions for the same reasons as those stated above for Conditions 3 and 4.
- 13. Compliance at this time is beyond IPS's reasonable control. The RTO was installed in 2008 with a performance guarantee from the manufacturer that stated:

"If all Performance Conditions are satisfied, the Equipment will reduce the concentration of hydrocarbons measured at the discharge stack of the Equipment as compared to the concentrations of hydrocarbons [including VOCs] measured at the inlet of Equipment by an average of 99% or down to 25 ppm as C1 in the stack."

(See Petition Exhibit 2 (formerly designated Exhibit B).) The manufacturer mandated as a performance condition that RTO No. G10605 be operated at 1,500 degrees Fahrenheit, which it has been based on my review of monitoring records related to temperature.

14. I have been involved in several activities related to the RTO within the last several

DUANE MORRIS LLP ATTORNEYS AT LAW LOS ANGELES a. <u>August 20, 2024</u> – A source test contractor that I retained performed a source test for nitrogen oxides ("NOx") and carbon monoxide ("CO") to determine compliance with District Rule 1147. However, during the test, the source test contractor also tested for VOCs, which IPS did not object to although neither the Permit nor any District rule requires source testing RTO No. G10605 for VOCs. This was the first source test for VOCs except following the RTO's installation.

- b. October 10, 2024 I received results of the source test, showing that the RTO operated with 98.6% control efficiency, which was good in IPS's view because (i) the source test contractor advised that IPS passed the source test and (ii) the U.S. EPA Performance Test Calculation Guidelines (attached as Petition Exhibit 4 (Exh. D)) typically evaluate compliance with rule and permit limits by rounding results such that, for example "90.639 would be rounded to 91" (Exh. 4, emphasis added.) U.S. EPA Performance Test Calculation Guidelines are available at www.epa.gov/emc/technical-information-document-024-memo-rounding-and-significant-figures.
- c. October 10, 2024 I provided the source test results to the District.
- d. <u>January 29, 2025</u> I received a maintenance report for the RTO's annual inspection recommending as routine maintenance replacement of the ceramic media and began to obtain vendor quotes for the replacement with plans to conduct work before the next inspection in 2026. The report did not find any malfunction with the device. The RTO continued to operate well based on daily inspections and did not show signs of any equipment malfunction.
- e. <u>February 13, 2025</u> To my surprise, I received Notice of Violation No. 64622 related to the RTO's 98.6% control efficiency. District Inspector Arely Gil Rojas informed me that a source test result of 98.6% was not deemed

compliant with the 99% control efficiency stated in Permit Condition No. 6. In response, I immediately expedited plans for the ceramic media replacement and initiated plans for re-testing. Also in response, IPS cured the other NOV items related to reporting and monitoring records.

- f. February 20, 2025 I and IPS's expert air quality consultant contacted Ms. Rojas and her supervisor, Frederic Chung, to discuss the NOV and the EPA policy. During that conversation, I learned that when a source test is involved, the District would not round 98.6% up to 99%.
- 15. IPS did not know prior to February 20, 2025 that the District definitively viewed the October 1, 2024 source test as evidence of non-compliance with Condition No. 6. IPS had not been required to perform ongoing periodic source testing for RTO VOCs in the past; therefore, the voluntary test results, while informative, were not a compliance requirement under the Permit or any District rule. Thus, it was beyond IPS's reasonable control to correct a deviation that IPS did not know existed. Just a few weeks earlier unrelated to the NOV IPS had already commenced plans to replace the ceramic media based on the January 29, 2025 maintenance report.
- 16. IPS has plans to achieve compliance expeditiously. To accomplish the Proposed Work and ensure safe access to the relevant equipment for contract and IPS workers, IPS must shut down the RTO and connected equipment. Two separate maintenance contracts are required one with a contractor who will use equipment to safely remove the existing ceramic media in place for the RTO and a second contractor who will provide the new ceramic media, which IPS will install. The ceramic replacement phase of the Proposed Work requires approximately three weeks' time to plan and implement. The work cannot be conducted until RTO No. G10605 is properly shut down and its normal operating temperature of 1,500 degrees Fahrenheit is lowered in a safe manner.
- 17. IPS has contracted with a source test provider to re-test RTO No. G10605 after the ceramic media has been replaced. Approximately two weeks' time is required for the source test

DUANE MORRIS LLP ATTORNEYS AT LAW LOS ANGELES results; therefore, Petitioner seeks this Variance through April 30, 2025 to provide adequate time for the Proposed Work.

- 18. Operation under the requested relief in the Petitions is not expected to result in a violation of Health and Safety Code 41700 or any other applicable emissions limits.
- 19. Denial of the Petition would cause irreparable harm to IPS with no corresponding benefit in emissions reduction, in that (a) the RTO is reducing emissions to maximum extent feasible, (b) denial of the Petition would treat IPS punitively for Proposed Work designed to reduce emissions further, and (c) IPS instead would be required to shut down the entire Main Street facility causing a risk of potential emissions during shut-downs and start-ups and causing a closing and taking of IPS's lawful business operations.
- 20. Denial of the Variance would cause significant harm as Petitioner will be engaged in expedited regular maintenance activities and replacements, all of which are necessary to ensure the good-operating condition of the RTO. The RTO is critical to Petitioner's business, and without safe and reliable operation of the RTO, Petitioner would be unable to comply with the good-operating conditions of its Permit and produce its low-VOC and ultra-low VOC products.
- 21. If the Main Street Facility were not allowed to conduct the maintenance activities as planned, the only remaining compliance option would be to shut down the Main Street Facility resulting in unplanned shutdowns which would result in losses in excess of \$1 million.

 Unplanned shutdowns of the Fill Lines, Mixers, and Holding Tanks would potentially cause excess emissions in violation of District rules and permit conditions and would pose a risk of adversely impacting Petitioner's ability to produce multiple products to meet contractual obligations. Thus, denying the Variance would result in the practical closing and elimination of Petitioner's lawful business.
- 22. IPS has considered curtailing or terminating operations in lieu of obtaining the requested Variance. Curtailing operations would not avoid the need for the requested Variance because any level of operation prior to completion of the Proposed Work is in violation of the 99% VOC control efficiency in the Permit and the conditions requiring full use of the RTO for

the Fill Lines, Mixers, and Holding Tanks. 23. During the Variance period, IPS will conduct daily monitoring and implement the variance conditions negotiated with the District, attached hereto as Exhibit 5. I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 18 day of March 2025, in the County of Los Angeles, State of California. Pratap N. Padalkar

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Petitioner's Exhibit No. 5

(Appended to Declaration of Pratap N. Padalkar)

Proposed Variance Conditions

IPS Corp (FID 800367)

HB Case #6269-1

- 1. Petitioner shall expedite the repairs and replacements (ceramic media for the Regenerative Thermal Oxidizer ("RTO"), Permit to Operate #G10605) by April 10, 2025 and notify the District (Arely Gil Rojas, AQ Inspector II, (arojas@aqmd.gov), Frederic Chung, Supervising AQ Inspector (fchung@aqmd.gov), and Senior AQ Engineer Christopher Gill (cgill@aqmd.gov) when repair/replacement is complete.
- 2. Petitioner shall notify the District (Arely Gil Rojas, AQ Inspector II, (arojas@aqmd.gov), Frederic Chung, Supervising AQ Inspector (fchung@aqmd.gov), and Senior AQ Engineer Christopher Gill (cgill@aqmd.gov) within 24 hours if Petitioner encounters an unforeseeable delay in meeting the April 10, 2025 milestone set forth in Variance Condition No. 1. The District shall not unreasonably withhold approval of an extension of time to meet an alternative milestone.
- 3. Petitioner shall complete the re-test (source test) of the RTO (Permit to Operate # G10605) by April 30, 2025 and notify the District (Arely Gil Rojas, AQ Inspector II, (arojas@aqmd.gov) and Frederic Chung, Supervising AQ Inspector (fchung@aqmd.gov) of test completion.
- 4. Petitioner shall notify AQ Inspector Arely Gil Rojas (<u>arojas@aqmd.gov</u>) and Supervising AQ Inspector Frederic Chung (<u>fchung@aqmd.gov</u>) via email within 24 hours of commencing work to replace the ceramic media on the RTO.
- 5. Petitioner shall notify AQ Inspector Arely Gil Rojas (arojas@aqmd.gov), Supervising AQ Inspector Frederic Chung (fchung@aqmd.gov), and Senior AQ Engineer Christopher Gill (cgill@aqmd.gov) via email 72 hours prior conducting the source test on the RTO.
- 6. Petitioner shall submit a complete source test report showing compliance to South Coast AQMD Source Testing (sourcetesting@aqmd.gov) and to AQ Inspector II Arely Gil Rojas (arojas@aqmd.gov), Supervising AQ Inspector Frederic Chung (fchung@aqmd.gov), and Senior AQ Engineer Christopher Gill (cgill@aqmd.gov) within 45 calendar days after the test date. Petitioner shall provide any preliminary source test results within 72 hours of Petitioner's receipt of any such results.

- 7. Petitioner shall request expedited review and processing of the Source Test Report to the South Coast AQMD by submitting the Expedited Evaluation Request Form 222-XST.
- 8. Petitioner shall pay all applicable fees to the Clerk of the Board or the variance shall be invalidated pursuant to Rule 303(k), except for excess emissions fees, which shall be paid within fifteen (15) days of notification in writing that the fees are due, unless otherwise ordered by the Hearing Board.
- 9. Petitioner shall notify the District via email to Arely Gil Rojas (Attn: arojas@aqmd.gov), Sheri Hanizavareh (Attn: shanizavareh@aqmd.gov) and the Clerk of the Hearing Board in writing when final compliance has been achieved.