

**PETITION FOR VARIANCE
BEFORE THE HEARING BOARD OF THE
SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

PETITIONER: HENKEL US OPERATIONS CORPORATION

CASE NO: _____

FACILITY ID: 157359

FACILITY ADDRESS: 20021 S Susana Rd

[location of equipment/site of violation; specify business/corporate address, if different, under Item 2, below]

City, State, Zip: Rancho Dominguez, CA, 90221

1. TYPE OF VARIANCE REQUESTED (more than one box may be checked; see Attachment A, Item 1, before selecting)

INTERIM SHORT REGULAR EMERGENCY EX PARTE EMERGENCY

2. CONTACT: Name, title, company (if different than Petitioner), address, and phone number of persons authorized to receive notices regarding this Petition (no more than two authorized persons).

Peter Saxton/Director of Plant Operations

Alphonso D. Graves/ SHE Manager

Zip

Zip

☎ (310) 678-0157 Ext.

☎ (310) 696-9726 Ext.

Office (562) 297-6735

Office (562) 543-6411

E-mail peter.saxton@henkel.com

E-mail Alphonso.graves@henkel.com

3. RECLAIM Permit Yes No

Title V Permit Yes No

Persons with disabilities may request this document in an alternative format by contacting the Clerk of the Board at 909-396-2500 or by e-mail at clerkofboard@aqmd.gov.

If you require disability-related accommodations to facilitate participating in the hearing, contact the Clerk of the Board at least five (5) calendar days prior to the hearing.

[ALL DOCUMENTS FILED WITH CLERK'S OFFICE BECOME PUBLIC RECORD]

4. **GOOD CAUSE:** Explain why your petition was not filed in sufficient time to issue the required public notice. (Required only for Emergency and Interim Variances; see Attachment A, Item 4)

The Regenerative Thermal Oxidizer (RTO) Combustion Chamber began to operate below the 1600 degree temperature specified in SCAQMD Permit for Henkel FACILITY ID: 157359, Permit No. 496380 on January 26, 2024. The RTO is required to continue to operate continuously due to Henkel's Rancho Dominguez facility importance, and in some instances the single, source for proprietary adhesives critically needed by customers in the defense, aerospace, medical/healthcare, and electronics industries. The site has many DPAS (Defense Priorities and Allocations System) rated orders which are required to be prioritized for national defense-related contracts throughout the U.S. supply chain in order to support military, energy, homeland security, emergency preparedness and critical infrastructure requirements.

Accordingly, this emergency petition is necessary to continue its critical DPAS operation.

5. Briefly describe the type of business and processes at your facility.

Manufacture of proprietary adhesives critically needed by customers in the defense, aerospace, medical/healthcare, and electronics industries.

6. List the equipment and/or activity(s) that are the subject of this petition (see Attachment A, Item 6, Example #1). **Attach copies of the Permit(s) to Construct and/or Permit(s) to Operate for the subject equipment. For RECLAIM or Title V facilities, attach *only* the relevant sections of the Facility Permit showing the equipment or process and conditions that are subject to this petition. You must bring the entire Facility Permit to the hearing.**

Equipment/Activity	Application/Permit No.	RECLAIM Device No.	Date Application/Plan Denied (if relevant)*
The Regenerative Thermal Oxidizer (RTO) Combustion Chamber began to operate below the 1600 degree temperature required in the Permit.	496380	C-45	

*Attach copy of denial letter

7. Briefly describe the activity or equipment, and why it is necessary to the operation of your business. A schematic or diagram may be attached, in addition to the descriptive text.

The Regenerative Thermal Oxidizer (RTO) Combustion Chamber began to operate below the 1600 degree temperature specified in SCAQMD Permit for Henkel FACILITY ID: 157359, Permit No. 496380 on January 26, 2024. The RTO is required to continue to operate continuously due to Henkel's Rancho Dominguez facility importance, and in some instances the single, source for proprietary adhesives critically needed by customers in the defense, aerospace, medical/healthcare, and electronics industries. The site has many DPAS (Defense Priorities and Allocations System) rated orders which are required to be prioritized for national defense-related contracts throughout the U.S. supply chain in order to support military, energy, homeland security, emergency preparedness and critical infrastructure requirements.

Accordingly, this emergency petition is necessary to continue the operation of the RTO in its critical DPAS operation.

8. Is there a regular maintenance and/or inspection schedule for this equipment? Yes No

If yes, how often: The inspections are done Annually Date of last maintenance and/or inspection July 2023

Describe the maintenance and/or inspection that was performed.

A comprehensive maintenance and inspection of the Regenerative Thermal Oxidizer (RTO) was conducted in July 2023, following a detailed 100-point checklist. This preventative measure aimed to ensure optimal performance, identify potential issues early, and prevent costly downtime.

Scope of Work:
The inspection covered various aspects of the RTO, including:

- Internal Components:
 - Visual inspection of the ceramic media bed for cracks, chips, or blockages.
 - Examination of the combustion chamber and burner system for signs of wear or damage.
 - Evaluation of the heat exchanger plates for thermal efficiency and potential fouling.
 - Assessment of valves, dampers, and actuators for proper operation and sealing.

9. List all District rules, and/or permit conditions [indicating the specific section(s) and subsection(s)] from which you are seeking variance relief (if requesting variance from Rule 401 or permit condition, see Attachment A). Briefly explain how you are or will be in violation of each rule or condition (see Attachment A, Item 9, Example #2).

Rule	Explanation
[RULE 205, 1-5-1990] C-42	
E193.5	The operator shall operate and maintain this equipment according to the following requirements:
	The combustion chamber temperature shall be maintained at a minimum of 1,600 degrees Fahrenheit whenever the equipment it serves is in operation.

10. Are the equipment or activities subject to this request currently under variance coverage? Yes No

Case No.	Date of Action	Final Compliance Date	Explanation

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11. Are any other equipment or activities at this location currently (or within the last six months) under variance coverage? Yes No

Case No.	Date of Action	Final Compliance Date	Explanation

12. Were you issued any Notice(s) of Violation or Notice(s) to Comply concerning this equipment or activity within the past year? Yes No

If yes, you must attach a copy of each notice. See attached.

13. Have you received any complaints from the public regarding the operation of the subject equipment or activity within the last six months? Yes No

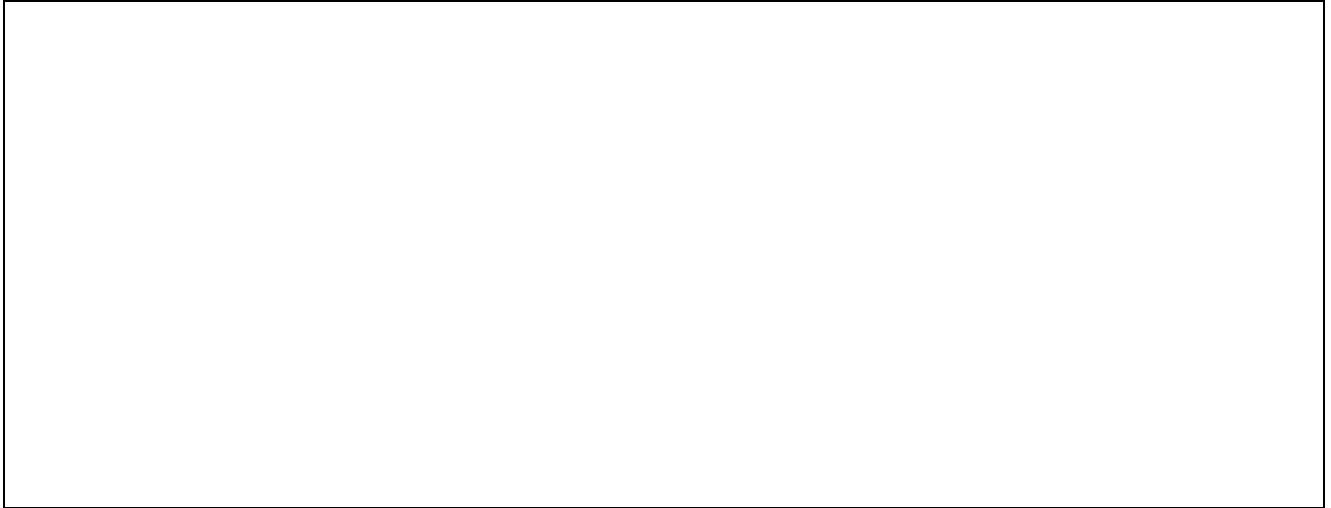
If yes, you should be prepared to present details at the hearing.

14. Explain why it is beyond your reasonable control to comply with the rule(s) and/or permit condition(s). Provide specific event(s) and date(s) of occurrence(s), if applicable.

The Regenerative Thermal Oxidizer (RTO) Combustion Chamber began to operate below the 1600 degree temperature specified in SCAQMD Permit for Henkel FACILITY ID: 157359 on January 26, 2024.

The Variance is required to continue to operate continuously due to Henkel's Rancho Dominguez facility importance, and in some instances the single, source for proprietary adhesives critically needed by customers in the defense, aerospace, medical/healthcare, and electronics industries. The site has many DPAS (Defense Priorities and Allocations System) rated orders which are required to be prioritized for national defense-related contracts throughout the U.S. supply chain in order to support military, energy, homeland security, emergency preparedness and critical infrastructure requirements.

Accordingly, this emergency petition is necessary to continue the operation of the RTO in its critical DPAS operation.



15. When and how did you first become aware that you would not be in compliance with the rule(s) and/or permit condition(s)? Provide specific event(s) and date(s) of occurrence(s).

On January 26, 2024, Henkel facility operations personnel notices that the Regenerative Thermal Oxidizer (RTO) Combustion Chamber began to operate below the 1600-degree temperature specified in SCAQMD Permit for Henkel FACILITY ID: 157359.

16. List date(s) and action(s) you have taken since that time to achieve compliance.

- Since its discovery on January 26, 2024, Henkel personnel have been attempting to raise the RTO temperature by the following actions:
- Visual inspection of the ceramic media bed for cracks, chips, or blockages.
- Examination of the combustion chamber and burner system for signs of wear or damage.

- Evaluation of the heat exchanger plates for thermal efficiency and potential fouling.
- Assessment of valves, dampers, and actuators for proper operation and sealing.

17. What would be the harm to your business during **and/or after** the period of the variance if the variance were not granted?

Economic losses: \$200,000/day delayed supply of essential adhesive products to critical industries as noted above.

Number of employees laid off (if any):_TBD dependent on length of outage_____

Provide detailed information regarding economic losses, if any, (anticipated business closure, breach of contracts, hardship on customers, layoffs, and/or similar impacts).

Delayed supply of essential adhesive products will cause hardship on customers, ultimately leading to breach of government & private contracts triggering financial penalties from those contractors.

18. Can you curtail or terminate operations in lieu of, or in addition to, obtaining a variance? Please explain.

Henkel's Rancho Dominguez facility is an important, and in some instances the single, source for proprietary adhesives critically needed by customers in the defense, aerospace, medical/healthcare, and electronics industries.

The site has many DPAS (Defense Priorities and Allocations System) rated orders which are required to be prioritized for national defense-related contracts throughout the U.S. supply chain in order to support military, energy, homeland security, emergency preparedness and critical infrastructure requirements.

Accordingly, Henkel cannot curtail or terminate operations in lieu of, or in addition to, obtaining a variance due to the above-noted reasons.

19. Estimate excess emissions, if any, on a daily basis, including, if applicable, excess opacity (the percentage of total opacity above 20% during the variance period). If the variance will result in no excess emissions, insert "N/A" here and skip to No. 20.

Pollutant	(A)	(B)	(C)*
	Total Estimated Excess Emissions (lbs/day)	Reduction Due to Mitigation (lbs/day)	Net Emissions After Mitigation (lbs/day)

* Column A minus Column B = Column C

Excess Opacity: _____ %

20. Show calculations used to estimate quantities in No. 19, or explain why there will be no excess emissions.

21. Explain how you plan to reduce (mitigate) excess emissions during the variance period to the maximum extent feasible, or why reductions are not feasible.

22. How do you plan to monitor or quantify emission levels from the equipment or activity(s) during the variance period, and to make such records available to the District? **Any proposed monitoring does not relieve RECLAIM facilities from applicable missing data requirements.**

Henkel plans to continue the operation of the facility emission monitoring equipment for the RTO during the variance. Such records are available to the District.

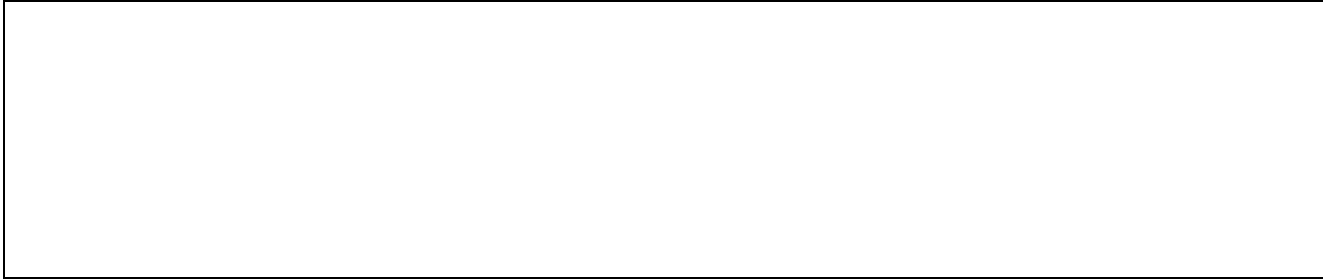
23. How do you intend to achieve compliance with the rule(s) and/or permit condition(s)? Include a detailed description of any equipment to be installed, modifications or process changes to be made, permit conditions to be amended, etc., dates by which the actions will be completed, and an estimate of total costs.

Henkel is actively investigating the cause of the recent dip in operating temperatures at the Rancho Dominguez plant. We anticipate completing the investigation within the coming week and will promptly implement any necessary repairs to ensure compliance with permit-mandated temperature levels. We remain committed to responsible environmental practices and will provide further updates as they become available.

24. State the date you are requesting the variance to begin: January 29, 2024; and the date by which you expect to achieve final compliance: March 1, 2024.

If the regular variance is to extend beyond one year, you **must** include a **Schedule of Increments of Progress**, specifying dates or time increments for steps needed to achieve compliance. See District Rule 102 for definition of Increments of Progress (see Attachment A, Item 24, Example #3).

List Increments of Progress here:



25. List the names of any District personnel with whom facility representatives have had contact concerning this variance petition or any related Notice of Violation or Notice to Comply.

Ext. _____

Ext. _____

If the petition was completed by someone other than the petitioner, please provide their name and title below.

Tim Swickard Lewis Brisbois LLP Legal Counsel
Name Company Title

The undersigned, under penalty of perjury, states that the above petition, including attachments and the items therein set forth, is true and correct.

Executed on January 29, 2024, at Sacramento, California



Signature

Tim Swickard

Print Name

Title: Legal Counsel

26. SMALL BUSINESS and TABLE III SCHEDULE A FEES: To be eligible for reduced fees for small businesses, individuals, or entities meeting small business gross receipts criterion [see District Rule 303(h)], you must complete the following:

Declaration Re Reduced Fee Eligibility

- 1. The petitioner is
 - a) an individual, or
 - b) an officer, partner or owner of the petitioner herein, or a duly authorized agent of the petitioner authorized to make the representations set forth herein.

If you selected 1a, above, skip item 2.

- 2. The petitioner is
 - a) a business that meets the following definition of Small Business as set forth in District Rule 102: SMALL BUSINESS means a business which is independently owned and operated and meets the following criteria, or if affiliated with another concern, the combined activities of both concerns shall meet these criteria:
 - (a) the number of employees is 10 or less; **AND**
 - (b) the total gross annual receipts are \$500,000 or less **or**
 - (iii) the facility is a not-for-profit training center.

-OR-

- b) an entity with total gross annual receipts of \$500,000 or less.

3. Therefore, I believe the petitioner qualifies for reduced fees for purpose of filing fees and excess emission fee calculations, in accordance with Rule 303(h).

I declare under penalty of perjury that the foregoing is true and correct.

Executed on _____, at _____, California

Signature

Print Name

Title

ATTACHMENT A

ITEM 1

Type of Variance Requested:

- (a) **SHORT:** If compliance with District rule(s) can be achieved in **90 days or less**, request a short variance. *(Hearing will be held approximately 21 days from date of filing--10-day posted notice required.)*
- (b) **REGULAR:** If compliance with District rule(s) will take **more than 90 days**, request a regular variance. If the variance request will extend beyond one year, you **must** include a specific detailed schedule of increments of progress [see Page 8, No. 24] under which you will achieve final compliance. *(Hearing will be held approximately 45 days from date of filing--30-day published notice required.)*
- (c) **EMERGENCY:** If non-compliance is the result of an unforeseen emergency, such as a sudden equipment breakdown, power failure, or accidental fire, you may request an emergency variance. You may request an *ex parte* emergency variance in addition to an emergency variance. **An emergency variance cannot be granted for more than 30 days.** *(Hearing will be held within 2 working days from the date of filing, whenever possible, excluding Mondays, weekends, and holidays.)* **If you request an emergency variance, you must answer No. 4 on page 1.**
- (d) **EX PARTE EMERGENCY:** If variance coverage is required on a weekend or when the Board is not in session, and you cannot wait until an emergency variance hearing can be held, you may request an *ex parte* emergency variance. An *ex parte* emergency variance will be granted or denied solely on the information contained in the petition and the District's response to the petition. Under most circumstances, an *ex parte* emergency variance will remain in effect only until a hearing can be held. **If you request an ex parte variance, you must answer No. 4 on page 1.**
- (e) **INTERIM:** If you require immediate relief (other than for emergencies) to cover the time until a short or regular variance hearing can be held, request an interim variance. If you request an interim variance, you must also request a short or a regular variance on the same petition. *(Hearing will be held approximately 2 working days from date of filing, whenever possible, excluding Mondays, weekends and holidays.)* **If you request an interim variance, you must answer No. 4 on page 1.**

ITEM 4

GOOD CAUSE: The Hearing Board is required to provide public notice of variance hearings, as the public has a right to attend and testify at such hearings. In order for the Hearing Board to hold an Interim, *Ex Parte* Emergency or Emergency Variance hearing without the required public notice, a petitioner must present facts which will support a determination by the Board that "good cause" exists to hear a variance without notifying the public about the variance and providing the public with an opportunity to present evidence concerning the variance.

ITEM 6

Example #1:

Equipment/Activity	Application/ Permit No.	RECLAIM Device No.	Date Application/Plan Denied (if relevant)*
Tenter frame		D32	
Chrome-plating tank	M99999		
Bake oven	123456		
Create special effects (fog)	N/A	N/A	N/A
Mfg., sale, distribution, use of non-compliant coating	N/A	N/A	12/10/95

ITEM 9

a) If you are requesting relief from Rule 401 and the excess opacity during the variance period will reach or exceed 40%, you should also request relief from California Health and Safety Code Section 41701.

b) If you are requesting relief from a permit condition(s), you should also request relief from the rule requiring compliance with conditions of the permit: 202(a), (b) or (c) - Temporary Permit to Operate; 203(b) - Permit to Operate; 2004(f)(1) – RECLAIM Permit; 3002(c) – Title V Permit.

Example #2:

Rule	Explanation
404(a)	tenter frame is vented to damaged air pollution control equipment
2004 (f)(1) [Condition No. 28-2 of Facility P/O No. 099999]	source test cannot be conducted as required until new ESP is installed
1113(c)(2)	petitioner manufactures and sells clear wood finishes with VOCs in excess of 350 grams per liter
401(a) & California H&S Code Section 41701	Opacity will exceed 45%.

ITEM 24

Example #3:

Sample Schedule of Increments of Progress

- Permit application(s) will be submitted to the District by [date].
- Contracts for the purchase of emission control systems will be awarded by [date].
- On-site construction will be completed by [date].

(Petition for Variance: Revised February 22, 2011)

English	<i>"If you require a language interpreter in order to participate in the hearing, contact the Clerk of the Board at least five (5) calendar days before your hearing at 909-396-2500 or by e-mail at clerkofboard@aqmd.gov. Specify the case name and number, hearing date, and the language for which you are requesting an interpreter."</i>
Farsi	"اگر برای شرکت در جلسه استماع به مترجم نیاز دارید، حد اقل پنج (5) روز تقویمی قبل از جلسه استماع، با منشی هیئت توسط شماره تلفن 909-396-2500 یا بوسیله نامه الکترونیکی با نشانی clerkofboard@aqmd.gov تماس بگیرید. نام پرونده و شماره آن، تاریخ جلسه استماع و زبانی را که برای آن مترجم درخواست کرده اید، مشخص کنید"
Arabic	"إذا كنت في حاجة لمترجم من أجل المشاركة في جلسة الاستماع، اتصل بكتاب المحكمة قبل موعد جلسة الاستماع بخمسة (5) أيام على هاتف 2500-396-909. حدد اسم ورقم القضية و تاريخ الاستماع واللغة التي تريد في clerkofboard@aqmd.gov 396-909 أو بالبريد الإلكتروني على مترجم لها."
Armenian	"Մեզ կհարկադրվի մասնակցելու Քամար, Էթե թարգմանչի կարիքն ունենաք, ցախքանց ձեր ունկնդրությունը, ամենաքիչն Քիմզ (5) օրացույցային օրից առաջ կապվեք Քամարի քարտուղարի հետ, 909-396-2500 հեռախոսահամարով կամ էլեկտրոնային ցամակով clerkofboard@aqmd.gov : Նշեք գործի անունն ու համարը, ունկնդրության թվականը, և լեզուն, որի համար թարգմանչի էք ցանկանում"
Vietnamese	"Nếu quý vị cần Thông Dịch Viên cho buổi điều trần, xin vui lòng điện-thoại cho Thư Ký Hội Đồng tại số 909-396-2500 trễ nhất là năm [5] ngày, không tính hai ngày Thứ Bảy và Chủ Nhật, trước buổi điều trần hoặc gửi điện thư đến clerkofboard@aqmd.gov . Nhớ ghi rõ tên và số hồ sơ, ngày điều trần, và ngôn ngữ quý vị cần có người để thông dịch."
Chinese	如果你要求翻譯來協助你參加聽證會，請在你的聽證會前至少提前五天（5個日曆日）打電話到909-396-2500或發電子郵件到 clerkofboard@aqmd.gov 與局裏的辦事人員聯絡。並且明確說明你的案子的名稱和號碼，聽證日期，以及你要求的翻譯的語種。
Japanese	公聴会（ヒアリング）に参加するために通訳が必要な場合、少なくとも5日前までに事務局（Clerk of the Board）にご連絡ください。電話でのご連絡は909-396-2500、e-メールでのご連絡は clerkofboard@aqmd.gov . までお願いします。その際、案件名（case name）と案件番号（case number）、ヒアリングの日付、通訳が必要な言語を特定して下さい。
Korean	"만약 귀하나 귀하의 증인들이 심리에 참여하기 위해 통역사가 필요하시면, 심리일 5일 전까지 기관부서의 서기에게 909-396-2500으로 연락하시거나, clerkofboard@aqmd.gov 로 연락 하십시오. 통역이 필요하신 사건의 이름, 심리날짜, 그리고 언어를 정확하게 말씀해 주십시오."
Spanish	Si usted requiere un intérprete para poder participar en la audiencia, favor de comunicarse con el Secretario de la Junta cuando menos cinco (5) días hábiles antes de su audiencia al teléfono (909) 396-2500 ó por correo electrónico al clerkofboard@aqmd.gov . Especifique el nombre y el número de su causa, la fecha de la audiencia y el idioma del cual está solicitando el intérprete.
Tagalog	"Kung kailangan ninyo nang interpreter sa Pilipino para makasali kayo sa pagdinig sa kaso, tumawag lang po kayo sa Clerk of the Board sa numero 909-396-2500 or kung hindi mag-email kayo sa email clerkofboard@aqmd.gov . Kailangan na tumawag kayo sa loob nang limang araw (5 days) bago ang inyong hearing date at ibigay and inyong pangalan at case number, araw nang inyong pagdinig sa kaso at inyong gusto na may languahe na interpreter".
Thai	หากคุณต้องการล่ามในการขึ้นศาล ให้ติดต่อเจ้าหน้าที่ล่วงหน้าอย่างน้อย 5 วันก่อนวันขึ้นศาล โดยติดต่อที่เบอร์โทร 909-396-2500 หรือโดยe-mailที่ clerkofboard@aqmd.gov ให้บอกชื่อและหมายเลขของคุณ พร้อมทั้งวันเวลาในการขึ้นศาล และระบุภาษาที่คุณต้องการล่าม