PETITION FOR VARIANCE BEFORE THE HEARING BOARD OF THE BAY AREA AIR QUALITY MANAGEMENT DISTRICT



HEARING BOARD BAY AREA AIR OUALITY MANAGEMENT DISTRICT

PETITIONER

Name: Caliber Holdings LLC,	Caliber Holdings LLC, d/b/a Caliber Collision Centers					
Check One:Sole Proprietor Company)	PartnershipX_Corporation (Limited Liability					
Government	_Non-Profit (specify)					
Mailing Address: 2941 Lake Vista Drive, Lewisville, TX 75067						
Phone number: 469-948-9497						
Email Address: regulatory@cal	regulatory@calibercollision.com					
Name, title, and phone number of person(s) authorized to receive notices (no more than two):						
Eric P. Berezin Senior Vice President, Legal & Regulatory Affairs 469-948-9497						
Briefly describe the type of business	or organization/agency activity:					

Auto body repair and refinishing

Are you a Small Business as defined in Health and Safety Code Section 42352.5(b)?

__Yes X No

Are you a public agency providing an "essential public service" as defined in Health and Safety Code Section 42352?

___Yes X No

VARIANCE REQUEST

Type of Variance Requested:

If you are selecting Interim Variance, you must also select a Short or Regular Variance to follow.

Interim	X Short	Regular	Emergency	Product	Group
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Good Cause: (Required only for Emergency and Interim Variances Explain why this Petition was not filed in sufficient time to issue the required public notice.)

OPERATION

Briefly describe the type of equipment or process that is the subject of this variance petition, and why it is necessary to your operation. Attach copies of the Permit(s) to Construct and/or Permit(s) to Operate for the subject equipment. For 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:

The Company is requesting a short-term variance to permit the use of a larger volume of Clean Up Solvent than authorized under the current permit. The solvent is an integral product in the collision repair process and is used for cleaning surfaces in preparation for painting and cleaning the spray guns in enclosed gun washers.

REGULATORY REQUIREMENTS

List all District Regulations, rules, and permit conditions that are the subject of this variance request. Identify all applicable subsections:

Reg 2 Rule 1 Sec 307, Condition 100002

INFORMATION FOR VARIANCE FINDINGS

Is there a regular maintenance and/or inspection schedule for this equipment?

___Yes X No

If yes, how often: _____

Date of last maintenance and/or inspection: __N/A_____

Was there any indication of problems with the subject equipment?

___Yes ___No N/A

Were you issued any Notice(s) of Violation or Notice(s) to Comply concerning the equipment or activity that are the subject of this variance request within the past year?

X Yes ___No

If yes, attach a copy of each notice. See Exhibit 1.

Have you received any complaints from the public regarding the operation of the subject equipment or activity within the last six months?

___Yes X No

If yes, be prepared to present detailed testimony about the nature of these complaints at the hearing.

Has this matter been the subject of previous variance requests?

No

If yes, provide date of hearing, type of variance, and Hearing Board decision:

N/A

Explain why it is beyond your reasonable control to comply with the regulations and permit conditions that will be the subject of this variance:

We have been working with our local operations team, environmental consultant, waste company, and paint supplier to evaluate the feasibility of reducing cleaning solvent usage in the short term while we wait for the amended permit to be processed

Despite our best efforts, we have been unable to identify any feasible way to reduce net cleaning solvent usage to below 300 gallons on a rolling 12-month basis.

If you are seeking a product variance, briefly describe how you attempted to locate, research, or develop a product that is in compliance with District rules and regulations:

N/A

When and how did you first become aware that you are not (or will not be) in compliance with the regulations, rules and/or permit conditions?

November 18, 2024 -See below.

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

November 18, 2024 – met with our environmental consultant to review the Notice of Violation.

November 20, 2024 – obtained usage data to revalidate the solvent usage and confirm all calculations were correct.

November 21, 2024 – discussed with our environmental consultant changes to operational processes to determine if any such changes were feasible. None were identified. Thereafter, the Company Initiated the application to modify its permit.

November 26, 2024 – submitted the application to modify the permit to BAAQMD to increase the permissible amount of solvent that can be used at this center.

December 1, 2024 – submitted the Company's response to the NOV to Mr. David Tabora together with a copy of the application to modify the permit.

December 5, 2024 – met with the Company's environmental consultant and local operations team to evaluate the feasibility of changing equipment to eliminate or significantly reduce total solvent usage. Nothing feasible was identified.

December 16, 2024 – paint manufacturer visited the facility to identify any workflow or process changes, if any, that could result in a reduction of the cleaning solvent usage. Nothing feasible was identified.

What would be the harm to your business, agency or organization if the variance is not granted?

Economic losses: Approximately \$2,000,000

Number of employees laid off, if any: Approximately 25

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

Given that the cleaning solvent has already been used, there is no way to adjust current usage to fall below the rolling 12-month threshold. Therefore, the only possible way to fall below the current 300-gallon limitation would be to close the center and totally suspend all operations for several months.

Can you curtail or terminate any operations in lieu of seeking a variance?

____Yes (provide brief explanation)

X No

Will any emissions occurring during the variance period result in odor, dust or smoke?

No, the cleaning solvent used is 100% acetone and 0 lbs./gal VOC.

If yes, identify the type and amount of these emissions; what you can do to monitor and mitigate those emissions; and the likely impact on the surrounding community.

N/A

Will any emissions occurring during the variance period result in excess opacity (total opacity above __%)?

No

If yes, identify the type and amount of these emissions; the likely duration of the excess opacity during the variance period; and what you can do to monitor and mitigate those emissions.

N/A

Estimate all other excess emissions that will occur on a daily basis during the variance period. Excess emissions are those that exceed rule and permit condition limits.

N/A – 0 lbs./gal cleaning solvent used.

Insert chart with columns for: Pollutant Total Estimated Excess Emissions (lbs./day) Reduction Due to Mitigation (lbs./day) Net Emissions after Mitigation (lbs./day)

Show calculations used to estimate quantities of excess emissions or explain why there will be no excess emissions:

N/A – 0 lbs./gal cleaning solvent used.

Briefly describe the measures that will be taken to mitigate excess emissions to the maximum extent feasible during the variance period, or explain why mitigation measures are not feasible:

N/A

How do you plan to monitor or quantify emissions levels from the equipment or operations during the variance period?

N/A

Will you provide information regarding emissions during the variance period in a manner and frequency as requested by the District?

X Yes ___No

COMPLIANCE

How do you intend to achieve compliance with the regulations and permit conditions that are the subject of the variance? Briefly describe any necessary process changes; equipment to be installed; or modifications to equipment or your facility. Identify whether authority to construct or a permit amendment will be necessary. Include dates by which you estimate actions will be completed and an estimate of total costs.

The Company has submitted an application to modify the current permit. The permitting team at BAAQMD estimates that the application will be processed within 40 days of the submission date.

List any operating conditions or increments of progress, if any, that you propose to include in the variance order. If the variance is to extend beyond one year, you must propose increments of progress:

None

State the date you are requesting the variance to begin:

November 18, 2024

State the date on which you will achieve final compliance:

February 1, 2025 (pending issuance of permit modification from BAAQMD)

List the names of any District staff with whom you or any of your staff or representatives have had contact concerning this variance petition or any related Notice of Violation or Notice to Comply. Include name, title and phone number:

Mr. David Tabora Air Quality Specialist Bay Area Air Quality Management District Mobile: 650.710.0626 | <u>dtabora@baaqmd.gov</u>

If this Petition was completed by someone other than the petitioner, provide their name and title:

The Company worked with Brandon Thomas, President of GMG EnviroSafe to prepare this Petition.

The following verification must be signed by the owner, manager, director, or other responsible party of the plant, business, factory, agency or organization requesting the variance:

I, the undersigned, hereby declare under penalty of perjury, under the laws of the State of California, that I have read the foregoing Petition, including attachments, and that their contents are true and correct.

Dated: December 24, 2024, at (location)_2941 Lake Vista Drive, Lewisville, TX 75067.

Print name: Eric Berezin

Signature: Sucher

Title: SVP, Legal & Regulatory Affairs