

**SAN JOAQUIN VALLEY AIR POLLUTION CONTROL DISTRICT
CENTRAL REGION
1990 E. Gettysburg Avenue
Fresno, CA 93726
(559) 230-6000**

STAFF REPORT

May 20, 2026

INTERIM VARIANCE

DOCKET No. C-26-09i

FACILITY: Baker Commodities, Inc.
PO Box 416
Kerman, CA 93630

LOCATION: 16801 W. Jensen Avenue
Kerman, CA 93630

RULE VIOLATION: 2010 – *Permits Required*
2070 – *Standards for Granting Applications*
2201 – *New and Modified Stationary Source Review*
2520 – *Federally Mandated Operating Permits*
4306 – *Boilers, Steam Generators, and Process Heaters – Phase 3*
4320 – *Advanced Emission Reduction Options for Boilers, Steam
Generators, and Process Heaters Greater than 5.0 MMBtu/hr*

PERMIT NUMBERS: See recommendations

EPA AIRS NUMBER: 06-019-C0072

NOV NUMBER: N/A

TYPE OF BUSINESS: Animal Rendering Plant

NATURE OF THE PROBLEM:

Baker Commodities, Inc. (BAKER) operates an animal rendering plant. Waste material from slaughterhouse(s) and dead stock from dairies and other stock yards is delivered to the facility, protecting live animals from extended exposure to dead stock and keeping it out of landfills (which is prohibited without declaration of state of emergency). Raw material is processed to produce meat and bone meal, tallow and other oil products.

BAKER processes over 3 million pounds of raw material weekly. Processing includes reducing the size of material, cooking, pressing and extracting oils to create the meat and bone meal. The facility operates 24 hours per day, 5-7 days per week to ensure that raw material is processed in a timely manner. Raw material must be processed within 24 hours of receipt, by permit condition, and to mitigate nuisance odor and any other health and safety concerns caused by decaying animal material.

BAKER has been in the process of upgrading its main boiler with a new boiler designed to meet the 2.5 ppm NO_x limit without a selective catalytic reduction (SCR). The boiler was installed under permit number C-72-13-4 and has been shut-down for the past eight months

due to ongoing operating issues. Although BAKER and the boiler's manufacturer have been working to troubleshoot, repair, and bring the boiler back on-line, BAKER is concerned that the new boiler will continue to have problems.

BAKER has been relying on a backup boiler operating under permit C-72-8-12 to provide steam, but the boiler's permit conditions limit the number of hours the boiler can operate per year via a 30,000 MMBtu per year heat input limit. BAKER is seeking an interim and regular variance so that it can rely on the backup boiler to continue operating at the facility. BAKER will continue to work to bring permit unit C-72-13-4 back to compliant operation. BAKER needs to be able to operate the backup boiler at levels necessary to fully operate at the facility.

PETITIONER'S REQUEST:

BAKER has requested an interim variance, to be followed by a regular variance to provide relief from the requirements of District Rules 2010, 2070, 2201, 2520, 4306, and 4320, in addition to the applicable conditions on the subject permits. The requested variance period would be from May 20, 2026, through June 18, 2026, inclusive, or until the petition for a regular variance can be heard. If granted, the variance would allow BAKER to continue to operate the backup boiler beyond the heat input limit of 30,000 MMBtu per year until permit unit C-72-13-4 is brought back to compliant operation.

EXCESS EMISSIONS:

Excess emissions have been calculated with a worst case scenario should any unforeseen issues arise during the variance. BAKER anticipates up to **940** pounds of excess NO_x, during the variance period. The District has reviewed the calculations and determined they are appropriate for the variance.

IMMEDIATE COMPLIANCE:

BAKER is currently in compliance.

COMMENTS ON REQUIRED FINDINGS:

To grant an interim variance, the Central Region Hearing Board must make a finding of good cause. The District believes the good cause determination shall be based on evidence presented to demonstrate that:

1. BAKER will be in violation of Section 41701 of the California Health and Safety Code (CH&SC), or of any rule, regulation or order of the District, or that such violation is imminent,
2. There is some certainty that the six prerequisite findings set forth in Section 42352 of the CH&SC can be made during the subsequent hearing for regular variance,
3. The circumstances leading to the violation could not reasonably have been avoided by BAKER, or anticipated in sufficient time to provide for public notice of the variance hearing, and

4. That BAKER exercised diligence in petitioning for the interim variance, which shall mean that BAKER filed a variance petition as soon as feasible after the time that BAKER knew, or should have known, that a variance would, more likely than not, be necessary.

ADDITIONAL COMMENTS:

A nuisance as defined in District Rule 4102 is not expected to occur as a result of this variance. Nor would continued operations likely create an immediate threat or hazard to public health or safety.

It should be noted that the US Environmental Protection Agency (EPA) which monitors major sources might not recognize this variance, should it be granted. BAKER should be aware that the EPA could take enforcement action on this matter if it deems such action is appropriate.

RECOMMENDATIONS:

Should the Central Region Hearing Board make the required findings and move to grant an interim variance to BAKER, the District would recommend the following conditions:

1. The variance shall be effective from May 20, 2026, through June 18, 2026, inclusive, or until the petition for the regular variance can be heard, whichever occurs first.
2. Variance relief shall be granted from the applicable requirements of District Rules 2010, 2070, 2201, 2520, 4306, and 4320, in addition to the following:
 - A. Condition 5 of permit C-72-0-4 and
 - B. Condition 5 of permit C-72-8-12.
3. The variance shall allow operation of the backup boiler beyond the heat input limit of 30,000 MMBtu per year until a new boiler is installed.
4. Excess NO_x emissions shall not exceed **940 pounds** over the duration of the variance period.
5. A Federal Title V Deviation Report shall be submitted to the District each time a Federal Title V permit condition is violated; within 10 days of discovery. The Deviation Report must be sent to the facility inspector.
6. Should the facility experience operational conditions likely to cause a public nuisance, BAKER shall cease the operations causing the problems and take all necessary actions to abate the problem immediately.

7. By July 3, 2026, or no later than 15 calendar days after the end of the interim variance, BAKER shall submit a summary report to the District. However, if the regular variance is granted, BAKER shall submit a summary report for the combined interim and regular variance period to the District in accordance with the time frame established by the regular variance. If the report due date should fall on a day the District is closed, it shall be due the next business day. The report shall include the following:
 - A. A summary of all work conducted and the actions taken to achieve compliance,
 - B. The total amount of excess emissions occurring during the variance period, and
 - C. The required certification of truth, accuracy, and completeness, signed by the designated responsible official of the municipality, as required by Sections 9.13.1 and 10.0 of District Rule 2520 – *Federally Mandated Operating Permits*.
8. The end of the variance summary report shall be submitted to the attention of:

Chris Kalashian
SJVAPCD, Compliance Department
1990 E Gettysburg Ave
Fresno, CA 93726
Telephone: (559) 230-6000
E-mail: chris.kalashian@valleyair.org
9. Failure to comply with any condition of this variance may render the variance null and void with the possibility of enforcement action taken that may include monetary penalties.