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6 Attorneys for Petitioner
7 American Nuts

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9 **BEFORE THE HEARING BOARD OF THE**
10 **SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT**

11 In the Matter of

Case No. 6279-1

12 AMERICAN NUTS,

DECLARATION OF JIM BUATTE FOR
AMERICAN NUTS TO THE HEARING
BOARD

13 [Facility I.D. No. 203361]

14 Petitioner,

Date: November 13, 2025
Time: Consent Calendar

15 vs.

16 SOUTH COAST AIR QUALITY MANAGEMENT
17 DISTRICT,

18 Respondent.

19
20 Petitioner American Nuts ("American Nuts") hereby submits this Declaration of Jim
21 Buatte, CEO/President, to the Hearing Board:

22 1. American Nuts, located at 12950 San Fernando Road in Sylmar, California,
23 operates a nut roasting facility. Petitioner roasts nuts and seeds using oil roasters and dry
24 roasters. Petitioner has operated in Sylmar, CA since the 1980s.
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1 2. The equipment that is the subject of this petition consists of two nut dry roasters,
2 DR2 and DR5. The equipment is operated pursuant to Facility Permit Nos. G80477 (DR2) and
3 G80480 (DR5), each dated July 17, 2025.

4 3. The recently-issued permits for nut dry roasters DR2 and DR5 impose (at
5 Condition 5 of the respective permits) throughput limits that are, in certain cases, orders of
6 magnitude lower than historic facility throughputs that the facility has operated at for decades.
7 Operating at the lower throughputs in the permits would force American Nuts out of business—it
8 is not financially viable to operate at the very low throughputs in the current permits.

9 4. American Nuts requires variance coverage to allow it to operate at permit limits
10 higher than the limits in its current permits. American Nuts further requires corresponding
11 adjustments to the daily fuel usage limits in its permits (at Conditions 7 and 8) to allow for
12 operation at the nut throughput levels granted by this variance.

13 5. With respect to nut dry roaster DR5, it is beyond American Nuts' reasonable
14 control to comply with Condition 5 of its current permit, setting a daily nut throughput limit of
15 1,340 lbs/day, as American Nuts has historically operated DR5 at a maximum throughput of
16 approximately 38,000 lbs/day. American Nuts needs to continue to operate at closer to this
17 throughput to maintain a viable business. American Nuts has binding contractual obligations
18 with both public and private sector customers. These include procurement agreements with state
19 agencies and Public Institutional Accounts groups, as well as ongoing supply commitments to
20 private label and branded retail customers. To meet these commitments, American Nuts requires
21 average daily production capacity of approximately 22,000 lbs at DR5.

22 6. American Nuts plans to (i) install a thermal oxidizer and remove the throughput
23 limit at DR5 (ii) retrofit DR5 with lower NOx burners so that the fuel usage limit is removed.
24 However, American Nuts' financial ability to install a thermal oxidizer and lower NOx burners is
25 dependent upon the issuance of a variance allowing American Nuts to continue operation at
26 higher-than-permitted nut throughput levels during the variance period while American Nuts
27 works with the District to modify its permit to increase throughput limits, obtain permits to
construct for a thermal oxidizer and lower NOx burners, and installs the new equipment.

1 7. As to nut dry roaster DR2, it is beyond American Nuts' reasonable control to
2 comply with Condition 5 (imposing a daily nut throughput of 0.67 tons) during the variance
3 period, as DR2 is the only roaster in which American Nuts is able to process certain products
4 (which require a lower heat and less browning to be saleable). Complying with Condition 5
5 would limit production of these products to well below historical levels and well below
6 American Nuts' contractual commitments. American Nuts requires time to amend its permit or
7 transition production of these products from DR2 to DR5.

8 8. If the variance were not granted and the current permit limits remain in place,
9 American Nuts would be forced to shut down its roasting operations, resulting in the layoff of
10 nearly the entire roasting team. Twenty-five or more employees, many of whom have been
11 working for American Nuts for many years, would lose their jobs.

12 9. In addition, the loss of roasting capacity would jeopardize American Nuts' ability
13 to fulfill key contracts, including those with U.S. government agencies and major private-sector
14 customers. If the variance were denied, I estimate that American Nuts would lose contracts
15 worth \$12 million to \$20 million per year if forced to shut down its roasting operations.

16 10. If the variance were denied, to keep even a portion of its retail business running,
17 American Nuts would be compelled to source finished goods from competitors and growers at
18 significantly higher cost, placing it at a severe competitive disadvantage. The resulting financial
19 strain could threaten the viability of American Nuts' entire business (which expands being the
20 roasting segment), risking the loss of up to 300 jobs.

21 11. To mitigate excess emissions, American Nuts is willing to agree as a condition of
22 the requested variance to shut down many of its dry roasters (specifically, dry roasters 1, 3, and
23 4) and to operate the remaining dry roasters at levels well below historic levels during the
24 variance period, significantly minimizing excess emissions.

25 12. American Nuts is also willing to commit to operate within the current fuel limits
26 on DR2 and DR5 (albeit applied on a monthly as opposed to daily basis), which will limit DR2
27 and DR5 emissions to approximately two-thirds of historic levels.

1 13. American Nuts is willing to monitor emissions during the variance period.
2 American Nuts has committed to installing fuel meters on DR2 and DR5 and understands it will
3 required to do so as a condition of this variance. American Nuts already ordered such fuel
4 meters. American Nuts will monitor fuel flow during the variance period, which will allow it to
5 measure NOx emissions from the roasters. American Nuts is also willing to monitor nut
6 throughput at DR2 and DR5 during the variance period. Such monitoring will allow for
7 estimating VOC emissions from the roasters.

8 14. The statements in the variance petition I signed in this matter, dated September
9 30, 2025, as well as the materials I provided with such petition, remain true and accurate, and I
10 incorporate them by reference herein.

11 **FOR AMERICAN NUTS:**

12 Dated: November 7, 2025

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14 DocuSigned by:
15 By: Jim Buatte
16 419B0254D3AB439...
17 Jim Buatte
18 CEO/President
19 American Nuts
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