UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
1595 Wynkoop Street
DENVER, CO 80202-1129
Phone 800-227-8917
http://www.epa.gov/region08

February 6, 2012

Ref: 8P-AR

Ed Thatcher
Vice President, Engineering
Deseret Power
10714 South Jordan Gateway
South Jordan, UT 84095

Re: Request to Update Part 71 Initial Operating Permit Application V- OU-0004-00.00

Dear Mr. Thatcher:

The U.S. Environmental Protection Agency (EPA) is requesting that Deseret Power submit an update to its application for a Part 71 Title V initial operating permit for the Bonanza power plant. The original application was received in March of 2000. Minor revisions and clarifications to the application were received on the following dates:

- November 14, 2001 (addition of sludge conveyor system)
- January 29, 2002 (forms submitted for acid rain permit renewal)
- February 13, 2002 (change to SO_2 emission calculations for auxiliary boiler)
- February 26, 2002 (clarifications re: 40 CFR part 68 and part 60 subpart Y)
- May 30, 2002 (DG&T's comments on pre-draft of operating permit)

On August 15, 2002, we transmitted a draft initial Part 71 permit to Deseret Power and, at the same time, made the draft permit available for 30-day public comment. We now wish to update the draft permit and make it available again for public comment, in an effort to finalize the permit. In order to ensure we have the most current information, we are requesting that the application be updated. The application must represent current conditions at the Bonanza plant and provide a detailed description of federal requirements that currently apply.

Please provide <u>your</u> review of all applicable and potentially applicable requirements, as they may or may not apply to your facility <u>at the present time</u>. For requirements that do not apply, please state why each requirement does not apply. Requirements that apply or potentially apply include, but may not be limited to, the following:

40 CFR 52 – Prevention of Significant Deterioration
40 CFR 60 – Standards of Performance for New Stationary Sources
40 CFR 61 – National Emission Standards for Hazardous Air Pollutants
40 CFR 63 – National Emission Standards for Hazardous Air Pollutants for Source Categories
40 CFR 64 – Compliance Assurance Monitoring (CAM)
40 CFR 68 – Chemical Accident Prevention
40 CFR 82 – Stratospheric Ozone and Climate Protection

Please provide an updated estimate of the plant's potential-to-emit (PTE), for each air pollutant regulated under the Clean Air Act, and include all appropriate supporting calculations and emission factors.

Please also sign and submit the following two Part 71 permit application forms:

Certification of Truth, Accuracy and Completeness (CTAC)
Initial Compliance Plan and Compliance Certification (I-COMP)

A copy of these two forms is enclosed with this letter. The forms may also be found on EPA's website at:

http://www.epa.gov/oaqps001/permits/p71forms.html.

When submitting your updated PTE estimate, please fill out and submit the Part 71 form titled "Potential to Emit Summary (PTE)." A copy of that form is also enclosed with this letter.

This request for an updated application is being made under the following authority:

Duty to provide additional information: If, while processing an application that has been determined or deemed to be complete, the permitting authority determines that additional information is necessary to evaluate or take final action on that application, it may request such information in writing and set a reasonable deadline for a response. The source's ability to operate without a permit, as set forth in §71.7(b), shall be in effect from the date the application is determined or deemed to be complete until the final permit is issued, provided that the applicant submits any requested additional information by the deadline specified by the permitting authority. (40 CFR 71.5(a)(2))

Duty to supplement or correct application: Any applicant who fails to submit any relevant facts or who has submitted incorrect information in a permit application shall, upon becoming aware of such failure or incorrect submittal, promptly submit such supplementary facts or corrected information. (40 CFR 71.5(b))

We are requesting a response within sixty (60) days of the date of this letter. Thank you for your cooperation. If you have any questions, please feel free to contact me at 303-312-6416, or you may contact Mike Owens of my staff at 303-312-6440.

Sincerely,

Carl Daly, Director
Air Program

Enclosures (3)

United States Environmental Protection Agency

OMB No. 2060-0336, Approval Expires 04/30/2012

Federal Operating Permit Program (40 CFR Part 71)

CERTIFICATION OF TRUTH, ACCURACY, AND COMPLETENESS (CTAC)

This form must be completed, signed by the "Responsible Official" designated for the facility or emission unit, and sent with each submission of documents (i.e., application forms, updates to applications, reports, or any information required by a part 71 permit).

A. Responsible Official

Name: (Last) _____ (First) _____ (MI) ____

Title _____

Street or P.O. Box _____

City _____ State _____ ZIP _____ - _____

Telephone (____) _____ - _____ Ext. _____ Facsimile (____) _____ - _____

B. Certification of Truth, Accuracy and Completeness (to be signed by the responsible official)

I certify under penalty of law, based on information and belief formed after reasonable inquiry, the statements and information contained in these documents are true, accurate and complete.

Name (signed) _____

Name (typed) _____ Date: _____ /_____ /_____

INSTRUCTIONS FOR CTAC
CERTIFICATION OF TRUTH, ACURACY, and COMPLETENESS

This form is for the responsible official to certify that submitted documents (i.e., permit applications, updates to application, reports, and any other information required to be submitted as a condition of a permit) are true, accurate, and complete.

This form should be completed and submitted with each set of documents sent to the permitting authority. It may be used at time of initial application, at each step of a phased application submittal, for application updates, as well as to accompany routine submittals required as a term or condition of a permit.

Section A - Title V permit applications must be signed by a responsible official. The definition of responsible official can be found at ' 70.2.

Section B - The responsible official must sign and date the certification of truth, accuracy and completeness. This should be done after all application forms are complete and the responsible official has reviewed the information. Normally this would be the last form completed before the package of forms is mailed to the permitting authority.

United States Environmental Protection Agency

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Federal Operating Permit Program (40 CFR Part 71)

POTENTIAL TO EMIT (PTE)

For each unit with emissions that count towards applicability, list the emissions unit ID and the PTE for the air pollutants listed below and sum them up to show totals for the facility. You may find it helpful to complete form **EMISS** before completing this form. Show other pollutants not listed that are present in major amounts at the facility on attachment in a similar fashion. You may round values to the nearest tenth of a ton. Also report facility totals in section **J** of form **GIS**.

Emissions Unit ID	Regulated Air Pollutants and Pollutants for which the Source is Major (tons/yr)						
	NOx	VOC	SO2	PM10	CO	Lead	HAP

FACILTY TOTALS

INSTRUCTIONS FOR PTE
POTENTIAL TO EMIT

Calculate the total PTE for each air pollutant at the facility for purposes of determining major source applicability.

On each line (row) in the table provided, enter the emissions unit ID and the quantity of each air pollutant identified on the form. If form **EMISS** was prepared previously, simply copy the emission values (or stipulations to major source status) contained on those forms to this form. You may round to the nearest ton.

Applicants may stipulate to major source status for an air pollutant and, thereby, avoid detailed PTE calculations. If a unit emits in major amounts, enter "MU" in the column for that air pollutant. If the facility is a major source for a pollutant but the emissions unit in question does not trigger major source status, enter "MS" in the space provided. If a listed pollutant is emitted at a unit but PTE cannot be calculated based on readily available information, enter "UN" (for "unknown") in the space provided. If the source is a major source for air pollutants not represented by columns on this form, please provide an attachment stipulating major source status or the calculation of the total for that air pollutant. The column for lead is for elemental lead regulated by a NAAQS, while compounds of lead are HAP.

The total line is provided at the bottom of each column to enter the total facility-wide PTE for applicability purposes (or stipulations to major source status) for each air pollutant reported above. Enter these totals, as well as the total PTE and the name of the HAP emitted in the greatest amount, in section J of form **GIS**.

Only include emissions or emissions units on form **PTE** that count toward major source applicability. Some of the emissions units for which form **EMISS** may have been prepared may not have emissions that count towards major source applicability or may have been included in order to calculate fees. In particular, fugitive emissions are not always included in major source applicability determinations for non-HAP. However, for major source determinations for HAP, all fugitive HAP must be included.

END

United States Environmental Protection Agency

OMB No. 2060-0336, Approval Expires 04/30/2012

Federal Operating Permit Program (40 CFR Part 71)

INITIAL COMPLIANCE PLAN AND COMPLIANCE CERTIFICATION (I-COMP)

SECTION A - COMPLIANCE STATUS AND COMPLIANCE PLAN

Complete this section for each unique combination of applicable requirements and emissions units at the facility. List all compliance methods (monitoring, recordkeeping and reporting) you used to determine compliance with the applicable requirement described above. Indicate your compliance status at this time for this requirement and compliance methods and check "YES" or "NO" to the follow-up question.

Emission Unit ID(s):

Applicable Requirement (Describe and Cite)

Compliance Methods for the Above (Description and Citation):

Compliance Status:

___ In Compliance: Will you continue to comply up to permit issuance? ____Yes ____No

___ Not In Compliance: Will you be in compliance at permit issuance? ___Yes ___No

___ Future-Effective Requirement: Do you expect to meet this on a timely basis? ____Yes ____No

Emission Unit ID(s):

Applicable Requirement (Description and Citation):

Compliance Methods for the Above (Description and Citation):

Compliance Status:

___ In Compliance: Will you continue to comply up to permit issuance? ____Yes ____No

___ Not In Compliance: Will you be in compliance at permit issuance? ___Yes ___No

___ Future-Effective Requirement: Do you expect to meet this on a timely basis? ____Yes _____No

B. SCHEDULE OF COMPLIANCE

Complete this section if you answered "NO" to any of the questions in section A. Also complete this section if required to submit a schedule of compliance by an applicable requirement. Please attach copies of any judicial consent decrees or administrative orders for this requirement.

Unit(s)_____ Requirement_____

Reason for Noncompliance. Briefly explain reason for noncompliance at time of permit issuance or that future-effective requirement will not be met on a timely basis:

Narrative Description of how Source Compliance Will be Achieved. Briefly explain your plan for achieving compliance:

Schedule of Compliance. Provide a schedule of remedial measures, including an enforceable sequence of actions with milestones, leading to compliance, including a date for final compliance.

Remedial Measure or Action	Date to be Achieved

C. SCHEDULE FOR SUBMISSION OF PROGRESS REPORTS

Only complete this section if you are required to submit one or more schedules of compliance in section B or if an applicable requirement requires submittal of a progress report. If a schedule of compliance is required, your progress report should start within 6 months of application submittal and subsequently, no less than every six months. One progress report may include information on multiple schedules of compliance.

Contents of Progress Report (describe):

First Report____/____/___ F requency of Submittal_____

Contents of Progress Report (describe):

First Report____/____/___ F requency of Submittal_____

D. SCHEDULE FOR SUBMISSION OF COMPLIANCE CERTIFICATIONS

This section must be completed once by every source. Indicate when you would prefer to submit compliance certifications during the term of your permit (at least once per year).

Frequency of submittal_____ Beginning____/____/____

E. COMPLIANCE WITH ENHANCED MONITORING & COMPLIANCE CERTIFICATION REQUIREMENTS

This section must be completed once by every source. To certify compliance with these, you must be able to certify compliance for every applicable requirement related to monitoring and compliance certification at every unit.

Enhanced Monitoring Requirements: ____ In Compliance ____ Not In Compliance

Compliance Certification Requirements: ____ In Compliance ____ Not In Compliance

INSTRUCTIONS FOR I-COMP
INITIAL COMPLIANCE PLAN AND COMPLIANCE CERTIFICATION

Section A (Compliance Status and Compliance Plan)

Description of Applicable Requirement: Complete Section A for each unique combination of applicable requirements (emission limitations, standards or other similar requirements of federal rules, SIP, TIP, FIP, or federally-enforceable permits) that apply to particular emissions units. You will likely have to complete this section numerous times to include all requirements at all emission units.

The emissions unit ID(s) should be the ones defined in section I of form GIS. If the requirement, including compliance method, applies in the same way to multiple emission units, you may list multiple units for a particular requirement.

The descriptions here should be detailed to the individual requirement level, rather than the standard level (if a MACT applies to you, describe each requirement of the MACT, rather than just a citation to the MACT as a whole). If the requirement imposes a particular numerical limit or range, include that in your description.

Citations to the requirements should unambiguously identify the requirement to the lowest level necessary.

Compliance Methods: List all compliance methods (monitoring, recordkeeping and reporting) you used to determine compliance with the applicable requirement described above. Such methods may be required by the applicable requirements or performed for other reasons. List all compliance methods required by applicable requirements, whether you used them to determine compliance or not.

To describe monitoring, indicate the monitoring device, the equipment, process, or pollutant monitored, averaging time, frequency, and a citation or cross-reference to the requirement. To describe recordkeeping, describe the records kept, the frequency of collection, and include a citation or cross-reference to the requirement. Please indicate whether monitoring data, results, or other records kept for compliance purposes may be kept on-site rather than reported. To describe reporting requirements, describe what is reported, when it is reported, and cite or cross-reference the requirement.

The citation or cross-reference here must unambiguously identify the requirement to the lowest level necessary.

Note that Compliance Assurance Monitoring (CAM) under part 64 is also an applicable requirement that may impose compliance methods for title V sources and require the submittal of a CAM plan with this application. Also note that periodic monitoring (which may be monitoring or recordkeeping designed to serve as monitoring) under part 71 may be required in certain limited circumstances: when there is no monitoring required, monitoring is required but there is no frequency specified, or only a one-time test is required. You may propose periodic monitoring in your application, but the permitting authority will make the final decision. If you wish to propose periodic monitoring, please do so in an attachment that clearly identifies the requirements, the units they apply to, and what you propose for periodic monitoring.

Compliance Status: For each requirement and associated compliance methods described above, indicate whether you are in compliance, not in compliance, or it is a future-effective requirement (only check one). This is with respect to your compliance status at the time of application submittal. You should consider all available information or knowledge that you have when evaluating your compliance status, including reference test methods and other compliance requirements that are required directly by a statute, regulation, or permit and Acredible evidence@ (e.g., non-reference test methods and other information Areadily available@ to you and already being utilized by you). For each compliance status indication, you must answer "YES" or "NO" as to your expectations for continuing (or future) compliance. If you answer "NO" to any of these questions, you will have to complete the schedule of compliance section (section B).

Section B (Schedule of Compliance)

Complete this section if you answered ANO@ to any of the questions in section A. Regardless of how you answered the questions in section A, complete this section if required to have a schedule of compliance by an applicable requirement, or if a judicial consent decree or administrative order includes a schedule of compliance.

Identify the applicable requirement using the same information you used in section A. Provide a brief explanation of the reason for noncompliance (either now or in the future). [e.g., "do not have control device required as BACT."] Next, provide a brief description of what the schedule of compliance is trying to achieve. Then in the table provided, include a detailed schedule of remedial measures, including an enforceable sequence of actions with milestones, leading to compliance with the applicable requirement. This schedule shall resemble and be at least as stringent as that contained in any judicial consent decree or administrative order to which the source is subject. Any such schedule of compliance must be supplemental to, and not sanction noncompliance with, the applicable requirements on which it is based. For each remedial measure, provide the date by which the action will be completed. This schedule or one approved by the permitting authority will be included in the permit.

Lastly, attach a copy of any judicial consent decrees or administrative orders for which you are providing a schedule of compliance.

Section C (Schedule for Submission of Progress Reports)

If you must submit one or more schedules of compliance (specified in section B), or if an applicable requirement requires submittal of a progress report, complete this section. Progress reports describe your progress in meeting the milestone dates for the remedial measures required by the schedule of compliance. Progress reports must be submitted at least every 6 months, but specific applicable requirements may require them more frequently. One progress report may include information on one or more schedules of compliance. Describe the contents of the progress report, including the date that your facility will begin submitting them and the frequency they will be submitted.

Section D (Schedule for Submission of Compliance Certifications)

All applicants must complete this section. Compliance certifications must be submitted at least every year unless the applicable requirement or EPA requires them more frequently. Provide the date when the first compliance certification will be sent.

Section E (Compliance Status for Enhanced Monitoring and Compliance Certification)

All applicants must complete this section. The completion of this section does not satisfy the requirement for the responsible official to submit a certification of truth, accuracy, and completeness (instead this is met by completing form CTAC and submitting it with the other forms you send to EPA).

To certify compliance with "Enhanced Monitoring," you must be in compliance at all emission units with CAM and "Periodic Monitoring" [required by '71.6(a)(3)(i)(B)], if they apply. "Compliance Certification Requirements" include requirements for compliance certification in title V applications and permits, and possibly through applicable requirements (e.g., certain MACT standards). If you have fully completed sections A - E of this form, you will be in compliance with the compliance certification requirement for applications. If you do not have a title V permit at this time, you can assume you are in compliance with the compliance certification requirements for permits and with periodic monitoring requirements. If you indicate you are "not in compliance" with either of these requirements, attach an explanation.

END