WASHINGTON COUNTY

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Employer of Choice

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June 3, 2014

Mr. Michael B. Owens
Air Program (8P-AR)
U.S. EPA, Region 8
1595 Wynkoop Street
Denver, CO 80202-1129

RE: Air Pollution Control – Title V Permit to Operate
Draft Permit No. V-UO-000004-00.00 Draft Initial Part 71 Permit

Dear Mr. Owens:

Deseret Power operates the Bonanza Power Plant that is located on the Uintah and Ouray Reservation in Uintah County, Utah. The electricity generated by the Bonanza Plant supplies power to much of rural Utah including Washington County, Utah. The electricity delivered, generated by the coal-fired plant, has been reliable and inexpensive. This is, and will continue to be, important to Washington County for several reasons:

1. According to QuickFacts from the US Census Bureau, the median household income in Washington County is $49,145 vs. $58,164 for the State of Utah.
2. Per capita income in the past twelve months (in 2012 dollars) is $20,984 versus Utah's average per capita income of $23,794.
3. Persons living below poverty level in Washington County are 14.5% versus 12.1% for the entire state.
4. Persons 65 years and over constitute 18.3% of Washington County's population versus 9.5% for the State of Utah. This figure is twice the state and national average!

The statistics shown above are a compelling argument for the necessity of reliable, low-cost power. Washington County lies at the edge of the Mojave Desert, at its intersection with the Colorado Plateau and the interior Great Basin. Mormon pioneers, following the in footsteps of the ancient Anasazi and more recent Paiute, chose to settle the area in modern times to grow cotton, squash, and melons. The population remained stagnant for nearly a century. Electricity and modern air conditioning transformed the otherwise almost-inhospitable land into a more temperate oasis, set in the backdrop of some of the most beautiful scenery in all of the land.

Retirees flocked to the area because of its dry climate, temperate winters, and central location to many of Utah's, Arizona's, and Nevada's national parks and monuments. The high percentage of retirees, many on fixed incomes, poses a unique challenge for our area that was best illustrated a few years ago when a wildlands fire, burning north of St. George, destroyed a large section of the power line that supplies electricity to the county. This occurred on a July day

when temperatures were hovering near the 110 degree mark. Many of our seniors, unable to tolerate the rising temperatures in their homes, sought refuge at the hospital and in other public buildings and facilities equipped with emergency power. It was eye-opening to see how many of this at-risk population are dependent upon oxygen enrichment machines and other medical devices. Because of Washington County's unique demographics of income and age, the safe, reliable, and economical benefits of Bonanza Power Plants generation capacity cannot be overstated.

In an effort to diversify the County's service-based economy, economic development has been a key to bringing in new industries, jobs, and opportunities. Local government and business leaders have collaboratively recruited several new businesses to the area in an on-going effort to create greater economic parity with the rest of our state.

One of the most significant factors in convincing a business to locate in Washington County has been the availability of reliable, low-cost, electrical power. Recent examples of companies locating to Washington County that cited low-cost power as one of the deciding factors include companies such as Blue Bunny Ice Cream, Dollar Stores Warehouse and Distribution, and Lite House Foods.

Bonanza Power Plant currently meets or exceeds all federal Clean Air Act standards as currently established by the EPA. Washington County therefore sees no need or justification under the Title V permitting process to require Bonanza to upgrade its current system (at an estimated cost of as much as $200,000,000) when it currently meets all existing standards. The costs associated with an upgrade would be passed on to current users in the form of higher rates. These higher rates will disproportionately impact Washington County rate payers based on our demographics and unique circumstances as documented by the Census Bureau and discussed earlier.

The Washington County Board of Commissioners therefore submits these comments and its opinion in strong support of re-permitting the Bonanza Power Generation Unit. The Commission further supports re-permitting with existing, compliant, pollution control equipment as demonstrated by Bonanza's current compliance with existing air quality standards. Further, requiring substantial Clean-Air upgrades to the Bonanza Plant without a demonstrated deficiency will result in an unreasonable increase in electrical rates for our subscribers. Such an increase will adversely impact the economically disadvantaged and senior rate payers on fixed incomes and impair the county's economic growth and sustainability.

Respectfully submitted,

Washington County Board of Commissioners

Alan Gardner, Commissioner

James Eardley, Chair

Dennis Drake, Commissioner