Owens, Mike

From: Owens, Mike
Sent: Wednesday, February 26, 2014 1:58 PM
To: 'eolsen@deseretpower.com'
Cc: Rothery, Deirdre; Laumann, Sara
Subject: Compliance Assurance Monitoring
Attachments: Deseret Bonanza - Unit 1 T5 - 03-30-99 EPA letter to Deseret.pdf

Eric,

This is to inform you that, after further considering applicability of the Compliance Assurance Monitoring (CAM) rule at 40 CFR part 64, EPA has determined that the Bonanza plant is subject to CAM with respect to particulate matter and PM10 emission limits for Unit 1. Those limits are 0.0297 lb/MMBtu for particulate matter and 0.0286 lb/MMBtu for PM10.

Please see the attached letter that our office wrote to Deseret Power on March 30, 1999. The letter requests that Deseret Power examine 40 CFR 64.2 to determine applicability of the CAM rule and, if subject, submit the information required under 40 CFR 64.4, which we typically refer to as a "CAM plan." 40 CFR 64.5(a) states that the information required under 40 CFR 64.4 must be submitted as part of the Part 71 permit application, if the application has not been filed by April 30, 1998, or has not yet been determined complete by the permitting authority by that date. Deseret Power first submitted a Part 71 permit application to EPA in March of 2000. The application did not include a CAM plan.

The updated Part 71 permit application submitted by Deseret Power on April 3, 2012 also did not include a CAM plan. Instead, the application states that Part 64 does not apply to Unit 1 because it is exempted from CAM under 40 CFR 64.2(b)(iii) and 64.2(b)(vi). (These citations should actually be 64.2(b)(1)(iii) and (vi).) The first exemption, at 64.2(b)(1)(iii), says the requirements of Part 64 shall not apply to any of the emission limitations or standards under the Acid Rain Program. For Bonanza Unit 1, Acid Rain Program emission limitations or standards exist only for SO2 and NOx, not for particulate matter or PM10. The second exemption, at 64.2(b)(1)(vi), says the requirements of Part 64 shall not apply to any emission limitations or standards for which the Part 71 permit specifies a continuous compliance determination method. For Bonanza Unit 1, continuous compliance determination methods are specified in the draft 2002 Part 71 permit only for SO2 and NOx, not for particulate matter or PM10. No requirements have come into effect since 2002 that specify continuous compliance determination methods for particulate matter or PM10 at Bonanza Unit 1.

The three criteria for determining whether a pollutant-specific emitting unit (PSEU) is subject to Part 64 are laid out in 64.2(a). For particulate matter and PM10, Bonanza Unit 1 meets all three criteria. Therefore, it will be necessary for Deseret Power to submit a CAM plan for particulate matter and PM10 emissions from Bonanza Unit 1. Please do so if at all possible within the next 30 days. If there is any reason why you need more time, please notify me. If you would like some orientation on the CAM rule or examples of CAM plans, please feel free to let me know. You might find the CAM Guidance Document to be helpful as well. It has some examples. It's at www.epa.gov/ttn/emc/cam.html.

Thank you for your cooperation.

Mike Owens
Environmental Engineer
Air Program
EPA Region 8
303-312-6440

UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
999 18TH STREET - SUITE 500
DENVER, CO 80202-2466

MAR 30 1999

Ref: 8P-AR

CERTIFIED MAIL
RETURN RECEIPT REQUESTED

Stan Gordon
Plant Manager
Deseret Generation and Transmission
12500 East 25500 South
Vernal, Utah 84078

Dear Mr. Gordon:

This letter is in reference to the U.S. Environmental Protection Agency's (EPA) amendments to its federal operating permits regulation (40 CFR part 71), which can be found at 64 FR 8247, February 19, 1999. The federal operating permits program was initially promulgated in July 1996. [See notice of final rule at 61 FR 34202, July 1, 1996]. These amendments clarify the Agency's authority to issue operating permits to facilities located in "Indian country."

Our records indicate that Deseret Generation and Transmission has a potential major source of air pollution located on the Uintah & Ouray Indian Reservation. This source is the Bonanza Power Plant. Because this source is located within the jurisdiction of the Uintah & Ouray Reservation, EPA has responsibility for issuing and enforcing a Title V permit for this source, pursuant to the federal regulations at 40 CFR part 71. This authority will remain with EPA until such time as EPA approves a Title V program for the Ute Indian Tribe, or until EPA delegates Title V authority to the Tribe. The amended part 71 regulation was effective in all parts of Indian country on March 22, 1999.

In addition to the requirements of 40 CFR part 71, owners and operators of affected emissions units are required to address the requirements of the Compliance Assurance Monitoring (CAM) rule, at 40 CFR part 64. The information required under the CAM rule (commonly called a "CAM plan") must be submitted with the part 71 operating permit application. The CAM rule requires Title V sources to complete a written CAM plan and perform monitoring of controlled units that are subject to an emissions limitation or standard, which constitutes an applicable requirement under the Clean Air Act.

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Enclosed with this letter are copies of the following documents:

1) the July 1, 1996 part 71 regulation;
2) the February 19, 1999 amended part 71 regulation;
3) the part 71 permit application and instruction sheet on diskette; and
4) the Compliance Assurance Monitoring final rule [62 FR 54900, October 22, 1997].

EPA requests that Deseret Generation and Transmission please examine 40 CFR §71.3 to verify or determine the applicability of the federal operating permits rule to its source. If subject, then please fill out and return all applicable portions of the part 71 application, including the Fee Calculation Worksheet and the Compliance Certification. (A separate application is required for each source.) The application form may be downloaded and printed from the Internet, but it is not suitable for on-line data entry or electronic submittal. The web site address for the application form is: http://www.epa.gov/oar/oaqps/permits/p71forms.html.

EPA also requests that Deseret Generation and Transmission examine 40 CFR §64.2 to determine the applicability of the CAM rule to its emission units and if subject, submit the information required under 40 CFR §64.4 with the respective part 71 application. In addition, Deseret Generation and Transmission must submit initial fees along with its part 71 permit application, as required by 40 CFR §71.9(f)(3). The part 71 fee payment is performed using a "lockbox" bank account system, which is described in the instructions for the application. Please include a photocopy of the fee payment check with your submittal of the application. One criteria EPA uses to determine that a part 71 application is complete, is that the emissions fee has been paid by the applicant.

Pursuant to 40 CFR §71.5(a)(1), EPA is formally requiring Deseret Generation and Transmission to submit its complete part 71 application for its Bonanza plant on or before March 22, 2000, which is one (1) year from the effective date of the program. Deseret Generation and Transmission is responsible for submitting part 71 applications for all of its facilities located in Indian country that are subject to this rule, even if a facility has not been identified in this letter. Applications for sources not listed above are also due on or before March 22, 2000.

Please address your application submittal to me at the above address. If you have any questions regarding this matter, please feel free to contact me at (303) 312-6936.

Sincerely,

Monica S. Morales

Monica S. Morales
Air and Radiation Program

Enclosures (4)

cc: Elaine Willie (Ute Indian Tribe, w/out enclosures)
Howard Vichers (Deseret Generation and Transmission)