UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
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June 2, 2014

Ref: 8P-AR

MEMORANDUM

SUBJECT: Record of Communication – conference call with Deseret

FROM: Michael Owens M. Owens
Environmental Engineer
Air Program

TO: Deseret PSD correction permit docket

This memorandum is to serve as a record of communication for a conference call that occurred between Deseret Power and US EPA Region 8 on May 14, 2014, from 3:15 p.m. to 4:15 p.m.

Attendees:

EPA
Mike Owens – Air Program
Aaron Worstell – Air Program
Deirdre Rothery – Air Program
Sara Laumann – Office of Regional Counsel

Deseret
David Crabtree – Vice President and General Counsel
Eric Olsen – Environmental Compliance and Process Superintendent
Mike Goddard – Bonanza Plant Engineer
Gene Grindle – Bonanza Plant Manager

Summary of conference call

Purpose

The purpose of this call was to respond to a request expressed in a letter from Deseret to EPA, dated April 17, 2014, for clarification on items of information requested in EPA's March 26, 2014 Clean Air Act (CAA) Section 114 letter to Deseret.

Background

On March 26, 2014, the EPA sent a CAA Section 114 information request letter to Deseret. Section 1 of the letter asks for information about the existing Bonanza power plant. Section 2 of the letter asks for information on available NO_x control technology options for the Unit 1 boiler at the plant. On April 17, 2014, Deseret sent a preliminary response to EPA and asked an additional 90 days to complete the response. Deseret also asked for clarification on some of the items of information listed in EPA's March 26 letter.

Timelines

EPA mentioned that a letter has just been sent to Deseret today, to respond to Deseret's request for more time to complete the 114 response. Rather than allow an additional 90 days, EPA will allow an additional 30 days to provide information already in Deseret's possession and an additional 60 days to complete the response. The 30 additional days will expire on May 30, 2014. The 60 additional days will expire on June 29, 2014. Deseret indicated it will take time to review the letter EPA sent today, and they may respond separately or may want another call.

Discussion of items for which Deseret is seeking clarification

Deseret went through items I.A through I.H of its April 17, 2014 preliminary response. Deseret explained what sort of clarification is needed on the following items:

- Item I.C (maximum hourly heat input capacity). Deseret explained that they are not used to seeing information expressed in this fashion, and would need to make certain assumptions to create this information (e.g., coal quality), and wondered if EPA is interested in the assumptions used. EPA indicated that the response should include the assumptions that are used in preparing the response.

- Item I.D (annual heat rate). Deseret explained that they do not think they have this information for the boiler itself (without the turbine). If they provide the information for just the boiler, it would be as a snapshot moment. EPA responded that we are looking for information regarding the unit (i.e., not just the boiler).

- Item I.E (temperature profile of upper furnace, as it relates to SNCR). Deseret indicated that they have no experience with SNCR, and they have provided some representative temperature profile data. EPA indicated that it appears that what was submitted is sufficient.

Discussion of other 114 request items

- Item I.A (facility plot plan and diagrams). Deseret indicated they have a wealth of information regarding this item, and they think they have submitted adequate information. EPA responded that it appears this request was met, and if EPA's evaluation changes, we will let them know.

- Item I.B (megawatt capacity). Deseret explained that they provided the megawatt capacity information from correspondence regarding this item. EPA asked whether there is any alternative information beyond what was submitted. Deseret responded that what they submitted is what they think the rating is, but that they will regroup and discuss internally.

- Item I.F (characteristics of coal burned between 1995 and 2014). Deseret explained that data covering 1990 through 2008 was included in an earlier 114 response several years ago. Deseret's April 2014 preliminary 114 response includes data covering 2008 through March of 2014. Deseret indicated they provided monthly and annual data, even though only annual data was requested. EPA responded that we will let them know if more or different information is needed.

- Item I.G (annual consumption of coal and other fuels between 1995 and 2014). Deseret explained that its April 2014 preliminary 114 response includes data covering 2008 through March of 2014. Data covering 1995 through 2007 are coming later.

- Item I.H (any NO_x control technology engineering analyses or similar information provided to Deseret between 1995 and 2014). Deseret explained that they think they have provided all they have from vendors, particularly associated with NO_x controls, and that the challenge is that everything they do up to the combustion system could impact NO_x. Therefore, they applied a limited interpretation of this request where the company solicited or received information for NO_x controls. Deseret's April 2014 preliminary 114 response doesn't include routine maintenance work, but does include a "neural network" project (enhanced electronic combustion controls). EPA asked whether boiler tuning, which may have a co-benefit of reducing NO_x, was included in the submittal. Deseret responded that they included some proposals in the first submission to EPA, and a second submission is forthcoming. EPA explained that even though the neural network was ultimately installed, we are still seeking the information.

Regarding Section 2 of the 114 request (information on available NO_x control technology options for the Unit 1 boiler at the Bonanza plant), Deseret stated that this will be discussed in a later conference call with EPA.

Confidential Business Information (CBI)

EPA noted that nearly all of the information provided by Deseret in its April 2014 preliminary 114 response has been claimed as CBI by Deseret. EPA also noted that its March 26, 2014 information request letter included an Enclosure 2 that laid out the assertion and substantiation requirements for CBI claims, but Deseret did not submit any substantiation for its CBI claim. EPA explained that a followup letter from EPA will be forthcoming, to again lay out the assertion and substantiation requirements. EPA also offered to have a follow-on call as necessary.

Finally, EPA asked if Deseret plans to claim anything discussed on this conference call as CBI. Deseret replied no.