IN REPLY REFER TO:

United States Department of the Interior

NATIONAL PARK SERVICE
Air Resources Division
P.O. Box 25287
Denver, CO 80225

December 5, 2002

N3615 (2350)

Mr. Michael B. Owens
Air Technical Assistance Unit
US EPA, Region 8
999 18th St., Suite 300
Denver, Colorado 80202-2466

Dear Mr. Owens:

Thank you and Callie for meeting with me and members of my staff on November 7 and for providing additional information concerning the proposed Title V operating permit for Deseret Generation and Transmission Cooperative's Bonanza Power Plant (Deseret). The Deseret facility is located 39 km southwest of Dinosaur National Monument, a Class II area administered by the National Park Service (NPS), about 150 km north of Arches National Park (NP), and about 180 km north of Canyonlands NP, Class I areas also administered by NPS.

As we had noted in our letter of September 19, we are especially interested in how the determinations were made that the "ruggedized rotor" project was only a synthetic minor modification and did not trigger PSD review. Although EPA did send a letter to NPS dated May 15, 2000, advising us of the proposal to reissue the previous PSD permit, the letter never mentioned the 60 MW (14%) increase in plant capacity that would result from the modification. Instead, the EPA letter stated that there would not be a significant increase in emissions and that "these proposed changes do not require a major Permit modification." In the absence of additional information, we had no reason to doubt that assertion.

Overall, it appears that neither EPA nor NPS were provided sufficient information to catch what may have been a defective "synthetic minor" permit issued by Utah in 1998. It is curious that Deseret is now claiming that, even though they may have received permits based on misinformation, those permits are now exempt from further review and must be memorialized in the Title V permit. We suggest that Deseret should instead be working to correct any defects in its permits, rather than attempting to justify those defects. We believe that one of the reasons for subjecting a Title V permit to public review is to provide one last opportunity to find and correct such deficiencies.

We understand that Deseret and EPA believe that the ruggedized rotor project may be subject to the WEPCo decision. If the provisions of EPA's July 21, 1992, WEPCo rulemaking do apply, then we would expect that the resulting applicable requirements of that rulemaking would be incorporated into the Title V permit, just as for any other existing applicable requirements. We believe that this could be accomplished by incorporating conditions consistent with 40CFR Part 52.21 (b)(21)(v).

During our meeting we were asked essentially, "Why do we care?" We believe that these concerns are justified if one looks at past actual emissions at this plant compared to emission limits contained in the Draft Title V permit. For example, EPA's emissions data for 2000 (prior to installation of the "ruggedized rotor") show that SO_2 emissions were 1,038 tons, while NO_x emissions were 5,692 tons. Because the draft Title V permit allows SO_2 emissions of 1,957 tons and NO_x emissions of 10,026 tons, there is reason to believe that such increases in actual emissions would be "significant" and that PSD may be triggered. More importantly, because it is our responsibility to protect all units in the National Park System from impairment, we are concerned that any significant increase in emissions could result in adverse impacts upon Dinosaur National Monument, Arches and Canyonlands NPs, and other areas for which we are responsible. We therefore again ask that EPA Region VIII defer action on this permit until these issues can be resolved. At this time it appears that we have two potential solutions:

- Determine that the WEPCo decision applies and incorporate those applicable requirements into the Title V permit, or
- Reopen the PSD permit.

We appreciate the opportunity to comment on the Deseret Title V draft permit. If you have any questions regarding our comments, please contact Don Shepherd of my staff at (303) 969-2075.

Sincerely,

John Bunyak

John Bunyak
Chief, Policy, Planning and Permit Review Branch

cc:
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