Record of Deseret call on Dec. 4

Mike Owens to: Carl Daly, Deirdre Rothery, Sara Laumann 12/05/2012 11:14 AM

REVISED VERSION

Carl, Dee and Sara,

Please let me know if the following is an accurate and reasonably complete record of our call on Dec. 4, or if I missed anything important.

Attending the call:

Deseret Power -- Ed Thatcher, David Crabtree
EPA -- Carl Daly, Dee Rothery, Sara Laumann, Mike Owens

Carl led the conversation for EPA. He basically used the talking points from Mike's previous email below, although not verbatim. With regard to talking point #3, Carl simply mentioned that EPA continues to have concern about (an apparent?) significant emission increase from the ruggedized rotor project, which was also mentioned in our Nov. 14, 2012 letter to Deseret.

Deseret replied that they have already responded to this concern. Carl explained that EPA does not know if later emissions information since the mid-2000's might be useful or important to Deseret in making a case against PSD applicability. Carl invited Deseret to look at what they've already submitted on the project and see if that's still their position/explanation. Carl added that this is only an invitation; EPA is not requiring Deseret to submit any further information on the project.

Deseret asked if EPA could send back to them what Howard Vickers submitted to EPA in Sept. of 2005 about the project, as they cannot find it. Mike did so immediately after this call.

Deseret asked if this situation is unique, i.e., the question of PSD applicability of a past project being raised when a title V permit is being prepared. Carl replied yes it's unique, as far as EPA being the title V permitting authority, but it may have come up with state permits. Carl didn't mention any specifically.

Deseret asked what if it is determined that PSD applies -- would BACT be present-day BACT? Carl replied that the Region would have to consult with OAR on this. Mike mentioned that he recalled a guidance memo from the 1970's on this (1975 or thereabouts), but Carl and Mike both said it might be considered out-of-date, as it was issued so long ago.

Deseret asked if EPA used the same CEMS data set as Howard Vickers in evaluating PSD applicability. Mike replied that he thinks so. EPA looked at five years of pre-project data and five years of post-project data.

At some point during this phone call, Deseret said that they assume EPA and Deseret disagree on PSD applicability for the project.

The conversation then turned to other topics related to title V. Deseret asked about 1-year extension of the 3-year compliance deadline under the electric utility MACT rule. How is that handled? Mike replied by first asking Deseret if they plan to request a 1-year extension. Deseret said they don't know. Mike then said he expects the way it would work is that Deseret would request the extension if they want it, because only Deseret would know if they need to do so. Meanwhile, EPA would simply include the provisions of the MACT rule in the title V permit.

Carl explained that we need to have a draft title V permit prepared by March of 2013. Deseret said they expect to be able to reply within approximately the next couple of weeks to Carl's invitation to submit any additional information on the ruggedized rotor project.

Mike Owens
Environmental Engineer
Air Program
EPA Region 8
303-312-6440
----- Forwarded by Mike Owens/R8/USEPA/US on 12/04/2012 02:17 PM -----

From: Mike Owens/R8/USEPA/US
To: Carl Daly/R8/USEPA/US@EPA, Deirdre Rothery/R8/USEPA/US@EPA, Sara Laumann/R8/USEPA/US@EPA
Date: 12/03/2012 04:33 PM
Subject: Deseret call tomorrow - talking points

Carl asked me to jot down some possible talking points. Here they are:

1. As we mentioned in our Nov. 14 letter, we received a letter back in 2002 from the NPS, expressing concern about the ruggedized rotor project. As Deseret probably remembers, the concern was about PSD applicability. In sending a new draft of the title V permit out to public comment, we need to address the NPS concern.

2. As we also mentioned in our Nov. 14 letter, we have already reviewed information Deseret sent us in Sept. 2005 and May 2008 about the project and associated emissions. We want to give Deseret an opportunity to submit whatever additional information that Deseret may wish to submit that bears on PSD applicability.

3. We have thoroughly reviewed the information already submitted by Deseret and find there is strong reason to conclude that the project caused a significant emission increase for NOx. Using CEMS data provided by Deseret, we found increases well above the significance threshold for at least 9 consecutive months of the five-year post-project period we examined (July of 2000 through June of 2005). These are increases above the highest possible pre-project emissions baseline that conforms with PSD rules. We expect that further discussion with Deseret will be necessary.

4. We have received a notice of intent to sue from Wild Earth Guardians over delay in finalizing the title V permit. We have committed to issue the final permit by August of 2013. We need to have a new draft permit ready to go out to public comment by March of 2013. So our goal is to reach a conclusion by then about PSD applicability of the ruggedized rotor project.

Mike