UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8
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SEP 22 1999

Ref: 8P-AR

Howard L. Vickers
Deseret Generation and Transmission (DG&T) Co-Operative
12500 E. 25500 S.
Vernal, UT 84078

Dear Mr. Vickers:

On September 2, 1999, Larry Wapensky of the Environmental Protection Agency (EPA), Region VIII's Air and Radiation Program, discussed with you the March 16, 1998, modifications to the Prevention of Significant Deterioration (PSD) permit that was issued to DG&T Co-Operative by the State of Utah. In this discussion, Larry mentioned that he met with Tim Blanchard, Utah Department of Environmental Quality (UDEQ), on August 31, 1999, regarding this permit.

The PSD permit must be issued by EPA since State jurisdiction does not extend to facilities located in Indian Country. DG&T Co-Operative is located on the Uintah and Ouray Reservation of the Ute Indian Tribe. On December 15, 1997, UDEQ withdrew its proposed Title IV and Title V permits for DG&T Co-Operative. On December 29, 1997, a federal Phase II Acid Rain permit for the DG&T Co-Operative became effective. On March 30, 1999, EPA requested a Title V permit application from DG&T Co-Operative. More recently, in written communication, received from UDEQ on June 23, 1999, in response to an EPA June 2, 1999, letter, the State agreed that DG&T Co-Operative is located on the Uintah and Ouray Reservation. On July 12, 1999, the Ute Tribe Air Quality Management, in response to our letter of June 3, 1999, to the Ute Indian Tribe, stated that DG&T Co-Operative was located in Indian Country. These actions require us to proceed with issuing a federal PSD permit, in accordance with EPA's procedural requirements at 40 CFR Part 124.

Larry will be leading our effort to issue this permit to DG&T Co-Operative. Until the permit has been issued, DG&T Co-Operative must comply with the terms of the State's PSD permit. Under the Clean Air Act, EPA retains direct enforcement authority for all PSD permits issued by States. Until we issue the permit, and to ensure that there is no confusion, any reports or communications you have with our Office or the State, regarding the PSD, permit should be addressed jointly to UDEQ and the EPA. Please send these to Larry Wapensky, Air and Radiation Program, Air Program Technical Unit, mail code 8P-AR, at the address listed on the letterhead of this letter.

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Larry indicated in his telephone call with you that our DG&T Co-Operative PSD administrative and technical files are not complete. Typically, EPA receives from UDEQ copies of the State's source plan reviews and Approval Orders. We do not believe that we received the supporting background information, engineering plans, air models, or administrative communications that DG&T Co-Operative sent to the State for the PSD permit. We have requested that UDEQ provide us with some information in its files. We are requesting that DG&T Co-Operative provide EPA copies of the following documents:

- Proposal for Experimental Approval Order for Bonanza I, submitted to Utah Division of Air Quality, September 1992.

- Dispersion Modeling and Visibility Analysis of Proposed SO_2 Emissions Increase for Deseret Generation & Transmission Co-Operative Bonanza 1 Volume 1, NAWC Report AQ-93-5, September 1993.

- FGDPRISM Calibration and Simulation Results for Bonanza Unit 1, 15, September 1993, Prepared by Radian Corporation. Appendices A-F.

We have enclosed copies of the front page of each of these documents to assist you in identifying them.

We request that you also provide EPA with additional technical, administrative, or procedural documentation, letters, reports, engineering plans, evaluations, or comments that you submitted to or received from the State of Utah that are germane to the State-issued PSD permit. Although this may seem to be a daunting request, EPA deems it necessary to review this background documentation to develop a PSD permit and to address any concerns or comments we may receive when the proposed permit is noticed. We are not asking for new information but rather copies of existing documents previously provided to or received from UDEQ. If you desire, Larry is willing to meet with you to answer any questions and help to focus the request. It would be helpful to have this information by November 1, 1999.

EPA looks forward to working with DG&T Co-Operative to ensure timely issuance of the federal PSD permit. We expect that the permit will be similar to the one issued by the State of Utah. EPA will coordinate with the Ute Indian Tribe on this PSD permit. Please call Larry at 303-312-6043 if you have questions.

Sincerely,

Richard R. Long, Director
Air and Radiation Program

Enclosures (4)

cc:	Timothy Blanchard	UDEQ
	Ursula Trueman	UDEQ
	Kerry Clough	EPA
	Sue Groves	EPA
	Carol Smith	EPA
	Roland McCook	Chairman, Ute Indian Tribe