Owens, Mike

From: Dave Crabtree <Crabtree@deseretpower.com>
Sent: Thursday, January 21, 2016 9:15 AM
To: Owens, Mike
Cc: Laumann, Sara
Subject: Deseret Comments on Draft MNSR Permit No. MNSR-UO-000004-2015.004
Attachments: Deseret MNSR CommentsFINAL.pdf

EPA Region 8 Tribal MNSR Program:

Deseret submits the attached comments to the proposed MNSR Minor New Source Review Permit for the Bonanza Unit. Please feel free to contact me with any questions you may have. A copy of the comments are also being submitted via facsimile at (303) 312-6064.

Thank you,

David Crabtree
Deseret Power
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January 21, 2016

U.S. EPA Region 8 Air Program 8P-AR
Tribal Permit Program
1595 Wynkoop Street
Denver, CO 80202

Re: *Draft Minor New Source Review Permit No. MNSR-UO-000004-2015.004*

Tribal Permit Program Administrator:

Deseret Generation & Transmission Co-operative ("Deseret" or "DG&T") hereby submits these comments on the U.S. Environmental Protection Agency's ("EPA" or "the Agency") draft Minor New Source Review Permit No. MNSR-UO-000004-2015.004 (the "Permit"). The permit incorporates terms of a proposed settlement agreement (the "Settlement Agreement") between Deseret, EPA, and certain other parties related to issues raised in an appeal of the Federal Title V Operating Permit No. V-UO-000004-00.00, issued by the EPA on December 5, 2014. The Appeal was filed with the Environmental Appeals Board (EAB) on January 7, 2015 (Appeal Nos. CAA 15-01; CAA 15-02).

Deseret submits these comments in the nature of technical corrections that should be made to the draft Permit, and not necessarily to reflect substantive disagreement with the proposed permit provisions insofar as the same are consistent with the terms of the Settlement Agreement.

Specifically, Deseret provides the following comments and suggestions on the proposed Permit:

- Page 5, Item I.C.6: Deseret has not agreed, as part of the Settlement Agreement or otherwise, to any modification of existing permits for the operation or construction of the Bonanza Unit which would impose a requirement to operate and maintain the unit and/or active(ies) consistent with "good air pollution control practices," and Deseret believes that the incorporation of that condition to the proposed Permit is unnecessary. It could also yield vague and ambiguous differing interpretations, which Deseret does not view to be consistent with the intent or appropriate reach of regulatory authority under the Clean Air Act, as it provides inadequate due process to the operator of the Unit by virtue of its inherently vague wording. Moreover, Deseret does not believe the word "maintenance" is appropriate and therefore suggest it be deleted from the wording of this Item in referring to "periods of startup, shutdown, *maintenance,* and malfunction;" the word "maintenance" is not justified by wording of the relevant statute and/or regulations in this or similar contexts.

- Page 6, Item I.D.2: The requirement to submit report(s) of coal consumption under condition I.D of the Permit should not commence prior to January 1, 2020. To avoid inconsistent and duplicative reporting of coal consumption, and to render reporting timeframes that are consistent within the draft Permit, , Deseret suggests that coal

consumption report set forth in Item I.D.2 be permitted to be submitted at the same time and on the same schedule each year beginning April 1, 2020, as the reporting period for accumulated coal consumption, set forth as Item I.H.3 (April 1 and October 1 of each year). Deseret suggests changing the language at the end of the first sentence which currently reads:" and reported with the Plant's compliance report for the relevant reporting period (currently submitted at least semiannually under 40 CFR §60.51Da)." to read: "Coal consumption reports for the relevant reporting period commencing January 1, 2020 as required hereunder will be submitted at least semiannually and may be submitted at the same time (April 1 and October 1) with accumulated coal consumption reports required pursuant to condition I.H.3 below. . The report due on April 1 will cover relevant time periods from the prior September through February and the report due on October 1 will cover from the prior March through August."

- Page 7, Item I.E.2(d): The requirements of this subitem go beyond any provision of the Settlement Agreement, which merely requires that NOx emissions be monitored using CEMS system which complies with the requirements of 40 CFR Part 75. The provisions of this subitem go beyond those requirements and should therefore be deleted.

- Page 9, Item I.F.5: Deseret suggests deleting this item as it is already stated in item I.F.3.

- Page 9, Item I.F.6: Deseret suggests changing the first word of this Item from "all" to "any currently effective" in order to reflect that specifications and maintenance requirements are updated, corrected, and superseded from time to time.

- Page 9, Items I.H.1: The provision for reporting compliance of the new LNB/OFA with the revised NOx emission limit should not begin until after the LNB/OFA project is completed. To clarify this, Deseret suggests adding the following clause at the very beginning of the first paragraph in Item I.H.1: "Beginning no later than 425 boiler operating days after installation of LNB/OFA, ..."

- Page 10, Items I.H.2: The draft permit condition goes beyond any provision agreed to by Deseret pursuant to the Settlement Agreement or otherwise, and is not required pursuant to provisions of either 40 CFR Part 60 and/or Part 75 CEMS monitoring program requirement. Deseret does not believe a separate CEMS Performance Report requirement is justified or warranted, and suggests this condition be deleted. In any event, and in addition, Deseret would also have the same comment on this Item as the preceding item. The requirements for CEMS monitoring as set forth in applicable regulation are already contained in the draft Permit as Items I.E.2.(a) through (c). To the extent any such provision remains in the permit, Deseret suggests adding the following clause at the very beginning of the first paragraph in Item I.H.2: "Beginning no later than 60 boiler operating days after installation of LNB/OFA, ..."

- Page 10, Item I.H.3: See comment regarding Item I.D.2 above. Deseret suggests that the Permit provision specify the dates the April and October reports in I.H.3 are supposed to account for by adding the following two sentences at the end of the paragraph: "The report due on April 1 shall provide the accumulated coal consumption in short tons since January 1, 2020 until the last day of February before the report is due. The report due on

October 1 shall provide the accumulated coal consumption in short tons since January 1, 2020 until the last day of August before the report is due."

- Page 12, Item II.A.6: Deseret has not agreed, in the Settlement Agreement or otherwise, to an addition of this "general condition" pertaining to a possible "NAAQS violation or a PSD increment violation." The remedy under the CAA for an area that is designated non-attainment would be to develop an implementation plan that is not targeted to nor aimed at operations of any specific source. Deseret does not view it as a violation of any permit issued to the Bonanza Unit should there be a future re-classification of an area as non-attainment with any established NAAQS standard.

Deseret appreciates the opportunity to submit these comments. Please feel free to contact the undersigned with any questions or if Deseret can assist further in the matter of the proposed Permit.

Respectfully,

/s/
David F. Crabtree
Vice President, General Counsel