



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
REGION 8**

1595 Wynkoop Street  
Denver, CO 80202-1129  
Phone 800-227-8917  
www.epa.gov/region08

**MAR 22 2016**

Ref: 8P-AR

David F. Crabtree  
Vice President, General Counsel  
Deseret Power  
10714 South Jordan Gateway  
South Jordan, UT 84095

Re: Deseret Power, Bonanza Unit 1, Withdrawal of Proposed PSD Permit  
# PSD-UO-000004-2014.003

Dear Mr. Crabtree:

Enclosed is a notice of the withdrawal of the Deseret Bonanza Power Plant Proposed PSD Permit #PSD-UO-000004-2014.003, in accordance with the terms of the Settlement Agreement entered into by EPA, Deseret, Sierra Club and Wild Earth Guardians on December 23, 2015. This notice will be posted on EPA's Region 8 website at:

<https://www.epa.gov/caa-permitting/caa-permitting-epas-mountains-and-plains-region>

If you have any questions, please contact Mike Owens of my staff at (303) 312-6440.

Sincerely,

A handwritten signature in black ink, appearing to read "Darcy O'Connor", with a long horizontal flourish extending to the right.

Darcy O'Connor  
Acting Assistant Regional Administrator  
Office of Partnerships and Regulatory Assistance

Enclosure

cc (w/enclosure):

Gene Grindle, Deseret Power  
Eric Olsen, Deseret Power  
Minnie Grant, Ute Tribe  
Andrea Issod, Sierra Club  
Jeremy Nichols, Wild Earth Guardians

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NOTICE OF WITHDRAWAL OF PROPOSED  
PREVENTION OF SIGNIFICANT DETERIORATION PERMIT  
FOR THE  
DESERET POWER ELECTRIC COOPERATIVE BONANZA POWER PLANT  
Effective March 21, 2016

EPA Region 8 provides notice of the withdrawal of a Proposed Prevention of Significant Deterioration (PSD) permit regarding air pollutant emissions at the Deseret Power Electric Cooperative Bonanza Power Plant.

On December 3, 2014, EPA Region 8 issued a Proposed PSD permit for the Deseret Power Electric Cooperative Bonanza Power Plant to correct errors in the Federal PSD permit issued on February 2, 2001. EPA has not taken final action on the Proposed PSD Permit. On December 23, 2015, the Region entered into a Settlement Agreement to resolve two cases involving challenges to a related Operating Permit issued under another part of the Clean Air Act by EPA Region 8 on December 5, 2014, to Deseret Power Electric Cooperative to operate the Bonanza Power Plant. 80 FR 63993 (October 22, 2015). The Settlement Agreement also addressed the pending Proposed PSD permit and provided for the development of a minor New Source Review (NSR) program construction permit for an emissions reduction project at this facility, which would also contain terms to address some of the same emissions addressed in the pending Proposed PSD permit. The public notice published on December 22, 2015, for the proposed minor NSR Permit explained that “[t]he EPA plans to withdraw the proposed PSD permit for the Bonanza power plant (PSD-UO-000004-2014.003, dated December 3, 2014) ten days after the MNSR permit becomes final and effective.” Deseret MNSR Docket MNSR-UO-000004-2015.004, Document #10; *see also* Settlement Agreement, Paragraph 12.b. The Minor NSR Permit became final and effective on March 14, 2016. Accordingly, EPA Region 8 is withdrawing the proposed PSD permit for the Deseret Power Electric Cooperative Bonanza Power Plant.<sup>1</sup>

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<sup>1</sup> All documents associated with the withdrawn proposed PSD permits are maintained in the Region’s administrative records, as are the documents associated with the final Minor NSR Permit. The public can access key portions of these records at EPA’s website: <https://www.epa.gov/caa-permitting/caa-permitting-epas-mountains-and-plains-region>. Hard copies of the records may also be viewed in person (please call at least 24-hours in advance for available viewing times) at the EPA Region 8 offices, 1595 Wynkoop Street, Denver, Colorado 80202-1129, contact Mike Owens at (303) 312-6440.