

EPA REGION 8'S RESPONSE TO PETITION FOR REVIEW

## **Attachment F**

Administrative Record Document No. 38

Slides re: Ute Business Committee – EPA Region 8 Tribal Consultation



# Ute Business Committee – EPA Region 8 Tribal Consultation

Deseret Bonanza Power Plant Clean Air Act Permitting

August 30, 2023

Fort Duchesne, Uintah and Ouray Indian Reservation

# Agenda

- Minor NSR Permit Modification for Peaking Engines (3:00-4:00 pm )
- Title V permit renewal/Response to Comments document (4:00-4:30 pm)

# Minor Modification – Peaking Engines Project

- March 27, 2023 – EPA received minor New Source Review (MNSR) application for proposed peaking engines project
  - Purpose: additional auxiliary power to meet peak demand
  - 2 possible proposed scenarios (dependent on equipment availability):
    - Add 14 natural gas-fired engines
    - Add 22 natural gas-fired engines
- Located in Uinta Basin Ozone Nonattainment Area – Must demonstrate that approval of new ozone precursor emissions, volatile organic compounds (VOC) and nitrogen oxides (NO<sub>x</sub>), will not cause or contribute to violations of National Ambient Air Quality Standards (NAAQS)

# Minor Modification – Peaking Engines Project

## **NAAQS Cause or Contribute Demonstration**

- Available modeling tools do not accurately predict observed winter ozone concentrations in Uinta Basin.
- < 40 tpy each increase in both VOC and NO<sub>x</sub> estimated from project
- Deseret proposed to compensate for potential increase in VOC and NO<sub>x</sub> emissions at the plant:
  - Restrict operating hours of proposed new engines annually and during winter ozone season;
  - Switch fuel for boiler igniters and construction heaters from propane to natural gas;
  - Revise current MNSR permit to tighten NO<sub>x</sub> emissions limit for Boiler #1.
  - Result: No net increase in NO<sub>x</sub> emissions during winter ozone season.

# Minor Modification – Peaking Engines Project

- Deseret included an Air Quality Impact Analysis (AQIA)
  - Discusses the proposed compensating VOC and NO<sub>x</sub> emissions reductions to demonstrate no expected impact to ozone NAAQS in winter;
  - Demonstrates no expected impact to NAAQS for:
    - 1-hour nitrogen dioxide (NO<sub>2</sub>), carbon monoxide (CO), sulfur dioxide (SO<sub>2</sub>), particulate matter less than 10 microns (PM<sub>10</sub>), and particulate matter less than 2.5 microns (PM<sub>2.5</sub>);
    - Ozone outside of winter ozone season.
- EPA is reviewing the application
- Potential to issue proposed permit for public comment by end of 2023
- Anticipate issuing final permit decision Spring 2024

# Title V Operating Permit Renewal

- January 12, 2021 - EPA met with Tribal representatives regarding permit renewal
- February 9, 2021 - EPA proposed to renew CAA title V operating permit with 30-day public comment period
  - Draft permit included all applicable CAA requirements, plus requirements of the MNSR permit that memorialized terms of a settlement between EPA, WildEarth Guardians, Sierra Club, and Deseret requiring installation of low-NOX burners on coal-fired Boiler #1 and coal consumption cap.
- March 11, 2021 – EPA held a virtual public hearing as requested by Ute Tribe
- March 22, 2021 – Ute Tribe submitted a comment letter expressing health and Environmental Justice concerns with operation of the Bonanza Power Plant
- EPA has prepared a comprehensive response to the Tribe’s comments and concerns regarding proposed title V permit renewal and is prepared to issue that with the final renewed permit