

**UTAH AIR QUALITY BOARD MEETING**  
**September 1, 2010 – 1:30 p.m.**  
**195 North 1950 West, Room 1015**  
**Salt Lake City, Utah 84116**

**FINAL MINUTES**

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**I. Call-to-Order**

Steve Sands called the meeting to order at 1:31 p.m.

Board members present: Nan Bunker, Kathy Van Dame, Craig Petersen, Steve Sands, Joel Elstein, Kerry Kelly, Amanda Smith, Brent Bradford, Robert Paine, and Darrell Smith

Excused: Ernie Wessman

Executive Secretary: Cheryl Heying

**II. Date of the Next Air Quality Board Meeting:** November 3, 2010

The Board was informed that there are no action items scheduled for the October 2010 Board meeting. After discussion the meeting was canceled. The next Board meeting will be November 3, 2010.

**III. Approval of the Minutes for August 4, 2010, Board Meeting.**

Robert Paine enters the meeting.

- Kathy Van Dame moved to approve the minutes as submitted to the Board. Nan Bunker seconded. The Board approved in favor with Darrell Smith absent.

**IV. Propose for Public Comment: Incorporate the EPA Greenhouse Gas (GHG) Tailoring Rule. Amend R307-401-9. Permit: New and Modified Sources. Small Source Exemption; R307-405-3. Permits: Major Sources in Attainment or Unclassified Areas (PSD). Definitions; and R307-415-3. Permits: Operating Permit Requirements. Definitions. Presented by Regg Olsen.**

Regg Olsen, Permitting Branch Manager at DAQ, stated in April 2010 EPA finalized its rule that regulates GHG from cars and light trucks beginning with model year 2012. That action triggered the permitting requirements for emitters of GHGs. In May 2010 EPA issued its GHG tailoring rule. This rule addresses how emissions levels of GHGs will be tailored to higher levels than the traditional Title V and PSD triggers of 100 or 250 tons per year depending on the type of source. The tailoring rule raises those levels to 100,000 tons per year for GHGs. The rule amendments presented to the Board today incorporate those changes primarily to the definitions for the PSD and Title V programs. Without these changes we will be forced to permit smaller sources of GHGs or we can defer permitting of larger sources to EPA. The EPA is planning to do a fast track state implementation plan process that would lead to a federal implementation plan (FIP). By January 2, 2011, states that have not been able to or can't get a rule in place would have a

FIP in place and EPA would become the permitting authority. The proposed amendments would allow us in Utah to permit Utah sources while excluding the smaller sources whose emissions are below the levels that EPA has promulgated. In June 2010 DAQ held an information meeting for interested parties where we outlined these changes that have been finalized by EPA and discussed our proposed course of action. No comments have been received. Staff recommends the Board propose these amendments to R307-401-9, R307-405-3, and R307415-3 for public comment.

In answer to Board questions, Mr. Olsen stated that no other source categories have been identified at this point than those indicated in a previous presentation. Also, if the Board approves this for public comment today it is DAQ's intention to return to the Board in December to present it for final approval which would be in time to meet EPA's January 2, 2011, date. Any concerns raised during the comment process would be addressed prior to December's Board meeting.

- Brent Bradford moved to propose these rules for public comment. Nan Bunker seconded. The Board approved in favor with Darrell Smith absent.

**V. Propose for Public Comment: Operating Permit Program Fee for Fiscal Year 2012. Presented by David Beatty.**

Darrell Smith enters the meeting.

David Beatty, Operating Permit Section Manager at DAQ, stated that each year the DAQ establishes an annual emissions fee to fund the Operating Permit Program. For fiscal year 2012 the DAQ is proposing a fee of \$51.32 per ton of emissions which is a \$2.57 per ton increase from the current rate of \$48.75 per ton. The reason for the increase is the drastic drop in emission tonnage that will be coming in as a result of a drop in pollution from sources and also because of economic hardships of sources. This fee will be included in the Department's fee package that will be presented at a public hearing this year. Staff recommends the Board submit to the Department the \$51.32 per ton of emissions for the fiscal year 2012 operating permit fee.

In answer to Board questions, Mr. Beatty stated that although the tonnage was down it does not mean a reduction in permits and staff would be maintained at the same level. In addition, the fiscal year 2010 surplus has been incorporated into the fiscal year 2012 figures.

- Kerry Kelly moved to submit for public comment. Joel Elstein seconded. The Board approved unanimously.

**VI. Informational Items.**

**A. Kennecott Bingham Canyon Mine Expansion Project. Presented by Chris Kaiser.**

Mr. Sands is currently employed by Kennecott Utah Copper and to avoid any appearance of a conflict has asked to be recused from this agenda item. Ms. Van Dame was asked to introduce and facilitate this agenda item.

Chris Kaiser and Cassady Kristensen of Rio Tinto Kennecott Utah Copper gave an informational briefing to the Board regarding the proposed mine expansion

and specifically the regulatory process contained in the Utah Administrative Code under which the expansion will be reviewed. Mr. Kaiser gave a brief overview of the expansion and then a description of how the mine is currently regulated and what the proposed changes are. This was followed by an overview of the regulatory process outlined in the state rules to modify the mine's air quality requirements. In addition to the regulatory process outlined, Kennecott is conducting consultation activities with a broad range of stakeholders. Kennecott's submittal is currently under review by the DAQ. Depending on DAQ's determination, the Division would next consult the Board to request rule making to modify the 2005 PM10 state implementation plan (SIP).

In response to the Board's question if they plan to ask for an increase in emission limits, Mr. Kaiser responded that their application includes an analysis of proposed emission levels. In general there would be an increase in mobile emissions, a proposed decrease in fugitive emissions, and a small increase in point source emissions. Also, the limit prior to 1999 was 150.5 million tons per year which was at this level at least back to the 1994 SIP.

- B. Air Toxics. Presented by Robert Ford.**
- C. Compliance. Presented by Jay Morris and Harold Burge.**
- D. Monitoring. Presented by Bo Call.**

Bo Call updated the Board on the monitoring graphs submitted to the Board and commented that the ozone summary report for this year will be completed at the end of the ozone season which is the end of September for this year.

At the conclusion of today's meeting it was suggested by Mr. Petersen that the Division might present other detailed informational items to the Board at future meetings and several topics were suggested to the Division.

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Meeting was adjourned at 2:03 p.m.

Minutes approved: November 3, 2010.