

Scott M. Matheson  
Governor



James O. Mason, M.D., Dr.P.H.  
Executive Director  
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STATE OF UTAH  
DEPARTMENT OF HEALTH  
DIVISION OF ENVIRONMENTAL HEALTH

150 West North Temple, P.O. Box 2500, Salt Lake City, Utah 84110  
533-6108

April 14, 1981

Alvin E. Rickers, Director  
Room 426 801-533-6121

RECEIVED

APR 23 1981

DIVISION OF  
OIL, GAS & MINING

Nicolas K. Temnikov  
Eureka Energy Company  
77 Beale Street  
San Francisco, CA 94106

Re: Air Quality Intent to  
Approve Construction and  
Operation of Sage Point-Dugout  
Canyon Project (Carbon County)

Dear Mr. Temnikov:

Plans and specifications for your proposal to construct portal and surface operations for two coal mines in Fish Creek Canyon and two in Dugout Canyon (Sage Point - Dugout Canyon project) in Carbon County have been evaluated and have been found to be consistent with the requirements of the Utah Air Conservation Regulations and the Utah Air Conservation Act.

The Executive Secretary published notice of intent to issue an approval order in the Salt Lake Tribune and Deseret News on April 13, 1981.

A thirty-day period following the publishing date will be allowed during which your proposal and the Executive Secretary's evaluation of the impact on air quality will be available for review and comment. If within 15 days of publication of notice anyone so requests, a hearing will be held. All comments received will be evaluated and a final determination will be made by the Executive Secretary.

You may not proceed with any of the proposed construction of the air pollution sources or control facilities until you have received an approval from the Executive Secretary.

The proposed conditions upon which the approval will be given are:

1. All emission control equipment shall be maintained in good operating condition and control procedures performed as proposed.

File ACT/007/009  
Copy to Lee  
Jim

2. Visible emissions from point sources shall not exceed 20% opacity as per Section 4.1.2, Utah Air Conservation Regulations (UACR). Emissions from diesel engines shall not exceed 20% opacity except for starting motion no farther than 100 yards or for stationary operation not exceeding 3 minutes in any hour as per Section 4.1.4, UACR.
3. Total annual production of coal from the four mines shall not exceed 5,200,000 tons without prior approval from the Executive Secretary per Section 3.1, UACR.
4. All conveyors shall be enclosed and water sprays be operated at all transfer points including transfers to other conveyors, storage piles and into a surge bin. The spray system shall utilize a wetting agent to the water for minimizing fugitive emissions as proposed.
5. The unpaved sections of roadway shall be water sprayed to minimize fugitive dusts as dry conditions warrant or as determined necessary by the Executive Secretary. A record/log of treatments to include date, amount and treatment location shall be kept and made available to the Executive Secretary upon request.
6. The stack from each baghouse controlling emissions from the crusher, centrifuges and preparation plant conveyors shall be stack tested using EPA test methods 1-5 within 180 days after this approval date. The exhaust from each stack shall not exceed 0.02 gr/dscf. The Executive Secretary shall be contacted for technical input at least thirty days prior to the test(s) and State personnel shall be present for the test(s).
7. The rotary breaker in the preparation plant shall be controlled with water sprays with additives to minimize fugitive emissions.
8. The Executive Secretary shall be notified when start-up occurs as an initial compliance inspection is required.

Since your emissions are less than 250 tons/year, you will not be required to obtain a PSD permit from EPA. However, you are considered a major source (over 100 tons/year) by the State, and per Section 3.9, UACR, a fee for the cost associated with the processing of this approval order is required to be paid by

the owner/operator to the State of Utah upon receipt of the final approval order. Enclosed is an itemized bill which lists the approximate costs associated with the processing. Final costs will be documented in the approval order.

Sincerely,

Brent C. Bradford  
Executive Secretary  
Utah Air Conservation Committee

MRK:js

Enclosure

cc: Southeastern Dist. Health Dept.  
EPA/Region VIII (N. Huey)  
Div. of Oil, Gas & Mining (J. Smith) ✓