



State of Utah

GARY R. HERBERT
Governor

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Lieutenant Governor

Department of
Environmental Quality

L. Scott Baird
Interim Executive Director

DIVISION OF AIR QUALITY
Bryce C. Bird
Director

DAQE-AN141180005-19

July 26, 2019

Larry Johnson
Coal Energy Group 3, LLC
6602 Ilex Circle
Naples, FL 34109

Dear Mr. Johnson:

Re: Approval Order:
Modification to Approval Order DAQE-AN0141180001-08 for Kinney No.2 Mine Site
Project Number: N141180005

The attached Approval Order (AO) is issued pursuant to the Notice of Intent (NOI) received on March 6, 2018. Coal Energy Group 3, LLC must comply with the requirement of this AO, all applicable state requirements (R307), and Federal Standards.

The project engineer for this action is **Sarah Foran**, who can be contacted at (801) 536-4233 or sforan@utah.gov. Future correspondence on this AO should include the engineer's name as well as the DAQE number shown on the upper right-hand corner of this letter. No public comments were received on this action.

Sincerely,

Signed by Bryce C. Bird on July 26, 2019

Bryce C. Bird
Director

BCB:SF:sa

cc: Southeastern Utah District Health Department

STATE OF UTAH
Department of Environmental Quality
Division of Air Quality

APPROVAL ORDER
DAQE-AN141180005-19
Modification to DAQE-AN0141180001-08
for Kinney No.2 Mine Site

Prepared By
Sarah Foran, Engineer
(801) 536-4233
sforan@utah.gov

Issued to
Coal Energy Group 3, LLC - Kinney No. 2 Mine

Signed by Bryce C. Bird on July 26, 2019

Issued By
Bryce C. Bird
Director
Division of Air Quality

Date: July 26, 2019

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GENERAL INFORMATION

CONTACT/LOCATION INFORMATION

Owner Name

Coal Energy Group 3, LLC

Source Name

Coal Energy Group 3, LLC - Kinney No. 2 Mine

Mailing Address

6602 Ilex Circle
Naples, FL 34109

Physical Address

Kinney No. 2 Mine
Scofield, UT 84526

Source Contact

Name Larry Johnson
Phone (435) 691-2983
Email ljohnson@altoncoal.com

UTM Coordinates

486,627 m Easting
4,397,922 m Northing
Datum NAD83
UTM Zone 12

SIC code 1222 (Bituminous Coal Underground Mining)

SOURCE INFORMATION

General Description

Coal Energy Group 3, LLC purchased and is re-opening the Kinney No. 2 Mine. All historic surface equipment was removed and a new conveyor and truck loading system will be installed to move coal off site from the underground mine. The facility will process and crush 300,000 tons per year of coal underground before routing coal to the surface where it is conveyed into storage piles. Coal is stored on site and trucked off site for sale.

NSR Classification

Minor Modification at Minor Source

Source Classification

Located in Attainment Area
Carbon County
Airs Source Size: B

Applicable Federal Standards**Project Description**

Coal Energy Group 3, LLC (Coal Energy) requested a modification to DAQE-AN0141180001-08 dated December 11, 2008 to reopen the facility. Changes associated with the modification include updated equipment, operations, and throughputs. The site operates an underground mine that will process up to 3,000,000 tons per year of coal. Emissions are generated as coal is transported from the underground mine to the surface. At the surface, coal is conveyed to storage piles and storage silos before trucking off site.

SUMMARY OF EMISSIONS

The emissions listed below are an estimate of the total potential emissions from the source. Some rounding of emissions is possible.

Criteria Pollutant	Change (TPY)	Total (TPY)
Particulate Matter - PM ₁₀		11.14
Particulate Matter - PM _{2.5}		1.84
Volatile Organic Compounds		0.24

Hazardous Air Pollutant	Change (lbs/yr)	Total (lbs/yr)
	Change (TPY)	Total (TPY)

SECTION I: GENERAL PROVISIONS

I.1	All definitions, terms, abbreviations, and references used in this AO conform to those used in the UAC R307 and 40 CFR. Unless noted otherwise, references cited in these AO conditions refer to those rules. [R307-101]
I.2	The limits set forth in this AO shall not be exceeded without prior approval. [R307-401]
I.3	Modifications to the equipment or processes approved by this AO that could affect the emissions covered by this AO must be reviewed and approved. [R307-401-1]
I.4	All records referenced in this AO or in other applicable rules, which are required to be kept by the owner/operator, shall be made available to the Director or Director's representative upon request, and the records shall include the two-year period prior to the date of the request. Unless otherwise specified in this AO or in other applicable state and federal rules, records shall be kept for a minimum of two (2) years. [R307-401-8]
I.5	At all times, including periods of startup, shutdown, and malfunction, owners and operators shall, to the extent practicable, maintain and operate any equipment approved under this AO, including associated air pollution control equipment, in a manner consistent with good air pollution control practice for minimizing emissions. Determination of whether acceptable operating and maintenance procedures are being used will be based on information available to the Director which may include, but is not limited to, monitoring results, opacity observations, review of operating and maintenance procedures, and inspection of the source. All maintenance performed on equipment authorized by this AO shall be recorded. [R307-401-4]
I.6	The owner/operator shall comply with UAC R307-107. General Requirements: Breakdowns. [R307-107]
I.7	The owner/operator shall comply with UAC R307-150 Series. Emission Inventories. [R307-150]
I.8	The owner/operator shall submit documentation of the status of construction or modification to the Director within 18 months from the date of this AO. This AO may become invalid if construction is not commenced within 18 months from the date of this AO or if construction is discontinued for 18 months or more. To ensure proper credit when notifying the Director, send the documentation to the Director, attn.: NSR Section. [R307-401-18]

SECTION II: PERMITTED EQUIPMENT

II.A THE APPROVED EQUIPMENT

II.A.1	Kinney Mine No. 2
II.A.2	One (1) Transfer Tower Wet process Included for informational purposes
II.A.3	One (1) Conveyor Name: SB-1 Maximum Width: 42" Control: Enclosed
II.A.4	One (1) Run-Of-Mine (ROM) Storage Pile Control: Water Sprays
II.A.5	One (1) Baghouse Baghouse-1 Bag Rating: 0.005 gr/dscf of PM ₁₀ Fan Size: 10,400 dscfm
II.A.6	Two (2) Reclaimed Tunnel Vibrating Feeders Control: Baghouse-1
II.A.7	One (1) Truck Load Out Conveyor Name: SB-2 Maximum Width: 42" Control: Enclosed and Baghouse-1
II.A.8	Truck Load Out Size: Two (2) 50-Ton Coal Silos Control: Bin Vents, telescope chute
II.A.9	One (1) Diesel Fuel Storage Tank Capacity: 2,000 gallons

SECTION II: SPECIAL PROVISIONS

II.B REQUIREMENTS AND LIMITATIONS

II.B.1	Material Handling Requirements
II.B.1.a	Unless otherwise specified in this AO, the owner/operator shall not allow visible emissions from any installation on site to exceed 20% opacity. [R307-205, R307-401-8]
II.B.1.a.1	Unless otherwise specified in this AO, opacity observations of emissions from stationary sources shall be conducted according to 40 CFR 60, Appendix A, Method 9. [R307-201-3]
II.B.1.b	The owner/operator shall route all emissions from conveyor SB-2 through the baghouse before venting to the atmosphere. [R307-401-8]

II.B.1.c	The owner/operator shall install a manometer or magnehelic pressure gauge to measure the differential pressure across the baghouse. The static pressure differential across the baghouse shall be between 3.0 to 7.0 inches of water column. [R307-401-8]
II.B.1.c.1	The pressure gauge shall be located such that an inspector/operator can safely read the indicator at any time. The pressure gauge shall measure the pressure drop in 1-inch water column increments or less. The pressure gauge shall be calibrated according to the manufacturer's instructions at least once every 12 months. [R307-401-8]
II.B.1.c.2	The owner/operator shall record the reading of the pressure gauge at least once per operating day. [R307-401-8]
II.B.1.d	The owner/operator shall not allow visible emissions from any baghouse, bin vent, dust collector or fabric filter on site to exceed 10% opacity. [R307-401-8]
II.B.1.e	The owner/operator shall equip all truck load-out silos with telescoping chutes. [R307-401-8]
II.B.2	Haul Road and Fugitive Dust Requirements
II.B.2.a	The owner/operator shall not allow visible emissions from haul roads and fugitive dust sources to exceed 20% opacity on site and 10% at the property boundary. [R307-205-4, R307-401-8]
II.B.2.a.1	Visible emission determinations for fugitive dust from haul roads and operational areas shall use procedures similar to Method 9. The normal requirement for observations to be made at 15-second intervals over a six-minute period, however, shall not apply. Visible emissions shall be measured at the densest point of the plume but at a point not less than 1/2 vehicle length behind the vehicle and not less than 1/2 the height of the vehicle. [R307-205-4, R307-401-8]
II.B.2.b	The owner/operator shall apply water to the ROM storage pile to control emissions. Water shall be applied as necessary to ensure the opacity limits in this AO are not exceeded. [R307-401-8]
II.B.2.c	The owner/operator shall use a chemical suppressant and water application on unpaved haul roads to maintain the opacity limits listed in this AO. [R307-401-8]
II.B.2.c.1	Records of treatments to haul roads and storage piles shall include; the date, time, type, and location of applications. [R307-401-8]
II.B.2.c.2	Records of water and chemical suppressant applications shall be kept for all periods when the plant is in operation. [R307-401-8]

PERMIT HISTORY

This Approval Order shall supersede (if a modification) or will be based on the following documents:

Is Derived From
 Is Derived From
 Incorporates

AO DAQE-AN0141180001-08 dated December 11, 2008
 NOI dated January 24, 2019
 Additional Information dated March 6, 2019

ACRONYMS

The following lists commonly used acronyms and associated translations as they apply to this document:

40 CFR	Title 40 of the Code of Federal Regulations
AO	Approval Order
BACT	Best Available Control Technology
CAA	Clean Air Act
CAAA	Clean Air Act Amendments
CDS	Classification Data System (used by Environmental Protection Agency to classify sources by size/type)
CEM	Continuous emissions monitor
CEMS	Continuous emissions monitoring system
CFR	Code of Federal Regulations
CMS	Continuous monitoring system
CO	Carbon monoxide
CO ₂	Carbon Dioxide
CO ₂ e	Carbon Dioxide Equivalent - Title 40 of the Code of Federal Regulations Part 98, Subpart A, Table A-1
COM	Continuous opacity monitor
DAQ/UDAQ	Division of Air Quality
DAQE	This is a document tracking code for internal Division of Air Quality use
EPA	Environmental Protection Agency
FDCP	Fugitive dust control plan
GHG	Greenhouse Gas(es) - Title 40 of the Code of Federal Regulations 52.21 (b)(49)(i)
GWP	Global Warming Potential - Title 40 of the Code of Federal Regulations Part 86.1818-12(a)
HAP or HAPs	Hazardous air pollutant(s)
ITA	Intent to Approve
LB/YR	Pounds per year
LB/YR	Pounds per year
MACT	Maximum Achievable Control Technology
MMBTU	Million British Thermal Units
NAA	Nonattainment Area
NAAQS	National Ambient Air Quality Standards
NESHAP	National Emission Standards for Hazardous Air Pollutants
NOI	Notice of Intent
NO _x	Oxides of nitrogen
NSPS	New Source Performance Standard
NSR	New Source Review
PM ₁₀	Particulate matter less than 10 microns in size
PM _{2.5}	Particulate matter less than 2.5 microns in size
PSD	Prevention of Significant Deterioration
PTE	Potential to Emit
R307	Rules Series 307
R307-401	Rules Series 307 - Section 401
SO ₂	Sulfur dioxide
Title IV	Title IV of the Clean Air Act
Title V	Title V of the Clean Air Act
TPY	Tons per year
UAC	Utah Administrative Code
VOC	Volatile organic compounds