

DEPARTMENT OF ENVIRONMENTAL CONSERVATION

AIR QUALITY CONTROL MINOR PERMIT

Permit AQ0290MSS07

Preliminary – February 5, 2010

The Alaska Department of Environmental Conservation (Department), under the authority of AS 46.14 and 18 AAC 50, issues Air Quality Control Minor Permit AQ0290MSS07 to the Permittee listed below.

Operator and Permittee: **Teck Alaska Incorporated**
3105 Lakeshore Dr. Bldg A, Ste. 101
Anchorage, AK 99517

Owner: Teck Alaska Incorporated

Stationary Source Red Dog Mine

Location: Latitude: 68°4' N; Longitude: 162°50' W

Physical Address: 90 Miles North of Kotzebue, AK

Permit Contact: Kent Monroe, (907) 426-9110

Project: Tailings Sump Emergency Generator

This permit establishes an Owner Requested Limit (ORL) under 18 AAC 50.508(5) to avoid a minor permit under 18 AAC 50.502(c) for nitrogen oxides. The permit satisfies the obligation of the Permittee to obtain a minor permit under 18 AAC 50.

This permit authorizes the Permittee to operate under the terms and conditions of this permit, and as described in the original permit application and subsequent application supplements listed in Section 6 except as specified in this permit.

The Permittee shall operate under the terms and conditions of this minor permit upon issuance.

John F. Kuterbach
Manager, Air Permits Program

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Section 1. Emission Unit Inventory

- 1. Emission Units (EU) Authorization.** Emission units listed in **Table 1** have specific monitoring, record keeping, or reporting conditions in this permit. Except as noted elsewhere in the permit the information in **Table 1** is for information purposes only. The specific unit descriptions do not restrict the Permittee from replacing an emission unit identified in **Table 1**. The Permittee shall comply with all applicable provisions of AS 46.14 and 18 AAC 50 when installing a replacement emission unit, including any applicable minor or construction permit requirements.

Table 1 –Minor Permit Emission Unit Inventory

EU ID	Description	Make/Model	Rating/Size	Fuel Type	Install Date
MG-26	Tailing Sump Emergency Generator	Caterpillar/C15 DITA	500 kW	Diesel	Est. 2010

Section 2. Emission Fees

2. Conditions 4 and 5 in Minor Permit AQ0290MSS06, dated May 5, 2009, is rescinded and replaced with Conditions 3 and 4 of Minor Permit AQ0290MSS07:
3. **Assessable Emissions.** The Permittee shall pay to the Department an annual emission fee based on the stationary source's assessable emissions as determined by the Department under 18 AAC 50.410. The assessable emission fee rate is set out in 18 AAC 50.410(b). The Department will assess fees per ton of each air pollutant that the stationary source emits or has the potential to emit in quantities greater than 10 tons per year. The quantity for which fees will be assessed is the lesser of
 - 3.1 the stationary source's assessable potential to emit of 5601 TPY; or
 - 3.2 the stationary source's projected annual rate of emissions that will occur from July 1 to the following June 30, based upon actual annual emissions emitted during the most recent calendar year or another 12-month period approved in writing by the Department, when demonstrated by
 - a. an enforceable test method described in 18 AAC 50.220;
 - b. material balance calculations;
 - c. emission factors from EPA's publication AP-42, Vol. I, adopted by reference in 18 AAC 50.035; or
 - d. other methods and calculations approved by the Department.
4. **Assessable Emission Estimates.** Emission fees will be assessed as follows:
 - 4.1 no later than March 31 of each year, the Permittee may submit an estimate of the stationary source's assessable emissions to ADEC, Air Permits Program, ATTN: Assessable Emissions Estimate, 410 Willoughby Ave., Ste 303, Juneau, AK 99811-1800; the submittal must include all of the assumptions and calculations used to estimate the assessable emissions in sufficient detail so the Department can verify the estimates; or
 - 4.2 if no estimate is submitted on or before March 31 of each year, emission fees for the next fiscal year will be based on the potential to emit set forth in Condition 3.1.

Section 3. *Owner Requested Limit to Avoid Classification Under 18 AAC 50.502(c)(3)*

5. The Permittee shall limit non-emergency operation of Emission Unit MG-26 to 500 hours per 12 consecutive month period.
 - 5.1 Install non-resettable hour meter prior to the start up of Emission Unit MG-26.
 - 5.2 Record the start and stop time of all operation of Emission Unit MG26. Record the reason for operating the unit (emergency or non-emergency). If it is an emergency, indicate the basis for considering it an emergency.
 - 5.3 Before the end of each calendar month calculate and record the total hour of non-emergency operation for Emission Unit MG-26 for the previous month, then calculate the 12 month rolling total hours of non-emergency operation by adding to the previous 11 months.
 - 5.4 Report the monthly and rolling 12-month hours of non-emergency operation of Emission Unit MG-26, in the operating report submitted under the applicable operating report issued for the source under AS 46.14.130(b) and 18 AAC 50.
 - 5.5 Include the monthly and 12 month hours of emergency operation, and the basis for considering it an emergency.
 - 5.6 Notify the Department under Excess Emissions and Permit Deviations described in the applicable operating permit issued for the source under AS 46.14.130(b) and 18 AAC 50, should the consecutive 12-month non-emergency operating hours exceed the limit in this condition.

Section 4. General Recordkeeping Requirements

- 6. Recordkeeping Requirements.** The Permittee shall keep all records required by this permit for at least five years after the date of collection, including:
 - 6.1 copies of all reports and certifications submitted pursuant to this section of the permit; and
 - 6.2 records of all monitoring required by this permit, and information about the monitoring including:
 - a. the date, place, and time of sampling or measurements;
 - b. the date(s) analyses were performed;
 - c. the company or entity that performed the analyses;
 - d. the analytical techniques or methods used;
 - e. the results of such analyses; and,
 - f. the operating conditions as existing at the time of sampling or measurement.
- 7. Certification.** The Permittee shall certify any permit application, report, affirmation, or compliance certification submitted to the Department and required under the permit by including the signature of a responsible official for the permitted stationary source following the statement: *“Based on information and belief formed after reasonable inquiry, I certify that the statements and information in and attached to this document are true, accurate, and complete.”* Excess emission reports must be certified, either upon submittal or with an operating report required for the same reporting period. All other reports and other documents must be certified upon submittal.
 - 7.1 The Department may accept an electronic signature on an electronic application or other electronic record required by the Department if
 - a. a certifying authority registered under AS 09.25.510 verifies that the electronic signature is authentic; and
 - b. the person providing the electronic signature has made an agreement, with the certifying authority described in Condition 7.1a, that the person accepts or agrees to be bound by an electronic record executed or adopted with that signature.
- 8. Information Requests.** The Permittee shall furnish to the Department, within a reasonable time, any information the Department requests in writing to determine whether cause exists to modify, revoke and reissue, or terminate the permit or to determine compliance with the permit. Upon request, the Permittee shall furnish to the Department copies of records required to be kept by the permit. The Department may require the Permittee to furnish copies of those records directly to the federal administrator.

- 9. Submittals.** Unless otherwise directed by the Department or this permit, the Permittee shall send an original and one copy of reports, compliance certifications, and other submittals required by this permit to **ADEC, Air Permits Program, 610 University Ave., Fairbanks, AK 99709-3643, ATTN: Compliance Technician.** The Permittee may upon consultation with the Compliance Technician regarding software compatibility, provide electronic copies of data reports, emission source test reports, or other records under a cover letter certified in accordance with condition 7.

Section 5. Standard Terms and Conditions

- 10.** The Permittee must comply with each permit term and condition. Noncompliance with a permit term or condition constitutes a violation of AS 46.14, 18 AAC 50, and, except for those terms or conditions designated in the permit as not federally enforceable, the Clean Air Act, and is grounds for
 - 10.1 an enforcement action; or
 - 10.2 permit termination, revocation and reissuance, or modification in accordance with AS 46.14.280.
- 11.** It is not a defense in an enforcement action to claim that it would have been necessary to halt or reduce the permitted activity in order to maintain compliance with a permit term or condition.
- 12.** Each permit term and condition is independent of the permit as a whole and remains valid regardless of a challenge to any other part of the permit.
- 13.** The permit may be modified, reopened, revoked and reissued, or terminated for cause. A request by the Permittee for modification, revocation and reissuance, or termination or a notification of planned changes or anticipated noncompliance does not stay any permit condition.
- 14.** The permit does not convey any property rights of any sort, nor any exclusive privilege.

Section 6. Permit Documentation

November 20, 2009

Missing application components submitted by Teck Alaska, Inc.

September 29, 2009

Application submitted by Teck Alaska, Inc. Application incomplete.

Section 7. ADEC Notification Form¹

Stationary Source (Facility) Name _____

Air Quality Permit Number _____

Company Name _____

When did you discover the Excess Emissions/Permit Deviation?

Date: _____ / _____ / _____ Time: _____ : _____

When did the event/deviation occur?

Begin Date: _____ / _____ / _____ Time: _____ : _____ (please use 24hr clock)

End Date: _____ / _____ / _____ Time: _____ : _____ (please use 24hr clock)

What was the duration of the event/deviation?: _____ : _____ (hrs:min) or _____ days
 (total # of hrs, min, or days, if intermittent then include only the duration of the actual emissions/deviation)

Reason for Notification: (please check only 1 box and go to the corresponding section)

- Excess Emissions - Complete Section 1 and Certify.
- Deviation from Permit Condition - Complete Section 2 and Certify
- Deviations from COBC, CO, or Settlement Agreement - Complete Section 2 and Certify

Section 1. Excess Emissions

(a) Was the exceedance:

(b) Cause of Event (Check one) Intermittent Continuous

- Start Up /Shut Down Natural Cause (weather/earthquake/flood)
- Control Equipment Failure Scheduled Maintenance/Equipment Adjustment
- Bad fuel/coal/gas Upset Condition Other _____

(c) **Description**

Describe briefly, what happened and the cause. Include the parameters/operating conditions exceeded, limits, monitoring data and exceedance.

(d) Emissions Units Involved:

Identify the emission unit involved in the event, using the same identification number and name as in the permit. Identify each emission standard potentially exceeded during the event and the exceedance.

Unit ID	Emission Unit Name	Permit Condition Exceeded/Limit/Potential Exceedance

¹ Revised as of August 20, 2008.

(e) Type of Incident (Please Check only one).

- Opacity _____ %
 Venting _____ (gas/scf)
 Control Equipment Down
 Fugitive Emissions
 Emission Limit Exceeded
 Other:
 Marine Vessel Opacity
 Flaring

(f) Unavoidable Emissions:

Do you intend to assert that these excess emissions were unavoidable? Yes No

Do you intend to assert the affirmative defense of 18 AAC 50.235? Yes No

Certify Report (go to end of form)

Section 2 Permit Deviations

(a) Permit Deviation Type (check one only box, corresponding with the section in the permit).

- Source Specific
 Failure to monitor/report
 General Source Test/Monitoring Requirements
 Recordkeeping/Reporting/Compliance Certification
 Standard Conditions Not Included in Permit
 Generally Applicable Requirements
 Reporting/Monitoring for Diesel Engines
 Record Keeping Failure
 Insignificant Source
 Facility Wide
 Other Section _____ (title of section and section number of your permit).

(b) Emission Unit Involved.

Identify the emission unit involved in the event, using the same identification number and name as in the permit. List the corresponding permit conditions and the deviation.

(c) Description of Potential Deviation:

Describe briefly what happened and the cause. Include the parameters/operating conditions and

Unit ID	Emission Unit Name	Permit Condition / Potential Deviation

the potential deviation.

(d) Corrective Actions:

Describe actions taken to correct the deviation or potential deviation and to prevent future recurrence.

Certification:

Based on information and belief formed after reasonable inquiry, I certify that the statements and information in and attached to this document are true, accurate, and complete.

Printed Name: _____ Title: _____ Date: _____
Signature: _____ Phone Number: _____

NOTE: *This document must be certified in accordance with 18 AAC 50.345(j)*

To Submit this Report:

1. Fax to: 907-451-2187;

Or

2. Email to: DEC.AQ.Airreports@alaska.gov - *if faxed or emailed, the report must be certified within the Operating Report required for the same reporting period required under the applicable operating report requirement under 18 AAC 50 and AS 46.14*

Or

3. Mail to: ADEC
Air Permits Program
610 University Avenue
Fairbanks, AK 99709-3643

Or

4. Phone Notification: 907-451-5173
Phone notifications require a written follow-up report.

Or

5. Submission of information contained in this report can be made electronically at the following website:

<https://myalaska.state.ak.us/deca/air/airtoolsweb/>

if submitted online, report must be submitted by an authorized E-Signer for the Stationary Source.