

**Alaska Department of Environmental Conservation
Air Permits Program**

**Fire River Gold
Nixon Fork Mine**

**STATEMENT OF BASIS
of the terms and conditions for
Permit No. AQ0837TVP01**

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INTRODUCTION

This document sets forth the statement of basis for the terms and conditions of Operating Permit No. AQ0837TVP01.

STATIONARY SOURCE IDENTIFICATION

Section 1 of Operating Permit No. AQ0837TVP01 contains information on the stationary source as provided in the Title V permit application.

The stationary source is owned and operated by **Fire River Gold, Mystery Creek Resources, Inc.**, and **Fire River Gold** is the Permittee for the stationary source's operating permit. The SIC code for this stationary source is 1041- Gold Ores.

The stationary source, the **Nixon Fork Mine**, is involved in mining and gold production at two developed small ore bodies with currently defined resources of approximately 145,000 tons, containing 136,000 ounces of gold. The mine is located approximately 51 kilometers (km) northeast from McGrath, and approximately 350 km from Anchorage. The town of Medfra is located approximately 10 km south of the mine. The mine (i.e., stationary source) consists of underground operations where mining activities like drilling, blasting and transfer of the ore and development rocks into trucks take place. The ore is processed in the mill. The mill equipment is designed to process a maximum of 220 tons per day of ore. The milling process involves ore crushing, grinding, gravity separation, floatation and leaching.

A detailed description of the mining operations, underground and above ground, is contained in the Technical Analysis Report (TAR) to Permit AQ0837CPT01 (issued July 7, 2005). The following source description is excerpted from that TAR:

Underground Operations

During normal operations the blasted ore is brought from the underground mine to the surface and deposited in the above ground mill. The ore and development rock is not crushed, ground, or otherwise processed underground. The access points to the underground mine are the Crystal Portal and Crystal Vent raise. The Crystal Portal is the access for all underground traffic, and exit point for all mine ventilation. The Crystal Vent raise is used to deliver fresh air and heat in the winter to the mine.

Above Ground Mill Operations

The milling process involves ore crushing, grinding, gravity separation, flotation, and leaching. During primary crushing, the ore is transported to the jaw crusher using an apron feeder and reduced to an approximate size of three inches. The processed ore is then passed through a tramp metal magnet and metal detector before screened. Oversized material is reduced in a secondary cone crusher. This processed ore is conveyed together with process ore from the primary crushing back to the screen. Undersized material from the screen is transported to the ball mill feed storage bin. After grinding in slurry in the ball mill, process concentrate is delivered to the cyclone cluster, floatation units, and leach units. The floatation tailings are pumped to the tailings pond; with additional re-processing and trucking of tailings to dry stack pad (near airstrip).

The Merrill-Crow process is used to remove gold (and other precious metals) from a cyanide solution by zinc precipitation. Since gold ore can contain mercury, the mercury is removed from the gold by heating the gold in a closed vacuum distillation oven. This closed system, named the “retort”, traps and collects the mercury (mercury recovery system). The retort acts as a condenser to capture the mercury that could otherwise be released from the solution during heating, thereby preventing the mercury emission from being released into the ambient air. The mercury that is captured by the retort is cooled into a liquid and collected and sold as a product. The mercury recovery system is a closed system.

Mine Supply

The **Nixon Fork Mine** is not connected to the state’s continuous road system, and is not accessible by the Federal Aid Highway System (FAHS). The mine has a private air strip to accommodate Hercules size aircraft used to transport mine supplies. The mine is connected by a tote road, which is not accessible by standard highway vehicles, to the town of Medfra.

EMISSION UNIT INVENTORY AND DESCRIPTION

Under 18 AAC 50.326(a), the Department requires operating permit applications to include identification of all emissions-related information, as described under 40 C.F.R. 71.5(c)(3).

The emission units at the **Nixon Fork Mine** that are classified and have specific monitoring, recordkeeping, and reporting requirements are listed in Table A of Operating Permit No. AQ0837TVP01.

Table A of Operating Permit No. AQ0837TVP01 contains information on the emission units regulated by this permit as provided in the application. The table is provided for informational and identification purposes only. Specifically, the emission unit rating/size provided in the table is not intended to create an enforceable limit.

EMISSIONS

A summary of the potential to emit (PTE)¹ and assessable PTE as indicated in the application from the **Nixon Fork Mine** is shown in the table below.

Table C - Emissions Summary, in Tons Per Year (TPY)

Pollutant	NO _x	CO	PM-10	SO ₂	VOC	HAPs ⁽¹⁾	Total
Significant Units PTE	200.4	32.2	12.8	50.0	5.3	0.8	301.5
Insignificant Activities PTE	6.5	1.6	0.7	22.8	0.1	0.6	32.3
Fugitive Emissions	0.0	0.0	28.5	0.0	0.0	0.0	28.5
Total PTE	207	34	42	73	5	1	362
Assessable PTE	207	34	42	73	0	0	356
Non-road Engines ⁽²⁾	116.3	25.1	8.3	13.4	9.4	0.1	172.6

⁽¹⁾ This stationary source is a minor source of HAPs.

⁽²⁾ Not included in stationary source and assessable emissions determination.

The assessable PTE listed under Condition 43.1 is the sum of the emissions of each individual regulated air pollutant for which the stationary source has the potential to emit quantities greater than 10 TPY. The emissions listed in Table A are estimates that are for informational use only. The listing of the emissions does not create an enforceable limit to the stationary source.

The PTE of criteria pollutants was based on emission calculations submitted by Fire River Gold in their permit application and revised information received on February 19, 2010. Potential emissions were calculated using EPA's AP-42 emission factors, vendor data, and mass balance. HAP emissions were calculated using EPA's AP-42 emission factors and vendor data.

In 2006, Fire River Gold modified the mill circuit design to increase the minerals processing rate from 154 tpd to 220 tpd. Fire River Gold added new conveyor belts, related transfer points, sample crushers and a new baghouse (EU ID 13) to the existing mill circuit. PM-10 Emissions from EU IDs 102 and 103a are fugitive. Fire River Gold did not notify the Department of this modification until receipt of the operating permit application. During this review, the Department used the following approach to evaluate the PM10 emissions increase due to this 2006 modification:

- A simple linear adjustment is made to the Construction Permit AQ0837CPT01 fugitive emissions total as follows: 28.5 tpy * 4/5 (transfer point changes, i.e., one fugitive transfer point eliminated) * 220/154 (tpd throughput change) = 32.6 tpy (new) - 28.5 tpy (prior existing) = 4.07 tpy increase in fugitive PM due to new production capacity.

¹ *Potential to Emit or PTE* means the maximum capacity of a stationary source to emit a pollutant under its physical or operational design. Any physical or operational limitation on the capacity of the source to emit a pollutant, including air pollution control equipment and restrictions on hours of operation or on the type or amount of material combusted, stored, or processed, shall be treated as part of its design if the limitation or the effect it would have on emissions is federally enforceable. Secondary emissions do not count in determining the potential to emit of a stationary source, as defined in AS 46.14.990(23), effective 12/3/05.

- For the existing baghouse EU 12, there is no change in the exhaust flow rate and grain loading (4,000 acfm, 0.05 gr/dscfm); therefore, no change in PM10 emissions occurs w/this baghouse due to production increase.
- New EU 13 has a fan exhaust flow of 5,000 acfm, and a 0.05 gr/dscfm particulate loading similar to EU 12, which results in a computed PM10 emission rate of 4.1 tpy. To simplify this analysis, no PM10 emissions reduction due to prior fugitive PM now being ducted to EU 13 is considered.
- The total estimated PM10 attributable to the production increase to 220 tpd is: 4.07 tpy (fugitives) + 4.1 tpy (point) = 8.17 tpy.

The above analysis results in a source modification PM10 emission rate below the 10 tpy minor permit applicability threshold of 18 AAC 50.502(b)(3).

BASIS FOR REQUIRING AN OPERATING PERMIT

In accordance with AS 46.14.130(b), an owner or operator of a Title V source² must obtain a Title V permit consistent with 40 C.F.R. Part 71, as adopted by reference in 18 AAC 50.040.

Except for sources exempted or deferred by AS 46.14.120(e) or (f), AS 46.14.130(b) lists three categories of sources that require an operating permit:

- (1) A major source;
- (2) A stationary source subject to federal new source performance standards or national emission standards;
- (3) Another stationary source designated by the Federal Administrator by regulation.

This stationary source is classified under 18 AAC 50.326(a) and 40 C.F.R. 71.3(a) as

- A major stationary source as defined in Section 302 of the Clean Air Act that directly emits, or has the potential to emit, 100 TPY or more of any air pollutant;
- Contains a source, including an area source, subject to a standard, limitation or other requirement under Section 111 of the Act (Standards of Performance for New Stationary Source, NSPS) not exempted or deferred under AS 46.14.120(e) or (f).

AIR QUALITY PERMITS

Previous Air Quality Permit to Operate

No previous air quality control permit-to-operate exists for this stationary source.

Title I (Construction and Minor) Permits

The Department issued Construction Permit No. AQ0837CPT01 to this stationary source on July 7, 2005. The Department established stationary source-specific requirements in this Title I permit included in the new operating permit as described in Table D.

² "Title V source" means a stationary source classified as needing a permit under AS 14.130(b) [ref. 18 AAC 50.990(111)].

Title V Operating Permit Application, Revisions and Renewal History

The owner or operator submitted an operating permit application on May 12, 2008. The Department received additional information on January 19 and 28, 2010; and February 23, 2010. The application was amended on May 21, 2010 to provide a citation-level analysis for affected units under 40 C.F.R. 63, Subpart ZZZZ, with related revisions to the requested permit shield as contained within the application.

COMPLIANCE HISTORY

The stationary source has operated at its current location since 1995. Review of the permit files for this stationary source, which includes the past inspection reports and compliance evaluations indicate a stationary source generally operating in compliance with its operating permit.

APPLICABLE REQUIREMENTS FROM PRE-CONSTRUCTION PERMITS

Incorporated by reference at 18 AAC 50.326(j), 40 C.F.R. Part 71.6 defines “applicable requirement” to include the terms and conditions of any pre-construction permit issued under rules approved in Alaska’s SIP.

Alaska’s State Implementation Plan included the following types of pre-construction permits:

- Permit-to-operate issued before January 18, 1997 (these permits cover both construction and operations);
- Construction Permits issued after January 17, 1997; and
- Minor permits issued after October 1, 2004.

Pre-construction permit terms and conditions include both source-specific conditions and conditions derived from regulatory applicable requirements such as standard conditions, generally applicable conditions and conditions that quote or paraphrase requirements in regulation.

These requirements include, but are not limited to, each source-specific requirement established in these permits issued under 18 AAC 50 that are still in effect at the time of this operating permit issuance. Table D below lists the requirements carried over from Construction Permit No. AQ0837CPT01 into Operating Permit No. AQ0837TVP01 to ensure compliance with the applicable requirements.

NON-APPLICABLE REQUIREMENTS

Each permit is required to contain a discussion of all applicable requirements as set forth in 40 C.F.R. 71.6(a) adopted in 18 AAC 50.040(j). This section discusses standard conditions that have been removed from the permit or are not included for specific reasons.

- NSPS Subpart CCCC — *Standards of Performance for Commercial and Industrial Solid Waste Incineration Units for Which Construction Is Commenced After November 30, 1999 or for Which Modification or Reconstruction Is Commenced on or After June 1, 2001*. EU ID 11 is exempted from this requirement under 40 CFR 60.2020(j).

- 40 CFR 64 Compliance Assurance Monitoring (CAM) is not applicable because the stationary source does not have potential pre-control device emissions greater than 100 tons per year for PM.

Table D - Comparison of Previous Construction Permit No. AQ0837CPT01 Conditions to Operating Permit No. AQ0837TVP01 Conditions³

Permit No. AQ0837CPT01 Condition number	Description of Requirement	Permit No. AQ0837TVP01 Condition Number	How condition was revised
2	Label each unit within 30 days of installation	16.1	Requirement already fulfilled for the units covered by this condition, except EU ID 4 which is not yet installed; condition carried-forward for EU ID 4.
3	Notify the Department within 30 days of installation	16.2	Requirement already fulfilled for the units covered by this condition, except EU ID 4 which is not yet installed; condition carried-forward for EU ID 4.
14	NSPS general provision for reconstruction (should such occur)	24.7	Prior stand-alone condition now reflected as a sub-condition.
15	NSPS, Subpart LL applicability	30	The verbatim Subpart LL statement of an affected facility has been removed to the Statement of Basis, and instead the affected units are listed.
23	One-year meteorological monitoring requirement	N/A	Not carried-forward. Requirement already fulfilled for this condition.
24	Ambient demonstration requirement (NO ₂ , SO ₂ , PM-10)	N/A	Not carried-forward. Requirement already fulfilled for this condition.

³ This table does not include all standard and general conditions.

STATEMENT OF BASIS FOR THE PERMIT CONDITIONS

The state and federal regulations for each condition are cited in Operating Permit No. AQ0837TVP01. The Statement of Basis provides the legal and factual basis for each term and condition as set forth in 40 C.F.R. 71.6(a)(1)(i).

Conditions 1 and 3 - 5, Visible Emissions Standard and MR&R

Legal Basis: These conditions ensure compliance with the applicable requirements in 18 AAC 50.050(a) and 18 AAC 50.055(a).

- 18 AAC 50.055(a) applies to the operation of fuel-burning equipment and industrial processes. EU IDs 1 through 7 and 12, 13, 101, 103b, 104, 105, 106, 112, and 113 are fuel-burning equipment or industrial processes.
- 18 AAC 50.050(a) applies to the operation of incinerators. EU ID 11 is an incinerator.

U.S. EPA incorporated these standards as revised in 2002 into the State Implementation Plan effective September 13, 2007.

Factual Basis: Condition 1 prohibits the Permittee from causing or allowing visible emissions in excess of 18 AAC 50.055(a)(1). Condition 2 prohibits the Permittee from causing or allowing visible emissions in excess of 18 AAC 50.050(a).

Condition 2 applies federal and State visible emissions standards to each solid waste incinerator. The Permittee shall not cause or allow the equipment to violate these standards.

Visible emission monitoring, record-keeping and reporting is the same for both applicable requirements. The Permittee must monitor, record-keep and report emissions in accordance with Conditions 3 through 5, of the permit.

Conditions 3 - 5 MR&R conditions are standard conditions adopted into regulation pursuant to AS 46.14.010(e).

Beyond as noted above, the Department has previously determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard conditions as modified meets the requirements of 40 C.F.R. 71.6(a)(3).

Liquid Fired Fuel-Burning Equipment:

Monitoring – The visible emissions may be observed by either Method-9 or the Smoke/No Smoke plans as detailed in Condition 3. Corrective actions such as maintenance procedures and either more frequent or less frequent testing may be required depending on the results of the observations.

Recordkeeping - The Permittee is required to record the results of all visible emission observations and record any actions taken to reduce visible emissions.

Reporting - The Permittee is required to report: 1) emissions in excess of the federal and the state visible emissions standard and 2) deviations from permit conditions. The Permittee is

required to include copies of the results of all visible emission observations with the stationary source operating report.

Incinerator Visible Emissions MR&R

The Permittee is required to monitor, record and report according to Condition 2.

Conditions 6 and 7 - 8 and 9 - 11, Particulate Matter (PM) Standard

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.055(b). This requirement applies to operation of all industrial processes and fuel-burning equipment in Alaska.

- EU IDs 1 through 7 are fuel-burning equipment.
- EU IDs 12, 13, 101, 103b, 104, 105, 106, 112, and 113 are industrial processes.

These PM standards also apply because they are contained in the federally approved SIP effective September 13, 2007.

Factual Basis: Condition 6 prohibits emissions in excess of the state PM (also called grain loading) standard applicable to fuel-burning equipment and industrial processes. The Permittee shall not cause or allow fuel-burning equipment nor industrial processes to violate this standard.

Additionally, EU IDs 103b, 104, 105, 106, 112, and 113 are subject to 40 C.F.R. 60, Subpart LL. The related PM emission standard is also cross-referenced at Condition 6 (i.e., Condition 30).

MR&R requirements are listed in Conditions 7 - 8 and 9 - 11 of the permit. For EU IDs 103b, 104, 105, 106, 107, 112, and 113, MR&R requirements are cross-referenced to the Subpart LL requirements at Conditions 31 through 33.

The Permittee must establish by actual visual observations which can be supplemented by other means, such as a defined Operation and Maintenance Program, that the emission unit is in continuous compliance with the State's emission standards for particulate matter.

Liquid Fired:

For liquid fuel units the MR&R conditions are Standard Permit Condition IX adopted into regulation pursuant to AS 46.14.010(e). The Department determined that these standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard conditions meet the requirements of 40 C.F.R. 71.6(a)(3).

Condition 15, Sulfur Compound Emissions

Legal Basis: This condition requires the Permittee to comply with the sulfur compound emission standard for all fuel-burning equipment and industrial processes in the State of Alaska.

- EU IDs 1-7 and 11 are fuel-burning equipment and industrial processes.

These sulfur compound standards also apply because they are contained in the federally approved SIP effective September 13, 2007.

Factual Basis: The condition requires the Permittee to comply with the sulfur compound emission standard applicable to fuel-burning equipment. The Permittee may not cause or allow the affected equipment to violate this standard.

Sulfur dioxide comes from the sulfur in the fuel (e.g. coal, natural gas, fuel oils), and this applies to EU IDs 1 – 7. EU ID 11 (incinerator) is an electric industrial process that does not use fossil fuel and there are no sulfur compound MR&R conditions in Condition 15. EU IDs 103b, 104, 105 106, 112 and 113 are industrial processes involving metallic minerals handling activities. These processes do not have sulfur emissions so they are not included in Condition 15. This determination is consistent with AQ0837CPT01.

Liquid Fuels:

For oil fired fuel-burning equipment, the MR&R conditions are Standard Permit Conditions XI and XII adopted into regulation pursuant to AS 46.14.010(e). These conditions have been modified in this permit as follows. The Department corrected Condition to replace the text “...method listed in 18 AAC 50.035 or an alternative method approved by the Department” with “...method listed in 18 AAC 50.035(b)-(c) and 40 C.F.R. 60.17 incorporated by reference in 18 AAC 50.040(a)(1)”. The text “...or an alternative method approved by the Department” was discarded during the Revised Action Plan submitted to EPA on July 15, 2007, as a result of the EPA Audit of the September 2006 Title V Program Review. This text is not to be used in subsequent permits since it allows a Permittee to bypass the public process for changing monitoring requirements by submitting off-record requests to change monitoring methods.

Beyond as noted above, the Department has previously determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard conditions as modified meets the requirements of 40 C.F.R. 71.6(a)(3).

Condition 15, Used Oil

Legal Basis: If the Permittee burns used oil by itself, the particulate matter and sulfur compound-emissions standards of 18 AAC 50.055(b)(1) and (c) may be violated.

Factual Basis: This condition contains requirements for burning used oil in EU ID 6. These requirements were contained in several pre-January 18, 1997 permits and mirror those found in the Alaska Air Quality Control Plan. Because of various metal contaminants, used oil may have higher particulate emissions and sulfur emissions than virgin fuel oil. As discussed above, the Permittee must comply with the MR&R requirements from Conditions 9 - 11 for particulate matter (PM) standard compliance.

The Permittee shall comply with the MR&R requirements for used oil as fuel in EU ID 6 as set out by Condition 15.5. Although this condition should ensure compliance with the applicable emission standards of 18 AAC 50, this permit does not ensure compliance with other applicable state or federal laws concerning management, use, or disposal of used oil.

The permit lists blending, testing, recording, and reporting requirements. The Department requires the Permittee blend the used oil with distillate oil to achieve a blend ratio resulting in no more than 0.5 percent sulfur by weight. The Permittee must analyze the blended oil for sulfur content and ensure compliance with the sulfur limit. This requirement is consistent with Permit AQ0837CPT01, issued July 7, 2005.

Conditions 17 - 22, Pre-Construction Permit Requirements

Legal Basis: The Permittee is required to comply with all effective stationary source-specific requirements that were carried forward from previous EPA PSD permits, SIP approved permits to operate issued before January 18, 1997, SIP approved construction permit(s), SIP approved minor permits, operating permits issued between January 18, 1997 and September 30, 2004, or owner requested limits established under 18 AAC 50.225. These requirements include Best Available Control Technology limits, limits to ensure compliance with the attainment or maintenance of ambient air quality standards or maximum allowable ambient concentrations, and owner requested limits. State pre-construction requirements apply because they were originally developed through case-by-case action under a federally approved SIP or approved Operating Permit program. EPA approved the latest SIP effective September 13, 2007.

Factual Basis: Condition 17 establishes an owner requested limit (ORL) for stationary source emissions of NO_x. Compliance with the NO_x limit is established through a total fuel oil use restriction for EU IDs 1-3, with no specific compliance requirements established for EU IDs 4 -11 and 101, as the TAR to Permit AQ0837CPT01 specifies that AP42 emission factors are adequate to account for total NO_x emissions from these emission units. MR&R requirements relating to EU IDs 1 – 3 fuel usage are included as Conditions 18 and 19.

Permit AQ0837CPT01 established ambient air quality protection requirements, including Condition 22 (Ambient Air Boundary), Condition 23 (Meteorological Monitoring Requirements), Condition 24 (Ambient Demonstration Requirement), and Condition 25 (General Ambient Air Requirements). The Permittee collected one-year (August 2004 – July 2005) of meteorological data in accordance with Condition 23 (Department approval issued on September 9, 2008). Further, in accordance with Condition 24 the Permittee submitted an ambient air demonstration on March 16, 2009, with supplemental information submitted on July 17, 2009. Since the Permittee satisfied Conditions 23 and 24 of Permit AQ0837CPT01, these conditions are not carried-forward into this operating permit. The active requirements from AQ0837CPT01 (i.e., Conditions 22 and 25) are carried-forward into this operating permit, as Conditions 20 and 21, to ensure continued air quality compliance.

Permit AQ0837CPT01 established a source testing requirement brought forward in Condition 19.5 which required source testing if the stationary source exceeded the NO_x emission limit of Condition 17.1. Since the requirement does not trigger until the source has exceeded permitted emission limits, the Department added a gap-filling provision at Condition 19.8 to trigger the source test requirement at 90 percent of the emission limit after two consecutive months. This gap-filling provision is more stringent than the original Title 1 Construction Permit requirement and is thus used to satisfy that requirement while maintaining emission limitations.

Permit AQ0837CPT01 also established facility-specific fugitive dust control requirements associated with EU ID 12. The related operating and maintenance practices, and relevant MR&R requirements are carried-forward into this operating permit as Condition 22. The Department added as a footnote the known normal operating differential pressures for EU ID 12 as reported in the manufacturer's specifications and as recorded during the most recent source test.

Condition 23, Insignificant Emission Units

Legal Basis: The Permittee is required to meet state emission standards set out in 18 AAC 50.055 for all industrial processes fuel-burning equipment, and incinerators regardless of size.

Factual Basis: The conditions re-iterate the emission standards and require compliance for insignificant emission units. The Permittee may not cause or allow their equipment to violate these standards. Insignificant emission units are not listed in the permit unless specific monitoring, recordkeeping and reporting are necessary to ensure compliance.

The Department finds that the insignificant units at this stationary source do not require specific monitoring, recordkeeping and reporting to ensure compliance under these conditions.

Condition 23.4a requires certification that the units did not exceed state emission standards during the previous year and did not emit any prohibited air pollution.

Conditions 24, NSPS Subpart A Requirements

Legal Basis: The Permittee must comply with those New Source Performance Standard (NSPS) provisions incorporated by reference the NSPS effective July 1, 2007, for specific industrial activities, as listed in 18 AAC 50.040⁴.

Most (with the exception of some storage tanks) affected facilities subject to an NSPS are subject to Subpart A. At this stationary source, EU IDs 102 through 113 are subject to NSPS Subpart LL and therefore subject to Subpart A.

Condition 24.1 through 24.3 - The Permittee has already complied with the notification requirements in 40 C.F.R. 60.7 (a)(1) - (4) for EU IDs 102 through 113. However, the Permittee is still subject to these requirements in the event of a new NSPS affected facility or in the event of a modification or reconstruction of an existing facility into an affected facility.

Conditions 24.4 through 24.6 - The requirements to notify the EPA and the Department of the date of a continuous monitoring system performance demonstration, no less than 30 days before demonstration commences (40 C.F.R. 60.7(a)(5) – (7)) are applicable to EU ID(s) < > only if a CMS is installed as an NSPS requirement. This requirement does not apply to EU IDs 102 through 113 if a CMS is installed under the periodic monitoring requirements of Condition 31.

Condition 24.7 - The requirements to notify the EPA and the Department of any proposed replacement of an affected facility (40 C.F.R. 60.15) applies to EU IDs 102 through 113 in the event of a proposed replacement of these affected facilities.

⁴ EPA has not delegated to the Department the authority to administer the NSPS program as of the issue date of this permit.

Condition 25 - Start-up, shutdown, or malfunction record maintenance requirements in 40 C.F.R. 60.7(b) are applicable to all NSPS affected facilities subject to Subpart A.

Condition 26- The Permittee has already complied with the initial performance test requirements in 40 C.F.R. 60.8 for EU ID(s) 102 through 113. However, the Permittee is still subject to these requirements in the event of a new NSPS affected facility, in the event of a modification or reconstruction of an existing facility into an affected facility or at such other times as may be required by EPA.

Condition 27 - Good air pollution control practices in 40 C.F.R. 60.11 are applicable to all NSPS affected facilities subject to Subpart A (EU IDs 102 through 113).

Condition 28 - states that any credible evidence may be used to demonstrate compliance or establishing violations of relevant NSPS standards for EU IDs 102 through 113.

Condition 29 - Concealment of emissions prohibitions in 40 C.F. R. 60.12 are applicable to EU IDs 102 through 113.

Factual Basis: Subpart A contains the general requirements applicable to all affected facilities (sources) subject to NSPS. In general, the intent of NSPS is to provide technology-based emission control standards for new, modified and reconstructed affected facilities.

Condition 30 - 33, NSPS Subpart LL Requirements

Legal Basis: The provisions of 40 C.F.R. 60, Subpart LL – Standards of Performance for Metallic Mineral Processing Plants are applicable to the following affected facilities in metallic mineral processing plants: each crusher and screen in open-pit mines, each crusher, screen, bucket elevator, conveyor belt transfer point, thermal dryer, product packaging station, storage bin, enclosed storage area, truck loading station, truck unloading station, railcar loading station, and railcar unloading station at the mill or concentrator with the following exceptions. All facilities located in underground mines are exempt from the provisions of Subpart LL. At uranium ore processing plants, all facilities subsequent to and including the beneficiation of uranium ore are exempted from the provision of Subpart LL.

An above affected facility that commences construction or modification after August 24, 1982 is subject to requirements of Subpart LL. EU IDs 102 through 113 meet these criteria and are subject to Subpart LL.

Factual Basis: Condition 30 incorporates the particulate matter and opacity standards pursuant to Subpart LL as applies to the affected emission units. The related MR&R requirements are specified at Conditions 31 through 33. The Permittee must conduct periodic testing to monitor compliance with the Subpart LL emission limits, pursuant to 40 C.F.R. 71. The Permittee shall follow the test requirements specified at 40 C.F.R. 60.386 and Condition 32 as the basis for the periodic testing. Related record keeping and reporting requirements are also included.

Condition 34, NESHAP Subpart A Requirements

Legal Basis: The Department has incorporated by reference the NESHAP requirements effective July 16, 2007, for specific industrial activities, as listed in 18 AAC 50.040(c). Most sources subject to a NESHAPs requirement are subject to Subpart A. EU IDs 1 - 4 are

subject to NESHAPs Subpart ZZZZ and are therefore subject to the provisions of Subpart A listed in Table 8 of Subpart ZZZZ.

Factual Basis: These conditions incorporate applicable 40 C.F.R. 63 requirements. The Permittee may not cause or allow violations of these prohibitions.

Condition 36 - 38, NESHAP Subpart ZZZZ Requirements

Legal Basis: NESHAP Subpart ZZZZ applies to stationary reciprocating internal combustion engines (RICE) located at major and area sources of HAP emissions. The applicable provisions of the rule are determined based on the date the stationary RICE commenced construction or reconstruction; the site rating of the stationary RICE; and whether the stationary RICE is located at a major or area source of HAP emissions. EU IDs 1-3 are subject to Subpart ZZZZ under 40 C.F.R. 60.6585 because each stationary compression ignition (CI) RICE is located at an area source of HAP emissions. EU ID 4 is also subject to Subpart ZZZZ; however, EU ID 4 has not yet been installed at this stationary source, but will become subject to the provisions of this rule at such time that the Permittee installs this stationary RICE.

Factual Basis: These conditions incorporate the Subpart ZZZZ emissions standards applicable to EU IDs 1-3 (and notification requirements for EU ID 4 at such time that the Permittee installs this stationary RICE). EU IDs 1-3 are considered existing stationary RICE located at an area source of HAP emissions, as the Permittee has specified the RICE manufacture's date of July 9, 2004 as the date construction commenced. Also, the Nixon mine is located in an area of Alaska not accessible by the Federal Aid Highway System. As such, the applicable emission and operating limitations (§63.6603) consist only of meeting the management practices specified in Table 2d of Subpart ZZZZ for stationary non-emergency CI RICE less than or equal to 300 HP. These requirements provide specific engine operation and maintenance requirements prescribed under this Subpart.

Conditions 39 - 41, Standard Terms and Conditions

Legal Basis: These are standard conditions required under 18 AAC 50.345(a) and (e)-(g) for all operating permits. This provision is incorporated in the federally approved Alaska operating permit program of November 30, 2001, as updated effective November 9, 2008.

Factual Basis: These are standard conditions that apply to all permits.

Conditions 42, Administration Fees

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.400-405 as derived from AS 46.14.130. This condition requires the Permittee, owner, or operator to pay administration fees as set out in regulation. Paying administration fees is required as part of obtaining and holding a permit with the Department or as a fee for a Department action.

Factual Basis: The owner or operator of a stationary source who is required to apply for a permit under AS 46.14.130 shall pay to the Department all assessed permit administration fees. The regulations in 18 AAC 50.400-405 specify the amount, payment period, and the frequency of fees applicable to a permit action.

Conditions 43 - 44, Emission Fees

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.410-420. The regulations require all permits to include due dates for the payment of fees and any method the Permittee may use to re-compute assessable emissions.

Factual Basis: These emission fee conditions are Standard Condition I under 18 AAC 50.346(b) adopted pursuant to AS 46.14.010(e). Except for the modification noted in the last paragraph of this “Factual Basis”, the Department determined that these standard conditions adequately meet the requirements of AS 46.14.250. No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard conditions meet the requirements of AS 46.14.250.

These standard conditions require the Permittee to pay fees in accordance with the Department's billing regulations. The billing regulations set the due dates for payment of fees based on the billing date.

The default assessable emissions are generally potential emissions of each air pollutant in excess of 10 tons per year authorized by the permit (AS 46.14.250(h)(1)(A)).

The conditions allow the Permittee to calculate actual annual assessable emissions based on previous actual annual emissions. According to AS 46.14.250(h)(1)(B), assessable emissions are based on each air pollutant. Therefore, fees based on actual emissions shall be paid on any pollutant emitted whether or not the permit contains any limitation of that pollutant.

This standard condition specifies that, unless otherwise approved by the Department, calculations of assessable emission based on actual emissions use the most recent previous calendar year's emissions. Since each current year's assessable emission are based on the previous year, the Department will not give refunds or make additional billings at the end of the current year if the estimated emissions and current year actual emissions do not match.

The Department modified the standard condition to correct Condition 44.2 such that it referenced “submitted” (i.e., postmarked) rather than “received” in accordance with the timeframe of Condition 44.1.

Condition 45, Good Air Pollution Control Practice

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.346(b)(5) and applies to all emission units, **except** those subject to federal emission standards, those subject to continuous emission or parametric monitoring, and for insignificant emission units, i.e., except EU IDs 102 through 113.

Factual Basis: The condition requires the Permittee to comply with good air pollution control practices for all units.

The Department adopted this condition under 18 AAC 50.346(b) as Standard Permit Condition VI pursuant to AS 46.14.010(e). This condition has been modified in the permit as follows: the Department added the text “*EU ID(s) 1 – 3 (and conditionally EU ID 4) are subject to this condition only until the applicable compliance date as set forth in Condition 35.1*” because on the compliance date in Condition 35.1, EU ID(s) 1 – 3 (and 4) subject to NESHAPs Subpart ZZZZ will no longer be subject to this condition (as units subject to federal emission standards) and will instead be required to comply with Condition 35.1b.

Records kept in accordance with Condition 63 for units previously subject to GAPCP need to be maintained for 5 years in accordance with Condition 63 even if a unit is no longer subject to this condition.

The Department previously determined that this standard condition adequately meets the requirements of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard condition as modified meets the requirements of 40 C.F.R. 71.6(a)(3).

Maintaining and operating equipment in good working order is fundamental to preventing unnecessary or excess emissions. Standard conditions for monitoring compliance with emission standards are based on the assumption that good maintenance is performed. Without appropriate maintenance, equipment can deteriorate more quickly than with appropriate maintenance. If appropriate maintenance is not applied to the equipment, the Department may have to apply more frequent periodic monitoring requirements (unless the monitoring is already continuous) to ensure that the monitoring results are representative of actual emissions.

The Permittee is required to keep maintenance records to show that proper maintenance procedures were followed, and to make the records available to the Department. The Department may use these records as a trigger for requesting source testing if the records show that maintenance has been deferred.

Condition 46, Dilution

Legal Basis: This condition prohibits the Permittee from using dilution as an emission control strategy as set out in 18 AAC 50.045(a). This state regulation applies to the Permittee because the Permittee is subject to emission standards in 18 AAC 50.

Factual Basis: The condition prohibits the Permittee from diluting emissions as a means of compliance with any standard in 18 AAC 50.

Condition 47, Reasonable Precautions to Prevent Fugitive Dust

Legal Basis: This condition requires the Permittee to use reasonable precautions when handling, storing or transporting bulk materials or engaging in an industrial activity in accordance with the applicable requirement in 18 AAC 50.045(d). Bulk material handling requirements apply to the Permittee because the Permittee will engage in bulk material handling, transporting, or storing; or will engage in industrial activity at the stationary source.

This condition applies to stationary source operating permits that do not have an approved dust control plan, and contain one of the following: coal-fired boilers; coal handling facilities; construction of gravel pads or roads that are part of a permitted stationary source or other construction that has the potential to generate fugitive dust that reaches ambient air; commercial/industrial/municipal solid waste, air curtain, and medical waste incinerators; sewage sludge incinerators not using wet methods to handle that ash; mines; urea manufacturing; soil remediation units; or dirt roads under the control of the operator with frequent vehicle traffic.

Factual Basis: The condition requires the Permittee to comply with 18 AAC 50.045(d), and take reasonable action to prevent particulate matter (PM) from being emitted into the ambient air.

The Department adopted this standard condition as Standard Permit Condition X under 18 AAC 50.346(c) pursuant to AS 46.14.010(e). The Department determined that this standard condition adequately meets the requirements of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard condition meet the requirements of 40 C.F.R. 71.6(a)(3).

Condition 48, Stack Injection

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.055(g). It prohibits the Permittee from releasing materials other than process emissions, products of combustion, or materials introduced to control pollutant emissions from a stack (i.e. disposing of material by injecting it into a stack). Stack injection requirements apply to the stationary source because the stationary source contains a stack or unit constructed or modified after November 1, 1982.

Factual Basis: No specific monitoring for this condition is practical. Compliance is ensured by inspections, because the unit or stack would need to be modified to accommodate stack injection.

Condition 49, Air Pollution Prohibited

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.110. The condition prohibits the Permittee from causing any emission which is injurious to human health or welfare, animal or plant life, or property, or which would unreasonably interfere with the enjoyment of life or property. Air Pollution Prohibited requirements apply to the stationary source because the stationary source will have emissions.

Factual Basis: While the other permit conditions and emissions limitation should ensure compliance with this condition, unforeseen emission impacts can cause violations of this standard. These violations would go undetected except for complaints from affected persons. Therefore, to monitor compliance, the Permittee must monitor and respond to complaints.

ADEC adopted this standard condition into 18 AAC 50.346(a) pursuant to AS 46.14.010(e). The Department determined that this condition adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No emission unit or stationary source operational or compliance factors indicate that unit-specific or stationary-source specific conditions would better meet these requirements. Therefore, the Department concluded that the standard condition meets the requirements of 40 C.F.R. 71.6(a)(3).

The Permittee is required to report any complaints and injurious emissions. The Permittee must keep records of the date, time, and nature of all complaints received and summary of the investigation and corrective actions undertaken for these complaints, and to submit copies of these records upon request of the Department.

Condition 50, Technology-Based Emission Standard

Legal Basis: The Permittee is required to take reasonable steps to minimize emissions if certain activity causes an exceedance of any technology-based emission standard in this permit. This condition ensures compliance with the applicable requirement in 18 AAC 50.235. Technology Based Emission Standard requirements apply to the stationary source because the stationary source contains equipment subject to a technology-based emission standard, such as BACT, MACT, LAER, NSPS or other “technologically feasible” determinations.

Factual Basis: The conditions of this permit list applicable technology-based emission standards and require excess emission reporting for each standard in accordance with Condition 67. Excess emission reporting under Condition 67 requires information on the steps taken to minimize emissions. Monitoring of compliance for this condition consists of the report required under Condition 67.

Condition 51, Asbestos NESHAP

Legal Basis: The condition requires the Permittee to comply with asbestos demolition or renovation requirements in 40 C.F.R. 61, Subpart M. This condition ensures compliance with the applicable requirement in 18 AAC 50.040(b)(1) and (2)(F). The asbestos demolition and renovation requirements apply if the Permittee engages in asbestos demolition or renovation.

Factual Basis: Because these regulations include adequate monitoring and reporting requirements and because the Permittee is not currently engaged in such activity, simply citing the regulatory requirements is sufficient to ensure compliance with these federal regulations.

Condition 52, Refrigerant Recycling and Disposal

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.040(d) and applies if the Permittee engages in the recycling or disposal of certain refrigerants. The condition requires the Permittee to comply with the standards for recycling and emission reduction of refrigerants set forth in 40 C.F.R. 82, Subpart F, that will apply if the Permittee uses certain refrigerants.

Factual Basis: Because these regulations include adequate monitoring and reporting requirements and because the Permittee is not currently engaged in such activity, simply citing the regulatory requirements is sufficient to ensure compliance with this federal regulation.

Condition 53, Open Burning

Legal Basis: The condition requires the Permittee to comply with the regulatory requirements when conducting open burning at the stationary source. This condition ensures compliance with the applicable requirement in 18 AAC 50.065. The open burning state regulation in 18 AAC 50.065 applies to the Permittee if the Permittee conducts open burning at the stationary source.

Factual Basis: No specific monitoring is required for this condition. Condition 53.1 requires the Permittee to keep "sufficient records" to demonstrate compliance with the standards for conducting open burning, but does not specify what these records should contain.

More extensive monitoring and recordkeeping is not warranted because the Permittee does not conduct open burning as a routine part of their business. Also, most of the requirements are prohibitions, which are not easily monitored. Compliance is demonstrated through annual certification required under Condition 69.

Condition 54, Requested Source Tests

Legal Basis: The Permittee is required to conduct source tests as requested by the Department. The Department adopted this condition under 18 AAC 50.345(k) as part of its operating permit program approved by EPA November 30, 2001.

Factual Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.220(a) and applies because this is a standard condition to be included in all operating permits. Monitoring consists of conducting the requested source test.

Conditions 55 - 57, Operating Conditions, Reference Test Methods, Excess Air Requirements

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.220(b) and apply because the Permittee is required to conduct source tests by this permit. The Permittee is required to conduct source tests as set out in Conditions 55 through 57.

Factual Basis: These conditions supplement the specific monitoring requirements stated elsewhere in this permit. Compliance monitoring with Conditions 55 through 57 consist of the test reports required by Condition 62.

Condition 58, Test Exemption

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.345(a) and applies when the unit exhaust is observed for visible emissions.

Factual Basis: As provided in 18 AAC 50.345(a), amended November 9, 2008, the requirements for test plans, notifications and reports do not apply to visible emissions observations by smoke readers, except in connection with required particulate matter testing.

Conditions 59 - 62, Test Deadline Extension, Test Plans, Notifications and Reports

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.345(l)-(o) and apply because the Permittee is required to conduct source test by this permit.

Factual Basis: Standard conditions 18 AAC 50.345(l) - (o) are incorporated through these conditions. These standard conditions supplement specific monitoring requirements stated elsewhere in this permit. The source test itself monitors compliance with this condition.

Condition 63, Recordkeeping Requirements

Legal Basis: Applies because the Permittee is required by the permit to keep records.

Factual Basis: The condition restates the regulatory requirements for recordkeeping, and supplements the recordkeeping defined for specific conditions in the permit. The records being kept provide an evidence of compliance with this requirement.

Condition 64, Certification

Legal Basis: This condition requires the Permittee to comply with the certification requirement in 18 AAC 50.205 and applies to all Permittees under EPA's approved operating permit program of November 30, 2001.

Factual Basis: This standard condition is required in all operating permits under 18 AAC 50.345(j).

This condition requires the Permittee to certify any permit application, report, affirmation, or compliance certification submitted to the Department. To ease the certification burden on the Permittee, the condition allows the excess emission reports to be **certified** with the stationary source report, even though it must still be **submitted** more frequently than the stationary source operating report. This condition supplements the reporting requirements of this permit.

Condition 65, Submittals

Legal Basis: This condition requires the Permittee to comply with standardized reporting requirement in 18 AAC 50.326(j) and applies because the Permittee is required to send reports to the Department.

Factual Basis: This condition lists the Department's appropriate address for reports and written notices. The Permittee is required to submit an original and one copy of reports, compliance certifications, and other submittals required by this permit. Receipt of the submittal at the correct Department office is sufficient monitoring for this condition. This condition supplements the standard reporting and notification requirements of this permit.

Condition 66, Information Requests

Legal Basis: This condition requires the Permittee to submit requested information to the Department. This is a standard condition from 18 AAC 50.345(i) of the state approved operating permit program effective November 30, 2001.

Factual Basis: This condition requires the Permittee to submit information requested by the Department. Monitoring consists of receipt of the requested information.

Condition 67, Excess Emission and Permit Deviation Reports

Legal Basis: This condition requires the Permittee to comply with the applicable requirement in 18 AAC 50.235(a)(2) and 18 AAC 50.240. Also, the Permittee is required to notify the Department when emissions or operations deviate from the requirements of the permit.

Factual Basis: This condition satisfies two state regulations related to excess emissions - the technology-based emission standard regulation and the excess emission regulation. Although there are some differences between the regulations, the condition satisfies the requirements of each regulation.

The Department adopted this condition as Standard Permit Condition III under 18 AAC 50.346(c) pursuant to AS 46.14.010(e). The Department has previously determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the

Department concludes that the standard condition meets the requirements of 40 C.F.R. 71.6(a)(3).

Section 13, Notification Form

The Department used the notification form contained in Standard Permit Condition IV in a revised rulemaking dated August 20, 2008.

Condition 68, Operating Reports

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.346(b)(6) and applies to all permits.

Factual Basis: The condition restates the requirements for reports listed in regulation. The condition supplements the specific reporting requirements elsewhere in the permit. The reports themselves provide monitoring for compliance with this condition.

The Department used the Standard Permit Condition VII as adopted into regulation on August 20, 2008 pursuant to AS 46.14.010(e). The Department has previously determined that the standard conditions adequately meet the requirements of 40 C.F.R. 71.6(a)(3). No additional emission unit or stationary source operational or compliance factors indicate the unit-specific or stationary-source-specific conditions would better meet the requirements. Therefore, the Department concludes that the standard condition meets the requirements of 40 C.F.R. 71.6(a)(3).

Condition 69, Annual Compliance Certification

Legal Basis: This condition ensures compliance with the applicable requirement in 18 AAC 50.040(j)(4) and applies to all Permittees.

Factual Basis: This condition specifies the periodic compliance certification requirements, and specifies a due date for the annual compliance certification. Each annual certification provides monitoring records for compliance with this condition.

The Permittee is required to submit to the Department an original and one copy of an annual compliance certification report. The Permittee may submit one of the required copies electronically at their discretion. This change more adequately meets the requirements of 18 AAC 50 and agency needs, as the Department can more efficiently distribute the electronic copy to staff in other locations.

Condition 70, NSPS and NESHAP Reports

Legal Basis: The Permittee is required to provide the Federal Administrator and Department a copy of each emission unit report for units subject to NSPS or NESHAP federal regulations under 18 AAC 50.326(j)(4). 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: The condition supplements the specific reporting requirements in 40 C.F.R. 60, 40 C.F.R. 61, and 40 C.F.R. 63. The reports themselves provide monitoring for compliance with this condition.

Condition 71, Permit Applications and Submittals

Legal Basis: The Permittee may need to submit permit applications and related correspondence.

Factual Basis: Standard Permit Condition XIV directs the applicant to send copies of all application materials required to be submitted to the Department directly to the EPA, in electronic format if practicable. This condition shifts the burden of compliance from the Department to ensure that copies of application materials are submitted to EPA by transferring that responsibility to the Permittee.

Conditions 72 - 74, Permit Changes and Revisions Requirements

Legal Basis: The Permittee is obligated to notify the Department of certain off-permit source changes and operational changes under 18 AAC 50.326(j)(4). 40 C.F.R. 71.6(a)(10), (12), and (13) incorporated by reference under 18 AAC 50.040(j) require these provisions within this permit. 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: These are conditions required in 40 C.F.R. 71.6 for all operating permits to allow changes within a permitted stationary source without requiring a permit revision.

The Permittee did not request trading of emission increases and decreases as described in 71.6(a)(13)(iii).

Condition 75, Permit Renewal

Legal Basis: The Permittee must submit a timely and complete operating permit renewal application if the Permittee intends to continue source operations in accord with the operating permit program under 18 AAC 50.326(j)(3). The obligations for a timely and complete operating permit application are set out in 40 C.F.R. 71.5 incorporated by reference in 18 AAC 50.040(j)(3). 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: In accordance with AS 46.14.230(a), this operating permit is issued for a fixed term of five years after the date of issuance, unless a shorter term is requested by the permit applicant. The Permittee is required to submit an application for permit renewal by the specific dates applicable to **Nixon Fork Mine** as listed in this condition. As stated in 40 C.F.R. 71.5(a)(1)(iii), submission for a permit renewal application is considered timely if it is submitted at least six months but no more than eighteen months prior to expiration of the operating permit. According to 71.5(a)(2), a complete renewal application is one that provides all information required pursuant to 40 C.F.R. 71.5(c) and must remit payment of fees owed under the fee schedule established pursuant to 18 AAC 50.400. 40 C.F.R. 71.7(b) states that if a source submits a timely and complete application for permit issuance (including renewal), the source's failure to have a permit is not a violation until the permitting authority takes final action on the permit application.

Therefore, for as long as an application has been submitted within the timeframe allowed under 40 C.F.R. 71.5(a)(1)(iii), and is complete before the expiration date of the existing permit, then the expiration of the existing permit is extended and the Permittee has the right to operate under that permit until the effective date of the new permit. However, this protection shall cease to apply if, subsequent to the completeness determination, the applicant

fails to submit by the deadline specified in writing by the Department any additional information needed to process the application. Monitoring, recordkeeping, and reporting for this condition consist of the application submittal.

Condition 76 - 77, Permit Applications

Legal Basis: These conditions set out the protocol the Permittee must follow to submit amendment, modification and renewal applications to the Department under 18 AAC 50.326(j)(3) and to the Federal Administrator under 40 C.F.R. 71.5, 71.7 and 71.10.

Factual Basis: This condition directs the Permittee to submit application materials to the Department's Anchorage office. The current address at time of permit issuance is provided in a footnote because it may change during the life of this permit. The current address can be obtained by contacting the Department, checking the website, or by other reasonable means. The Permittee may submit copies of application materials in electronic formats compatible with ADEC software as the Department can more efficiently distribute the electronic copy to staff in other locations. Condition 77 directs the applicant to send copies of all application materials directly to the EPA, in electronic format if practicable.

Conditions 78 - 82, General Compliance Requirements and Schedule

Legal Basis: These conditions ensure compliance with the applicable requirement in 18 AAC 50.326(j)(3). The Permittee is required to comply with these standard conditions set out in 18 AAC 50.345 included in all operating permits. 40 C.F.R. 70 Appendix A documents that EPA fully approved the Alaska operating permit program effective November 30, 2001.

Factual Basis: These are standard conditions for compliance required for all operating permits.

Conditions 83 - 84, Permit Shield

Legal Basis These conditions ensure compliance with the applicable requirement in 18 AAC 50.326(j) and apply because the Permittee has requested that the Department shield the source from the applicable requirements listed under this condition under the Federally approved State operating program effective November 30, 2001.

Factual Basis: Table B of Operating Permit No: **AQ0837TVP01** shows the permit shield that the Department granted to the Permittee.