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August 7, 2025

FILE: 10-1.2

James Plosay, Air Permit Program Manager  
Alaska Department of Environmental Conservation  
Division of Air Quality, Air Permits Program  
410 Willoughby Avenue, Suite 303  
Juneau, Alaska 99811-1800

Re: Permit Extension Request  
Air Quality Control Construction Permit AQ0083CPT07, Revision 1  
Nutrien Kenai Nitrogen Operations  
Kenai, Alaska

Dear James Plosay:

Nutrien US LLC (Nutrien) was issued Air Quality Control Construction Permit (Construction Permit) AQ0083CPT07 on 26 March 2021 for the proposed restart of a portion of its Nutrien Kenai Nitrogen Operations (Nutrien KNO, facility), a fertilizer operation in Kenai, Alaska. Construction Permit AQ0083CPT07, Revision 1 was issued on 16 December 2022 to reflect a company and facility name change. On 22 July 2022, the Alaska Department of Environmental Conservation (ADEC) first extended the deadline for commencing construction of the facility by 18 months until 26 March 2024. In a second letter dated 9 February 2024 ADEC granted a second extension of the deadline for commencing construction of the facility an additional 18 months until 26 September 2025.

Under separate cover, Nutrien is submitting an application to obtain a new Prevention of Significant Deterioration (PSD) Construction Permit as required by ADEC's letter dated 9 February 2024 if the facility has not commenced construction by 26 September 2025.

Nutrien requests that ADEC extend the deadline to commence construction for Construction Permit AQ0083CPT07, Revision 1 by an additional 18 months or until such time as ADEC has acted on Nutrien's request for a new PSD Construction Permit for the Nutrien KNO project.

## Background

In May 2020 Nutrien submitted a PSD permit application to restart portions of the KNO fertilizer plant. This resulted in the issuance of Construction Permit AQ0083CPT07 on 26 March 2021. Although Nutrien has worked to secure necessary natural gas contracts for the facility since the issuance of Construction Permit AQ0083CPT07, for a variety of reasons these negotiations are still on-going. Nutrien continues to believe that it will ultimately be able to obtain contracts for sufficient natural gas in order to ensure viable operations at KNO. Nutrien does not, however, wish to begin construction on the modifications necessary to the plant, which will involve a substantial capital investment, until such time as it has contractual assurance that sufficient natural gas is available to operate the facility at target production levels.

While Nutrien is hopeful that it will be able to secure the desired contracts, the delay in said contracts will delay the date by which Nutrien wishes to begin operation at the plant, resulting in the need to delay the date by which construction will commence. An extension for an additional 18 months will allow time for negotiations to continue to secure the necessary natural gas contracts.

### Construction Permit and PSD Commence Construction Requirement

Condition 2 of Construction Permit AQ0083CPT07 specifies that, “the Permittee shall commence construction of the modification to the stationary source authorized under Construction Permit AQ0083CPT07 within 18 months of the issuance of the permit unless granted an extension in writing from the Department.” Likewise, PSD rules contained in 40 Code of Federal Regulation (CFR) 52.21(r)(2) specify that approval to construct will be invalid if construction is not commenced within 18 months of permit issuance, unless an extension to the permit is requested and granted. The 9 February 2024 extension approval letter from ADEC specifies that, “...construction of the KNO Facility commence no later than September 26, 2025.”

## BACT and Air Quality Impact Analysis Update

KNO’s request for a new PSD Construction Permit includes an updated BACT analysis demonstrating that BACT has not changed for equipment contained in Construction Permit AQ0083CPT07. The application also includes an updated air quality impact analysis updating the previous increment consumption analysis to include growth in the area that has occurred since the Construction Permit was issued in March 2021. The air quality impact analysis also updates the National Ambient Air Quality Standards (NAAQS) analysis to demonstrate that the NAAQS will not be exceeded as a result of the project and growth in the area that has occurred since March 2021.

## Summary

As described in detail above, Nutrien requests that the date by which it must commence construction be extended by an additional 18 months or until such time as ADEC has acted on KNO's separate application for a new PSD Construction Permit to allow Nutrien to secure necessary contracts prior to commencing construction on required modifications.

If you have any questions regarding this information, please contact Ted Hartman of Nutrien at (913) 302-7469 or Daniel Guido of ERM at (317) 249-4737.

Sincerely,

A handwritten signature in blue ink, appearing to read "F C Werth", with a stylized flourish at the end.

Fred C. Werth  
General Manager, Kenai Plant

cc: Ted Hartman, Nutrien  
Daniel Guido, ERM  
Brittany Crutchfield, ERM