



# State of Utah

## DEPARTMENT OF ENVIRONMENTAL QUALITY DIVISION OF AIR QUALITY UTAH AIR QUALITY BOARD

Michael O. Leavitt  
Governor

Dianne R. Nielson, Ph.D.  
Executive Director

Richard W. Sprott  
Director

150 North 1950 West  
P.O. Box 144820  
Salt Lake City, Utah 84114-4820  
(801) 536-4000  
(801) 536-4099 Fax  
(801) 536-4414 T.D.D.  
[www.deq.state.ut.us](http://www.deq.state.ut.us) Web

### AIR QUALITY BOARD MEETING

#### AGENDA

May 15, 2001

3:30 p.m.

168 North 1950 West (Building #2) Room 101

- I. Call to Order
- II. Emergency Rulemaking Regarding R307-501-1. Emergency Rule: Portable Power Generator Sets (**Board Action Item**)

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In compliance with the American with Disabilities Act, individuals with special needs (including auxiliary communicative aids and services) should contact Charlene Lamph, Office of Human Resources, at 536-4413 (TDD 536-4414) at least five days prior to the schedule meeting/hearing.

- MINUTES -

**UTAH AIR QUALITY BOARD MEETING  
MAY 15, 2001**

**I. CALL TO ORDER**

David B. George, acting as chair, called the meeting to order at 3:30 p.m.

Board members present (in person and by telephone):

David B. George  
Jeffrey K. Utley  
Joseph D. Thompson

Dianne R. Nielson  
Karl F. Brooks  
Dannie R. McConkie

James R. Horrocks  
Wayne M. Samuelson  
JoAnn B. Seghini

Executive Secretary: Cheryl Heying substituting for Rick Sprott

Dianne Nielson introduced two new Board members: Jeff Utley and Jim Horrocks. Mr. Utley represents the petroleum industry and Mr. Horrocks represents engineering.

**II. EMERGENCY RULEMAKING: R307-501-1, PORTABLE POWER GENERATOR SETS**

Presenter: Rusty Ruby, Manager, New Source Review Section

As a result of the ongoing energy shortage, several municipal power companies are unable to provide a reliable, high-quality supply of electrical power to their customers. Without relief, this could result in several problems. One city has indicated that they may be faced with mandatory rolling blackouts which will have a direct negative impact on the citizens, especially the senior citizens. It is proposed that the Board adopt an emergency rule that will allow portable electric generator sets to operate until August 15, 2001 (90 days).

Mr. Ruby identified some changes to the text originally sent to the Board:

1. (1)(a)(iv): Addition at the end of the sentence, "...including the NOx emission rate."
2. (1)(b): It now reads "Before operating the source, the owner shall meet the prerequisites for New Unit Exemption under 40 CFR 72.7(a) and must submit a "New Unit Exemption" request to the executive secretary to exempt it from Title IV of the Clean Air Act." Items (i), (ii), (iii), and (iv) have been deleted.
3. Addition of new item: "(2) This exemption does not eliminate the responsibility of any source under other local, state, or federal law."

The rule includes the following requirements to qualify:

1. Maximum NOx emission rate of 7.1 grams per horsepower hour
2. A notification requirement to DAQ of the placement of generators
3. Provide a Title IV New Source Exemption request

In addition, there are limits on opacity, no more than 16 hours of operation per day, and sulfur content of fuel limitations.

The Division recommends the Board adopt this emergency rule for portable power generator sets.

● **MOTION**

Joseph Thompson made a motion to amend the rule from 90 days to 120 days. JoAnn Seghini seconded the motion.

Dianne Nielson commented that the purpose of the emergency rule is to bridge the gap between the period of time when a notice of intent is filed and an approval order goes to public comment. A number of communities have identified the desire to use these units for peaking power; one approval order has already been finalized. With the emergency rule in place, it should stimulate other communities to submit a timely notice of intent.

Mayor Greenwood of Lehi asked that the 120-day time period be considered because the August 15 deadline for this emergency rule falls at a very bad time.

Joseph Thompson amended his motion with the addition of a paragraph that provides a 25-ton and 100-ton limit for attainment and non-attainment areas. Karl Brooks seconded the amended motion.

Nina Dougherty of the Sierra Club asked if these generators will be primarily diesel or will other fuels also be used. Rusty Ruby answered that the applications being evaluated are for diesel engines, and the assumption is that anything other than diesel would burn cleaner.

Ms. Dougherty asked if this rule has to go to public comment. Jan Miller responded that it does not. An emergency rule goes into effect the day it is filed.

Ms. Dougherty presented some material from the California Air Resources Board stating that diesel engines are big sources of NO<sub>x</sub> and diesel particulate matter, which is a toxic air contaminant. Use of these engines would be fine under limited use, such as during rolling blackouts, but nothing in the emergency rule stipulates this kind of limited use. Ms. Dougherty expressed concern over a letter from the city of Hurricane which states, "The City needs to be able to sell the excess off-peak power to other entities to help re-coop expense costs." The letter mentions the city needs the ability to operate the generators to supply customers and to prevent the city from bankruptcy.

The mayor of Hurricane, Doug Garner, responded that the city would sell the excess off-peak power to other entities to re-coop expenses.

For clarification, David George restated the motion. It has been moved to adopt R307-501-1, Portable Power Generator Sets, with the changes that it will be stated as 7.1 grams per engine horsepower, the duration of the rule will be modified to 120 days (to 9/14/01), and add language to cap the emissions of NO<sub>x</sub>, SO<sub>x</sub>, and PM10 to 25 tons in non-attainment areas and 100 tons of NO<sub>x</sub> in attainment areas.

The motion passed.

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The meeting adjourned at 4:05 p.m.



DEPARTMENT OF ENVIRONMENTAL QUALITY  
DIVISION OF AIR QUALITY

Michael O. Leavitt  
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Executive Director  
Richard W. Spratt  
Acting Director

150 North 1950 West  
P.O. Box 144820  
Salt Lake City, Utah 84114-4820  
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DAQE-358-01

## Memorandum

**TO:** Air Quality Board

**FROM:** M. Cheryl Heying P.E., Acting Director Division of Air Quality *CH*

**SUBJECT:** Emergency Rule R307-501

**DATE:** May 14, 2001

In light of the recent electrical power shortfalls in the West and more importantly in Utah, Governor Leavitt issued an Energy Policy for the State of Utah on March 14, 2001. To follow suit, the Division of Air Quality (DAQ) issued a Policy for Accelerated Permitting of Energy Projects on April 30, 2001. In spite of the importance and the attention this subject has been receiving over the past several months we find ourselves in the State facing the possibility of an immediate electric energy shortage. The shortage has the potential to result in adverse impacts to the public welfare of the State.

As a result, the Division has proposed an emergency rule that would allow a limited placement of portable electric generator sets that perform at a fairly high caliber to operate until August 15, 2001 (90 days from the effective date of this rule). This emergency rule will help assure a reliable voltage supply to the grid and help avoid adverse impact to the public welfare of the State.

Recommendation: The DAQ staff recommends that the Air Quality Board approve the emergency rule R307-501

1 **R307. Environmental Quality, Air Quality.**

2 **R307-501. Emergency Rule: Power Generators.**

3 **R307-501-1. Portable Power Generator Sets.**

4 (1) A new source that consists entirely of portable electricity generator sets that emit  
5 oxides of nitrogen at a rate no greater than 7.1 grams per horsepower hour is exempt from the  
6 notice of intent and approval order requirements of R307-401 et seq. if the following conditions  
7 are met:

8 (a) Prior to operating the source, the owner shall provide notice to the executive  
9 secretary, and shall obtain a letter from the executive secretary verifying receipt. The notice to  
10 the executive secretary shall include:

11 (i) the location of the proposed source, including directions to the source,

12 (ii) the expected startup date,

13 (iii) if the source boundary is within one mile of the nearest residences, barns or  
14 commercial operations, a site diagram showing, to scale, the general equipment location on the  
15 site, and the distance to the nearest such structures,

16 (iv) a list of the equipment to be operated at the proposed source, including the  
17 NOx emission rate.

18 (b) Before operating the source, the owner shall meet the prerequisites for New Unit  
19 Exemption under 40 CFR 72.7(a) and must submit a "New Unit Exemption" request to the  
20 executive secretary to exempt it from Title IV of the Clean Air Act. [~~The request shall identify~~  
21 the following:

22 \_\_\_\_\_ (i) the generating set's serial number,

23 \_\_\_\_\_ (ii) the plant's nameplate capacity,

24 \_\_\_\_\_ (iii) the type of fuel to be used,

25 \_\_\_\_\_ (iv) the sulfur content of the fuel used.]

26 (c) Records of daily operating hours shall be kept on site for all periods the source is  
27 operated.

28 (d) No source shall be located or relocated adjacent or contiguous to an existing power  
29 generation plant.

30 (e) Visible emissions from the source shall not exceed 20% opacity.

31 (f) The generator exhaust stacks shall be extended at least six feet above the top of the  
32 unit's trailer.

33 (g) The actual hours of operation of the plant shall not exceed 16 hours during any  
34 twenty-four hour period measured from midnight to midnight.

35 (h) If located in Salt Lake County, Utah County, Davis County, or Ogden City, the  
36 source shall consist of not more than one generator at any one site.

37 (i) If located at any site not included in paragraph (h), the source shall consist of no more  
38 than two generators.

39 (j) The sulfur content of any fuel burned at the source shall not exceed 0.05% by weight  
40 as determined by ASTM Method D-4294-89, or an equivalent method approved by the executive  
41 secretary. Records of sulfur content of fuel shall be kept on site for all periods the source is  
42 operated.

43 (2) This exemption does not eliminate the responsibility of any source under other local,  
44 state, or federal law.

1           (3) This exemption is only effective through August 15, 2001. After August 15, 2001, a  
2 source must comply with the notice of intent and approval order requirements of R307-401 et  
3 seq. A source [which]that is issued an approval order prior to August 15, 2001, shall be subject  
4 to the provisions of the approval order and not the provisions of this emergency rule.  
5

6 **KEY: air pollution, permits\*, portable electricity generator sets\***  
7 **May 15, 2001**

**19-2-104(1)(a)**



CITY OF HURRICANE  
147 NORTH 870 WEST  
HURRICANE, UTAH 84737  
435-635-2811

May 14, 2001

Diane Neilson-Executive Director  
Air Quality Environmental Department  
168 North 1950 West  
Salt Lake City, Utah 84116

RE: Air quality permit

Dear Ms. Neilson:

Hurricane City is requesting consideration and approval for air quality permits to operate diesel power generators within Hurricane City limits. The City Council realizes the impact these generators have. The Council is concerned about the health and well fair of our citizens and those visiting the area. At all times we strive to ensure top quality within our City. As you are aware the power situation is hitting everyone hard. The upcoming summer months are proving the crisis experienced last year has not been solved. We are struggling to provide continuous and reliable power to our customers.

Temporary generators have been rented to be used during the hottest summer months May 1 through October 31, 2001, but are not intended for continual year round use. At the present time costs to produce power with our current generators is \$.08 per kilowatt and with the increase costs for rental of the portable generators it will be approximately \$.15 per kilowatt. The City Council approved a rate increase of 17%. At the present time the citizens are paying \$.0675 per kilowatt.

We are requesting emergency consideration for these air quality permits, to allow Hurricane City the ability to operating the generators to supply the customers and to prevent the City from bankrupting. The City needs to be able to sell the excess off-peak power to other entities to help re-coop expense costs.

Last Summer we installed two permanent diesel power generators. Once the Summer was over the Council evaluated the needs and decided to approve an additional third generator. When the approval was given the Council voted to install an UREA system on the new generator and to install UREA systems on the other generators as soon as financially able. This system will remove 90% of the nox from the generator emissions. When the presentation was made for an additional generator the sales personnel stated the UREA system was not mandatory. However the Council felt strongly enough to protect the environment and the citizens they wanted the UREA system installed on the new generator before installation.

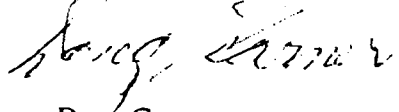
To allow monitoring information to be provided to the State the City has expended \$18,000 on an emissions monitoring system for our permanent generators.



It is our understanding the permit process for the permanent generators is within your review system at this time. We received copies of the notice of intent and are of the understanding the permits will be issued soon.

We realize the extreme difficult position your organization is placed in, but are requesting help in our time of trouble. Should you need further information please feel free to contact me at the above address or number. Thank you again for your time and consideration.

Cordially,

A handwritten signature in black ink, appearing to read "Doug Garner". The signature is written in a cursive style with a large initial "D".

Doug Garner  
Hurricane City Mayor

**"The Jewel of Utah's Dixie"****Mayor****Fred C. Rowley****City Manager****Matthew J. Brower****City Council****Herb Basso****Dennis Drake****Clark Gubler****Hans Hafen****Ron Whitehead**

May 14, 2001

Ms. Dianne Nielson  
Executive Director of DEQ  
168 North 1950 West  
Salt Lake City, UT 84116

Dear Ms. Nielson,

First off, on behalf of the citizens of Santa Clara, I'd like to thank you, your staff, and members of the board for your efforts in assisting us with our plight. We are very appreciative. The reason we are asking for permission to run our generators before the comment period has elapsed is because here in Dixie the temperatures have already moved to the 90 degree range and we've have had to go onto the open market to buy power during our peak usage periods. In years past, this was the desirable way to do business. It was economically unwise to buy capacity in hydroelectric or coal-fired power plants to meet our peak needs because during the winter months we would be producing and paying for power that we couldn't use. Unfortunately, with the power shortage in California, all of that changed, and the open market became a dangerous place to buy power.

Last summer, we incurred additional, unbudgeted costs of about \$200,000. The city council determined that we would absorb that cost rather than pass it on to our citizens, because we have so many retired folks living in our city that are on fixed incomes. We didn't feel like it would be good to hit them with double rates, because they follow their budgets pretty closely. Paying a huge power bill takes away their budgeted funds for other needs such as health care and transportation. There was also concern that they may opt to go without air conditioning rather than incur the cost, which, in some instances, could create a threat to their health.

As a result of the council's action, the city pretty well expended its reserve as much as it could without cutting into the other essential services that provide for the safety and well-being of our citizens. Therefore, we determined to get a generator to cover our peaks.

If we don't run the generator this month, we will be faced with three equally unsavory alternatives: 1. Pass through the additional costs to our citizens. 2. Cut back services 3. Implement rolling blackouts. I am sending with the letter, a copy of the newsletters we sent to our citizens in April and May, and a copy of a letter we're sending out today. It is our hope that the board will see the way clear to grant this exemption in light of the hardship this lack of power would impose upon our citizens. Again, we thank you for your time and effort in our behalf.

Sincerely,



Fred C. Rowley  
Mayor  
Santa Clara City

2721 Santa Clara Drive, Santa Clara, Utah 84765  
Phone (435) 673-6712 Fax (435) 628-7338 E-mail: sccity@infowest.com



May 14, 2001

SENT BY FAX TRANSMISSION

Utah Department of Environmental Quality  
ATTN: Ms. Dianne R. Nielson, Executive Director

Dear Dianne:

The City of St. George respectfully requests that the State of Utah consider adoption of an emergency rule allowing the City to use mobile diesel generators and our existing diesel generator to meet projected peak energy demands this spring and summer.

The current energy situation in the western United States demands urgency in all approval processes for the generation of electrical power. If the City does not receive approval to operate the generation facilities we own and are anticipating renting for our major demand season (May through September), we will have to invoke mandatory rolling blackouts, as well as increase power costs significantly.

These actions will have a direct negative impact on the health, safety and welfare of our citizens, especially our senior citizens. As you can imagine, the loss of air conditioning during the heat of the summer will drastically affect the health of our seniors. Also, if local generation is not permitted, the cost of purchasing power on the market will result in significant rate increases directly affecting the ability of those citizens on fixed incomes to adequately maintain their quality of life. They may well be forced to choose between paying utility costs and providing food or purchasing needed medicine. The immediate operation of the mobile and stationary generation units is key to a successful, healthy and safe summer in St. George.

Please consider approving the applications submitted to facilitate the operation of our generation units and those diesel generators to be rented. We understand the requirements for public hearings and following procedures, but we feel we are in a crisis that warrants consideration of alternatives to get us through the next several months. Thank you for your consideration of our requests.

Sincerely,

Daniel D. McArthur  
Mayor

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**CITY OF ST. GEORGE**  
175 East 200 North, St. George, Utah 84770  
(435) 634-5800  
[www.ci.st-george.ut.us](http://www.ci.st-george.ut.us)

**MAYOR**  
Daniel D. McArthur

**CITY MANAGER**  
Gary S. Esplin

**CITY COUNCIL**  
Sharon L. Isom,  
Suzanne B. Allen, Larry H. Gardner,  
Robert Whatcott, Rodney Orton