



State of Utah

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DIVISION OF AIR QUALITY
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DAQE-GN0141850002-11

February 8, 2011

Mr. Jim Bradish
Danish Flats Environmental Services
616 West Monument Street
Colorado Springs, CO 80905

Dear Mr. Bradish:

Re: Information Request to Support DFES Notice of Intent

Danish Flats Environmental Services (DFES) was determined to meet the requirements for a small source exemption in December 2008, for operation of one separation pond, one settling pond, two 12,000 gallon storage tanks, and eight evaporation ponds. (DAQE-EN0141850001-08)

A monitoring report was presented to DAQ on Oct 2, 2009. In the email accompanying the information, DFES indicated that previous reports may have been incorrectly prepared. The report was also missing the volume of wastewater handled and the amount of condensate recovered, as communicated to DFES by Tim DeJulis on Oct 12, 2009. This information was critical to determine if DFES still met the small source thresholds.

On March 1, 2010, Grand County provided information that appeared to show that DFES was actually emitting VOC and HAP above the small source thresholds. Since March 2010, DAQ has worked with DFES to get better information regarding the source status (de minimis, minor, major) of Danish Flats in Grand County. There were a number of discussions between DAQ and DFES about the test methods and sampling locations.

On 7/23/2010, DAQ received an electronic copy of a Notice of Intent (NOI) for this source. The NOI was deficient in several ways, but DFES was working the design of new control technologies. As of October 28, 2010, the additional information on these designs was not yet submitted. Also, on November 1, 2010, DFES submitted water test results that showed virtually no methanol in the water, though the NOI showed 178 tons/yr of potential methanol emissions. DAQ requested the analysis to support the NOI calculations, also on November 1 by email. On November 3, DAQ requested a meeting to discuss the issues with the NOI and was referred to the consulting firm that prepared the NOI.

On November 30, DAQ was notified that Jim Bradish, CEO of DFES, had concerns that the March 2010 and June 2010 test results were incorrect and asking that they be retracted. This is of tremendous concern to DAQ, as it could mean that all information received during 2010 was incorrect, leaving DAQ with no basis for making a correct analysis of the emitting potential for DFES.

Based on the information available to date, DFES appears to be a major source of VOC and possibly HAPs. **The following information is now requested from DFES and shall be provided within 14 days of the date of this letter.**

1. What is the maximum annual wastewater throughput to the primary receiving tanks and to the evaporation ponds? Please provide justification for the answer based on physical design of the DFES facility.
2. What is the expected concentration of volatile organic compounds and hazardous air pollutants in the delivered wastewater? Please provide analyses of the wastewater to substantiate the answers.
3. Where are test samples of the wastewater drawn?
4. What is the total annual potential to emit for DFES? Please provide substantiating calculations.
5. Under section 2.1.1 of the NOI, eight tanks are to be installed in the receiving area. One exists, four were to be installed by the end of 2010, and three more by the end of 2011. What is the status of these tank installations? Do the tanks have any emission controls on them?
6. The contents of the tanks flow to secondary settling vaults. During a site visit by DAQ in April 2010, these were covered with the vapors drawn off to a thermal oxidizer. Are these vaults still covered or are they open to the atmosphere as they were during a July 2009 site visit?
7. Under section 2.1.6, a thermal oxidizer and gas scrubber are described (Purestream units). Are these still in place and operational?
8. The Purestream technology incorporated natural gas-fired turbine that was running during the April 2010 site visit. Is this still operational? What size of turbine is this?
9. Is the equipment list in section 2.3 of the NOI still accurate? If not, please update the equipment at the source.
10. Is DFES still confident in the estimate of emissions in section 3 of the NOI? If not, please state when the new emission estimates will be submitted, with all of the substantiating documentation.
11. Additional information was requested by Tim DeJulis on January 24, 2011 by email to DFES. Please state when the information requested in that email will be provided.

Failure to submit the information requested above may be considered a violation of the Utah Administrative Code (UAC) R307-401-5, Notice of Intent requirements. Your company is responsible for complying with these rules and there are possible administrative and civil penalties for failing to do so.

Section 19-2-115 of the Utah Code Annotated provides that violators of the Utah Air Conservation Act and/or any order issued there under may be subject to a civil penalty of up to \$10,000 per day for each violation.

I look forward to your prompt response.

Sincerely,

A handwritten signature in blue ink, appearing to read "Timothy R. Andrus", written over a horizontal line.

Timothy R. Andrus
Environmental Program Manager

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