



State of Utah

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Department of
Environmental Quality

Amanda Smith
Executive Director

DIVISION OF AIR QUALITY
Bryce C. Bird
Director

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DAQ-2015-002823

February 18, 2015

DAQC-197-15
Site ID: 10406 (B1)

Sent Via Certified Mail No. 70123460000050908168

Bill McEwan
Snowbird Resort L.L.C.
P.O. Box 929000
Snowbird, Utah 84092-9000

Dear Mr. McEwan:

Re: Early Settlement Agreement – Snowbird Resort L.L.C.

On January 8, 2015, the Utah Division of Air Quality (DAQ) issued a Compliance Advisory to the Snowbird Resort L.L.C. (Snowbird Resort) as a result of an inspection performed on September 17, 2014. The Snowbird Resort responded to the Compliance Advisory on February 3, 2015. Based on the findings of the inspection and response to the Compliance Advisory, the DAQ determined that the Snowbird Resort was in violation of:

1. UAC R307-401-5 (Notice of Intent)

Notice of Intent (NOI) was not submitted and permit was not issued prior to installing four new emergency generators.

2. Condition 8 (items K and L) of AO DAQE-AN0104060006-08:

Four unapproved emergency generators were installed and operated on-site prior to receiving modified AO.

3. Condition 20 of AO DAQE-AN0104060006-08:

The required 2011 Emission Inventory was not submitted to the DAQ.

4. 40 CFR NSPS Subpart IIII of Part 60 – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines (Pre-2007).

Two of the on-site emergency generators did not meet the requirements of Subpart IIII.

5. 40 CFR NSPS Subpart IIII of Part 60 – Standards of Performance for Stationary Compression Ignition Internal Combustion Engines (2007 and later).

Four of the on-site emergency generators did not meet the requirements of Subpart IIII.

6. 40 CFR NESHAP Subpart ZZZZ of Part 63 – National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (Pre-2006 emergency generators)

Eleven of the on-site emergency generators did not meet the requirements of Subpart ZZZZ.

7. 40 CFR NESHAP Subpart ZZZZ of Part 63 – National Emission Standards for Hazardous Air Pollutants for Stationary Reciprocating Internal Combustion Engines (Pre-2006 non-emergency generators)

Three of the on-site non-emergency generators did not meet the requirements of Subpart ZZZZ.

Section 19-2-115 of the Utah Code Annotated provides that violations of the Utah Air Conservation Act and/or any order issued thereunder may be subject to a civil penalty of up to \$10,000 per day for each violation. Based upon our civil penalty policy, we calculated a preliminary civil penalty for the above listed violations of \$7,118.00.

The monetary amount of the DAQ settlement offer specified below is derived from a pre-established schedule of penalties, which takes into account, among other factors, the magnitude and severity of the violation, economic benefit, cooperation of the source as well as the prior history of violations.

All parties we deal with, whether private, commercial, or governmental are treated similarly in the settlement process. Settlement offers are based on the evaluation of the same factors and criteria in all cases. The DAQ acknowledges that the violations noted on September 17, 2014, were addressed by the Snowbird Resort by contracting American Environmental Testing.

If you are interested in settling this violation, we are authorized to offer settlement in accordance with the DAQ Penalty Policy as follows:

1. Snowbird Resort agrees to pay a reduced civil penalty in the sum of \$5,694.00. Payment of a civil penalty precludes further civil prosecution for the above described violation against the named source. Snowbird Resort agrees to pay the stipulated penalty within 20 business days from the date you received this Agreement.
2. The DAQ retains its authority to take any enforcement actions based on any and all violations not specifically described above.
3. In the event any further violations of the Utah Air Quality Rules occur, the DAQ may consider the violation described above in assessing a penalty for the subsequent violations, in accordance with the provisions of Utah Administrative Code R307-130.
4. Entering into this settlement shall not constitute an admission of violation of the Utah Air Quality Rules, nor shall it be inferred to be such an admission in any administrative or judicial proceeding. The described violation will constitute part of the company compliance history for any purpose for which such history is relevant to the DAQ.

At the DAQ's option, you may request a portion of the calculated civil penalty gravity component to be used to complete a Supplemental Environmental Project (SEP) to benefit present and future air quality

within Utah. For more information about the SEP process, please contact the DAQ representative listed below. This letter constitutes an offer of settlement and is not a demand for payment. The agreement reflects a reduced penalty for early settlement of this matter.

If the above terms are acceptable to you, please sign and return this Early Settlement Agreement and a check in the sum of \$5,694.00, which reflects the reduced penalties, made payable to the DAQ at the letterhead address within twenty (20) business days of receipt of this letter.

You may write or call to request a settlement conference with DAQ representative listed below. A conference must be scheduled within twenty (20) business days of your receipt of this Early Settlement Offer. If we do not receive a signed copy of this letter and payment or other correspondence from you within twenty (20) business days of your receipt of this letter, we will assume that you are not interested in resolving this matter as outlined above.

This Early Settlement Agreement is intended to quickly resolve the non-compliance issues listed above and requires the immediate attention of your company. Failure to resolve this matter as outlined in this letter may result in this offer being revoked and/or having this matter referred to a formal enforcement process.

If you have any additional questions regarding this matter, please contact Jay P. Morris at 801-536-4079 or by email at jpmorris@utah.gov.

Sincerely,



Bryce C. Bird
Director

BCB:JPM:bp

cc: Salt Lake County Health Department

Acceptance of Early Settlement Agreement

I have read the above Early Settlement Agreement and I agree to the terms and conditions thereof.

Snowbird Resort L.L.C.

Name:

Title:

Signature

Date

Telephone Number

0	If the source was following an acceptable O & M plan at the time the violation occurred
1	If the source was following an inadequate/incomplete O & M plan at the time the violation occurred
2	If the source did not have an O & M plan at the time the violation occurred
3	If the source did not have an O & M plan and the violation was clearly the result of improper O & M

R307-130. General Penalty Policy

R307-130-1 Scope.

This policy provides guidance to the executive secretary of the Air Quality Board in negotiating with air pollution sources penalties for consent agreements to resolve non-compliance situations. It is designed to be used to determine a reasonable and appropriate penalty for the violations based on the nature and extent of the violations, consideration of the economic benefit to the sources of non-compliance, and adjustments for specific circumstances.

R307-130-2. Categories.

Violations are grouped in four general categories based on the potential for harm and the nature and extent of the violations. Penalty ranges for each category listed:

Category A - \$7,000 to \$10,000 per day

Violations with high potential for impact on public health and the environment including:

- (a) Violations of emission standards and limitations of NESHAP
- (b) Emissions contributing to non-attainment area or PSD increment exceedances.
- (c) Emissions resulting in documented public health effects and/or environmental damage.

Category B \$2,000 to \$7,000 per day

Violations of the Utah Air Conservation Act, applicable state and federal regulations, and orders to include:

- (a) Significant levels of emissions resulting from violations of emission limitations or other regulations not within Category A
- (b) Substantial non-compliance with monitoring requirements.
- (c) Significant violations of approval orders, compliance orders, and consent agreements not within Category A
- (d) Significant and/or knowing violations of "notice of intent" and other notification requirements.
- (e) Violations of reporting requirements

Category C Up to \$2,000 per day

Minor violations of the Utah Air Conservation Act, applicable state and federal regulations, and orders having no significant public health or environmental impact to include:

- (a) Reporting violations
- (b) Minor violations of monitoring requirements, orders and agreements.
- (c) Minor violations of emission limitations or other regulatory requirements

Category D Up to \$299.00

Violations of specific provisions of which are considered minor to include:

- (a) Violations of automobile emission standards and requirements.
- (b) Violation of wood-burning regulations by private individuals
- (c) Open burning violations by private individuals.

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PS Form 3800, August 2006

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- For an additional fee, delivery may be restricted to the addressee or addressee's authorized agent. Advise the clerk or mark the mailpiece with the endorsement "*Restricted Delivery*".
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IMPORTANT: Save this receipt and present it when making an inquiry.

PS Form 3800, August 2006 (Reverse) PSN 7530-02-000-9047