

FORM # 1

**FORM FOR PETITIONING THE STATE ENVIRONMENTAL COMMISSION FOR
ADOPTION, FILING AMENDMENTS OR REPEAL OF COMMISSION REGULATIONS**

1. Nevada Division of Environmental Protection
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2. The Nevada Division of Environmental Protection (NDEP) is a division of the Nevada Department of Conservation and Natural Resources of the State of Nevada. The NDEP is an environmental regulatory agency.
3. Nevada Revised Statutes (NRS) 445B.210 establishes the authority of the State Environmental Commission (SEC) to adopt regulations to prevent, abate and control air pollution. NRS 445B.310 establishes specific authority of the SEC regarding operating permit requirements for sources of air contaminants.

SPECIFIC CHANGES:

The NDEP is proposing to amend NAC 445B.001 to 445B.3497 by adding a new permitting program to control air emissions of mercury from the precious metals mining industry. Between 2002 and 2005 the Nevada Voluntary Mercury Reduction Program, a joint effort of the NDEP, the U.S. EPA and four Nevada mining companies, achieved significant and rapid mercury emission reductions from thermal processes used in metals mining. Subsequent to this voluntary program, the NDEP determined that it is necessary and appropriate to expand the coverage of the program to all metals mining operations in Nevada. Therefore, the NDEP is proposing a new mercury permitting program, as an adjunct to the current operating permit to construct program.

The new program will apply to any precious metals mining facilities that process mercury-containing ore and use thermal treatment processes that have the potential for liberating mercury into the atmosphere. The regulations provide criteria for determining which mining operations are covered by the program and what information must be submitted in their permit application. The regulation addresses the emission control selection for the mercury-emitting units; installation, operation and maintenance, testing and sampling, and monitoring of those controls; and reporting and record keeping requirements. The regulation also provides for further

improvements in control technology to be achieved through the development of case-by-case maximum achievable control technologies (NvMACT) for thermal processes that emit mercury.

4. **NEED FOR AND PURPOSE:** This new regulation builds on the earlier Voluntary Mercury Reduction Program undertaken from 2002 to 2005 to quickly reduce air emissions of mercury from four major mining companies in Nevada. The regulation is the second phase of NDEP's strategy to control mercury air emissions. It is necessary to ensure continued emissions control and further reduce impacts to the environment. The regulation enhances the monitoring, testing, recordkeeping and reporting requirements of the voluntary program, expands coverage to all metal mining operations and implements improved and additional controls through a regulatory program. The regulation is necessary to ensure proper installation, operation and maintenance of the approved controls.

5. **ECONOMIC EFFECTS:**

(a) Regulated Business/Industry. The new regulation will have an economic impact on precious metals mining companies that process mercury-containing ore and use thermal treatment processes that have the potential for liberating mercury into the atmosphere. These companies will be subject to the mercury permitting program and applicable fees.

(b) Public. These proposed amendments have no economic effect on the public.

(c) Enforcing Agency. There will be additional costs to the agency for processing these new types of applications and issuing permits related to the mercury control program. There will also be additional costs for compliance and enforcement activities. These additional costs will be covered by the revisions to the fee structure that are being proposed as part of this package.

6. The proposed regulations do not overlap or duplicate any regulations of other state or government agencies.

7. The proposed regulations are no more stringent than what is established by federal law.

8. The proposed amendments do address fees:

See #5 above. Any fees collected will be used to support the program.