STATE OF NEVADA





Steve Sisolak, Governor Bradley Crowell, Director Greg Lovato, Administrator

December 20, 2021

Brian Simpson General Manager Premier Magnesia, LLC P.O. Box 177 Gabbs, NV 89409

RE: Notice of Alleged Air Quality Violation and Order No. 2886 Class II Air Quality Operating Permit AP1459-0433 (FIN A0461)

Dear Mr. Simpson:

The Nevada Division of Environmental Protection (NDEP) alleges that Premier Magnesia, LLC (Premier) has violated one or more conditions of Class II air Quality Operating Permit (AQOP) AP1459-0433.

On December 2, 2021, NDEP held an enforcement conference with Premier to discuss potential enforcement action 2886 alleged in the Letter of Alleged Findings (LOAF) previously sent to Premier. The conference was held to clarify the circumstances of the potential enforcement actions, provide an opportunity for Premier to provide evidence demonstrating that violations did not occur, or efforts made to mitigate the violation.

Based on the information provided during the enforcement conference, NDEP has determined that issuance of NOAV No. 2886 is warranted.

In accordance with **NAC 445B.281 Violations: Classification; administrative fines**, NOAV No. 2886 constitute major violations. For major violations, NDEP makes penalty recommendations to the Nevada State Environmental Commission (SEC), but the SEC assesses the penalties. NDEP will be recommending a penalty of \$5,000.00 for NOAV No. 2886. The date for the next SEC hearing is expected to be held February, 2022, however the exact date has not been determined. Before the hearing for the penalty, the SEC will notify you of the final date and time of the hearing and provide information about how you can participate if you want. It is possible that the SEC hearing will be conducted by teleconference due to the COVID-19 emergency.

Appeals of NOAV No. 2886 may be requested pursuant to **Nevada Revised Statute (NRS) 445B.360 Appeals to Commission: Appealable matters; action by Commission; regulations** and SEC administrative rules. A copy of SEC Appeal Form #3 is enclosed. Appeals must be received within ten (10) days of receipt of this notice, pursuant to **NRS 445B.340 Appeals to Commission: Notice of appeal.** A copy of SEC Appeal Form #3 is enclosed and can also be found on the SEC website at: https://sec.nv.gov/participate/forms-and-documents/. Appeals are processed through Sheryl Fontaine, the Executive Secretary for the SEC, at 901 South

Stewart Street, Suite 4001, Carson City, Nevada, 89701-5249. Ms. Fontaine can be reached at (775) 687-9374, or by email at sfontaine@ndep.nv.gov. Please provide me with a copy of any correspondence your company may have with the SEC.

If you have any questions regarding the NOAVs or penalty recommendations, please contact me at (775) 687-9499 or by email at atucker@ndep.nv.gov.

Sincerely,

Andrew Tucker

Enforcement Supervisor

Bureau of Air Quality Planning

and Any

AT/dd

enc.: 1. No

1. Notices of Alleged Air Quality Violation and Orders Nos. No. 2886

2. SEC Appeal Form #

cc (w/enc.):

Sheryl Fontaine, Executive Secretary, SEC

FIN A0461 (Certified Copy)

E-Copy:

Danilo Dragoni, Ph.D., Chief, BAQP

Jennifer Schumacher, Chief, BAPC

Gregg Rosenberg, P.E., Compliance Supervisor, BAPC Tanya Soleta, P.E., Permitting Supervisor, BAPC

David Dragon, Enforcement Staff, BAQP

Certified Mail No.: 9171 9690 0935 0252 9924 88

STATE OF NEVADA

DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES DIVISION OF ENVIRONMENTAL PROTECTION BUREAU OF AIR QUALITY PLANNING 901 SOUTH STEWART ST., SUITE 4001

CARSON CITY, NEVADA 89701-5249

NOTICE OF ALLEGED AIR QUALITY VIOLATION NO. 2886

Person(s) to Whom Served: Brian Simpson, General Manager

Company Name:

Premier Magnesia, LLC

Address:

P.O. Box 177, Gabbs, NV 89409

Permit Number:

AP1459-0433

FIN: A0461

Site of Alleged Violation:

Section: 26 Township: 12N Range: 36E

Date of Observation:

08/12/2021

Time:

8:30 am

It is alleged that the following regulation was violated by the person named in this notice:

Nevada Administrative Code (NAC) 445B.275 Violations: Acts constituting; notice.

1. Failure to comply with any requirement of NAC 445B.001 to 445B.3689, inclusive, any applicable requirement or any condition of an operating permit constitutes a violation. As required by NRS 445B.450, the Director shall issue a written notice of an alleged violation to any owner or operator for any violation, including, but not limited to:

(c) Failure to construct or operate a stationary source in accordance with any condition of an operating permit;

It is alleged that the following act or practice constitutes the violation:

Exceeded the opacity limits specified in the Air Quality Operating Permit for two emission units.

Evidence:

Premier Magnesia, LLC (Premier) currently holds a Class II Air Quality Operating Permit (AQOP) to operate the Gabbs Plant under the requirements of AQOP No. AP1459-0433, issued by the Nevada Division of Environmental Protection (NDEP) on January 19, 2016.

On August 12, 2021, NDEP staff conducted a field visit to the Gabbs Plant, upon arrival at the facility, NDEP staff became aware of visible emissions appearing to discharge from the plant operations. NDEP staff conducted two EPA Method 9 visible emission observations, the first Method 9 observation was for emissions from the #5 Calcining Furnace (System 147, Emission Unit S2.174). The second observation was for emissions from the Storage and Milling Transfers, M-63 elevator and discharge to M-67 screw (System 55, Emission Unit S2.024). Both emission units exceeded their 20 percent opacity limits as specified in the AQOP, the results from each Method 9 Observation can be found in Table 1.

Table 1: Method 9 Opacity Observations for Emission Units S2.174 and S2.024

| Emission Unit | | #5 Calcining Furnace (S2.174) | | | | 4) Emission Unit | | M-63 elevator and discharge to M-67 screw (S2.024) Seconds | | | |
|------------------|---|-------------------------------|---------|----------|-------|---------------------|---|--|----|----|----|
| | | | Seconds | | | | | | | | |
| | t | 0 | 15 | 30 | 45 | | | 0 | 15 | 30 | 45 |
| Minutes | 1 | 35 | 40 | 40 | 50 | 150.7 | 1 | 30 | 35 | 30 | 35 |
| | 2 | 25 | 30 | 15 | 25 | | 2 | 30 | 35 | 35 | 30 |
| | 3 | 25 | 30 | 55 | 40 | l te | 3 | 30 | 35 | 35 | 30 |
| | 4 | 40 | 45 | 35 | 30 | Min | 4 | 35 | 30 | 40 | 30 |
| | 5 | 35 | 25 | 30 | 30 | | 5 | 30 | 35 | 35 | 40 |
| | 6 | 55 | 45 | 45 | 40 | | 6 | 35 | 30 | 35 | 30 |
| | | | Average | Opacity: | 36.04 | | | Average Opacity: | | | |

On December 2, 2021, NDEP held an enforcement conference with Premier to determine whether issuance of Notice of Alleged Air Quality Violation (NOAV) No. 2886 was or was not warranted. During the enforcement conference Premier was unable to show cause why NOAV No. 2886 should not be issued, NDEP has subsequently determined that formal issuance of NOAV No. 2886 is warranted.

In accordance with **NAC 445B.281 Violations: Classification; administrative fines**, the alleged violation constitutes a major violation and it is Premier's seventh air quality violation within the last 60 months.

Signature

Issued by: Danilo Dragoni, PhD

Chief

Bureau of Air Quality Planning

Phone: 775-687-9340 **Date**: December 20, 2021

DD/at/dad

Certified Mail No.: 9171 9690 0935 0252 9924 88