



March 23, 2018

Kristi Turley
Site Manager
Kennametal, Inc.
347 North Taylor St.
Fallon, Nevada 89406

**RE: Notice of Alleged Air Quality Violation and Order No. 2637
Class II Air Quality Operating Permit AP3399-0120.03 (FIN A0531)**

Dear Ms. Turley:

The Nevada Division of Environmental Protection – Bureau of Air Quality Planning (BAQP) alleges that Kennametal, Inc. (Kennametal) has violated conditions of Class II Air Quality Operating Permit No. AP3399-0120.03 (Operating Permit). Specifically, the attached Notice of Alleged Air Quality Violation and Order (NOAV) No. 2637 alleges that Kennametal failed a source test on System 08 – Leach Agitator (S2.010) as well as System 10 – Leach Agitator (S2.012).

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

“1. Failure to comply with any requirement of NAC 445B.001 to 445B.390, 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;”

On November 13, 2017 the BAQP held an enforcement conference with Kennametal to determine whether issuance of Notice of Alleged Air Quality Violation and Order (NOAV) No. 2637 was or was not warranted. During the enforcement conference Kennametal did not supply any evidence that NOAV 2637 did not happen. Based on the information provided by Kennametal, the BAQP has determined that formal issuance of NOAV No. 2637 is warranted.

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

Kennametal, Inc.

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As was discussed during the enforcement conference, the BAQP will not require any additional testing to be conducted at this time on System 08 – Leach Agitator (S2.010) or System 10 – Leach Agitator (S2.012) because the data supplied to the BAQP was sufficient enough to show Kennametal is operating in compliance with their Operating Permit. The BAQP makes recommendations to the Nevada State Environmental Commission (SEC) as to what an appropriate penalty may be for an air quality violation. The BAQP will be recommending a penalty of **\$7,175.00**, for NOAV No. 2637 based on use of the Administrative Penalty Matrix for air quality violations. The open to public SEC hearing will be held at the Nevada Legislative Building, Room 2135, located at 401 South Carson Street on May 23, 2018 at 9:00am.

An appeal of NOAV No. 2637 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**. Appeals are processed through Valerie King, the Executive Secretary for the SEC, at 901 South Stewart Street, Suite 4001, Carson City, Nevada, 89701-5249. Mrs. King can be reached at (775) 687-9374, or by fax at (775) 687-5856. Please provide me with a copy of any correspondence your company may have with the SEC.

If you have any questions regarding the alleged violation or the enforcement conference, please contact me at (775) 687-9335.

Sincerely,



Robert Whited
Supervisor, Enforcement Branch
Bureau of Air Quality Planning

REW

enc.: Notice of Alleged Air Quality Violation and Order No. 2637
2. SEC Appeal Form #3

cc (w/enc.): Valerie King, SEC
Churchill County Board of County Commissioners
FIN A0531 (Certified Copy)

E-Copy: Danilo Dragoni, Ph.D., Chief, BAQP
Lisa Kremer, P.E., Chief, BAPC
Travis Osterhout, P.E., Compliance Supervisor, BAPC
Ashley Taylor, P.E., GISP Permitting Supervisor
Kristy Turley, Kennametal
Tawnya Watson, Kennametal
Scott McNulty, Broadbent

Certified Mail No.: 9171 9690 0935 0040 4663 06

STATE OF NEVADA
DEPARTMENT OF CONSERVATION AND NATURAL RESOURCES
DIVISION OF ENVIRONMENTAL PROTECTION
BUREAU OF AIR POLLUTION CONTROL
901 SOUTH STEWART ST., SUITE 4001
CARSON CITY, NEVADA 89701-5249

NO. 2637

NOTICE OF ALLEGED AIR QUALITY VIOLATION

Person(s) to Whom Served: Kristi Turley, Site Engineer

Company Name: Kennametal, Inc.

Address: 347 North Taylor St. Fallon Nevada 89406

Permit Number: AP3399-0120.03

FIN: A0531

Site of Alleged Violation: Kennametal, Inc., Churchill County, Nevada

Date of Observations: 11/2/16 and 11/7/16
Time: N/A

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 permitted emission limit during compliance source testing.

Evidence:

Kennametal, Inc. (Kennametal) operates a tungsten carbide processing facility under the requirements of Class II Air Quality Operating Permit AP3399-0120.03 (Operating Permit) issued by the BAPC on May 31, 2012.

On November 2, 2016, Kennametal conducted permit required source testing on the exhaust stack of System 8 – Leach Agitator (S2.010). The Operating Permit limits the emission of NO_x to 0.18 pounds per hour for System 8. During testing, emissions from System 8 were measured at 0.199 pounds per hour of NO_x. Kennametal also conducted permit required source testing on the exhaust stack of System 10 – Leach Agitator (S2.012). The Operating Permit limits the emission of NO_x to 0.18 pounds per hour for System 10. During testing, emissions from System 10 were measured at 0.337 pounds per hour of NO_x.

On November 13, 2017 the Nevada Division of Environmental Protection -Bureau of Air Quality Planning (BAQP) held an Enforcement Conference with Kennametal to determine whether issuance of Notice of Alleged Air Quality Violation and Order (NOAV) No. 2637 was or was not warranted. During the enforcement conference Kennametal did not supply any evidence that NOAV 2637 did not happen. Based on the information provided by Kennametal, the BAQP has determined that formal issuance of NOAV No. 2637 is warranted. However, System 8 – Leach Agitator (S2.010) and System 10 – Leach Agitator (S2.012) will not have to be retested at this time, as Kennametal has submitted a permit revision application with new emission limits for system 8 and system 10 (Air Case 9536, deemed complete on 2/2/2018).

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

ORDER

Under the authority of Nevada Revised Statute (NRS) 445B.100 to 445B.640, inclusive, the person named in this notice is ordered:

To pay the following administrative fine in accordance with 445B.281.1: _____

To take corrective action: _____

To conduct a Supplemental Environmental Project specified by the BAPC

This notice is a warning.

To pay the penalty amount assessed by the State Environmental Commission.

Signature  _____

Issued by: Robert Whited
Supervisor, Enforcement Branch
Bureau of Air Quality Planning

Phone: 775-687-9335 Date: March 23, 2018

REW

Certified Mail No.: 9171 9690 0935 0040 4663 06



FORM 3: FORM FOR REQUESTING AN APPEAL HEARING
(Provide attachments as needed)

1. Name, address, telephone number, and signature of appellant:

Name: _____

Physical Address: _____

E-mail Address: _____

Telephone Number: _____

Signature: _____

Representative capacity (if applicable): _____

2. Attach copy of Nevada Division of Environmental Protection final decision, such as permit or notice of alleged violation, being appealed.

3. Specify grounds of appeal: (check all that apply)

- Final decision in violation of constitutional or statutory provision;
- Final decision made upon unlawful procedure;
- Final decision was affected by other error of law;
- Final decision was clearly erroneous in view of the reliable, probative and substantial evidence on the whole record;
- Final decision was arbitrary or capricious or characterized by abuse of discretion;

4. For each ground of appeal checked above, please list the constitutional, Nevada Revised Statute (NRS), and/or Nevada Administrative Code (NAC) provision allegedly violated. Also list the statutes and/or regulations that give the State Environmental Commission jurisdiction to hear the appeal.

5. For each ground of appeal checked above, provide a brief and concise statement of the facts which provide the basis for the appeal.

Date of Request: _____.

Send Form to: Executive Secretary, State Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, NV 89701