Summary Minutes of the
STATE ENVIRONMENTAL COMMISSION (SEC)

Meeting of October 8, 2014 9:00 AM

Bryan Building Carson City
901 South Stewart Street
Carson City, NV

Video Conference
2030E Flamingo Rd., Ste. 230
Las Vegas, NV

Members Present:
E. Jim Gans, Chairman
Tom Porta, Vice Chairman
Mark Turner
Cary Richardson
Jason King
Rich Perry
Jim Barbee

Members Absent:
Kathryn Landreth
Tony Wasley

SEC Staff Present:
Henna Rasul, SEC/DAG
Valerie King, Executive Secretary
Misti Gower, Recording Secretary

Members of the Public Present:
Jake Steinman, Waterton Global Mining
Jack McMahon, Waterton Global Mining
Laura Granier, Attorney for Waterton Global Mining
Craig Munson Golden Gate/S.E.T. Petroleum
Sarah Salcedo, Broadbent & Associates
Stephanie Wilson, US EPA
Donnie Perry, DMV
Lance Semenko, Q&D
Julio Sandoval, Barrick Turquoise Ridge
Allen Annett, Carson City Public Works
Pete Anderson, public

Members of the Public Present Via Video Conference:
Jon Howard, Clark County School District
Chris Rose, Attorney for Cind-R-Lite
Ernest Selman, Cind-R-Lite
Ms. Hernandez, Cind-R-Lite
Kathy Flanagan, Southern Nevada Water Auth.

BEGIN SUMMARY MINUTES

The meeting was called to order at 9:00 am by Chairman Jim Gans. Ms. King, the Executive Secretary, confirmed the hearing was properly noticed and that a quorum was present.

1) Public Comments (Discussion): Chairman Gans called for public comment. There was none.

2) Approval of Agenda (Action Item): Chairman Gans asked if there were any changes or comments regarding the agenda. Ms. King stated that 6E, Cind-R-Lite, would be moved to 6A to accommodate attendees in Las Vegas participating via videoconference.

Commissioner Turner moved to approve the agenda as changed and Commissioner Barbee seconded. The agenda was unanimously approved.

3) Approval of the minutes for the May 2, 2014 SEC meetings (Action Item): Chairman Gans requested comments from the Commission on the May meeting minutes. Hearing none, he asked for a motion.

Commissioner Barbee moved to approve the minutes as presented and Commissioner King seconded. The motion passed unanimously.

4) Recognition of Service - (Discussion): Chairman Gans asked Pete Anderson to come forth, saying he would truly be missed. Ms. King read a letter of recognition for the record (See Attachment I). Chairman Gans thanked Mr. Anderson for his 10 years of service to the Commission, presenting him with a plaque.

5) Petitions for Variance, Clark County School District – (Action Item): Chairman Gans informed the Commission that the Clark County School District has requested a two year variance for the Commission's consideration. Representatives would be joining the Commission via video conference from Las Vegas.

Jon Howard, Director of Vehicle Maintenance for Clark County School District, addressed the Commission. Mr. Howard explained the request was for a two year variance from NAC 486A.160, the use of alternative fuel for its gasoline-powered support fleet vehicles and from NAC 486.180, the requirement to purchase non-alternative fuel vehicles for its support fleet. Mr. Howard cited financial hardship as the principal reason for the request and informed the Commission that Clark County's Department of Air Quality and NDEP's Bureau of Air Quality had no objections to the request.

Chairman Gans asked for clarification on the type of fuel this request was pertaining too. Mr. Howard explained it was for gasoline only and did not pertain to the biodiesel or propane used by the school district.

Mr. Sig Jaunarajs with NDEP's Air Quality Planning came forward to address the Commission. Mr. Jaunarajs said there is only one alternative gasoline available, it is a reformulated gasoline. At this time, there is no resource for this fuel in Las Vegas and it has to be trucked in from Southern California or Arizona. The school district cannot do this at a reasonable cost. Some of the vehicles could be switched to diesel but again, it would be at a large expense. Two thirds of the school district's fleet use biodiesel, this request is for a small part of their fleet.

Vice-Chairman Porta asked about the specific emission reduction between regular gasoline and reformulated gasoline.

Mr. Jaunarajs said he would categorize the difference as a small but measurable emission reduction between the types but it is a very tiny improvement in emissions.

Mr. Howard informed the Commission that the school district intends to go back to using the reformulated gasoline when finances allow and had used that fuel for several years before the decline in revenue.

Vice-Chairman Porta stated this is a very small percentage of possible pollutant vehicles and asked Mr. Jaunarajs about the carbon dioxide problem in Clark County. Mr. Jaunarajs said that carbon dioxide is not an issue anymore. New cars are much cleaner and fuels that are used have improved as well.

Commissioner Perry questioned the need for NAC 486A.160 and NAC 486.180 if the emission reduction is no small. Vice-Chairman Porta felt that even though this rule makes little to no improvement in air quality, to keep the rule in place would allow advancement in future technology for cars and fuel.

Commissioner Perry moved to approve the variance of NAC 486A.160 and NAC 486.180 for Clark County School District. Vice Chairman Porta seconded. The motion passed unanimously.

6) Penalty Assessments for Air Quality Violations – (Action Item): Chairman Gans expressed concern about the Commission's role regarding violations. For a better understand he asked for clarity from counsel on the Commission's responsibility when making a decision on a penalty. Deputy Attorney General, Henna Rasul, explained that the issue is not whether there has or has not been a violation. She stated it is the Commission's responsibility to simply focus on the recommended penalty amount. The Commission may lower or raise the penalty but it is only the penalty which is the focus point for the deliberation and discussion.

Vice Chairman Porta asked if veering from a penalty which is based on a matrix approved by this Commission set precedence? Ms. Rasul recommended that the Commission remain consistent to how they have deliberated in the past.

Chairman Gans again stated the penalties would be heard out of order to accommodate the people attending via video conference from Las Vegas

Mr. Rob Bamford, Bureau Chief of Air Pollution, and Mr. Francisco Vega, supervisor of the Compliance and Enforcement Branch, presented the violations to the Commission. The handouts provided during the meeting are included as attachments to the meeting minutes.

E. Cind-R-Lite, Cinder Cone Mine — NOAV No. 2498 for alleged failure to apply for and obtain an operating permit. The recommended penalty amount is $34,650.00.

A. Q&D Construction, Inc. — NOAV No. 2477, alleged failure to construct or operate a stationary source in accordance with any condition of an operating permit. The recommended penalty amount is $3,960.00.

B. Modern Concrete, Inc. – NOAV Nos. 2478 and 2479 for alleged failure to construct or operate a stationary source in accordance with any condition of an operating permit. The total recommended penalty amount is $2,400.00.

C. Jetcrete North America — NOAV Nos. 2481 and 2482 for alleged failure to construct or operate a stationary source in accordance with any condition of an operating permit. The recommended penalty amount is $9,600.00.

D. Golden Gate/ S.E.T. Petroleum Partners of Nevada — NOAV No. 2484 for alleged failure to construct or operate a stationary source in accordance with any condition of an operating permit. The recommended penalty amount is $1,200.00.

F. Barrick Turquoise Ridge, Inc. — NOAV Nos. 2489, 2490 and 2491 for alleged failure to construct or operate a stationary source in accordance with any condition of an operating permit and also for the alleged failure to comply with any requirement for recordkeeping, monitoring, reporting or compliance certification contained in an operating permit. The recommended penalty amount is $9,000.00.

G. Waterton Global Mining Company, LLC — NOAV No. 2508 and 2509 for alleged failure to construct or operate a stationary source in accordance with any condition of an operating permit. The recommended penalty amount is $15,000.00.

Cind-R-Lite, Cinder Cone Mine: Mr. Bamford informed the Commission that Cind-R-Lite operates a Class 2 stationary source permit in Nye County. The facility mines, crushes and then screens cinder to various size specifications. Staff conducted a site inspection and discovered the facility was operable and had an expired permit. The permit had expired eleven months earlier. At the time of the inspection, Cind-R-Lite had not submitted a renewal application. If the regulatory date to submit a renewal application passes, a new permit is required. The Bureau of Air Pollution Control (BAPC) issued a Stop Order on the same date as the inspection, which is standard protocol in these matters. The BAPC does not have legal authority to allow a facility to operate without a permit.

Mr. Bamford noted that the BAPC has oversight of over eleven hundred permits issued across the state. It is common practice for facilities to let their permits expire when they wish to cease operation. However, staff does provide a certified courtesy letter to facilities to remind them one hundred and sixty days before permit expiration that they need to submit a timely and complete permit renewal application before their permit expires. Cind-R-Lite was sent a courtesy letter by certified mail five months before the permit's expiration date.

An enforcement conference was held telephonically on June 24, 2014 because the facility is located in southern Nevada. Copies of the penalty matrix were sent via email before the conference. The penalty amount was discussed and no new evidence was provided to contradict that the permit had expired and that Cind-R-Lite operated without a permit for eleven months. NOAV 2498 was issued for failure to apply for and obtain an operating permit. Operating without a permit is one of the most serious offenses listed in the penalty matrix.

Mr. Vega explained the penalty matrix, pointing out, that all available discretion was used to select the smallest multipliers in calculating the proposed penalty (Attachment 2).

Chairman Gans then acknowledged representatives from Cind-R-Lite in Las Vegas attending via video conference. Christopher Rose with Jolley, Urga, Woodbury & Little representing legal counsel for Cind-R-Lite was accompanied by Ernest Selman and Ms. Hernandez with Cind-R-Lite. Mr. Rose stated he had come before the Commission to ask for a penalty reduction. He presented a handout that included a chronology of events and walked the Commission through it (Attachment 3). Mr. Rose felt that NDEP should have notified Cind-R-Lite more effectively.

Chairman Gans question Mr. Bamford about the reminder letter that was sent out. Mr. Bamford made it clear that sending a reminder letter is a courtesy and not a regulatory requirement. Commissioner King stated that he felt for the company regarding the penalty amount but he felt all the blame for Cind-R-Lite's noncompliance was being placed on NDEP. Commissioner Porta asked Mr. Rose if the company had been in operation for all eleven months. Mr. Rose stated that it

had been operating for one to two weeks every month. Commissioner Richardson inquired about quarterly payments to lighten the burden on Cind-R-Lite.

Motion: Commissioner King moved to accept NDEP's recommended penalty of $35,650.00 for Air Quality Violation No. 2498, payable in quarterly payments. Commissioner Barbee seconded the motion and it passed unanimously.

Q&D Construction, Inc.: Mr. Bamford stated that Q&D operates temporary, portable, road and highway construction equipment under a Class 2 General permit. A Change of Location Approval (COLA) was issued for construction equipment in Eureka County. Production records were submitted to BAPC, for the COLA, which recorded exceedances of the permit throughput for three systems. The three systems are the lime marination plant, asphalt plant and concrete plant. Production throughput limits are directly correlated to the amount of pollutants emitted. Mr. Vegas then walked the Commissioners through the penalty matrix for the Class 2 general permit with "failure to comply with an operating parameter" for a six month period (Attachment 4).

Chairman Gans asked if anyone from the company was present, Lance Semenko Chief Operating Office came forward. Mr. Semenko agreed with the alleged violation and the Commissioner's had no questions for him.

Motion: Commissioner Perry moved to approve the recommended penalty of $3,960.00 for Air Quality Violations No. 2477. Vice Chairman Porta seconded the motion and it passed unanimously.

Modern Concrete, Inc: Mr. Bamford explained that this is another Class 2 General permit with a cement mixing plant. Modern Concrete was issued a COLA to place a concrete mixing plant in Elko County. Records received indicated exceeded throughput limits on three permitted systems and also failure to report the start of operations. The systems were a cement silo loading, cement silo unloading and sand transfer loading. Two NOAVs were issued for throughput exceedance and failure to report the start of operations. Failure to report start of operations is important to ascertain compliance and to determine if the permit is doing its job to be protective of public health and the environment. Mr. Vegas then explained the penalty matrix for the two alleged violations (Attachment 5).

Chairman Gans asked if anyone from the company was in the audience. Ms. King stated she had spoken with a representative who informed her they were not contesting the penalty and would not be present.

Motion: Commissioner Barbee made a motion to accept the recommended penalty of $2,000.00 for Air Quality Violation No. 2478 and 2479. Commissioner Turner seconded the motion and it passed unanimously.

Jetcrete North America: Mr. Bamford stated that Jetcrete operates a temporary portable cement mixing plant under a Class 2 General permit. A COLA was issued to locate and operate the cement plant north west of Carlin in Elko County. One month after the COLA was issued BAPC received the completion of operation records. The records demonstrated that eight systems associated with the cement plant had two categories of violations. The first was failure to report start of operation within the required timeframe and the second for exceeding permitted hourly throughput. Two NOAVs were issued for these violations and the penalty matrix was explained by Mr. Vega (Attachment 6).

Chairman Gans asked if anyone from the company was in the audience. Ms. King stated she had spoken with a representative who informed her they were not contesting the penalty and would not be present.

Motion: Vice Chairman Porta made a motion to accept the recommended penalty of $9,600.00 for Air Quality Violation No. 2481 and 2479. Commissioner Barbee seconded the motion and it passed unanimously.

Golden Gate/S.E.T. Petroleum Partners of Nevada: Mr. Bamford stated this is a transmix facility and has a stationary source Class 2 Air Quality Operating permit located in Storey County. Transmix or transportation mix is produced when refined petroleum products such as gasoline and diesel mix together. When combined, these products no longer meet approved specification and cannot be used. Golden Gate uses distillation processes to separate the transmix into various types and grades of saleable fuels.

Each year all facilities are required to report their actual levels of production and corresponding actual emissions. While reviewing the 2012 and 2013 annual reports BAPC discovered that Golden Gate self-reported an exceedance of an annual emission limit for Volatile Organic Compounds (VOC). Because it was for two years there are two annual exceedances. VOCs are regulated because they are a precursor to the formation of ground level Ozone or "smog." Breathing ozone can trigger a variety of health problems. Ground level ozone can also have a harmful effect on sensitive vegetation and ecosystems. Mr. Vegas presented the penalty matrix to the Commissioners (Attachment 7).

Craig Munson, General Manager for Golden Gate, came forward to answer question from the Commission. Mr. Munson explained that it is a pipeline mix such as a combination of diesel and jet fuel that they refine or separate. They realized it was an error on their part and have since put real time data on every piece of permitted equipment. They have also made modifications to the permit.

Motion: Commissioner Barbee made a motion to accept the penalty of $1,200.00 for Air Quality Violation No. 2484. Commissioner Turner seconded the motion and it passed unanimously.

Barrick Turquoise Ridge, Inc.: Mr. Bamford told the Commission that this is a gold mine in Humboldt County. Barrick operates under a stationary Class 2 Air Quality Operating permit. The facility mines, crushes and screens mine ore for leaching. It is then refining off-site. The facility also operates several generators, fuel storage tanks and shotcrete operations.

In March BAPC conducted an unannounced compliance inspection. Pursuant to the Standard Operation Procedures for an inspection, staff requested records for all operating systems. Staff found several discrepancies and subsequently requested additional records and clarification from Barrick. After reviewing the records and the enforcement conference, the three NOVAs were issued. During the enforcement conference a detailed discussion was held regarding what corrective actions Barrick must take to improve their recordkeeping and records retention to comply with its permit. It should be noted that records for six systems were destroyed by fire.

Permit throughput limits are important because they are designed to be protective of ambient air quality standards that safeguard public health and the environment. Not maintaining records is also important because it removes the facility's ability to demonstrate compliance with the legally mandated permit requirements. Mr. Vegas walked the Commission through the penalty matrix (Attachment 8). Mr. Vegas also clarified that NOAV 2490 was for exceeding the amount they were allowed to process.

Julio Sandoval, Environmental Manager for Barrick, came forward to explain why some of the data was missing or inaccurate. Mr. Sandoval explained that due to the remote location of the mine there are no automatic data recorders. When all the records were requested, NDEP received 3 years of daily logs for 42 systems. Because the temporary crusher was on site for a few years it looked like a lot of gaps in the data. There was internal review that discovered inaccurate data for the scale. Also, there was a fire at the batch plant and records were lost.

Motion: Commissioner King made a motion to accept the recommended penalty of $9,000.00 for Air Quality Violation No. 2489, 2490 and 2491. Commissioner Barbee seconded the motion and it passed unanimously.

Waterton Global Mining Company, LLC: Mr. Bamford explained the NOAV to the Commission. He stated that Waterton Global mining Company operates a gold mine in Mineral County under a Class 1 stationary source Air Quality Operating Permit. Waterton purchased the site in 2013 from Great Basin Gold. Since the purchase, Waterton has primarily performed exploratory drilling and asset review.

While performing the annual records review, staff noticed that System six had not performed an initial compliance test or "stack test" and systems one through six had not performed initial opacity compliance demonstrations. Using the penalty matrix, Mr. Vega explained the penalty amount for NOAV 2058 and that NOAV 2509 had been issued as a warning (Attachment 9).

Laura Granier came forth on behalf of Waterton Global, stating she was not there to protest but to be present and show the Commission how seriously they take this penalty. Waterton seeks to be a model operation in Nevada taking all environmental issues very seriously. The violations happened while in the process of taking over the property. They are now going through all systems and permits making sure everything is in compliance.

Motion: Commissioner Richardson made a motion to accept the recommended penalty of $15,000.00 for Air Quality Violation No. 2508. Vice Chairman Porta seconded the motion and it passed unanimously.

7) R137-13 Bureau of Waste Management – Solid Waste Regulation: (Action Item) Mr. Eric Noack, Chief for the Bureau of Waste Management, presented the proposed regulation amendments to the Commission using a power point presentation (Attachment 10). Mr. Noack explained that the solid waste program has been funded by a $1.00 tire fee. Because the fee revenue has been flat and the program responsibilities have increased they are asking for an increase of review and annual fees. They had met with the affected landfills and facilities and did not reveive any resistance. Workshops were also held and NDEP did not receive any negative comments or objections.

Mr. Noack explained that the increase was just enough to bring back the resources that had been cut from the solid waste program.

Motion: Vice Chairman Porta moved to adopt regulation R137-13. Commissioner Barbee seconded the motion and it passed unanimously.

8) R138-13 Bureau of Waste Management – Hazardous Waste Regulation: (Action Item) Mr. Noack again presented the proposed regulation amendments to the Commission using a power point presentation (Attachment 11). The hazardous waste fund receives revenue from fees, cost reimbursement, treasurer's interest and penalties. The funds are used for regulations, cleanups,

consultant certifications, HazMat response training and response to releases when responsible parties cannot effectively respond.

Deputy Administrator Dave Emme answered several questions regarding recent losses in the hazardous waste fund. Mr. Emme explained it was important to balance the fund for the response to situations, like an emergency cleanup. Some of these cleanups are old and there is no longer a responsible party to pay for the cleanup.

Mr. Noack explained the fee changes and informed the Commission that NDEP had met with the affected parties and received no resistance.

Motion: Commissioner Barbee moved to adopt regulation R138-13. Commissioner Perry seconded the motion and it passed unanimously.

9) R099-14 Bureau of Administrative Services – Drinking Water State Revolving Fund: (Action Item) Ms. Adele Basham, Bureau Chief for Administrative Service, which includes NDEP's Office of Financial Assistance (OFA), presented the proposed regulation amendments. OFA manages two state revolving fund loan programs, one for wastewater pollution control infrastructure and another for drinking water infrastructure. The proposed regulation revisions are for the drinking water loan program. Ms. Basham explained the requested changes are general language clarification and cleanup of regulations which govern the administration and procedural elements of the loan program. The changes are relatively minor and no comments were received at the work shop held in September. There is an erratum that was placed in the packet (Attachment 12) proposing to insert "electronic bank posting" as an acceptable form of documentation. It was an oversight by LCB and did not appear in the LCB draft. The language is acceptable to LCB. Ms. Basham answered a few questions from the Commission before Chairman Gans called for a motion.

Motion: Commissioner Perry moved to adopt regulation R099-14. Commissioner King seconded the motion and it passed unanimously.

10) R102-14 Bureau of Water Quality Planning – Upper Humboldt Class Waters: (Action Item) Mr. John Heggeness, with the Bureau of Water Quality Planning, presented the proposed regulation amendments to the Commission using a supplementary handout (Attachment 13). Mr. Heggeness explained the changes are proposed for the former "Class Waters" located in the Upper Humboldt River Basin. This includes the headwaters, tributaries and main stem of the Humboldt River downstream to Palisade, Nevada. In 1973, the class waters were created in NAC and water bodies were categorized by classes. Each class category had its own table of standards. In 2008, NDEP created a standard table for each water body in Class Waters. These amendments are proposed to create consistency with the EPA recommended criteria.

Chairman Gans questioned comments that were submitted for public comment regarding the proposed regulatory amendment (Attachment 14). Deputy Administrator David Gaskin came forward and explained the submitted comment was related to Waters of the US and not to the Water Quality Standards. Mr. Gaskin and Mr. Heggeness answered several questions from the Commission regarding Waters of the US.

Mr. Heggeness continued with his presentation to the Commission, answering any further questions. Mr. Heggeness emphasized the proposed changes are to make the existing standards consistent with EPA's requirements.

Motion: Commissioner King moved to adopt regulation R102-14. Vice Chairman Porta seconded the motion and it passed unanimously.

11) Administrator's Briefing to the Commission: (Discussion) Dr. Colleen Cripps, NDEP Administrator, began her briefing by identifying personnel changes. Mr. Greg Lovato has been appointed to the vacant Deputy Administrator position. Mr. Lovato has been with NDEP for 8 years and previously worked for EPA.

Dr. Cripps followed up with two federal regulations NDEP is involved in. With respect to the regulation associated with Waters of the US, NDEP is actively working with other states, national agencies and EPA to better understand what is being proposed and is providing feedback.

The other regulation is referred to as 111D (one eleven D), the greenhouse gas rule for existing power plants. This has the potential to have a large impact on Nevada. This rule will establish a target C02 emission for the state in 2020 and final goal in 2030 that each state would have to implement. It has the potential to dramatically change how energy is generated and distributed across the county. Each State's goal is different. NDEP is in the process of evaluating the goal for Nevada, determining if it is appropriate and if Nevada will be able to implement it.

Dr. Cripps told the Commission NDEP is preparing for the upcoming legislative session. Its budget has been submitted and NDEP is starting to see bill drafts. At this time there are seven drafts that may involve NDEP but at this point they are very general.

Chairman Gans asked about Senate Bill 390 on fracking. Dr. Cripps referred the questions to Commissioner Perry, whose Division had been tasked with overseeing the bill draft. Commissioner Perry said the first draft had been passed through LCB and multiple public workshops have been held. A weekly meeting was held to go through and address the many comments from the public. It then went through the second LCB review and a final hearing was held in Elko on August 28, 2014 with the Commission of Mineral Resources which is the state body that approves regulatory changes for oil, gas and geo thermal. The Commission approved it with some changes. The bill is down to the final stage of being passed through the Legislative Commission.

12) Public Comment: (Discussion) Chairman Gans asked for public comments. Hearing none he, asked when the next SEC meeting will be held. Ms. King stated the next meeting will be held December 3, 2014 in the Tahoe Conference Room on the 2nd floor of the Bryan Building.

13) Adjournment: (Discussion) Meeting was adjourned at 1:40pm.

ATTACHMENTS

ATTACHMENT 1: Letter of Recognition for Pete Anderson

ATTACHMENT 2: Cind-R-Lite Penalty Information

ATTACHMENT 3: Cind-R-Lite's Handout to Commissioners

ATTACHMENT 4: Q&D Penalty Information

ATTACHMENT 5: Modern Concrete Penalty Information

ATTACHMENT 6: Jetcrete North America Penalty Information

ATTACHMENT 7: Golden Gate/S.E.T. Petroleum Partners of Nevada Penalty Information

ATTACHMENT 8: Barrick Turquoise Ridge Penalty Information

ATTACHMENT 9: Waterton Global Mining Penalty Information

ATTACHMENT 10: R137-13 Power Point Presentation

ATTACHMENT 11: R138-13 Power Point Presentation

ATTACHMENT 12: R099-14 Erratum

ATTACHMENT 13: R102-14 Supplementary Handout

ATTACHMENT 14: Public Comment Submitted via Email

ATTACHMENT 1

Letter of Recognition for Pete Anderson

BRIAN SANDOVAL
Governor

STATE OF NEVADA
STATE ENVIRONMENTAL COMMISSION

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Leo Drozdoff, P.E.
Director

CHAIRMAN:
Eugene Gans
Las Vegas, NV

VICE CHAIRMAN:
Tom Porta
Reno, NV

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Division of Forestry

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Department of Agriculture

Kathryn Landreth
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Mark Turner
Carson City, NV

Richard Perry
Administrator
Division of Minerals

Tony Wasley,
Director
Department of Wildlife

COUNSEL:
Colleen Platt

STAFF:
Valerie King
Executive Secretary

Misti Gower
Recording Secretary

October 8, 2014

Mr. Pete Anderson
State Forester
Nevada Division of Forestry

Dear Pete,

I wish to personally extend my appreciation to you for ten years of service as a Commissioner on the State Environmental Commission (SEC). As the Nevada State Forester, you carried an enormous responsibility and workload; however, you always made the SEC a priority. Not only did you take the time to sit on SEC appeal hearing panels, but you also arrived to all SEC meetings prepared and ready to actively engage in the deliberations.

The SEC addresses important issues, many of them difficult by nature. Your ability to address these matters, bring to light the underlying issues and move discussions forward has assisted the SEC to make better balanced decisions.

On behalf of the SEC, I would like to thank you for your service and wish you the best in your retirement as well as any new adventures you take on.

Sincerely,

Jim Gans

cc: Governor Brian Sandoval
Members State Environmental Commission
Leo Drozdoff, Director, Department of Conservation & Natural Resources
Colleen Cripps, Administrator, Division of Environmental Protection

ATTACHMENT 2

Cind-R-Lite Penalty Information

5. Cind-R-Lite, Cinder Cone Mine, Nye County

Cind-R-Lite, Cinder Cone Mine (CRL) operates a facility that mines and processes cinder under Class 2 permit #AP3271-2457 in Nye County. Cinder is mined from a nearby cinder cone, sized by crushing and screening to various size specifications, and then stocked into silos and bins prior to delivery.

During a site inspection on June 3, 2014, the BAPC verified that CRL was in still in operation even though its Air Quality Operating Permit had expired. It is not uncommon for facilities to cancel a permit or to not renew a permit when a project expires. When a permit is cancelled or expires, the BAPC will perform a site visit to verify that the project has ceased operations. Class 2 facilities such as CRL are inspected at least once every 5 years.

CRL was issued a Stop Order #2014-06 on June 3, 2014 and then NOAV #2498 on July 31, 2014 for failure to obtain and operate under a valid operating permit. CRL operated for 11 months without an Air Quality Operating Permit. CRL was sent a "courtesy" reminder by certified mail to remind them to renew the permit before it expired (see reminder and certification provided in this Section). The certified receipt was signed by a recipient at CRL's address. Courtesy letters are not a regulatory requirement; they are strictly a courtesy service the BAPC performs to help industry.

CRL was not cooperative. It engaged in loud and abusive language toward BAPC staff. The BAPC invited CRL to a compliance meeting to review the draft NOAV and proposed penalty. CRL declined to participate, citing travel expense. The BAPC then offered a phone conference instead and provided the draft NOAV and penalty matrix via email for the phone conference. Like the courtesy letter, the compliance meeting to review the draft NOAV is also a courtesy and not a regulatory requirement.

Once the Stop Order was issued, the BAPC provided extra assistance to CRL to prepare an application and process its permit to minimize CRL's shut-down time. CRL staff did know how to fill-out the permit application, so the BAPC provided a scanned copy of CRL's previous permit application and performed several phone calls and information requests to assist them. The BAPC set aside other projects to prepare the application, perform the air dispersion modeling and draft the permit. An application was received on June 11, 2014. The permit was issued on July 2, 2014. This was a total of only 21 days to issue the permit; the regulatory time is 70 days. The Stop Order was lifted when the permit was issued; therefore, the Stop Order lasted 29 days. Expediting CRL's permit did come at the expense of other projects.

CRL did inform the SEC Executive Secretary, Val King, that it wanted to appeal on August 11, 2014. CRL does not dispute that its permit expired, but only that the BAPC failed to sufficiently remind CRL that its permit would expire. It should be noted that every permit clearly states its expiration date on the signature page. (see CRL's signature page with expiration date included in this Section).

Industrial Process

The process begins in the mine with material scraped by dozer from the cone of an inactive volcano (cinders). The cinders, ranging in size from -3/8" to +4", are moved from the 2nd bench of the mountain to the lowest bench, where the screen processing plants are located, by front end loader or haul trucks. The cinders pass through the screen plant feed hopper, which is covered with a grizzly screen of parallel

bar to screen out the cinders over 4” in size. The remaining cinders are moved along by conveyors (with water sprays) through the screens to separate them by size. Cinders 2” to 4” in size are diverted into a roll crusher and recirculated back through the system. After screening the processed 3/8”, cinders are moved to silos by conveyors and to the drive under bins via front end loaders or haul trucks. Customer trucks load the cinder from the silos and drive under bins via extended tube chutes.

Pollutant Emissions

Pollutant emissions are primarily particulate matter (**PM**), regulated as **PM_{10}**, from the crushing, screening and handling of the cinder product. At permitted limits, the facility is at 72% of the standard for the **PM_{10}** 1-hour (NAAQS) standard.

Environment

It is illegal under the Federal Clean Air Act and the Nevada Administrative Code to operate a unit that emits a regulated pollutant without the applicable air quality operating permit. As the company did not realize that its permit had expired, it is uncertain what its awareness and compliance with the permitted requirements was. The permitted requirements are designed to comply with State and Federal air quality standards to be protective of the public health and the environment.

[CRL Reminder Letter]

ndep
NEVADA DIVISION OF ENVIRONMENTAL PROTECTION
protecting the future for generations

STATE OF NEVADA
Department of Conservation & Natural Resources
DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor
Leo M. Drozdoff, P.E., Director
Colleen Cripps, Ph.D., Administrator

February 11, 2013

Ernest L. Selman
Vice President
Cind-R-Lite Cinder Cone Mine
4745 Mitchell Street
North Las Vegas, NV 89081

Re: Class II Air Quality Operating Permit NO. AP 3271-2457 FIN: A0519
Issued: July 15, 2008 Expires: July 15, 2013

NOTICE OF EXPIRATION

Dear Permit Holder:

This notice serves as reminder that the referenced Class II Air Quality Operating Permit issued by the Bureau of Air Pollution Control was issued for a term of five years and will expire as noted above.

In order to renew your permit and continue operation after the pending expiration, you will need to **submit a *complete* application and payment of $2,000 at least 70 days prior to expiration.**

DO NOT BE LATE! Please submit by **May 6, 2013.** Failure to submit a timely and complete renewal application is a failure to comply with your existing permit. A late application will only be accepted as an application for a new permit ($3,000) which may be denied or may not be issued prior to expiration of your current permit and may subject you to penalties and/or other compliance action.

A complete renewal application must comply with the same requirements that apply to the issuance of an initial Class II operating permit as specified in NAC 445B.3457 [See also NAC 445B.3473]. A source that emits or has the potential to emit a regulated air pollutant in excess of 25 tons per year must also submit an environmental evaluation (i.e., modeling analysis) [NAC 445B.310].

A renewal application is not the same as a revision. If you anticipate changes or any modification at your facility requiring revision of your permit within the next six months, you are advised to submit a separate application for revision [including separate $2,000 fee] within the next 60 days. A later application may not provide adequate time to process your revision request prior to renewal. If you have substantial changes or questions about how to revise or process the renewal of your permit, please contact me as soon as possible to discuss your particular situation.

Application forms are available from the website at http://ndep.nv.gov/bapc/permitting/permitd.html or upon request by contacting me at (775) 687-9336 or at jdenison@ndep.nv.gov.

Sincerely,

Jeff Denison, PE
Permitting Supervisor
Bureau of Air Pollution Control

JD/lw
~~Cc: FIN A0519 (Certified Copy)~~
Certified Mail No. 9171 9690 0935 0011 8899 98

9171 9690 0935 0011 8899 98

[Signed Certified Receipt]

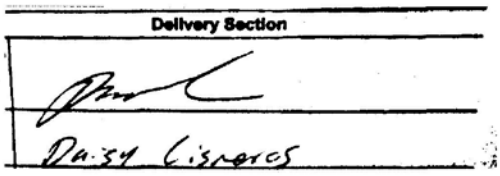
UNITED STATES POSTAL SERVICE

Date: 02/21/2013

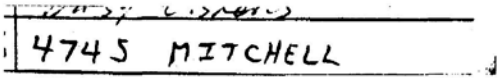
C DOUGLAS:

The following is in response to your 02/21/2013 request for delivery information on your Certified Mail(TM) item number 7196 9009 3580 1188 9998. The delivery record shows that this item was delivered on 02/19/2013 at 01:43 PM in NORTH LAS VEGAS, NV 89081. The scanned image of the recipient information is provided below.

Signature of Recipient:



Address of Recipient:



Thank you for selecting the Postal Service for your mailing needs. If you require additional assistance, please contact your local Post Office or postal representative.

Sincerely,

United States Postal Service

[Permit Expiration Date on Permit]

Nevada Department of Conservation and Natural Resources • Division of Environmental Protection

BUREAU OF AIR POLLUTION CONTROL

***Facility ID No.* A0519** ***Permit No.* AP3271-2457**

CLASS II AIR QUALITY OPERATING PERMIT

Issued to: CIND-R-LITE CINDER CONE MINE

Section IX. Amendments

This permit:

1. **Is non-transferable. (NAC 445B.287.3)**
2. **Will be posted conspicuously at or near the stationary source. (NAC 445B.318.5)**
3. **Will expire and be subject to renewal five (5) years from:** July 15, 2008 . **(NAC 445B.315)**
4. **A completed application for renewal of an operating permit must be submitted to the director on the form provided by him with the appropriate fee at least 70 calendar days before the expiration date of this operating permit. (NAC 445B.3473.2)**
5. **Any party aggrieved by the Department's decision to issue this permit may appeal to the State Environmental Commission (SEC) within ten days after the date of notice of the Department's action. (NRS 445B.340)**

THIS PERMIT EXPIRES ON: July 15, 2013

Signature _____

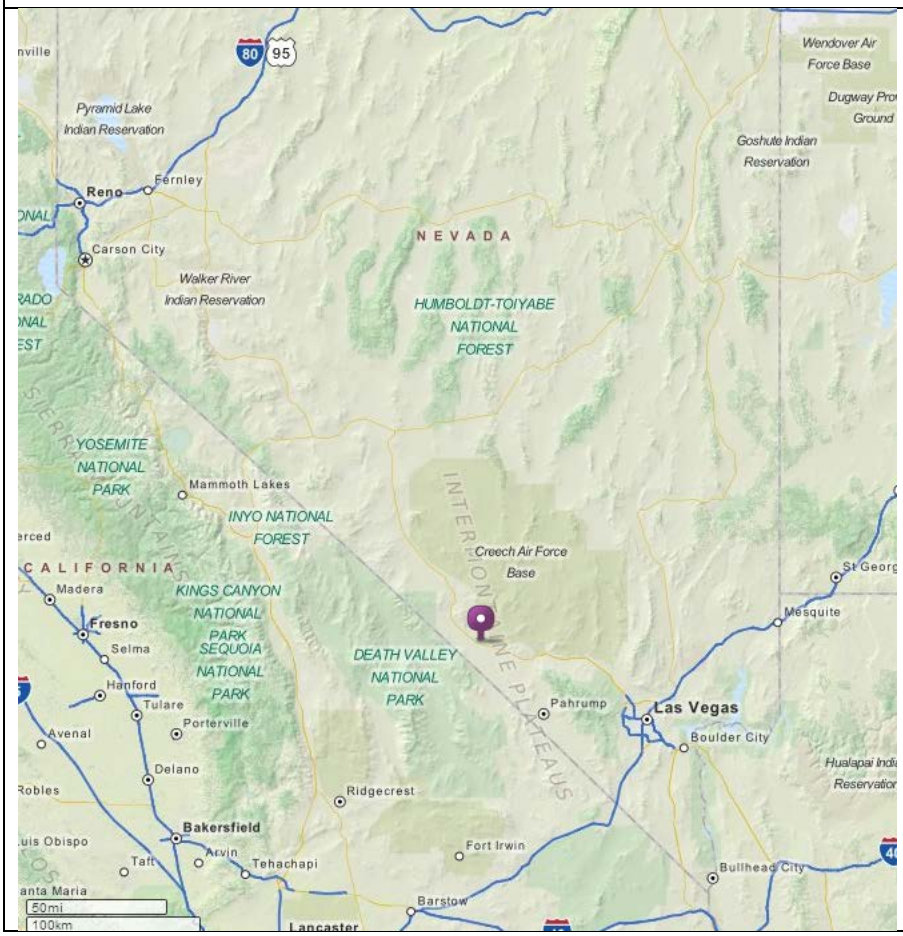
Issued by: Francisco Vega
Supervisor, Permitting Branch
Nevada Bureau of Air Pollution Control

Phone: (775) 687-9343 Date: July 17, 2008

in
07/08

5. Cind-R-Lite, Cinder Cone Mine, Nye County

7.2 miles north of Lathrop Wells, 1 mile East of Highway 95
Nye County, Nevada (36.684, -116.509)



Entrance to cinder mine area.

Cinder processing and stockpiles.

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. 21XX

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER

NOTICE OF ALLEGED AIR QUALITY VIOLATION

Person(s) to Whom Served: Ernie Selman, Vice President

Company Name: Cind-R-Lite Cinder Cone Mine

Address: 4745 Mitchell Street
North Las Vegas, NV 89031

Permit Number: AP3271-0251.01 **FIN:** A0519

Site of Alleged Violation: Cinder Cone Mine, north of Lathrop Wells, NV

Date of Last Observation: February 13, 2008 **Arrival**: 11:15am **Departure**: 12:10pm

Ambient Temperature: 56 °F **Clear:** X **Cloudy**: **Rain**: **Snow**:

Wind Speed: calm **mph** **Wind Direction** north

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

NAC 445B.275 Violations: Acts constituting; notice.

1. Failure to comply with any requirement of NAC 445B.001 to 445B.3791, 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:

Failure to abide by a condition of a Compliance Order

Evidence:

Cind-R-Lite Cinder Cone Mine is located seven miles north of Lathrop Wells, NV. They are owned and operated by Cind-R-Lite Block Company. Cind-R-Lite did not submit a permit renewal application by May 30, 2008 as required in Compliance Order 2008-21. The renewal application was received June 9, 2008. Cind-R-Lite has had no violations within the last 60-consecutive months. NOAV 21XX for failure to perform IOCD testing is concurrent.

NOTICE OF ALLEGED AIR QUALITY VIOLATION AND ORDER NO. 21XX

ORDER

Under the authority of 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 appear for a hearing before the Environmental Commission at**:
Date: _____ **Time**: _____

_____ **To appear for an enforcement conference at**:
Date: _____ **Time**: _____

_____ **This notice is a warning.**

Signature _____
Issued by: Lawrence Kennedy, P.E.
Supervisor
Compliance and Enforcement Branch

Phone: 775-687-9495 **Date**: _____

Certified Mail # 7005 xxxx

LK/xx

This order becomes final unless appealed within ten (10) days after receipt of this notice or ten (10) days after a required enforcement conference. The person named in this order may appeal this notice by submitting a written request for a hearing to the Chairman of the Environmental Commission, 901 South Stewart Street, Suite 4001, Carson City, Nevada 89701-5249. An administrative fine may be levied by the Environmental Commission of not more than $10,000 per day of violation.

NDEP AIR QUALITY INSPECTION REPORT

FIN A0519 **PERMIT: AP3271-0251.01** expires May 30, 2008

Inspection Date: February 13, 2008 **Report Date**: February 22, 2008
Facility Name: Cind-R-Lite Block Co. **Telephone(s)**: 702-249-3208, 702-279-9301 Dave
Permit Address: 4745 Mitchell St—N Las Vegas, NV 89031 mine: HCR69, Box 8—Lathrop Wells, NV 89019
Source Location: 7.2 mi. N. of Lathrop Wells, ½ mi. E. of Highway 95 **County**: Nye
Legal Location: Section 36, T14S, R48E; Section 1, T15S, R48E; Section 31, T14S, R49E; Section 6, T15S, R49E
GPS: Office N 36° 41.092' W 116° 30.536' ± !11ft
Type of Sources: Screens, silos, conveyors, hoppers, stockpiles
Contact & Title: Ron Yubeta, manager/controller and Dave Andrade, mine supervisor
Arrived: 11:55am **Departed**: 2:15pm **VE Taken**: Yes
Photos Taken: Yes **Temperature**: 52 °F **Clear**: X **Pt. Cloudy**: ____ **Rain**: ____ **Snow**: ____
Wind Speed: 2-3 mph **Gusts to**: ____ mph **Direction**: North
Inspection Type: Compliance **Source Operating**: Yes

		Source and Source Description	Controls	Operating	Compliance	Remarks
54 Emission Units						
HARTL SCREEN PLANT						
A. System 01 - Material Transfer						
PF	1.001	Material transfer to Feed Hopper FH-1	BOP	No	Unknown	
PF	1.002	Feed Hopper FH-1 and discharge to Conveyor H-1	BOP	No	Unknown	
PF	1.003	Conveyor H-1 and discharge to Conveyor H-2	WS 75%	No	Unknown	
B. System 02 - Hartl Screen						
PF	1.004	Conveyor H-2 and discharge to Screen SC-1	WS 75%	No	Unknown	
PF	1.005	Screen SC-1, manufactured by Hartl, model HSC3000, serial #833T	BOP	No	Unknown	
PF	1.005.1	Screen SC-1 discharge to Conveyor H-3	BOP	No	Unknown	
PF	1.005.2	Screen SC-1 discharge to Conveyor H-4	BOP	No	Unknown	
PF	1.005.3	Screen SC-1 discharge to Conveyor H-5	BOP	No	Unknown	
C. System 03 - Conveyors and Stockpiles						
PF	1.006	Conveyor H-3 and discharge to Sand Stockpile	BOP	No	Unknown	
PF	1.007	Conveyor H-4 and discharge to 3/8" Stockpile	BOP	No	Unknown	
PF	1.008	Conveyor H-5 and discharge to Oversize Stockpile	BOP	No	Unknown	
EL JAY SCREEN PLANT #1						
D. System 04 - Material Transfer						
PF	1.009	Material transfer to Feed Hopper FH-3	BOP	No	Unknown	
PF	1.010	Feed Hopper FH-3 and discharge to Conveyor E-1	BOP	No	Unknown	
PF	1.011	Conveyor E-1 and discharge to Conveyor E-2	WS 75%	No	Unknown	
E. System 05 - El Jay Screen #1						
PF	1.012	Conveyor E-2 and discharge to Screen SC-3	WS 75%	No	Unknown	
PF	1.013	Screen SC-3, manufactured by El Jay Cedarapids, model 1262, serial #5163-26FS	BOP	No	Unknown	
PF	1.013.1	Screen SC-3 discharge to Conveyor E-3	BOP	No	Unknown	
PF	1.013.2	Screen SC-3 discharge to Conveyor E-5	BOP	No	Unknown	
PF	1.013.3	Screen SC-3 discharge to Conveyor E-6	BOP	No	Unknown	
PF	1.013.4	Screen SC-3 discharge to Conveyor E-10	BOP	No	Unknown	
F. System 06 - Conveyors and Stockpiles						
PF	1.014	Conveyor E-3 and discharge to Conveyor E-4	BOP	No	Unknown	
PF	1.015	Conveyor E-4 and discharge to Sand Stockpile	BOP	No	Unknown	
PF	1.016	Conveyor E-5 and discharge to Conveyor E-7	BOP	No	Unknown	
PF	1.017	Conveyor E-7 and discharge to Oversize Stockpile	BOP	No	Unknown	
PF	1.018	Conveyor E-6 and discharge to Conveyor E-8 or Conveyor E-9	BOP	No	Unknown	
PF	1.019	Conveyor E-8 and discharge to 3/8" Stockpile or Conveyor E-9	BOP	No	Unknown	
PF	1.020	Conveyor E-9 and discharge to Bin Hopper BH-1	BOP	No	Unknown	
G. System 07 – Pioneer Crusher #1						
PF	1.021	Conveyor E-10 and discharge to Crusher CR-1	BOP	No	Unknown	
PF	1.022	Crusher CR-1, manufactured by Pioneer, model 4022, serial #42-311	BOP	No	Unknown	
PF	1.022.1	Crusher CR-1 discharge to Conveyor E-11	BOP	No	Unknown	
PF	1.023	Conveyor E-11 and discharge to Conveyor E-12	BOP	No	Unknown	
PF	1.024	Conveyor E-12 and discharge to Feed Hopper FH-3	BOP	No	Unknown	

EL JAY SCREEN PLANT #2						
H. System 08 - Material Transfer						
PF	1.025	Material transfer to Feed Hopper FH-2	BOP	Yes	Yes	
PF	1.026	Feed Hopper FH-2 and discharge to Conveyor S-1	BOP	Yes	Yes	
PF	1.027	Conveyor S-1 and discharge to Conveyor S-2	WS 75%	Yes	Yes	
I. System 09 – El Jay Screen #2 (they call it Symons)						
PF	1.028	Conveyor S-2 and discharge to Screen SC-2	WS 75%	Yes	No	**1**
PF	1.029	Screen SC-2, manufactured by El Jay Cedar Rapids, model FSG516326, serial #3481280	BOP	Yes	Yes	
PF	1.029.1	Screen SC-2 discharge to Conveyor S-3	BOP	Yes	Yes	
PF	1.029.2	Screen SC-2 discharge to Conveyor S-5	BOP	Yes	Yes	
PF	1.029.3	Screen SC-2 discharge to Conveyor S-6	BOP	Yes	Yes	
PF	1.029.4	Screen SC-2 discharge to Conveyor S-7	BOP	Yes	Yes	
J. System 10 - Conveyors and Stockpiles						
PF	1.030	Conveyor S-3 and discharge to Conveyor S-4	BOP	Yes	Yes	
PF	1.031	Conveyor S-4 and discharge to Sand Stockpile	BOP	Yes	Yes	
PF	1.032	Conveyor S-5 and discharge to Oversize Stockpile	BOP	Yes	Yes	
PF	1.055	Conveyor S-7 and discharge to Bin Hopper BH-1	BOP	Yes	Yes	
K. System 11 – Pioneer Crusher #2						
PF	1.056	Conveyor S-6 and discharge to Crusher CR-2	BOP	No	Unknown	
PF	1.057	Crusher CR-2, manufactured by Pioneer, model 4022	BOP	No	Unknown	
PF	1.057.1	Crusher CR-2 discharge to Conveyor S-8	BOP	No	Unknown	
PF	1.058	Conveyor S-8 and discharge to Feed Hopper FH-2	BOP	No	Unknown	
MATERIAL TRANSFER						
L. System 12 – Bin Hopper						
PF	1.033	Bin Hopper BH-1 and discharge to Conveyor B-1	BOP	Yes	Yes	
PF	1.034	Conveyor B-1 and discharge to Conveyor B-2	BOP	Yes	Yes	
M. System 13 - Silo Loading						
S	2.001	Conveyor B-2 and discharge to Silo 1	Bin Vent 90%	Yes	Yes	
S	2.002	Conveyor B-2 and discharge to Silo 2	Bin Vent 90%	No	Unknown	
N. System 14 - Silo Discharge						
PF	1.035	Silo 1 and discharge to Trucks	WS 75%	No	Unknown	
PF	1.036	Silo 2 and discharge to Trucks	WS 75%	No	Unknown	
O. System 15 - Drive Under Bins						
PF	1.037	Material transfer to Drive Under Bin	WS 75%	No	Unknown	
PF	1.038	Drive Under Bin discharge to Trucks	WS 75%	No	Unknown	
MANUFACTURING PLANT						
P. System 16 - Plant Aggregate Bins						
PF	1.039	Material transfer to Aggregate Bin AB-1 (washed sand)	BOP	No	Unknown	
PF	1.040	Material transfer to Aggregate Bin AB-2 (3/8" cinders)	BOP	No	Unknown	
PF	1.041	Material transfer to Aggregate Bin AB-3 (white sand)	BOP	No	Unknown	
Q. System 17 - Conveyors						
PF	1.042	Aggregate Bin AB-1 and discharge to Conveyor BP-1	BOP	No	Unknown	
PF	1.043	Conveyor BP-1 and discharge to Conveyor BP-4	BOP	No	Unknown	
PF	1.044	Aggregate Bin AB-2 and discharge to Conveyor BP-2	BOP	No	Unknown	
PF	1.045	Conveyor BP-2 and discharge to Conveyor BP-4	BOP	No	Unknown	
PF	1.046	Aggregate Bin AB-3 and discharge to Conveyor BP-3	BOP	No	Unknown	
PF	1.047	Conveyor BP-3 and discharge to Conveyor BP-4	BOP	No	Unknown	
PF	1.048	Collector Conveyor BP-4 and discharge to Conveyor BP-5	BOP	No	Unknown	
PF	1.049	Incline Conveyor BP-5 and discharge to Pantleg Hopper	BOP	No	Unknown	
PF	1.050	Pantleg Hopper, discharge to Cement Batch Mixer CM-1 or Cement Batch Mixer CM-2	BOP	No	Unknown	
R. System 18 - Cement Silo 1						
S	2.003	Cement Silo 1 CS-1, Loading	Bin Vent	No	Unknown	
PF	1.051	Cement Silo 1 CS-1, discharge to Cement Hopper CH-1	BOP	No	Unknown	
PF	1.052	Cement Hopper CH-1, discharge to Cement Batch Mixer CM-1	BOP	No	Unknown	
S. System 19 - Cement Silo 2						
S	2.004	Cement Silo 2 CS-2, Loading	Bin Vent	No	Unknown	
PF	1.053	Cement Silo 2 CS-2, discharge to Cement Hopper CH-2	BOP	No	Unknown	
PF	1.054	Cement Hopper CH-2, discharge to Cement Batch Mixer CM-2	BOP	No	Unknown	

Remarks

1. Dust of over 80% opacity where material drops onto screen

Comments

Cind-R-Lite mines cinders from a large, conspicuous cone just north of Hwy 95 in Nye Co. This inspection resulted from emissions from the facility.

Before entering, I observed and photographed the facility from Hwy 95 and then the mine access road. I noticed fugitive dust coming from the area behind two white silos, so I did a 6-minute VE from the haul road. I could not see the top of the equipment from where I took the readings. The averages ranged from 26-54% opacity. There is also a plume created whenever material is pushed over the side of the benches. The haul road was extremely dry.

I also observed the equipment from an area near the office. At about 5 feet from the top of the El Jay #2 screen, the opacity was over 80% for 2-3 minutes. I took more pictures before I checked in with Dave Andrade and Ron Yubeta. I advised them to shut down the equipment. We discussed ways that they can mitigate emissions. They were very receptive to my suggestions and were determined to correct the problem. Mr. Yubeta mentioned that they were exempt from controlling dust when their equipment pushes material down the steps. I told them that exemption may not be granted in the future. I mentioned that they need to water the road when they have deliveries or the wind blows.

They did not have a full copy of the current permit, just the last few pages. I told them to get a complete copy of the permit and keep it at the mine. Since it expires May 30, 2008, I suggested that they find out if the renewal had been sent. Operating records are kept on the computer.

I toured and photographed the facility with Mr. Andrade. There was no new equipment or other changes since their amendment in August 2004. All water sprays appeared to be in place but not necessarily mitigating dust. I recommend a Warning NOAV for emissions in excess of permitted limits.

NAC Compliance:	No	**General Appearance**:	dusty			**Last Inspection**:	July 7, 2005
Compliance Code:	24	**Action Code**:		**PC**:		**Records**:	Yes
Bureau Chief:		**Permits**:		**File Check**:	Yes	**AIRS**:	

clc — *Inspector's Signature*

February 22, 2008 — *Date*

Photos

Road south of facility entrance

upper L from push down step, middle from El Jay Screen #2

Dust from El Jay Screen #2

drop into El Jay Screen #2

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Cind-R-Lite, Cinder Cone Mine (AP3271-2457, FIN A0519)
Violation: Operating without a valid air quality operating permit.
NOAV:

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = $3,000

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty =

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) =

D. Multiple Emission Unit Violations or Recurring Events:

$3,000	X	11 Months	=	$33,000
Dollar Amount		Number of Months		Total Gravity Fine

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A.

		+		=		
	Delayed Costs		Avoided Costs		**Economic Benefit**	

Subtotal

		+		=		
	Total Gravity Fine		Economic Benefit		**Fine Subtotal**	

III. Penalty Adjustment Factors

A. Mitigating Factors _____ %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) _____ %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = 5% x 1= 5% 5%

Total Penalty Adjustment Factors - **Sum of A & B:** **5%** %

IV. Total Penalty

$33,000	X	5%	=	$1,650		
Penalty Subtotal (from Part II)		Total Adjustment Factors		**Total Adjustment**		
$33,000	+	$1,650	=	**$34,650**		
Penalty Subtotal (from Part II)		Penalty Increase or Decrease		**Total Penalty**		

Assessed by: _____ **Date:** _____

Administrative Penalty Matrix - Non-Emissions Air Quality Violations

(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	**Constructing or Operating without a Permit** (per major processing system or unit)	Failure to **Install required Air Pollution Control Equipment** (per emission unit)	Failure to **Maintain Process or Air Pollution Control Equipment** [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to **Comply with a Permitted Operating Parameter**	Failure to **Conduct Required Monitoring, Recordkeeping, or Reporting** including incomplete or inadequate source test reports	Failure to **Comply with a Stop Order or any provision in a Schedule of Compliance**
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

ATTACHMENT 3

Cind-R-Lite's Handout to Commissioners

JOLLEY URGA
WOODBURY & LITTLE
ATTORNEYS AT LAW

R. GARDNER JOLLEY
WILLIAM R. URGA
BRUCE L. WOODBURY
BRIAN E. HOLTHUS
MARTIN A. LITTLE
L. CHRISTOPHER ROSE
DAVID J. MALLEY
MELISSA L. WAITE

ALEXANDER VILLAMAR
TYLER N. URE
MICHAEL R. ERNST
BRIAN C. WEDL

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89005
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BARBARA YAMAMOTO
OFFICE ADMINISTRATOR

OF COUNSEL
CHARLES T. COOK
ROGER A. WIRTH

CIND-R-LITE BUILDING COMPANY
Chronology and Background Statement
State Environmental Commission Meeting, October 8, 2014

Chronology of Events

2/11/13	NDEP sends CRL letter for notice of expiration of Class II Air Quality Permit
7/15/13	permit expires
9/3/13	NDEP sends CRL letter regarding 2012 production/emissions reports (Exhibit A)
9/11/13	CRL has discussions with NDEP regarding reports
1/2014	NDEP sends CRL Calendar Year 2013 reporting form
4/16/14	NDEP sends CRL letter inquiring regarding 2013 report (Exhibit B)
4/2014	CRL has discussions with NDEP regarding reports
5/13/14	CRL resubmits 2013 Actual Production/Emissions Reporting Forms
6/3/14	NDEP inspects CRL cinder cone site NDEP issues stop order
6/11/14	CRL submits Class II Air Quality Permit Application to NDEP
7/2/14	Class II Air Quality Permit issued
7/31/14	NDEP issues Notice of Alleged Violation No. 2498

/ / /

/ / /

/ / /

Background Statement

Cind-R-Lite Block Company is a Nevada corporation that has been doing business in Nevada since 1946, almost 70 years. Its sister company, Allied Building Materials, Inc., has been doing business in Nevada since 1954, almost 60 years. Together they manufacture and sell cinder block and other related building materials.

Despite doing business in Nevada for nearly three quarters of a century, Cind-R-Lite was devastated by the crash in the economy. Cind-R-Lite was forced to cut its workforce 60% and revenues plummeted by approximately 80%. Surviving the difficult economy in southern Nevada created great hardship. However, Cind-R-Lite takes pride on the length of time it has done business in Nevada and in its contributions and commitment to the community.

EXHIBIT A

ndep
NEVADA DIVISION OF ENVIRONMENTAL PROTECTION
protecting the future for generations

STATE OF NEVADA
Department of Conservation & Natural Resources
DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor
Leo M. Drozdoff, P.E., Director
Colleen Cripps, Ph.D., Administrator

September 3, 2013

ERNEST L. SELMAN
CIND-R-LITE CINDER CONE MINE
4745 MITCHELL STREET
NORTH LAS VEGAS, NV 89081

Regarding: Potential Permit Limit Exceedences for Calendar Year 2012; Class 2 Air Quality Operating Permit (AQOP) AP3271-2457 (Facility ID), A0519 (FIN)

Dear Mr. Selman:

The Nevada Division of Environmental Protection – Bureau of Air Pollution Control (NDEP-BAPC) has recently reviewed annual emissions reported by facilities pursuant to NAC 445B.315 and NAC 445B.327.6. Based upon your company's Calendar Year 2012 Actual Production/Emissions Reporting Form (Report), NDEP-BAPC has identified the following potential exceedences for AQOP AP3271-2457.

System # and Description	Pollutant	Permitted Limit (TON/YR)	Reported Emissions (TON/YR)	Potential Violation Type
SYSTEM 10-CONVEYORSE-3 TO E-4 TO SAND STKPILE	PM	0.18800	0.19792	Emission exceedence, exceeded throughput
SYSTEM 10-CONVEYORSE-3 TO E-4 TO SAND STKPILE	PM10	0.06900	0.07257	Emission exceedence, exceeded throughput

Please review your reported emissions values presented above and verify that they are correct for the listed system and pollutant. Common errors that may have been made include simple calculation or transcription errors, unit conversion errors, and rounding errors. Please provide supporting documentation for any corrections of reported emission values identified above on or before **September 20, 2013**.

If you have any questions regarding the information provided above, please contact Mr. Andrew Tucker of my staff at 775-687-9499 atucker@ndep.nv.gov.

Sincerely,

Robert Bamford, Chief
Bureau of Air Pollution Control

Certified Mail: 9171 9690 0935 0012 7162 48

9171 9690 0935 0012 7162 48

ndep
NEVADA DIVISION OF ENVIRONMENTAL PROTECTION
protecting the future for generations

STATE OF NEVADA
Department of Conservation & Natural Resources
DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor
Leo M. Drozdoff, P.E., Director
Colleen Cripps, Ph.D., Administrator

September 3, 2013

Nevada Environmental Protection
SEP 16 2013
BAPC/BAQP

RECEIVED
SEP 16 2013
ENVIRONMENTAL PROTECTION

ERNEST L. SELMAN
CIND-R-LITE CINDER CONE MINE
4745 MITCHELL STREET
NORTH LAS VEGAS, NV 89081

Regarding: Potential Permit Limit Exceedences for Calendar Year 2012; Class 2 Air Quality Operating Permit (AQOP) AP3271-2457 (Facility ID), A0519 (FIN)

Dear Mr. Selman:

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SYSTEM 10-CONVEYORSE-3 TO E-4 TO SAND STKPILE	PM10	0.06900	0.07257	Emission exceedence, exceeded throughput

Please review your reported emissions values presented above and verify that they are correct for the listed system and pollutant. Common errors that may have been made include simple calculation or transcription errors, unit conversion errors, and rounding errors. Please provide supporting documentation for any corrections of reported emission values identified above on or before **September 20, 2013**.

If you have any questions regarding the information provided above, please contact Mr. Andrew Tucker of my staff at 775-687-9499 atucker@ndep.nv.gov.

Sincerely,

Robert Bamford, Chief
Bureau of Air Pollution Control

Called 9/11/13
Spoke to Andrew discovered
the mix up.
Sent back certified on
9/12/13 Attention Andrew
SL

Certified Mail: 9171 9690 0935 0012 7162 48

Sys 9 → 65K in

outs { Sys 10, 11, 12, 15 } = 65K

System Seq #: 9 **Description:** SYSTEM 9- EL JAY SCRN #1
Notes: PF1.011.1-PF1.011.6

Control #: 1 **Description:** WATER SPRAYS
Comments: PF1.011.1

Pollutant	Material/Fuel Throughput Quantity	Units of Measurement (eg. Tons/Yr or MMBtu/Yr etc.)	Emission Factor	Emission Factor Units	Annual Emissions (Tons/Yr)	Hours Operated	Notes
PM	65,972	tons/yr	0.025	LB/TON	.019	412.3	
PM10	65,972	tons/yr	0.0087	LB/TON	.0067	412.3	

System Seq #: 10 **Description:** SYSTEM 10- CONVEYORSE-3 TO E-4 TO SAND STKPILE
Notes: PF1.012-PF1.013

Control #: 1 **Description:** BEST OPERATING PRACTICES
Comments: PF1.012-PF1.013

Pollutant	Material/Fuel Throughput Quantity	Units of Measurement (eg. Tons/Yr or MMBtu/Yr etc.)	Emission Factor	Emission Factor Units	Annual Emissions (Tons/Yr)	Hours Operated	Notes
PM	5,972	tons/yr	0.006	LB/TON	.017	412.3	
PM10	5,972	tons/yr	0.0022	LB/TON	.0060	412.3	

System Seq #: 11 **Description:** SYSTEM 11- E-5 TO E-7 TO OVERSTOCKPILE
Notes: PF1.014-PF1.015

Control #: 1 **Description:** BEST OPERATING PRACTICES
Comments: PF1.014-PF1.015

Pollutant	Material/Fuel Throughput Quantity	Units of Measurement (eg. Tons/Yr or MMBtu/Yr etc.)	Emission Factor	Emission Factor Units	Annual Emissions (Tons/Yr)	Hours Operated	Notes
PM	11,528	tons/yr	0.006	LB/TON	.003	412.3	
PM10	11,528	tons/yr	0.0022	LB/TON	.0019	412.3	

Form must be signed by a Responsible Official or his designee, approved by the Director, pursuant to NAC 445B.156.
Make any changes necessary to the above data. Justify any changes by placing comments in the Notes column describing the changes.

System Q'D

	A	B	C	D	E	F	G	H	I	J	K	L	M	N	O	P	Q	R	S
1	2013	RED HRS	3/8 RED TONS	RED OS TONS	RED CRUSHER TONS		BLACK HRS	BLACK 3/8 TONS	BLACK OS TONS	BLACK CRUSHER		ORCO HRS	3/8 ORCO TONS	ORCO OS TONS	CRUSHER		TOTAL CRUSH	TOTAL INTO SILOS	TOTAL RED ON GROUND
2	EL JAY																		
3	JAN	0.00	0.00	0.00	0.00		72.75	2273.44	454.69	4001.25		64.50	3096.00	387.00	2244.60		2871.09	5369.44	0.00
4	FEB	0.00	0.00	0.00	0.00		59.60	1662.50	372.50	3276.00		49.30	2366.40	295.80	1715.64		1991.70	4228.90	0.00
5	MAR	0.00	0.00	0.00	0.00		47.50	1484.38	296.88	2612.50		62.15	2983.20	372.90	2162.62		2580.00	4467.58	0.00
6	APR	0.00	0.00	0.00	0.00		32.35	1010.94	202.19	1779.25		44.85	2152.80	269.10	1560.78		1334.70	3163.74	0.00
7	MAY	8.45	138.66	19.84	134.90		40.15	1254.69	250.94	2208.25		51.45	2469.60	308.70	1790.46		1669.50	3724.29	138.66
8	JUNE	0.15	5.94	0.86	5.87		25.15	785.94	157.19	1383.25		59.00	2832.00	354.00	2053.20		1909.00	3817.94	6.04
9	JULY																	0.00	0.00
10	AUG																	0.00	0.00
11	SEPT																	0.00	0.00
12	OCT																	0.00	0.00
13	NOV																	0.00	0.00
14	DEC																	0.00	0.00
15																		24571.89	144.90
16	612.35	3.60	144.90	20.70	140.77		277.50	8671.89	1734.39	15262.50		331.25	15900.00	1987.50	11527.50		[illegible]	total thru plant	61392.24

EXHIBIT B

ndep
NEVADA DIVISION OF ENVIRONMENTAL PROTECTION
protecting the future for generations

STATE OF NEVADA
Department of Conservation & Natural Resources
DIVISION OF ENVIRONMENTAL PROTECTION

Brian Sandoval, Governor
Leo M. Drozdoff, P.E., Director
Colleen Cripps, Ph.D., Administrator

2

April 16, 2014

Ernest L. Selman
Cind-R-Lite Cinder Cone Mine
4745 Mitchell Street
North Las Vegas, NV 89081

RE: Notice of Permit Violation Due to Permit Reporting Non-Compliance – Class 2 Air Quality Operating Permit AP32712457, FIN A0519

Dear Mr. Selman:

In January of this year the Nevada Division of Environmental Protection, Bureau of Air Pollution Control (NDEP/BAPC) mailed a Calendar Year 2013 Actual Production/Emissions Reporting Form (Report) to you for your completion and return. The deadline for submittal of a complete Report was March 1, 2014. As of the date of this letter, NDEP/BAPC's records indicate that your company has either failed to submit the Report or submitted an incomplete Report.

Failure to comply with this reporting requirement, or any other requirement of your air quality operating permit, constitutes a violation of **Nevada Administrative Code (NAC) 445B.275 Violations: Acts constituting; notice.**

Please ensure that you submit your complete report to me within 30 days of receipt of this letter. Your submittal should be addressed to NDEP/BAQP using the address printed below. Should your company fail to comply with this deadline the violation will be referred to the BAPC's Compliance and Enforcement Branch for determination whether issuance of a Notice of Alleged Air Quality Violation and Order (NOAV) and possible penalty is warranted.

Please direct any questions to me at dmcneil@ndep.nv.gov or 775-687-9355.

Sincerely,

Dave McNeil

Dave McNeil
Air Permits Database Manager
Bureau of Air Pollution Control/Air Quality Planning

DM
cc: Permit file
Certified Mail No: 9171 9690 0935 0037 8462 41

9171 9690 0935 0037 8462 41

ATTACHMENT 4

Q&D Penalty Information

1. Q&D Construction, Inc., Eureka County

Q&D operates temporary, portable, road and highway construction equipment under Class 2 General permit #AP1442-2094.03. A hot asphalt plant under the General permit was located and operated via Change of Location Approval (COLA) #2369 in Eureka County, 3 miles east of Beowawe.

On January 1, 2014, Q&D submitted records to the BAPC for operations that occurred under COLA #2369. The NDEP reviewed the records and found a total of 30 exceedances of permitted throughput across three permitted systems. The three systems were the lime marination plant, asphalt concrete plant and asphalt production plant. On March 4, 2014 a compliance meeting was held with Q&D to review the findings and to determine if there were extenuating facts. No new or contradictory evidence was provided. The BAPC reviewed the penalty matrix and provided the proposed penalty amount shown herein. The company was cooperative and the BAPC discussed appropriate monitoring and recordkeeping for compliance with future projects. NOAV #2477 was issued March 27, 2014. Q&D did not appeal the NOAV.

Industrial Processes

Lime Marination. Lime is added to aggregates in hot mix asphalt to improve moisture resistance and extend the longevity of pavements. If the lime is left out of the hot mix asphalt, "stripping" may occur, which is a "loss of adhesion between the aggregate surface and asphalt cement binder in the presence of moisture." Lime is used in all NDOT mixes. At a typical lime marination plant, the lime is fed from a silo and onto a weigh belt and discharged into a pug mill for mixing with the aggregate of the intended asphalt mix. The lime and aggregate mix must set, or "marinate" for 48 hours before use.

Hot Asphalt Plant. A hot asphalt plant combines aggregate, sand and filler (such as stone dust), in the correct proportions into a heater drum. The aggregate batch is heated to temperature and then mixed and coated with a binder, usually bitumen oil based. The temperature of the finished product must be sufficient to be workable after transport to the final destination. A temperature in the range of 200 - 325 degrees Fahrenheit is normal.

Pollutant Emissions

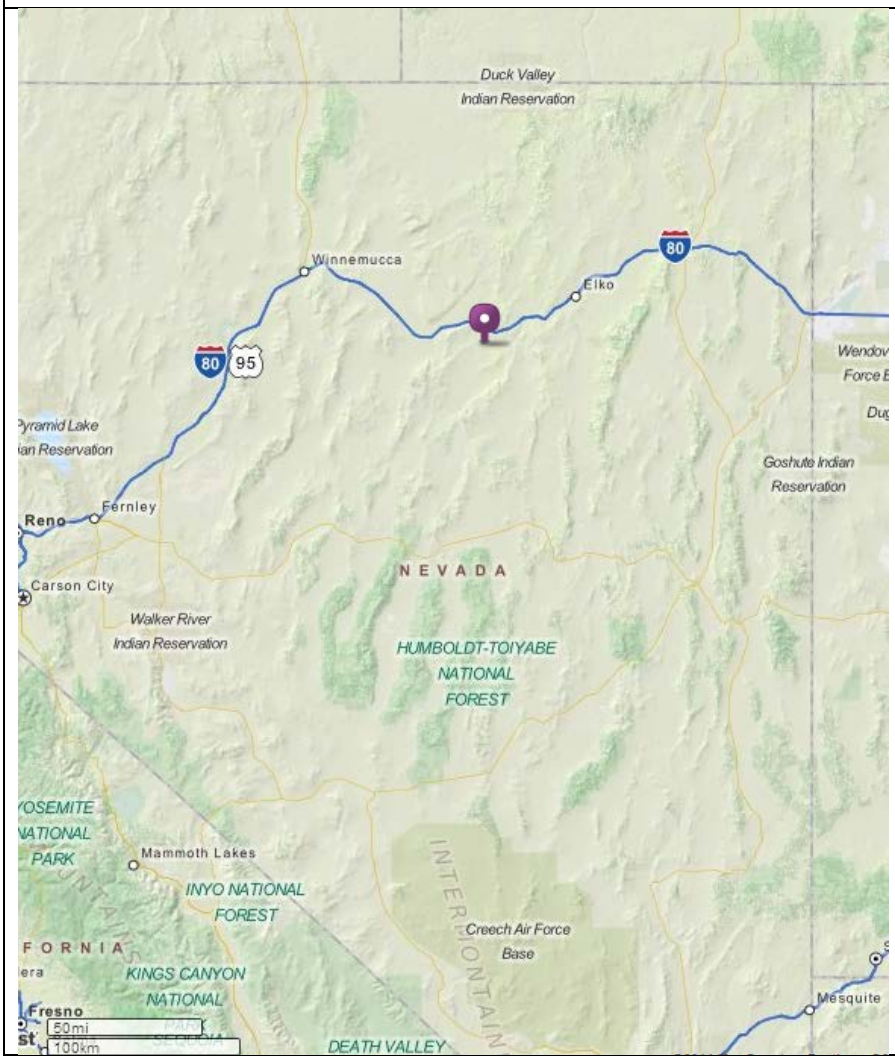
Typical emissions from a lime marination process include particulate matter (**PM**), regulated as **PM_{10}**, from the handling of aggregate materials and lime. Typical emissions from a hot asphalt plant are emissions from the drum heater. A drum heater may combust natural gas, propane or fuel oil. Typical emissions are those formed by fuel combustion, including: **NO_x**, **CO**, **VOC**s and small amounts of **SO_x** and **PM_{10}**. If the binder oil is not heated and blended properly, excessive odor and smoke may also occur.

Environment

For COLAs, production limits such as throughput of aggregate and lime are pre-set in the permit. These limits have been modeled and determined to comply with State and Federal Air Quality Standards and, therefore, are protective of the public health and the environment. Exceeding the permit limits removes the affirmation that the equipment is operating in a manner that is protective of public health and the environment.

1. Q&D Construction, Inc.

Approximately 3 miles east of Beowawe, Nevada.
Eureka County, Nevada (40.569, -116.422)



Example of a portable hot mix asphalt plant. *Not Q&D's actual plant; no picture on file.

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Q&D Construction AP1442-2094.03 FIN: A0643
Violation: Throughput exceedances: calculated for months containing exceedances
NOAV: 2477

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = $600

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty =

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) =

D. Multiple Emission Unit Violations or Recurring Events:

$600	X	6	=	$3,600
Dollar Amount		Number of Months		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A.	_____ Delayed Costs	+	_____ Avoided Costs	=	_____ **Economic Benefit**
Subtotal	_____ Total Gravity Fine	+	_____ Economic Benefit	=	_____ **Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors _____ %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) _____ %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = 2 X 5% = 10 %

Total Penalty Adjustment Factors - **Sum of A & B:** _____ %

IV. Total Penalty

$3,600 Penalty Subtotal (from Part II)	X	10% Total Adjustment Factors	=	$360 **Total Adjustment**
$3,600 Penalty Subtotal (from Part II)	+	$360 Penalty Increase or Decrease	=	**$3,960 Total Penalty**

Assessed by: Ryan Fahey **Date:** 3/4/2014

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

	1	1.5	2.5	4	6
	Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	$\boldsymbol{r \geq 1.2}$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations

(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	**Constructing or Operating without a Permit** (per major processing system or unit)	Failure to **Install required Air Pollution Control Equipment** (per emission unit)	Failure to **Maintain Process or Air Pollution Control Equipment** [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to **Comply with a Permitted Operating Parameter**	Failure to **Conduct Required Monitoring, Recordkeeping, or Reporting** including incomplete or inadequate source test reports	Failure to **Comply with a Stop Order or any provision in a Schedule of Compliance**
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

ATTACHMENT 5

Modern Concrete Penalty Information

2. Modern Concrete, Inc., Elko County

Modern Concrete, Inc. (Modern) operates temporary, portable, road and highway construction equipment under Class 2 General permit #AP 1442-1153.03. Modern operates a portable cement mixing plant under COLA #2352 in Elko County.

On January 21, 2013, BAPC received records from Modern that demonstrated three different types of violations contained in three distinct NOAVs as follows:

1. Exceeded permitted limits on three permitted systems (NOAV #2478);
2. Failure to report a deviation on three permitted systems (NOAV #2480); and
3. Failure to report start of operations on three permitted systems (NOAV #2479).

On March 11, 2014, a compliance meeting was held with Modern to review the findings and to determine if there were extenuating facts. No new or contradictory evidence was provided. The BAPC reviewed the penalty matrix and provided the proposed penalty amount shown herein. The company was cooperative and the BAPC discussed appropriate monitoring and recordkeeping for compliance with future projects. The NOAVs were issued on March 28, 2014. Modern did not appeal the NOAVs.

Industrial Process

The units subject to the 3 NOAVs are: 1) System 1 - Cement Silo Loading; 2) System 2 - Cement Silo Unloading; and 3) System 4 - Sand Transfer Loading. These are common components of a (portable) cement mixing plant. A cement mixing plant, also known as a "batch plant" or "batching plant," is a device that combines various ingredients to form concrete. Some of these ingredients include: sand, water, aggregate, fly ash, potash, and cement. The design includes multiple containers that separately transport all the elements necessary for the production of concrete, or any other mixture, at the specific job site. In this way, the operator can produce exactly the specification of concrete product that is required. Once production is started, the various ingredients enter the mixer in the required doses and the finished mixed product comes out continuously ready for final use.

Pollutant Emissions

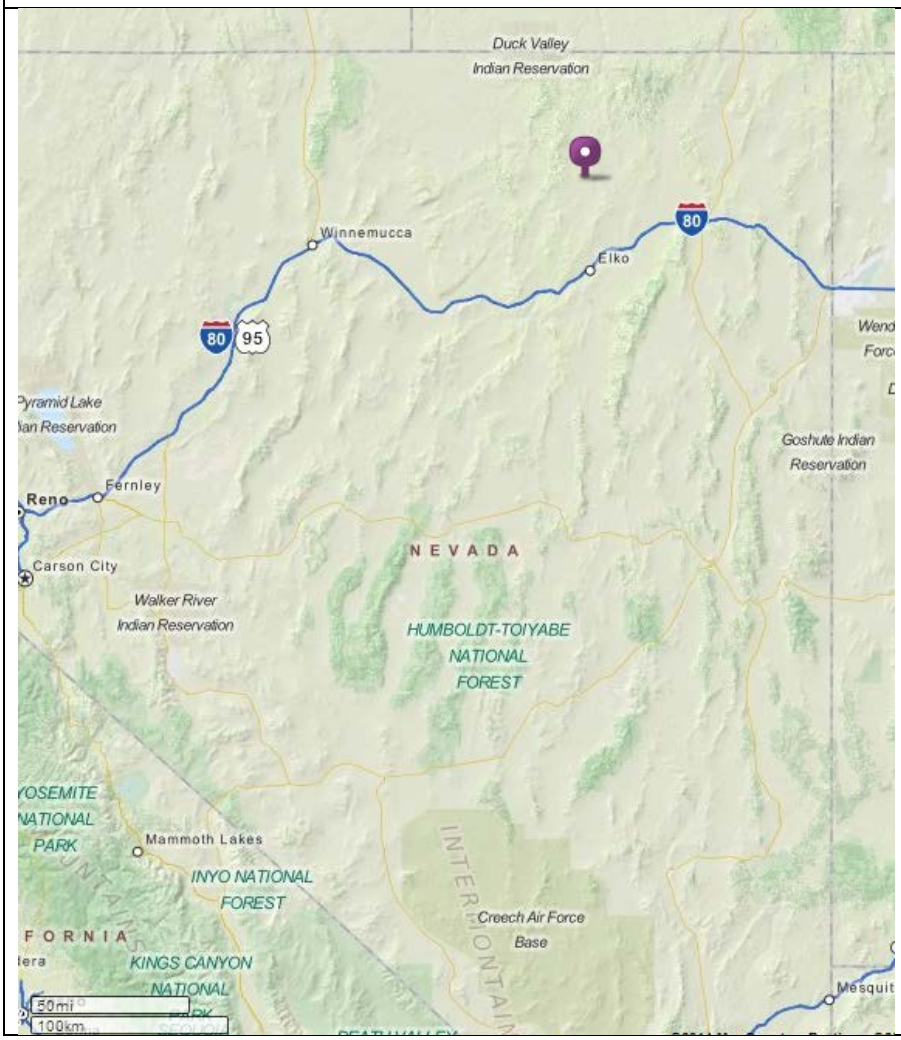
Typical emissions from a concrete batching process include particulate matter (**PM**), regulated as **PM_{10}**, from the handling of aggregate materials and cement.

Environment

For COLAs, production limits such as throughput of cement are pre-set in the permit. These limits have been modeled and determined to comply with State and Federal Air Quality Standards and therefore are protective of the public health and the environment. Exceeding these limits removes the affirmation that the equipment is operating in a manner that is protective of public health and the environment. Recordkeeping and reporting are critical to demonstrate compliance with permit requirements. Failure to report deviations and the start-up of operations makes it difficult to accurately ascertain if a permit is being fully implemented, as required, to protect public health and the environment.

2. Modern Concrete, Inc.

1777 Sharps Access, Elko, Nevada.
Elko County, Nevada (41.363, -115.790)



Example of a portable cement mixing plant. * Not Modern Concrete's unit; no picture on file.

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Modern Concrete, Inc.
Violation: NAC 445B.275 "Violations: Acts constituting; notice"; ton/job exceedance
NOAV: 2478

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = $600

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty = N/A

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) = N/A

D. Multiple Emission Unit Violations or Recurring Events:

$600	X	3 Systems	=	**$1,800**
Dollar Amount		Number of **Systems**		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A.

	Delayed Costs	+	Avoided Costs	=	**Economic Benefit**

Subtotal

	Total Gravity Fine	+	Economic Benefit	=	**Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors N/A %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) N/A %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = X = N/A

Total Penalty Adjustment Factors - **Sum of A & B:** N/A %

IV. Total Penalty

Penalty Subtotal (from Part II)	X	Total Adjustment Factors	=	N/A **Total Adjustment**
$1,800 Penalty Subtotal (from Part II)	+	Penalty Increase or Decrease	=	**$1,800 Total Penalty**

Assessed by: _____ **Date:** _____

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

	1	1.5	2.5	4	6
	Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	$\boldsymbol{r \geq 1.2}$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations

(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	**Constructing or Operating without a Permit** (per major processing system or unit)	Failure to **Install required Air Pollution Control Equipment** (per emission unit)	Failure to **Maintain Process or Air Pollution Control Equipment** [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to **Comply with a Permitted Operating Parameter**	Failure to **Conduct Required Monitoring, Recordkeeping, or Reporting** including incomplete or inadequate source test reports	Failure to **Comply with a Stop Order or any provision in a Schedule of Compliance**
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Modern Concrete, Inc.

Violation: NAC 445B.275 "Violations: Acts constituting; notice"; Failure to submit start form

NOAV: 2479

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = **$600**

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty = N/A

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) =

D. Multiple Emission Unit Violations or Recurring Events:

$600	X	1	=	**$600**
Dollar Amount		Number of **years** and **Units**		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A. _____ (Delayed Costs) + _____ (Avoided Costs) = N/A **Economic Benefit**

Subtotal _____ (Total Gravity Fine) + _____ (Economic Benefit) = _____ **Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors _____ %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) _____ %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = X = _____

Total Penalty Adjustment Factors - **Sum of A & B:** _____ %

IV. Total Penalty

_____ (Penalty Subtotal (from Part II)) X _____ (Total Adjustment Factors) = N/A **Total Adjustment**

$600 (Penalty Subtotal (from Part II)) + _____ (Penalty Increase or Decrease) = **$600 Total Penalty**

Assessed by: _____ **Date:** _____

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	$\mathbf{r \geq 1.2}$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations

(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	**Constructing or Operating without a Permit** (per major processing system or unit)	Failure to **Install required Air Pollution Control Equipment** (per emission unit)	Failure to **Maintain Process or Air Pollution Control Equipment** [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to **Comply with a Permitted Operating Parameter**	Failure to **Conduct Required Monitoring, Recordkeeping, or Reporting** including incomplete or inadequate source test reports	Failure to **Comply with a Stop Order or any provision in a Schedule of Compliance**
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

ATTACHMENT 6

Jetcrete North America Penalty Information

3. Jetcrete North America, Eureka County

Jetcrete North America (Jetcrete) operates temporary, portable, road and highway construction equipment under Class 2 General permit #AP1442-3316.03. Jetcrete operates a portable cement mixing plant under COLA #2364 in Elko County.

On March 21, 2014, the BAPC received records from Jetcrete that demonstrated three types of violations, which BAPC grouped into three NOAVs as follows:

1. Failure to report start of operations on 8 permitted systems (NOAV #2481)
2. Exceeded permitted throughput limits on 8 permitted systems (NOAV #2482); and
3. Operation of 8 permitted systems after permit expiration (NOAV #2483).

On March 26, 2014 a compliance meeting was held with Jetcrete to review the findings and to determine if there were extenuating facts. No new or contradictory evidence was provided. The BAPC reviewed the penalty matrix and provided the proposed penalty amount shown herein. The company was cooperative and the BAPC discussed appropriate monitoring and recordkeeping for compliance with future projects. The NOAVs were issued on April 4, 2014. Jetcrete did not appeal the NOAVs.

Industrial Process

The 8 systems subject to the 3 NOAVs are common components of a (portable) cement mixing plant. A cement mixing plant, also known as a "batch plant" or "batching" plant, is a device that combines various ingredients to form concrete. Some of these ingredients include: sand, water, aggregate, fly ash, potash, and cement. The design includes multiple containers that separately transport all the elements necessary for the production of concrete, or any other mixture, at the specific job site. In this way, the operator can produce exactly the specification of concrete product that is required. Once production is started, the various ingredients enter the mixer in the required doses and the finished mixed product comes out continuously ready for final use.

Pollutant Emissions

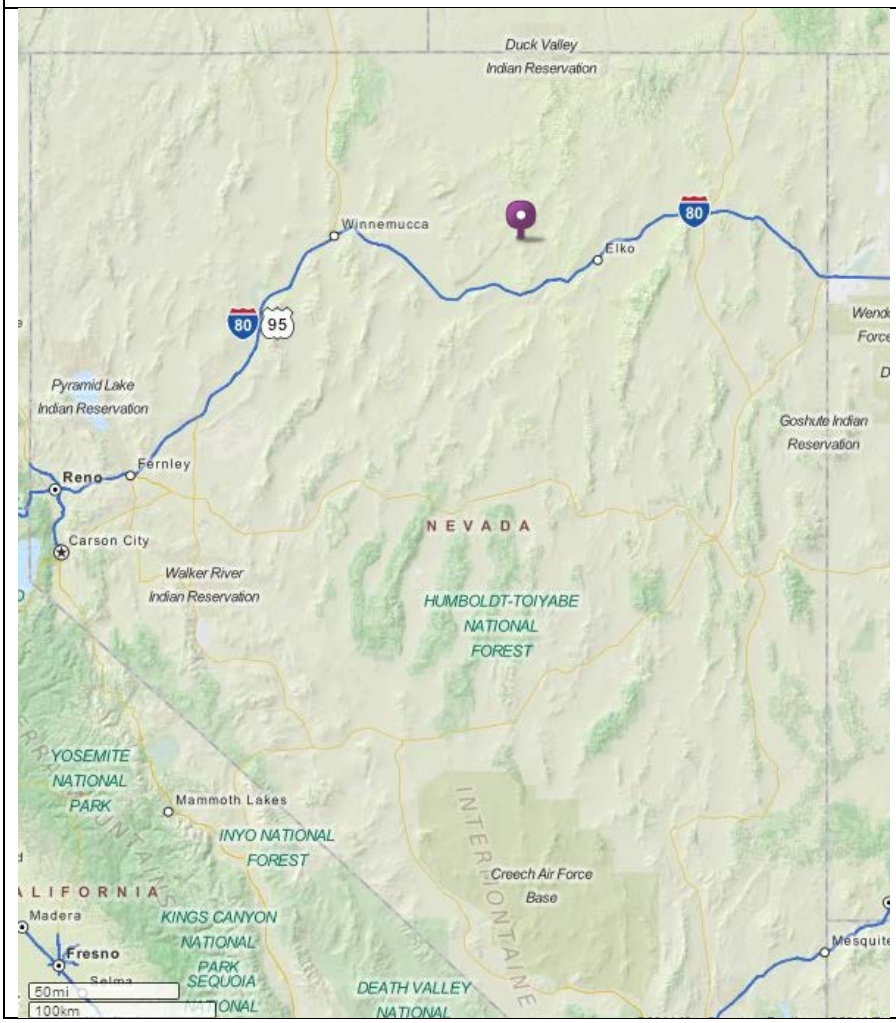
Typical emissions from a concrete batching process include particulate matter (**PM**), regulated as **PM_{10}**, from the handling of aggregate materials and cement.

Environment

For COLAs, production limits such as throughput of cement are pre-set in the permit. These limits have been modeled and determined to comply with State and Federal Air Quality Standards and therefore are protective of the public health and the environment. Exceeding these limits removes the affirmation that the equipment is operating in a manner that is protective of public health and the environment. Recordkeeping and reporting are critical to demonstrate compliance with permit requirements. Failure to report the start-up of operations makes it difficult to accurately ascertain if a permit is being fully implemented, as required, to protect public health and the environment. Operating after the expiration of a COLA could result in the equipment needing a Class 2 permit for stationary sources, as COLA equipment may only be in the same location for 12 months to meet the definition of "temporary."

3. Jetcrete North America

Approximately 15 miles NW of Carlin, Nevada
Eureka County, Nevada (40.944, -116.334)



Example of a portable cement mixing plant. * Not Jetcrete's unit; no picture on file.

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Jetcrete North America

Violation: NAC 445B.275 "Violations: Acts constituting; notice"; Failure to submit start form

NOAV: 2481

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = $600

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty = N/A

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) = N/A

D. Multiple Emission Unit Violations or Recurring Events:

$600	X	8	=	$4,800
Dollar Amount		Number of Systems		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A. _____ (Delayed Costs) + _____ (Avoided Costs) = N/A **Economic Benefit**

Subtotal _____ (Total Gravity Fine) + _____ (Economic Benefit) = _____ **Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors N/A %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%)
   N/A %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = X = N/A

Total Penalty Adjustment Factors - **Sum of A & B:** N/A %

IV. Total Penalty

_____ (Penalty Subtotal (from Part II)) X _____ (Total Adjustment Factors) = N/A **Total Adjustment**

$4,800 (Penalty Subtotal (from Part II)) + _____ (Penalty Increase or Decrease) = **$4,800 Total Penalty**

Assessed by: _____ **Date:** _____

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

	1	1.5	2.5	4	6
	Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	$\boldsymbol{r \geq 1.2}$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations

(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	Constructing or Operating without a Permit (per major processing system or unit)	Failure to Install required Air Pollution Control Equipment (per emission unit)	Failure to Maintain Process or Air Pollution Control Equipment [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to Comply with a Permitted Operating Parameter	Failure to Conduct Required Monitoring, Recordkeeping, or Reporting including incomplete or inadequate source test reports	Failure to Comply with a Stop Order or any provision in a Schedule of Compliance
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Jetcrete North America
Violation: NAC 445B.275 "Violations: Acts constituting; notice"; ton/hour exceedance
NOAV: 2482

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = **$600**

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty = N/A

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) = N/A

D. Multiple Emission Unit Violations or Recurring Events:

$600	X	8	=	**$4,800**
Dollar Amount		Number of Systems		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A.

	Delayed Costs	+	Avoided Costs	=	**Economic Benefit**

Subtotal

	Total Gravity Fine	+	Economic Benefit	=	**Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors N/A %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) N/A %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = X = N/A

Total Penalty Adjustment Factors - **Sum of A & B:** N/A %

IV. Total Penalty

Penalty Subtotal (from Part II)	X	Total Adjustment Factors	=	N/A	**Total Adjustment**
$4,800	+		=	**$4,800**	**Total Penalty**
Penalty Subtotal (from Part II)		Penalty Increase or Decrease			

Assessed by: _____ **Date:** _____

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

	1	1.5	2.5	4	6
	Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	**$r \geq 1.2$**	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations

(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	**Constructing or Operating without a Permit** (per major processing system or unit)	Failure to **Install required Air Pollution Control Equipment** (per emission unit)	Failure to **Maintain Process or Air Pollution Control Equipment** [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to **Comply with a Permitted Operating Parameter**	Failure to **Conduct Required Monitoring, Recordkeeping, or Reporting** including incomplete or inadequate source test reports	Failure to **Comply with a Stop Order or any provision in a Schedule of Compliance**
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

ATTACHMENT 7

Golden Gate/S.E.T. Petroleum Partners of Nevada Penalty Information

4. Golden Gate/S.E.T. Petroleum Partners of Nevada, Storey County

Golden Gate/S.E.T. Petroleum Partners of Nevada (Golden Gate) operates a transmix facility in Storey County under Class 2 Air Quality Operating Permit #AP5171-2546.

While reviewing the 2012 annual actual production and emissions data submitted by Golden Gate, the BAPC discovered that Golden Gate self-reported exceedances of annual VOC emissions and fuel (transmix product) throughput limits. The affected unit is System 2A - Fuel Loading System. On October 9, 2013, Golden Gate confirmed the exceedances and expressed a desire to revise its Class 2 permit. The information provided by Golden Gate demonstrated that annual limits were exceeded for VOC and fuel throughput limits two times (a single annual limit exceeded for two different calendar years). The exceedance of throughput directly correlates with the VOC emissions; the more fuel loaded, the more VOCs emitted.

On March 26, 2014, a compliance meeting was held with Golden Gate to review the findings and to determine if there were extenuating facts. No new or contradictory evidence was provided. The BAPC reviewed the penalty matrix and provided the proposed penalty amount shown herein. The company was cooperative and the BAPC discussed how the company could revise its permit limit through a permit revision. Golden Gate submitted an application for permit revision to increase the fuel throughput levels. NOAV #2484 was issued on April 3, 2014. Golden Gate did not appeal the NOAV.

Industrial Process

Transportation mixture (transmix) is produced when refined petroleum products such as gasoline and diesel mix together. When combined, these products no longer meet approved specifications and cannot be used. A transmix processing unit distills transmix into various types and grades of gasoline and diesel to form saleable gasoline and diesel fuels.

Pollutant Emissions

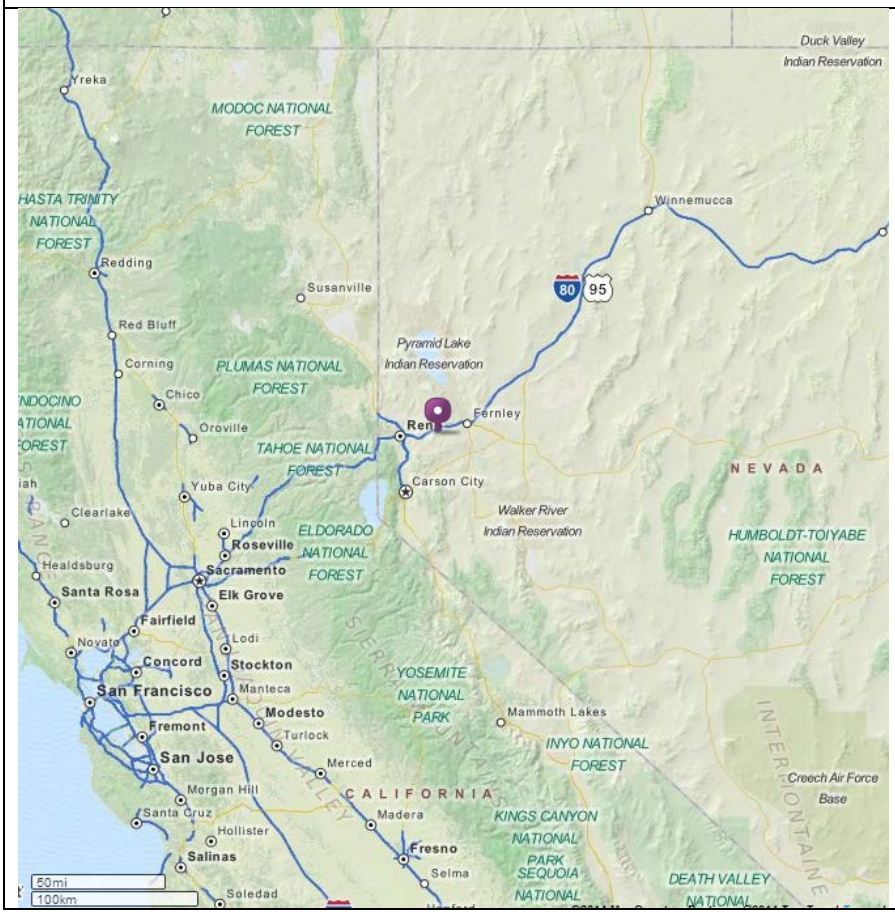
Pollutant emissions at a transmix facility include emissions from natural gas combustion from the distillation process heater(s) and **VOC**s from the loading and unloading of the transmix fuel. In this case, the pollutant emissions of concern are **VOC**s from the exceedance of permitted transmix throughput limits. **VOC**s are a precursor to the formation of **Ozone**, which is a criteria pollutant.

Environment

For Golden Gate, VOC emissions are directly tied to the throughput of fuel. As fuel is easily measured, and the release of VOCs is not, fuel throughput becomes a surrogate to demonstrate compliance with the permitted VOC limit. Excess VOC emissions create additional ozone, which is a criteria pollutant that negatively impacts the health of the public and environment.

4. Golden Gate/S.E.T. Petroleum Partners of Nevada

500 Ireland Drive, Sparks, Nevada 89434
Storey County, Nevada (39.547, -119.497)



System 02a – Facility Fuel Loading Rack System		
PF	1.002a	Light Liquid Loading Rack (Gasoline)
PF	1.003a	Heavy Liquid Loading Rack (Diesel)

2. Emission Limits
   a. **PF1.002a,** will not discharge VOC to the atmosphere that will nexceed 1.61 tons per year.
   b. **PF1.003a,** will not discharge VOC to the atmosphere that will exceed 0.11 ton per year.

3. Operating Parameters
   a. The maximum allowable throughput rate for **PF1.002a** will not exceed 11,037,600 gallons of gasoline per any 12-month rolling period.
   b. The maximum allowable throughput rate for **PF1.003a** will not exceed 7,358,400 gallons of diesel per any 12-month rolling period.

System 2A - Facility Fuel Loading Rack System

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Golden Gate/S.E.T. Petroleum Partners of Nevada (Class II AP5171-2546; FIN A0573)

Violation: NAC 445B.275(c); Failure to comply with a permitted operating limitation
NOAV: 2484

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = $600

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty =

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) =

D. Multiple Emission Unit Violations or Recurring Events:

600	X	2 * 1	=	$1,200
Dollar Amount		Number of **Years** and **Units**		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A. _____ (Delayed Costs) + _____ (Avoided Costs) = _____ **Economic Benefit**

Subtotal _____ (Total Gravity Fine) + _____ (Economic Benefit) = _____ **Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors _____ %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) _____ %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = x = _____

Total Penalty Adjustment Factors - **Sum of A & B:** _____ %

IV. Total Penalty

_____ (Penalty Subtotal (from Part II)) X _____ (Total Adjustment Factors) = _____ **Total Adjustment**

_____ (Penalty Subtotal (from Part II)) + _____ (Penalty Increase or Decrease) = **$1,200** **Total Penalty**

Assessed by: _____ **Date:** _____

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

	1	1.5	2.5	4	6
	Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	$\boldsymbol{r \geq 1.2}$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations

(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	Constructing or Operating without a Permit (per major processing system or unit)	Failure to Install required Air Pollution Control Equipment (per emission unit)	Failure to Maintain Process or Air Pollution Control Equipment [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to Comply with a Permitted Operating Parameter	Failure to Conduct Required Monitoring, Recordkeeping, or Reporting including incomplete or inadequate source test reports	Failure to Comply with a Stop Order or any provision in a Schedule of Compliance
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

ATTACHMENT 8

Barrick Turquoise Ridge Penalty Information

6. Barrick Turquoise Ridge, Inc., Humboldt County

Barrick Turquoise Ridge, Inc. (BTR) operates a gold mine in Humboldt County under Class 2 Air Quality Operating Permit #AP1041-0292.

On a March 19, 2013 compliance inspection, the BAPC performed a routine records review for all permitted systems for the time period of February 2010-2013. Upon review of the records, 16 throughput exceedances were discovered for Systems 2, 3, 54 and 63 (NOAV #2489). Also, these exceedances were not reported, as the permit required (NOAV #2490). In addition, 33 systems had missing records or no records at all (NOAV #2491).

On April 15, 2014, the BAPC held an enforcement conference with BTR. During the conference, BTR provided new information to demonstrate that Systems 2 and 3 had recording errors and not permit exceedances; therefore the final NOAV (#2489) was for Systems 54 and 63 only. Similarly, the final NOAV #2490, which was failure to report exceedances, now only applies to systems 54 and 63, as Systems 2 and 3 did not have exceedances. In regard to NOAV #2491 for the missing data records, BTR had no new information and that NOAV was not changed. BTR was cooperative, and proper records management and reporting was discussed. BAPC had BTR explain its SOPs for recordkeeping to prevent future records loss. The NOAVs were issued on April 28, 2014. BTR did not appeal the NOAVs.

Industrial Process

BTR operates the Getchell and Turquoise Ridge underground mines, located in Humboldt County, approximately 40 miles northeast of Winnemmuca, as a gold mining and processing operation. The plant has a variety of systems for mining, handling, crushing and screening of run of mine ore. Crushed rock and cement are also processed for use underground (shotcrete) and on surface for various construction tasks. The source also has a variety of generators and liquid storage tanks on site. The facility does not have a refinery to process and pour gold.

Pollutant Emissions

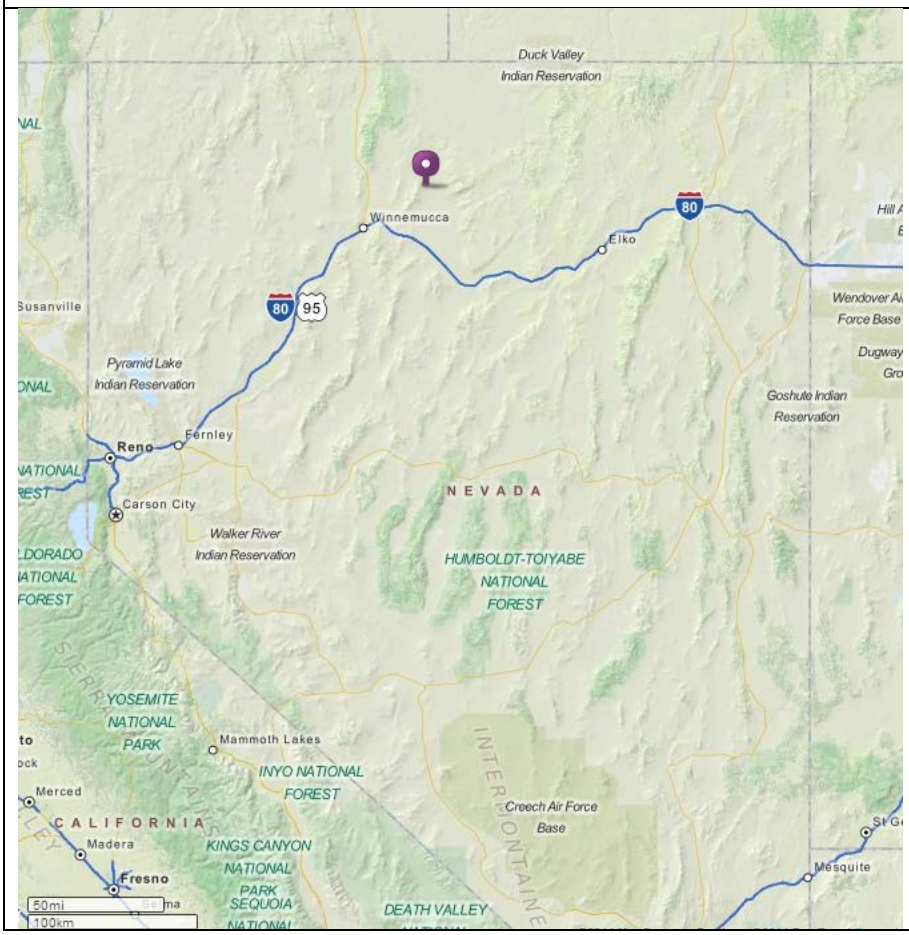
The facility primarily produces the pollutant particulate matter (**PM**), regulated as **PM_{10}**, from processing the mine ore. This processing accounts for 91% of the **PM_{10}** 1-hr (NAAQS) standard. The next highest amount of pollutant emitted is **NO_x** from large diesel generators. The generators account for 41% of the **NO_x** annual (NAAQS) standard. The generators under system 52 are permitted to emit 66.33 tons per year of **NO_x**, which is the majority of the facility's 88 ton **NO_x** limit.

Environment

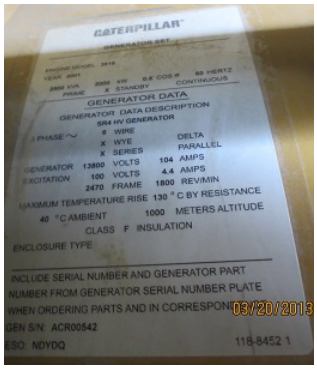
The lack of recordkeeping and reporting is concerning for PM_{10} and NO_x. For PM_{10}, being at 91% of the health standard means that it might not take a large exceedance or excursion for permitted operating requirements to exceed the standard. For NO_x, a lack of recordkeeping is concerning because at 100 tons the facility would be subject to a Class 1 permit, which is Federal Title 5 permitting.

6. Barrick Turquoise Ridge, Inc.

Turquoise Ridge Mine, Approximately 25 miles NE Winnemucca, Nevada
Humboldt County, Nevada (41.224, -117.217)



Ore crushing and screening systems.



System 52: (2) Substation Emergency Gensets (2,836 HP each).

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Barrick Turquoise Ridge, Inc.
Violation: Failing to report permit deviations
NOAV: 2489

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = **$600**

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty =

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) =

D. Multiple Emission Unit Violations or Recurring Events:

$600	X	2 Systems	=	**$1,200**
Dollar Amount		Number of **Systems**		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A. _____ (Delayed Costs) + _____ (Avoided Costs) = _____ **Economic Benefit**

Subtotal _____ (Total Gravity Fine) + _____ (Economic Benefit) = _____ **Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors _____ %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) _____ %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = X = _____

Total Penalty Adjustment Factors - **Sum of A & B:** _____ %

IV. Total Penalty

_____ (Penalty Subtotal (from Part II)) X _____ (Total Adjustment Factors) = _____ **Total Adjustment**

_____ (Penalty Subtotal (from Part II)) + _____ (Penalty Increase or Decrease) = **$1,200** **Total Penalty**

Assessed by: _____ **Date:** _____

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

	1	1.5	2.5	4	6
	Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources: (*all pollutants are minor*)	$r < 1.2$	(none)
	$\mathbf{r \geq 1.2}$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations
(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	**Constructing or Operating without a Permit** (per major processing system or unit)	Failure to **Install required Air Pollution Control Equipment** (per emission unit)	Failure to **Maintain Process or Air Pollution Control Equipment** [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to **Comply with a Permitted Operating Parameter**	Failure to **Conduct Required Monitoring, Recordkeeping, or Reporting** including incomplete or inadequate source test reports	Failure to **Comply with a Stop Order or any provision in a Schedule of Compliance**
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Barrick Turquoise Ridge, Inc.
Violation: Failing to comply with a permitted operating limitation
NOAV: 2490

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = **$600**

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty =

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) =

D. Multiple Emission Unit Violations or Recurring Events:

$600	X	7	=	**$4,200**
Dollar Amount		Number of **Exceedances**		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A. _____ (Delayed Costs) + _____ (Avoided Costs) = _____ **Economic Benefit**

Subtotal _____ (Total Gravity Fine) + _____ (Economic Benefit) = _____ **Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors _____ %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) _____ %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = X = _____

Total Penalty Adjustment Factors - **Sum of A & B:** _____ %

IV. Total Penalty

_____ (Penalty Subtotal (from Part II)) X _____ (Total Adjustment Factors) = _____ **Total Adjustment**

_____ (Penalty Subtotal (from Part II)) + _____ (Penalty Increase or Decrease) = **$4,200** **Total Penalty**

Assessed by: _____ **Date:** _____

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

	1	1.5	2.5	4	6
	Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	$\mathbf{r \geq 1.2}$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations
(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	**Constructing or Operating without a Permit** (per major processing system or unit)	Failure to **Install required Air Pollution Control Equipment** (per emission unit)	Failure to **Maintain Process or Air Pollution Control Equipment** [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to **Comply with a Permitted Operating Parameter**	Failure to **Conduct Required Monitoring, Recordkeeping, or Reporting** including incomplete or inadequate source test reports	Failure to **Comply with a Stop Order or any provision in a Schedule of Compliance**
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: Barrick Turquoise Ridge, Inc.
Violation: Failing to conduct required monitoring and recordkeeping
NOAV: 2491

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = $600

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty =

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) =

D. Multiple Emission Unit Violations or Recurring Events:

$600	X	6 Systems	=	**$3,600**
Dollar Amount		Number of **Systems**		**Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A. _____ (Delayed Costs) + _____ (Avoided Costs) = _____ **Economic Benefit**

Subtotal _____ (Total Gravity Fine) + _____ (Economic Benefit) = _____ **Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors _____ %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) _____ %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = X = _____

Total Penalty Adjustment Factors - **Sum of A & B:** _____ %

IV. Total Penalty

_____ (Penalty Subtotal (from Part II)) X _____ (Total Adjustment Factors) = _____ **Total Adjustment**

_____ (Penalty Subtotal (from Part II)) + _____ (Penalty Increase or Decrease) = **$3,600** **Total Penalty**

Assessed by: _____ **Date:** _____

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 20% or NSPS limit	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	$r \geq 1.2$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Non-Emissions Air Quality Violations

(Note that the Penalty Worksheet is used to augment or adjust some penalties)

Permit Class	**Constructing or Operating without a Permit** (per major processing system or unit)	Failure to **Install required Air Pollution Control Equipment** (per emission unit)	Failure to **Maintain Process or Air Pollution Control Equipment** [The Penalty *Matrix* is used to assess the severity of any resulitng Excess Emissions]	Failure to **Comply with a Permitted Operating Parameter**	Failure to **Conduct Required Monitoring, Recordkeeping, or Reporting** including incomplete or inadequate source test reports	Failure to **Comply with a Stop Order or any provision in a Schedule of Compliance**
1	**$10,000**	**$5,000**	**$1,000**	**$1,000**	ACC: **$2,000** SAMR: **$1,000** AER: **$1,000** Other: **$600**	**$10,000**
2	**$3,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
2 - General	**$1,000**	**$1,000**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $10,000**
SAD	**$500** plus $50 per acre of planned disturbance	**N/A**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
3	**800** (per facility)	**$600**	**$600**	**$600**	**$600** [for major violations, as identified by NAC 445B.281.4]	**up to $5,000**
Time Basis (Guideline)	**Minimum; weekly to monthly (discretionary)**	**Daily**	**Event**	**Per standard or basis of operating parameter**	**Event**	**Daily**

ATTACHMENT 9

Waterton Global Mining Penalty Information

7. Waterton Global Mining Company, LLC, Mineral County

Waterton Global Mining Company, LLC (Waterton) operates a gold mine in Mineral County under Class 1 Operating Permit to Construct #AP1041-2853.

On March 3, 2014, the BAPC performed a records review of the annual emissions report submitted by Waterton. The records indicated that System 6 had been in operation without its required compliance testing. System 06 should have been tested by July 25, 2012 (NOAV #2508). In addition, required Initial Opacity Compliance Demonstrations had not been performed for Systems 1-6 (NOAV #2509).

On May 7, 2014, the BAPC held an enforcement conference with Waterton. No new or contradictory evidence was provided. The BAPC reviewed the penalty matrix and provided the proposed penalty amount shown herein. Waterton is currently not operating, and will conduct the required tests within 60 days of restart. The NOAVs were issued August 2, 2014. No appeal was filed to contest the NOAVs.

Industrial Process

Waterton Global Resource Management Inc. purchased Great Basin Gold Nevada Operations on April 2013 through a court-supervised bankruptcy auction. Activity at the facility was paused while Waterton performed exploratory drilling, reviewed assets and revised permits. The current Air Quality permit allows the facility to mine and process ores and includes a full refinery to recover and smelt gold.

Pollutant Emissions

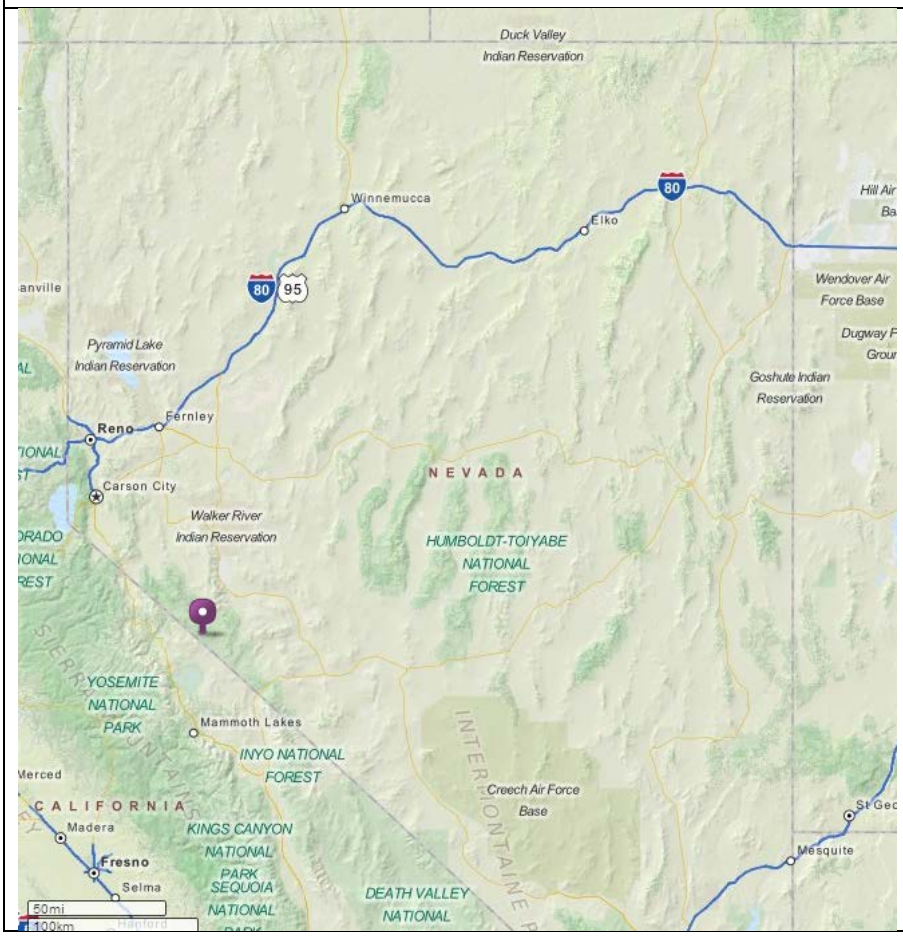
Pollutant emissions from Systems 1-5 (ore crushing and screening) include particulate, or **PM**, regulated as **PM_{10}**. Pollutant emissions from System 6 (refinery) include **VOC**s and **HAP**s, including the **HAP** mercury.

Environment

For systems 1-5, Initial Opacity Compliance Demonstrations are required to be performed to verify that there are no fugitive particulate emissions. These demonstrations are important to verify the required water sprayer controls are effective and functioning as required. For System 6, the permit requires a series of initial stack tests to verify that the carbon adsorption bed adequately controls mercury emissions and that criteria pollutant emissions of PM_{10}, SO_2, CO and NO_x are in compliance with the applicable air quality standards (NAAQS). Failure to perform initial compliance testing hinders BAPC's ability to ensure that pollutant emissions will not endanger public health or the environment.

7. Waterton Global Mining Company, LLC, Mineral County

Esmeralda Mine, Nevada Approximately 15 miles SW of Hawthorne, Nevada
Mineral County, Nevada (38.296, -118.890)



System 6 – Refinery Equipment in building to left of (yellow) carbon-in-leach tanks.

Systems 1-5 – Ore crushing and screening systems.

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

For: **Waterton Global Mining Company, LLC**

Violation: **NAC 445B.450 (c) Failure to construct or operate a stationary source in accordance with any condition of an operating permit.**

NOAV: **2508**

I. Gravity Component

A. Base Penalty: $1,000 or as specified in the Penalty Table = **$15,000**

B. Extent of Deviation – Deviation Factors:

1. Volume of Release:

A. For CEMS or source testing, see *Guidelines* on page 3.

Adjustment to Base Penalty = _____

B. For opacity, see *Guidelines* on page 3 and refer to table below.

1	1.5	2.5	4	6
Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount

Adjustment to Base Penalty = _____

2. Toxicity of Release: Hazardous Air Pollutant (if applicable)

3. Special Environmental/Public Health Risk (proximity to sensitive receptor):

1	2	3	4
Negligible amount	Medium amount	Relatively high amount	Extremely high amount

Deviation Factors 1 x 2 x 3:

C. Adjusted Base Penalty: Base Penalty (A) x Deviation Factors (B) = _____

D. Multiple Emission Unit Violations or Recurring Events:

$15,000 Dollar Amount	X	1 Number of Systems	=	**$15,000 Total Gravity Fine**

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

II. Economic Benefit

A.

	Delayed Costs	+	Avoided Costs	=	**Economic Benefit**

Subtotal

	Total Gravity Fine	+	Economic Benefit	=	**Fine Subtotal**

III. Penalty Adjustment Factors

A. Mitigating Factors **n/a** %

B. History of Non-compliance

1. Similar Violations (NOAVs) in previous 5 years:
   Within previous year (12 months) = 3X (+300%)
   Within previous three years (36 months) = 2X (+200%)
   Occurring over three years before = 1.5X (+150%) **n/a** %

2. All Recent Violations (NOAVs) in previous 5 years:
   (+5%) X (Number of recent Violations) = 5% X % = % n/a %

Total Penalty Adjustment Factors - **Sum of A & B:** **n/a** %

IV. Total Penalty

Penalty Subtotal (from Part II)	X	Total Adjustment Factors	=	**Total Adjustment**	
$15,000	+		=	**$15,000**	
Penalty Subtotal (from Part II)		Penalty Increase or Decrease		**Total Penalty**	

Assessed by: Robert Whited **Date:** 3/4/2014

Nevada Division of Environmental Protection
Bureau of Air Pollution Control
Administrative Fine Calculation Worksheet for Emissions Violations

Guidelines for I.A.1, Gravity Component: Potential for Harm, Volume of Release

Determining Volume of Release based on opacity:

	1	1.5	2.5	4	6
	Negligible amount	Relatively low amount	Medium amount	Relatively high amount	Extremely high amount
Opacity:	< 20% or NSPS limit	≥ 20% or NSPS limit (where NSPS opacity limit is < 20%)	≥ 30%	≥ 40%	≥ 50%

Determining Volume of Release based on CEMS or source testing:

Use excess emission ratio: Ratio of Emissions to Permitted Emission Limit, *r*

Source & pollutant info	Emissions/(Permit limit)	Adjustment to Base Penalty
Minor sources:	$r < 1.2$	(none)
(*all pollutants are minor*)	$\boldsymbol{r \geq 1.2}$	proportional to *r*
Major & SM sources:		
Minor pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
"Threshold" pollutant*	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*
Major pollutant	$r < 1.2$	(none)
	$r \geq 1.2$	proportional to *r*

Hazardous Air Pollutant (HAP) – *see* Part I.B.2 Toxicity of Release (2X multiplier)

Administrative Penalty Matrix - Violations Related to Source Tests & CEMS Audits

(Note that the Penalty *Worksheet* is used to augment or adjust some penalties)

Permit Class	Failure to Provide adequate (30-day) Notification	Failed Source Test exceedance of permitted emissions limit (minimum; penalty matrix used to assess gravity component)	Late Test or Failure to Test	Failure to Conduct IOCD's	Failure to Conduct Quarterly or Semi-annual audit (per pollutant)	Failure to Conduct RATA (per pollutant)
1	$1,000	$7,500 per "major" pollutant", PSD, BACT or NSPS violation; $5,000 per "SM trigger" pollutants; $4,000 per other pollutant(s)	$1,000 per system per month, up to a maximum of $15,000 per system	$200 per system per month, up to a maximum of $2,000 per system	$10,000 to $20,000	$30,000
					above based on $2,500 - $3,000/month penalty for delays in conducting the required audit	
Synthetic Minors	$1,000	$5,000 per "SM trigger" pollutants; $3,000 per other pollutant(s)	$1,000 per system per month, up to a maximum of $15,000 per system	$200 per system per month, up to a maximum of $2,000 per system	$5,000	$15,000
					above based on $2,500 - $3,000/month penalty for delays in conducting the required audit	
2	$1,000	$4,000 per NSPS violation, $2,500 other pollutant	$600 per system per month, up to a maximum of $10,000 per system	$200 per system per month, up to a maximum of $2,000 per system	$5,000	$15,000
					above based on $2,500 - $3,000/month penalty for delays in conducting the required audit	
2 - General	$500	$4,000 per NSPS violation, $2,500 other pollutant	$600 per system per month, up to a maximum of $10,000 per system	$200 per system per month, up to a maximum of $2,000 per system		
3	$500	$1,000	$250 per system per month, up to a maximum of $2,500 per system	$100 per system per month, up to a maximum of $1,000 per system		
Time Basis (Guideline)	Each Test	Also requires retest to verify compliance	Each Test	Each Test	Requires Re-certification RATA	

Note: A failed Method 9 Visible Emissions Observation carries a base penaly of $1,000 as described in the Penalty Matrix.

ATTACHMENT 10

R137-13 Power Point Presentation

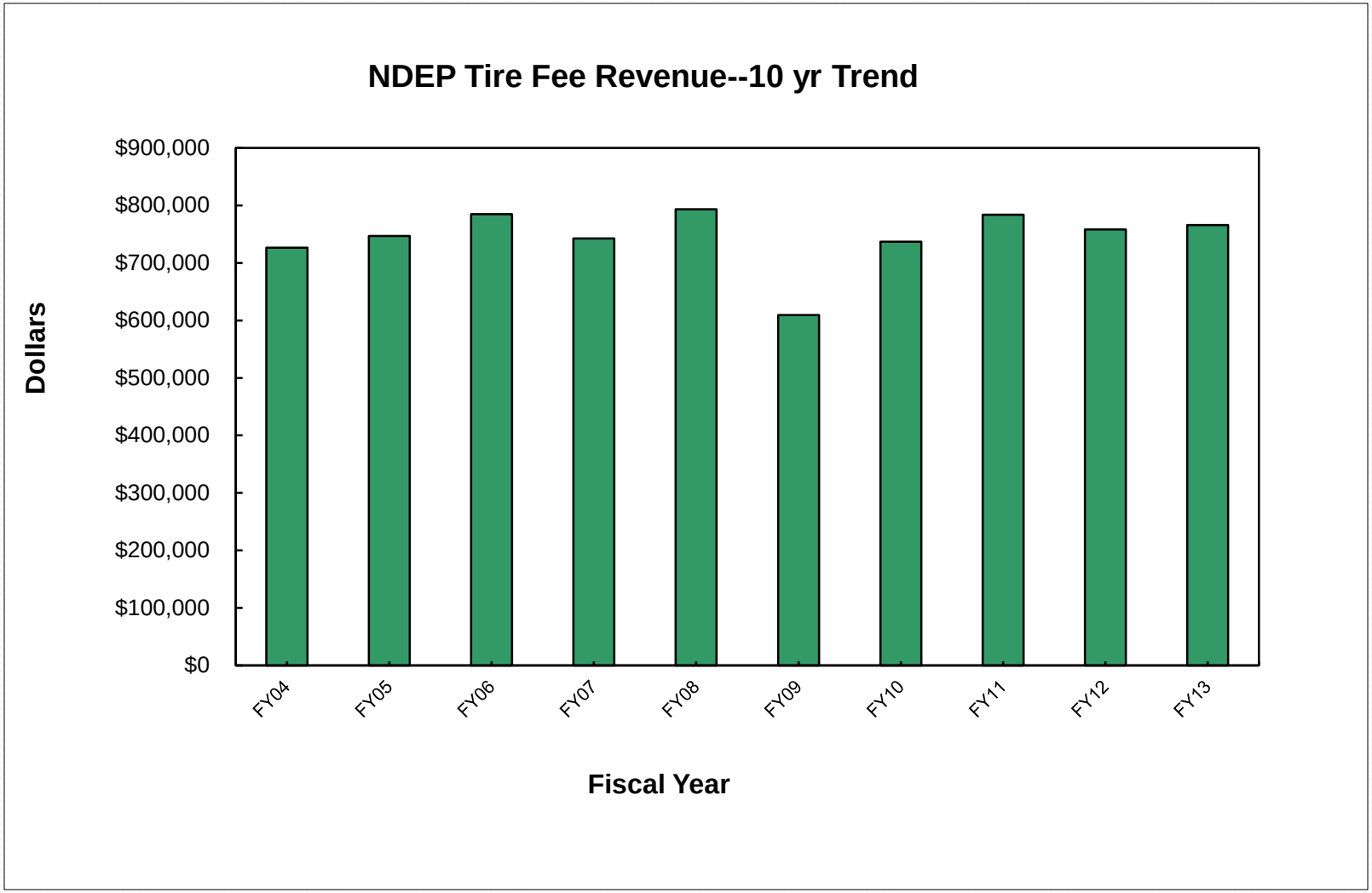
Proposed Solid Waste fees R037-13

Nevada Division of Environmental Protection

October 8, 2014

What's the problem?

- Solid waste program has been funded by a $1 fee on tires sold at retail since 1993.
- Tire fee revenue has been flat over the past decade, yet program responsibility and costs have increased.
- Insufficient revenue has resulted in shift of overhead costs to other programs (Hazardous Waste Fund) and erosion of program capacity.


NDEP Tire Fee Revenue--10 yr Trend
Dollars
$900,000
$800,000
$700,000
$600,000
$500,000
$400,000
$300,000
$200,000
$100,000
$0
FY04
FY05
FY06
FY07
FY08
FY09
FY10
FY11
FY12
FY13
Fiscal Year

How has the Solid Waste program changed over time?

- Increased responsibilities:
  - Acquired jurisdiction for Lockwood Landfill, a large Regional municipal landfill, permitted major expansion;
  - Permitted new Class I landfills (Jungo, Rawhide, Bedroc);
  - Permitted a tire processing facility and several compost facilities.
- Erosion of program capacity:
  - Eliminated Recycling Grants program in FY08;
  - Eliminated an Admin Assistant position and are holding vacant a recycling position;
  - Consolidated BWM branches, resulting in loss of a Staff IV Engineer Supervisor position.

What changes are proposed?

- New Solid Waste Fees include:
  - Permit application review fees;
  - Annual permit fees; and
  - Permit modification fees

Who is affected?

- A small number of Solid Waste Landfills
- Facilities include:
  - Lockwood Landfill
  - Western Elite Landfill
  - Elko Landfill
  - Carson City Landfill
  - North Valmy Landfill
  - TS Power Landfill
  - Mojave Generating Station Landfill

What are the specific reg changes?

- Sec. 1. Establishes application review fees.
  - Class I site less than 500 TPD $5,000
  - Class I site 500 TPD or more $65,000
  - Class III site less than 500 TPD $5000
  - Class III site 500 TPD or more $20,000
  - Transfer Station $1,000
  - Waste Tire Management Facility $2,500

What are the specific reg changes?

- Sec. 2. Establishes annual fees.
  - Class I site > 100 TPD < 500 TPD $5,000
  - Class I site 500 TPD or more $65,000
  - Class III site > 20 TPD < 500 TPD $5,000
  - Class III site 500 TPD or more $20,000
  - Class III Coal Ash more than 100 TPD $10,000
  - Class III Coal Ash less than 100 TPD $5,000

What are the specific reg changes?

- Sec. 3 Establishes annual fee conditions after closure
  - First 5 yrs of post-closure care fee is 50% of annual fee
  - Each year after 5 yrs, fee is 10% of annual fee

- Sec. 4. Establishes permit modification fees:
  - Major modification requiring public notice is 50% of application fee;
  - Minor modification fee is a flat $250;
  - Excludes routine technical or administrative updates.

ATTACHMENT 11

R138-13 Power Point Presentation

Proposed increases to Hazardous Waste fees R038-13

Nevada Division of Environmental Protection
State Environmental Commission Hearing
October 8, 2014

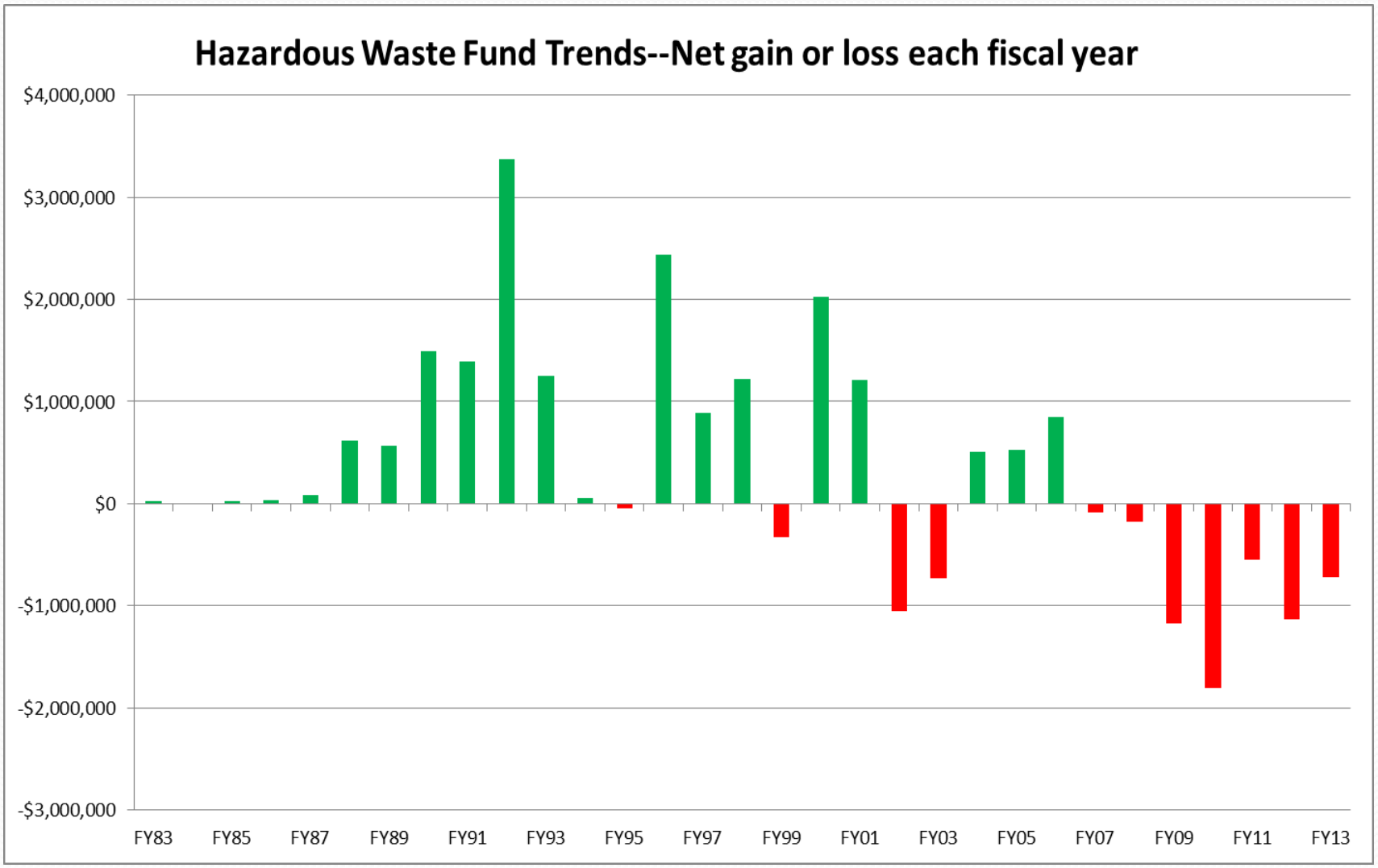
What's the Hazardous Waste Fund?

Hazardous Waste Fund established by NRS 459.530

- Sources of Revenue:
  - Fees
  - Cost reimbursement
  - Treasurer's interest
  - Penalties
- Uses of the Fund:
  - Regulation of hazardous waste management
  - Oversight of cleanups
  - Response to releases when responsible parties can't or won't
  - Consultant certification
  - HazMat response training

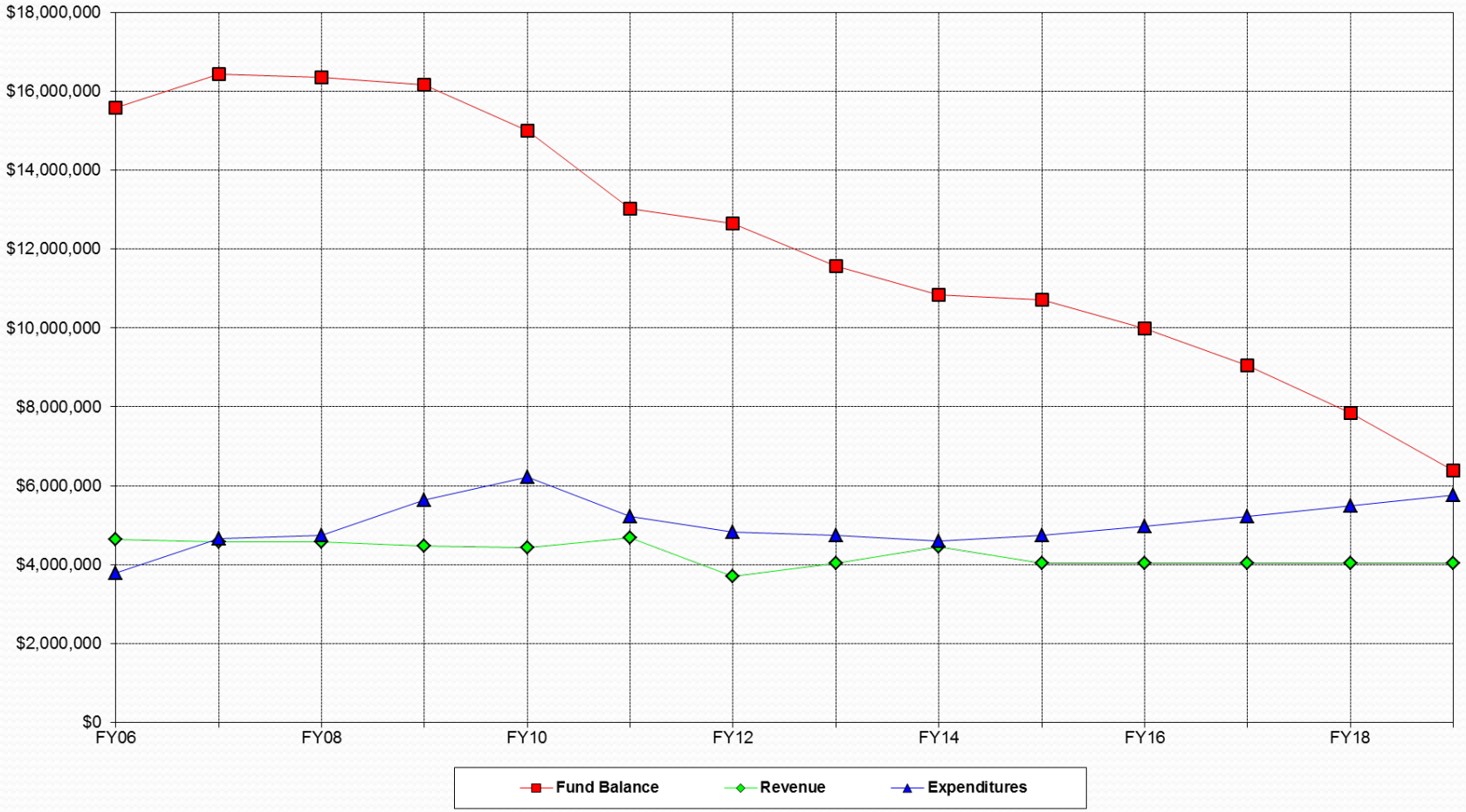
What's the problem?

- Hazardous Waste Fund has had recent losses of about $1 million/yr
- Fund losses in recent years due to several factors:
  - Legislative sweep of projected interest income in FY10
  - Steep declines in interest income
  - Increasing demand for resources related to cleanups
  - Relatively flat fee revenue
  - Gradual erosion of value of federal grants


Hazardous Waste Fund Trends--Net gain or loss each fiscal year
$4,000,000
$3,000,000
$2,000,000
$1,000,000
$0
-$1,000,000
-$2,000,000
-$3,000,000
FY83
FY85
FY87
FY89
FY91
FY93
FY95
FY97
FY99
FY01
FY03
FY05
FY07
FY09
FY11
FY13

Hazardous Waste Fund Trends

(Projected from FY14 to FY19 with no new fees)



What's the overall solution?

- Reduced spending ($600K)
  - Cuts to technical services contracts
  - Vacancy savings
  - Eliminate BWPC support
- Recovery of past costs related to cleanups
  - Maryland Square PCE site
  - AMPAC perchlorate site
- Proposed fee increases ($300K)
  - Hazardous waste facility fee increases
  - New Solid waste facility permitting fees (eliminates subsidy of Solid Waste program overhead)

What changes are proposed?

- Hazardous Waste Fees include:
  - Permit application review fees;
  - Annual permit fees; and
  - Quarterly volume fees
- Proposed adjustments:
  - Replace hourly permit review fees with flat fees
  - Sharp increases in annual permit fees to dampen fluctuations of volume fees
  - Modest increases in volume fees

Who is affected?

- A small number of Facilities permitted to Treat, Store or Dispose of hazardous waste pay fees.
- Roughly 90% of fees derive from the Beatty landfill facility operated by US Ecology
- Other facilities include:
  - Hawthorne Weapons and Ammunition Depot
  - 21st Century EMN, Fernley facility
  - Safety Kleen, North Las Vegas storage facility
  - Proposed Barrick Mercury storage facility

What are the specific reg changes?

- Sec. 1. Replaces hourly review fees for permit renewals and modifications with a schedule of flat fees to streamline administration.
  - Permit renewals $15,000
  - Class I modification $500
  - Class II modification $1,500
  - Class III modification $5,000

What are the specific reg changes?

- Sec. 2. Clarifies the applicability of annual fees and increases the amount of the annual fees.
  - Land disposal or incineration $50,000
  - Treatment $10,000
  - Thermal treatment of waste munitions $7,500
  - Storage $2,500
- Sec. 2. subsec. 4(c). Clarifies that new remedial action plan permits approved under 40 CFR Part 270 Subpart H would be subject to annual fees.

What are the specific reg changes?

- Sec. 3. Increases certain quarterly volume fees.
  - Land disposal of RCRA waste from $18.50 to $19.00/ton
  - Land disposal of CA HW or PCB from $3 to $3.50/ton
  - Treatment prior to disposal from $3 to $4/ton

ATTACHMENT 12

R099-14 Erratum

LCB File No. R099-14 ERRATUM

The following minor correction to the language in Section 19 is requested. Insert "of electronic bank posting of payment" as shown below underlined. NDEP confirmed that inserting this language is acceptable with LCB.

Section 19. NAC 445A.67626 is hereby amended to read as follows:

1. A recipient:

(a) May submit to the Division periodic requests for the disbursement of money pursuant to the loan. Each request must be on a form provided by the Division.

(b) Shall submit to the Division [~~proof~~] ***documentation demonstrating*** that any prior disbursements of money pursuant to the loan have been distributed by the recipient in an appropriate manner. The [~~proof~~] ***documentation*** must consist ***of electronic bank posting of payment or*** copies of [~~the front and back of~~] cancelled checks issued by the recipient for the payment of reimbursable costs.

2. The disbursement of any money to a recipient must comply with the loan contract.

3. The approval of each payment must be based on the actual reimbursable costs incurred to date.

ATTACHMENT 13

R102-14 Supplementary Handout

State Environmental Commission
October 08, 2014

Petition R 102-14 (Tab # 10)

Revisions to the Upper Humboldt River Basin Class Waters

John Heggeness, Standards Branch Supervisor
775-687-9449
jheggene@ndep.nv.gov
Nevada Division of Environmental Protection
Bureau of Water Quality Planning
Water Quality Standards Program

Public Workshops

- Carson City – May 19, 2014
- Elko – May 21, 2014

Public Comments accepted through June 13, 2014

- No substantive comments received

Overview of Water Quality Standards

Key Elements

1) Designated beneficial uses
2) Criteria to protect beneficial use
    - Generally use EPA recommendations
    - Can develop regional or site specific
3) Antidegradation provision (RMHQ)
    - Not proposing RMHQs

Beneficial Uses, NAC 445A.122

- Municipal or domestic supply
- Irrigation
- Watering livestock
- Propagation of aquatic life (cold water species, warm water species)
- Propagation of wildlife
- Industrial supply
- Recreation involving contact with the water (swimming)
- Recreation not involving contact with the water (boating**)**

Background

- Changes are proposed to the Nevada Administrative Code (NAC) revising the Nevada water quality regulations for the former “Class Waters” located in the Upper Humboldt River Basin (UHRB) (NAC 445A.1432 – 1578).

- The UHRB includes the headwaters, tributaries, and main stem of the Humboldt River downstream to Palisade, Nevada.

“Class Waters”

- In 1973 the Class waters were created in the NAC and waterbodies were categorized by classes (A, B, C, and D) based on the degree of anthropogenic impact on the watershed. Each class category had its own table of standards.

Class A Waters - where the watershed is relatively undisturbed by man’s activity.

Class B Waters - where the watershed is only moderately influenced by man’s activity.

Class C Waters - where the watershed is considerably altered by man’s activity.

Class D Waters – in areas of urban development, highly industrialized or intensively used for agriculture…

Class Waters continued:

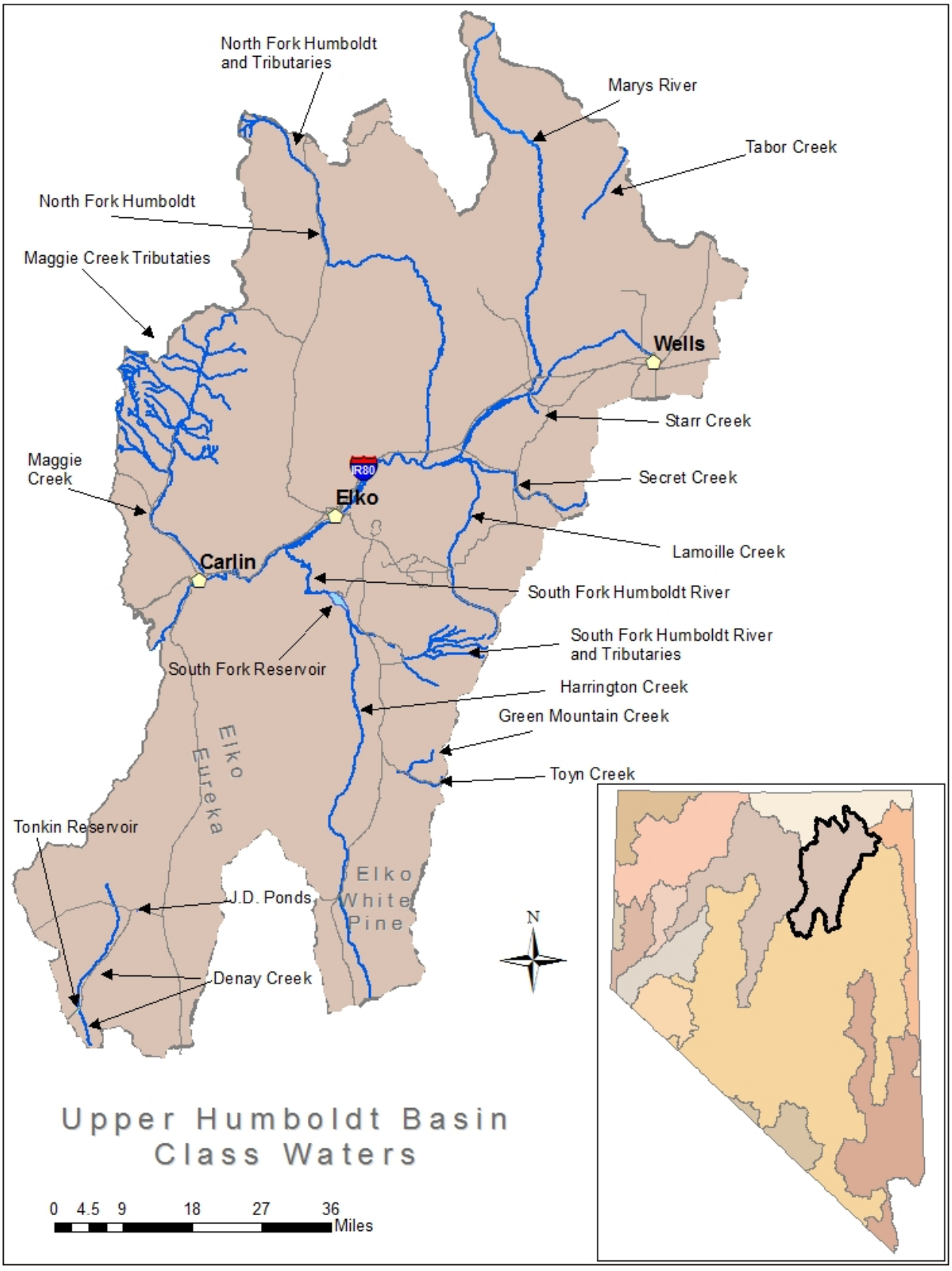
- Parameters

Temperature	Total Phosphorus
pH	Total Dissolved Solids
Dissolved Oxygen	Fecal Coliform

- In 2008, NDEP created a WQS table for each waterbody in the Class waters and ordered all the waterbodies by Hydrographic basin. NDEP also added the parameters Total Ammonia and E. Coli.

- NDEP is now proposing to update the beneficial uses and numeric criteria for specific waters in the UHRB for consistency with EPA recommended criteria other similar types of waters throughout Nevada.

- The UHRB contains former Class A, B, and C waters

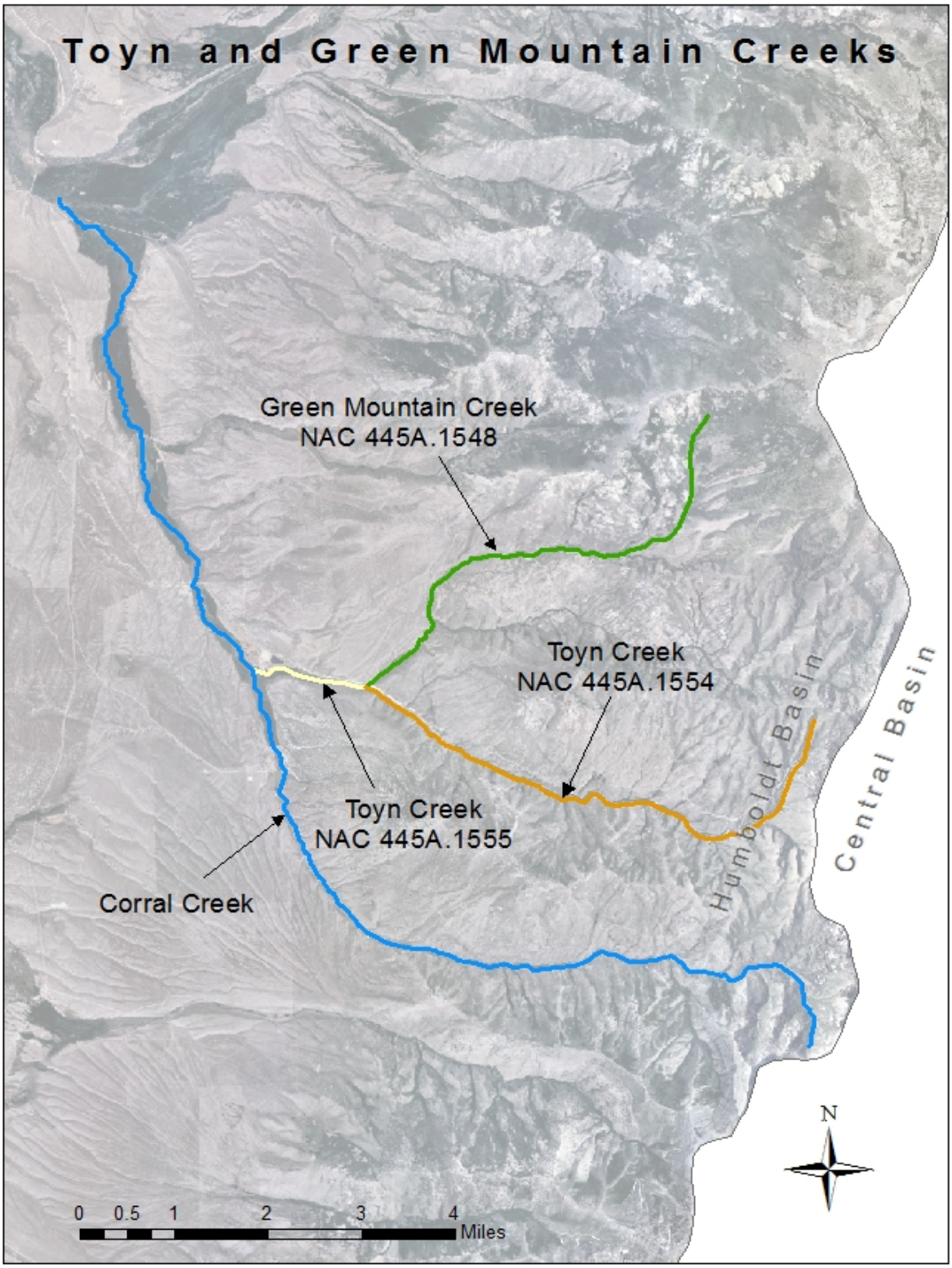

North Fork Humboldt and Tributaries
Marys River
Tabor Creek
North Fork Humboldt
Maggie Creek Tributaties
Wells
Starr Creek
Maggie Creek
I80
Elko
Secret Creek
Lamoille Creek
Carlin
South Fork Humboldt River
South Fork Humboldt River and Tributaries
South Fork Reservoir
Harrington Creek
Green Mountain Creek
Elko
Eureka
Toyn Creek
Tonkin Reservoir
Elko
White
Pine
J.D. Ponds
N
Denay Creek
Upper Humboldt Basin
Class Waters
0 4.5 9 18 27 36
Miles

Proposed Revisions

- Add Industrial Supply as a beneficial use to the waters that were formerly categorized as Class A.
- Correct naming error for Toyn and Green Mountain Creeks in the Ruby Mountains southeast of Jiggs.
- Add additional criteria for the protection of the designated beneficial uses.

Toyn and Green Mountain Creeks

NAC	Waterbody Name	Segment Description
445A.1548	Green Mountain Creek at ~~the national forest boundary~~***Toyn Creek***	From its origin ~~to the national forest boundary~~ ***to its confluence with Toyn Creek***.
445A.1554	Toyn Creek ***at Green Mountain Creek***	From its origin to ~~the national forest boundary~~ ***its confluence with Green Mountain Creek***.
445A.155~~2~~***5***	~~Green Mountain Creek~~ ***Toyn Creek*** at Corral Creek	From ~~the national forest boundary~~***its confluence with Green Mountain Creek*** to its confluence with Corral Creek.


Toyn and Green Mountain Creeks
Green Mountain Creek
NAC 445A.1548
Toyn Creek
NAC 445A.1554
Toyn Creek
NAC 445A.1555
Corral Creek
Humboldt Basin
Central Basin
N
0 0.5 1 2 3 4
Miles

Proposed Numeric Criteria

Parameter	Criterion	Applicability	Exceedances
Nitrate	S.V. ≤ 10.0 mg/l	Trout & Non-Trout Waters	None
Nitrite	S.V. ≤ 0.06 mg/l	Trout Waters	None
	S.V. ≤ 1.0 mg/l	Non-Trout Waters	None
Chloride	1-hr avg. ≤ 860 mg/l 96-hr avg. ≤ 230 mg/l	Trout & Non-Trout Waters	None
Sulfate	S.V. ≤ 250 mg/l	Trout & Non-Trout Waters	None
Alkalinity (as $CaCO_3$)	S.V. ≥ 20 mg/l	Trout & Non-Trout Waters	**Humboldt River, North Fork at the national forest boundary**
Total Suspended Solids	S.V. ≤ 25 mg/l	Trout Waters	**Tabor Creek** **Huntington Creek at the White Pine-Elko county line**
	S.V. ≤ 80 mg/l	Non-Trout Waters	**Humboldt River, North Fork at the Humboldt River**
Turbidity	S.V. ≤ 10 NTU	Trout Waters	**Marys River at the Humboldt River** **Tabor Creek** **Huntington Creek at the White Pine-Elko county line** **Huntington Creek at Smith Creek**
	S.V. ≤ 50 NTU	Non-Trout Waters	None
Color	S.V. ≤ 75 PCU	Trout & Non-Trout Waters	None

NACs to be amended

Water Body Name	Segment Description	Water Quality Standard NAC Reference	Former Class and Trout or Non-Trout designation
Humboldt River, North Fork and tributaries at the national forest boundary	From their origin in the Independence Mountain Range to the national forest boundary.	445A.1456	A - Trout
Humboldt River, North Fork at Beaver Creek	From the national forest boundary to its confluence with Beaver Creek.	445A.1458	B - Trout
Humboldt River, North Fork at the Humboldt River	From its confluence with Beaver Creek to its confluence with the Humboldt River.	445A.1462	B - Non-Trout
Humboldt River, South Fork and tributaries at Lee	From their origin to Lee, except for the lengths of the river and tributaries within the exterior borders of the South Fork Indian Reservation.	445A.1464	A – Trout
Humboldt River, South Fork at the Humboldt River	From Lee to its confluence with the Humboldt River, except for the lengths of the river and tributaries within the exterior borders of the South Fork Indian Reservation.	445A.1466	B – Trout
Marys River, upper	From its origin to the point where the river crosses the east line of T. 42 N., R. 59 E., M.D.B. & M.	445A.1482	A – Trout
Marys River at the Humboldt River	From the east line of T. 42 N., R. 59 E., M.D.B. & M., to its confluence with the Humboldt River.	445A.1484	B – Trout
Tabor Creek	From its origin to the east line of T. 40 N., R. 60 E., M.D.B. & M.	445A.1486	A – Trout
Maggie Creek Tributaries	From their origin to the point where they become Maggie Creek or the point of their confluence with Maggie Creek.	445A.1488	A – Trout
Maggie Creek at Jack Creek	From where it is formed by the Maggie Creek tributaries to its confluence with Jack Creek.	445A.1492	B – Trout
Maggie Creek at Soap Creek	From its confluence with Jack Creek to its confluence with Soap Creek.	445A.1494	C – Trout
Maggie Creek at the Humboldt River	From its confluence with Soap Creek to its confluence with the Humboldt River.	445A.1496	C – Non-Trout
Secret Creek at the national forest boundary	From its origin to the national forest boundary.	445A.1498	A – Trout

Water Body Name	Segment Description	Water Quality Standard NAC Reference	Former Class and Trout or Non-Trout designation
Secret Creek at the Humboldt River	From the national forest boundary to its confluence with the Humboldt River.	445A.1502	B – Trout
Lamoille Creek at the gaging station	From its origin to gaging station number 10-316500, located in the NE 1/4 of section 6, T. 32 N., R. 58 E., M.D.B. & M.	445A.1504	A – Trout
Lamoille Creek at the Humboldt River	From gaging station number 10-316500, located in the NE 1/4 of section 6, T. 32 N., R. 58 E., M.D.B. & M., to its confluence with the Humboldt River.	445A.1506	B – Non-Trout
J.D. Ponds	The entire area.	445A.1508	C - Non-Trout
Denay Creek at Tonkin Reservoir	From its origin to Tonkin Reservoir.	445A.1512	A – Trout
Tonkin Reservoir	The entire reservoir.	445A.1514	A – Trout
Denay Creek below Tonkin Reservoir	Below Tonkin Reservoir.	445A.1516	B – Non-Trout
Huntington Creek at the White Pine-Elko county line	From its origin to the White Pine-Elko county line.	445A.1542	A – Trout
Huntington Creek at Smith Creek	From the White Pine-Elko county line to its confluence with Smith Creek.	445A.1544	B – Trout
Huntington Creek at the South Fork of the Humboldt River	From its confluence with Smith Creek to its confluence with the South Fork of the Humboldt River.	445A.1546	B – Non-Trout
Green Mountain Creek at ~~the national forest boundary~~*Toyn Creek*	From its origin ~~to the national forest boundary~~*to its confluence with Toyn Creek*.	445A.1548	A – Trout
Toyn Creek *at Green Mountain Creek*	From its origin to ~~the national forest boundary~~*its confluence with Green Mountain Creek*.	445A.1554	A – Trout
~~Green Mountain Creek~~*Toyn Creek* at Corral Creek	From ~~the national forest boundary~~ *its confluence with Green Mountain Creek* to its confluence with Corral Creek.	445A.155~~2~~*5*	B – Trout
Starr Creek	From the confluence of Ackler and Herder Creeks to its confluence with the Humboldt River.	445A.1578	B – Trout

Questions?

ATTACHMENT 14

Public Comment Submitted Via Email on R102-14

Misti Gower

Subject: FW: State Environmental Commission Meeting - October 8, 2014

From: Paul Bottari
Sent: Tuesday, October 07, 2014 4:51 PM
To: Valerie King
Cc: Greg Martin; Randy Brown
Subject: Re: State Environmental Commission Meeting - October 8, 2014

Valerie:

I know we are too late getting comments in for the hearing on the regulations per:

10) R102-14 - Bureau of Water Quality Planning – Upper Humboldt Class Waters, Water Quality Standards Revision

however, for the record the Elko Co. Association of Realtor's is opposed to allowing the Federal Government to have control of any standards on the basis as we feel that the Humboldt River is not navigable and never has been according to the intent of the Commerce clause of the US Constitution, the Draft Regulations EPA is currently working from and the most recent supreme Court Decisions namely:

Rapanos v. United States, 547 U.S. 715, 731 (2006)SWANCC, 531 U.S. at 174). and *Solid Waste Agency of N. Cook*

Cnty. v. U.S. Army Corps of Eng'rs, 531 U.S. 159, 172 (2001) ("*SWANCC*").

We strongly feel that if water quality standards are to be set with specific limits these should be set by the state for our use and not for the use of the Enviornmental Protection Agency of the Federal Government or the Army Corps of Engineers. When our stream flows are low the water quality standards can be compromised and if the Federal Government is in control the local and state govenments who know more about the resource will be of little help in making "reasonable" decisions.

Please relay these comments on eveno though they may be too late for consideration at tomorrows meeting.

Sincerely,

Paul Bottari, Chairman Public Policy Committee Elko County Assonciation of Realtor's

----- Original Message -----
From: Valerie King
To: Undisclosed recipients
Sent: Wednesday, October 01, 2014 8:32 AM
Subject: State Environmental Commission Meeting - October 8, 2014