IN THE UNITED STATES DISTRICT COURT FOR THE DISTRICT OF COLORADO

Civil Action No.

WILDEARTH GUARDIANS,

Plaintiff,

v.

GINA MCCARTHY, in her official capacity as Administrator of the U.S. Environmental Protection Agency,

Defendant.

COMPLAINT FOR DECLARATORY AND INJUNCTIVE RELIEF

INTRODUCTION

1. This is an action to enforce a mandatory deadline set forth in the Clean Air Act. On April 5, 2012, the U.S. Environmental Protection Agency ("EPA") received an application for a C.F.R. Part 71 Title V Operating Permit for the Bonanza coal-fired power plant ("Bonanza Power Plant") in northeastern Utah. Although the Clean Air Act imposed a non-discretionary duty upon the EPA Administrator to act upon this permit application by October 5, 2013, the agency has thus far failed to do so. Guardians seeks a declaration that the Administrator has violated a mandatory duty set forth in the Clean Air Act, as well as an order compelling her to obey the provisions of the Act by issuing or denying by date certain a Title V Operating Permit for the Bonanza Power Plant.

JURISDICTION, VENUE, AND NOTICE

 This Court has subject matter jurisdiction over this action pursuant to 42 U.S.C. § 7604(a)(2) (Clean Air Act citizen suit provision); 28 U.S.C. § 1331 (federal question); 28 U.S.C. § 2201 (declaratory judgment); 28 U.S.C. § 2202 (injunctive relief); and 42 U.S.C. § 7604(d) (costs and attorney fees).

3. Venue is proper in this judicial district pursuant to 28 U.S.C. § 1391(e). The EPA's Region 8 Office, which is responsible for administering Part 71 Title V Operating Permits in Utah, is located in this judicial district. EPA's failure to act on the application for a Bonanza Power Plant Operating Permit therefore occurred in this judicial district. Additionally, Plaintiff WildEarth Guardians ("Guardians") maintains an office in this judicial district.

4. Guardians properly gave the Administrator 60-days written notice of the violation alleged in this Complaint and of Guardians' intent to bring suit to remedy that violation. <u>See</u> 42 U.S.C. § 7604(b)(2); 40 C.F.R. §§ 54.2 and 54.3 (requiring 60-day written notice prior to undertaking suit for failure to perform a non-discretionary duty). The Administrator received Guardians' notice on October 18, 2013. More than 60 days have passed since the Administrator's receipt, yet she has not remedied the violations alleged by issuing or denying a Title V Operating Permit for the Bonanza Power Plant.

PARTIES

5. Plaintiff WILDEARTH GUARDIANS is a non-profit conservation organization operating in Colorado, Utah, New Mexico, Arizona, Montana, Wyoming, California, and Oregon. Guardians is dedicated to protecting and restoring the wildlife, wild rivers, and wild places of the American West, and to safeguarding the Earth's climate and air quality. Guardians

and its members work to reduce harmful air pollution in order to safeguard the public health, welfare, and environment. Guardians has more than 7,500 members, many of whom live, work, and/or recreate in areas affected by the pollution emitted from the Bonanza Power Plant.

6. Guardians is a "person" within the meaning of 42 U.S.C. § 7602(e), and is therefore entitled to commence a civil action under 42 U.S.C. § 7604(a).

7. Guardians regularly participates in the public permitting process for facilities that emit air pollution. Guardians does so with the aim of ensuring that Title V Operating Permits, such as that for the Bonanza Power Plant, protect and improve air quality by complying with relevant laws and regulations.

8. Guardians and its members have a substantial interest in ensuring that EPA complies with the requirements of Clean Air Act Title V with respect to the Bonanza Power Plant. Guardian's organizational interest in participating in, and potentially influencing, the permitting process for this Plant is injured by the Administrator's failure to act. Guardians' and its members' interests have been, are being, and will continue to be, irreparably harmed by EPA's failure to issue or deny a Title V Operating Permit in this case.

9. Defendant GINA MCCARTHY is the Administrator of the EPA. As such, she is responsible for implementing the provisions of the Clean Air Act, including the requirement to issue or deny within 18 months of receipt a Title V Operating Permit for the Bonanza Power Plant. Ms. McCarthy is sued in her official capacity.

LEGAL BACKGROUND

10. The Clean Air Act aims "to protect and enhance the quality of the Nation's air resources…" 42 U.S.C. § 7401(b)(1). In furtherance of this goal, the Clean Air Act was

amended in 1990 to create the Title V Permit Program. <u>See id.</u> §§ 7661-7661f. Clean Air Act Title V establishes a comprehensive operating permit system applicable to all major sources of air pollution. <u>See id.</u> § 7661a(a).

11. The term "major source" includes: any stationary source of air pollution with the potential to emit more than 100 tons per year of any air pollutant; or any stationary source with the potential to emit 10 tons or more per year of any single hazardous air pollutant, or 25 tons or more per year of any combination of hazardous air pollutants. See 42 U.S.C. §§ 7661(2) (incorporating definition of "major source" found at 42 U.S.C. §§ 7412(a)(1) and 7602(j)).

12. The purpose of the Title V Program is to improve enforcement efforts and reduce violations of the Clean Air Act. See New York Public Interest Research Group v. Whitman, 321 F.3d 316, 320 (2nd Cir. 2003). Accordingly, Tile V requires all major sources of air pollution to operate under a permit that incorporates all applicable air regulations, as well as a schedule for monitoring compliance with those regulations. Title V also requires the owners and/or operators of these permitted facilities to certify annually compliance with all applicable requirements. This self-reporting system provides EPA, states, and citizens with a straightforward means of determining whether a facility is complying with all applicable air regulations, thereby greatly simplifying Clean Air Act enforcement and preserving the public health.

13. Since the inception of the Title V Permit Program in 1990, major sources of air pollution are prohibited from discharging air pollutants unless they have obtained or applied for a valid Title V Operating Permit. See 42 U.S.C. §§ 7661a(a) and 7661b(d).

14. The process for obtaining a Title V Operating Permit is a cooperative one. Where a major source of air pollution is subject to state jurisdiction, the state acts as the permitting

authority and must adhere to 40 C.F.R. Part 70 when processing Title V Permit applications (regulations governing State Operating Permit Programs). Where a source is subject to federal jurisdiction, EPA acts as the permitting authority and must adhere to 40 C.F.R. Part 71 when processing Title V Permit applications (regulations governing Federal Operating Permit Programs). For purposes of the Title V permitting process, major sources located on tribal lands are subject to federal jurisdiction. <u>See</u> 40 C.F.R. § 71.2.

15. Under the Federal Operating Permit Program, the owner or operator of each major source "shall...submit an application for a permit" to EPA within 12 months after becoming subject to Title V. 42 U.S.C. § 7661b(c). See also 40 C.F.R. § 71.5(a)(1)(i). EPA "shall issue or deny the permit[] within 18 months after the date of receipt..." 42 U.S.C. § 7661b(c). See also 40 C.F.R. § 71.7(a)(2).

16. EPA's duty to issue or deny a Title V Operating Permit within 18 months of receipt is non-discretionary. <u>See United States v. Myers</u>, 106 F.3d 936, 941 (10th Cir. 1997), <u>cert. denied</u>, 520 U.S. 1270 (1997) ("It is a basic canon of statutory construction that use of the word 'shall' indicates mandatory intent.").

FACTUAL ALLEGATIONS

17. The Bonanza Power Plant is a 500 megawatt coal-fired power plant located on the Uinta and Ouray Indian Reservation in northeastern Utah, approximately 28 miles southeast of the town of Vernal. Because the Bonanza Power Plant is located on tribal lands, it is subject to federal jurisdiction and EPA is the Clean Air Act Title V permitting authority.

18. The Bonanza Power Plant is owed and operated by Deseret Power ElectricCooperative ("Deseret"). The 600 foot-tall smokestack at the Plant releases thousands of tons of

harmful pollutants into the air annually. These include nitrogen oxides, sulfur dioxide, carbon dioxide, mercury, and other toxic substances. The Bonanza Power Plant is a major source of air pollution as defined by the Clean Air Act.

19. EPA prepared and circulated for public comment a draft Title V Operating Permit for the Bonanza Power Plant in 2002. EPA never took final action on this Permit.

20. On February 6, 2012, EPA requested in writing from Deseret a new Title V Operating Permit application for the Bonanza Power Plant.

21. On April 5, 2012, EPA received from Deseret a complete, renewed Title V Operating Permit application for the Bonanza Power Plant.

22. EPA was required to issue or deny the requested Permit for the Bonanza Power Plant on or before October 5, 2013.

23. As of the date of this filing, EPA has failed to act on Deseret's completed application.

24. More than 13 years after the enactment of Title V, EPA has never issued or denied a Title V Operating Permit for the Bonanza Power Plant. Accordingly, the Bonanza Power Plant has never obtained, and continues to operate without, a Title V Operating Permit.

CLAIM FOR RELIEF

25. Each and every allegation set forth in this Complaint is herein incorporated by reference.

26. The EPA Administrator had a mandatory duty to issue or deny a Title V Operating Permit for the Bonanza Power Plant within 18 months after receiving the complete Permit Application. <u>See</u> 42 U.S.C. § 7661b(c); 40 C.F.R. § 71.7(a)(2).

27. It has been more than 18 months since the Administrator received the complete Renewed Permit Application from Deseret.

28. As of the date of this filing, EPA has not issued or denied a Title V Operating Permit for the Bonanza Power Plant.

29. Accordingly, EPA has violated, and continues to violate, 42 U.S.C. § 7661b(c) and 40 C.F.R. § 71.7(a)(2).

30. This violation constitutes a failure to perform a non-discretionary duty within the meaning of the Clean Air Act's citizen suit provision. See 42 U.S.C. § 7604(a)(2).

REQUEST FOR RELIEF

WHEREFORE, Plaintiff WildEarth Guardians requests that this Court enter judgment providing the following relief:

(A) A declaration that EPA has violated the Clean Air Act by failing to issue or deny the Title V Operating Permit for the Bonanza Power Plant;

(B) An order compelling EPA to issue or deny the Title V Operating Permit for the Bonanza Power Plant within 30 days, or in accordance with any such expeditious schedule as prescribed by the Court;

(C) An order retaining jurisdiction over this matter until such time as EPA has complied with its non-discretionary duties under the Clean Air Act;

(D) An order awarding Plaintiff its costs of litigation, including reasonable attorney's fees; and

(E) Such other and further relief as the Court deems just and proper.

Respectfully submitted this 23rd day of December 2013.

ANTONIO BATES BERNARD, P.C.

By: <u>s/ Melissa A. Hailey</u> Melissa A. Hailey, CO Reg. #42836 Antonio Bates Bernard, P.C. 3200 Cherry Creek Drive South Suite 380 Denver, Colorado 80209 Tel: (303) 733-3500 Fax: (303) 733-3555 mhailey@abblaw.com

Attorney for Plaintiff

Case 1:13-cv-03457-JLK Document 1-1 Filed 12/23/13 USDC Colorado Page 1 of 2 CIVIL COVER SHEET

The JS 44 civil cover sheet and the information contained herein neither replace nor supplement the filing and service of pleadings or other papers as required by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required for the use of the Clerk of Court for the purpos of initiating the civil docket sheet. (SEE INSTRUCTIONS ON NEXT PAGE OF THIS FORM.)

I. (a) PLAINTIFFS			DEFENDANTS				
 (b) County of Residence of First Listed Plaintiff <u>Denver</u> (EXCEPT IN U.S. PLAINTIFF CASES) 			Gina McCarthy, in her official capacity as Administrator of the U.S. Environmental Protection Agency				
							County of Res
				(IN U.S. PLAINTIFF CASES ONLY) NOTE: IN LAND CONDEMNATION CASES, USE THE LOCATION OF TH			
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(c) Attorneys (Firm Name	e, Address, and Telephone Number))	Attorneys (1)	f Known)			
Melissa A. Hailey, Antonio Bates Bernard, P.C., 3200 Cherry Creek Drive							
South, Suite 380, Denv	ver, CO 80209, (303) 733-3500	0					
II. BASIS OF JURISD	ICTION (Place on "Y" in One	Por Only	II CITIZENSHIP	OF PRIN	CIPAL PARTIES	(Place an "X" in One Box for Plain	
			(For Diversity Cases	s Only)		and One Box for Defendant)	
1 U.S. Government Plaintiff	3 Federal Question (U.S. Government Not a Party)		Citizen af This State	_	DEF I Incorporated or Pri	PTF DEF	
	X		Citizen of This State	1	of Business In This		
2 U.S. Government	4 Diversity		Citizen of Another State	2	2 Incorporated and P		
Defendant	(Indicate Citizenship o	f Parties in Item III)			of Business In Another State		
			Citizen or Subject of a Foreign Country	3	3 Foreign Nation	6 6	
IV. NATURE OF SUIT	(Place an "X" in One Box Only)	I					
	TORT PERSONAL INJURY	S PERSONAL INJURY	FORFEITURE/PENA		BANKRUPTCY	OTHER STATUTES	
110 Insurance	310 Airplane	365 Personal Injury -	625 Drug Related Sei of Property 21 U	a a a a a	22 Appeal 28 USC 158 23 Withdrawal	375 False Claims Act 400 State Reapportionment	
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190 Other Contract 195 Contract Product Liability	360 Other Personal Injury	Property Damage	740 Kanway Labor A	i 🖵 `	864 SSID Title XVI 865 RSI (405(g))	890 Other Statutory Actions	
196 Franchise	362 Personal Injury -	385 Property Damage Product Liability	Leave Act		505 K31 (405(g))	891 Agricultural Acts	
REAL PROPERTY	Med. Malpractice CIVIL RIGHTS P	PRISONER PETITIONS	790 Other Labor Liti	gation	TAX SUITS	893 Environmental Matters	
210 Land Condemnation	440 Other Civil Rights	Habeas Corpus:	791 Empl. Ret. Inc.		870 Taxes (U.S. Plaintiff	895 Freedom of Information A	
220 Foreclosure	441 Voting	463 Alien Detainee	Security Act		or Defendant)	896 Arbitration	
230 Rent Lease & Ejectment	442 Employment	510 Motions to Vacate Sentence			871 IRS - Third Party 26 USC 7600	899 Administrative Procedure	
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VI. CAUSE OF ACTION	N						
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VII. REQUESTED IN	CHECK IF THIS IS	A CLASS ACTION			CHECK YES only	if demanded in complaint:	
COMPLAINT:	UNDER F.R.C.P. 23		DEMAND \$ 0		JURY DEMAND:		
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December 23, 2013							
2000000120,2010		s/ Melissa A. Hailey					
FOR OFFICE USE ONLY							

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INSTRUCTIONS FOR ATTORNEYS COMPLETING CIVIL COVER SHEET FORM JS 44

Authority For Civil Cover Sheet

The JS 44 civil cover sheet and the information contained herein neither replaces nor supplements the filings and service of pleading or other papers as equired by law, except as provided by local rules of court. This form, approved by the Judicial Conference of the United States in September 1974, is required or the use of the Clerk of Court for the purpose of initiating the civil docket sheet. Consequently, a civil cover sheet is submitted to the Clerk of Court for each ivil complaint filed. The attorney filing a case should complete the form as follows.

(a) Plaintiffs-Defendants. Enter names (last, first, middle initial) of plaintiff and defendant. If the plaintiff or defendant is a government agency, use only the full name or standard abbreviations. If the plaintiff or defendant is an official within a government agency, identify first the agency and then the official, giving both name and title.

(b) County of Residence. For each civil case filed, except U.S. plaintiff cases, enter the name of the county where the first listed plaintiff resides at the ime of filing. In U.S. plaintiff cases, enter the name of the county in which the first listed defendant resides at the time of filing. (NOTE: In land condemnation ases, the county of residence of the "defendant" is the location of the tract of land involved.)

(c) Attorneys. Enter the firm name, address, telephone number, and attorney of record. If there are several attorneys, list them on an attachment noting, noting in this section "(see attachment)".

II. Jurisdiction. The basis of jurisdiction is set forth under Rule 8(a), F.R.C.P., which requires that jurisdictions be shown in pleadings. Place an "X" in one of the boxes. If there is more than one basis of jurisdiction, precedence is given in the order shown below.

Jnited States plaintiff. (1) Jurisdiction based on 28 U.S.C. 1345 and 1348. Suits by agencies and officers of the United States are included here.

United States defendant. (2) When the plaintiff is suing the United States, its officers or agencies, place an "X" in this box

rederal question. (3) This refers to suits under 28 U.S.C. 1331, where jurisdiction arises under the Constitution of the United States, an amendment to the Constitution, an act of Congress or a treaty of the United States. In cases where the U.S. is a party, the U.S. plaintiff or defendant code takes precedence, and tox 1 or 2 should be marked.

Diversity of citizenship. (4) This refers to suits under 28 U.S.C. 1332, where parties are citizens of different states. When Box 4 is checked, the citizenship of he different parties must be checked. (See Section III below; federal question actions take precedence over diversity cases.)

II. Residence (citizenship) of Principal Parties. This section of the JS 44 is to be completed if diversity of citizenship was indicated above. Mark this ection for each principal party.

V. Nature of Suit. Place an "X" in the appropriate box. If the nature of suit cannot be determined, be sure the cause of action, in Section VI below, is ufficient to enable the deputy clerk or the statistical clerks in the Administrative Office to determine the nature of suit. If the cause fits more than on e nature if suit, select the most definitive.

V. Origin. Place an "X" in one of the seven boxes.

Driginal Proceedings. (1) Cases which originate in the United States district courts.

Removed from State Court. (2) Proceedings initiated in state courts may be removed to the district courts under Title 28 U.S.C., Section 1441. When the vetition for removal is granted, check this box.

Remanded from Appellate Court. (3) Check this box for cases remanded to the district court for further action. Use the date of remand as the filing date.

Reinstated or Reopened. (4) Check this box for cases reinstated or reopened in the district court. Use the reopening date as the filing date.

Fransferred from Another District. (5) For cases transferred under Title 28 U.S.C. Section 1404(a). Do not use this for within district transfers or multidistrict itigation transfers.

Aultidistrict Litigation. (6) Check this box when a multidistrict case is transferred into the district under authority of Title 28 U.S.C. Section 1407. When this is checked, do not check (5) above.

Appeal to District Judge from Magistrate Judgment. (7) Check this box for an appeal from a magistrate judge's decision.

 VI.
 Cause of Action. Report the civil statute directly related to the cause of action and give a brief description of the cause.
 Do not cite jurisdictional

 tatutes unless diversity.
 Example:
 U.S. Civil Statute: 47 USC 553

 Brief Description:
 Unauthorized reception of cable service

 Or:
 "AP Docket"

/II. Requested in Complaint. Class Action. Place an "X" in this box if you are filing a class action under Rule 23, F.R.Cv.P.

Demand. In this space enter the dollar amount (in thousands of dollars) being demanded or indicate other demand such as a preliminary injunction.

ury Demand. Check the appropriate box to indicate whether or not a jury is being demanded.

Date and Attorney Signature. Date and sign the civil cover sheet.