June 10, 2013

Shaun McGrath, Administrator United States Environmental Protection Agency – Region 8 1595 Wynkoop Street Denver, CO 80202-1129

Dear Administrator McGrath:

Western Resource Advocates (WRA) was involved in discussions that led to a tentative resolution, earlier this year, between EPA, the State of New Mexico, and Public Service Company of New Mexico, of regional haze issues at the San Juan Generating Station. The main components of that resolution involved the shutdown of 50 percent of that facility (Units 2 & 3) in 2017, and installation of less expensive selective non-catalytic reduction (SNCR) controls at the remaining two units. The visibility outcome of this alternative was comparable to installation of selective catalytic reduction (SCR) controls at all four units, but at lower cost and with what we believe to be a greater overall environmental benefit. SCR was considered BART by EPA.

We have read recently in the press (*Albuquerque Journal* 3/9/13) that EPA believes the resolution in New Mexico provides an example of the type of collaborative outcome that EPA is interested in pursuing elsewhere. Also, on June 6, 2013, EPA Region 9 indicated that it would consider an SNCR and fuel switching proposal with respect to Arizona Electric Power Cooperative's Apache coal plant. Currently, PacifiCorp is intending to install SCR at the Bridger Station in Wyoming. We are writing to inquire whether EPA would consider a similar mix of plant retirements or fuel switching, and SNCR, at the Bridger Station as an alternative to SCR. We of course understand that such a proposal would need to provide an overall satisfactory visibility outcome.

Events and financial commitments are moving quickly, so your response to this inquiry at the earliest possible time would be most helpful. We are not seeking a determination by EPA at this time, only an indication of its willingness to <u>consider</u> such a framework (plant retirement or fuel switching, and SNCR controls) as being compliant with the Clean Air Act's regional haze requirements for the Bridger Station.

Thank you for your attention to this matter, and congratulations on your recent appointment.

Very truly yours,

John Nielsen

Energy Program Director (CO)

Nancy Kelly

Senior Policy Analyst (UT)

cc: Steven Michel, Energy Program General Counsel (NM)