PUBLIC SERVICE COMMISSION OF UTAH

Docket No. 12-035-92

SIERRA CLUB EXHIBIT 37

Wyoming State Implementation Plan, Regional Haze
Section 309(g), Excerpt

WYOMING STATE IMPLEMENTATION PLAN

Regional Haze

Addressing Regional Haze Requirements for Wyoming Mandatory Federal Class I Areas Under 40 CFR 51.309(g)

Grand Teton National Park
Yellowstone National Park
Bridger Wilderness
Fitzpatrick Wilderness
North Absaroka Wilderness
Teton Wilderness
Washakie Wilderness

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8.3.3 Long-Term Control Strategies for BART Facilities

In addition to the control strategies identified in Chapter 6 (Best Available Retrofit Technology (BART)) as BART determinations, the following requirements will be established through permit conditions or orders from the Environmental Quality Council for the individual BART facilities listed below:

Laramie River Station:

On March 8, 2010, Basin Electric Power Cooperative appealed the BART permit for the Laramie River Station before the Wyoming Environmental Quality Council (EQC). The Department of Environmental Quality entered into a settlement agreement on November 16, 2010 with Basin Electric Power Cooperative to modify the BART permit. On December 8, 2010, the Division held a State Implementation Plan (SIP) Hearing on Regional Haze. The SIP hearing was held in Cheyenne, Wyoming at the Laramie County Library, 2200 Pioneer Avenue. At that time, the Division collected public comment on the Regional Haze SIP revisions.

After carefully considering all comments on revisions to the State Implementation Plan to address Regional Haze, the Division has determined that the following requirements for further NO_x reduction taken from the Settlement Agreement Filed November 16, 2010 before the Wyoming EQC and incorporated into the EQC Order approving the Settlement, shall establish the NO_x reduction requirements under the Long-Term Strategy of the Wyoming Regional Haze SIP for three units at Laramie River Station with respect to NO_x and NO_x only.

1. Total NO_x emissions from Laramie River Station Units 1, 2 and 3 shall be further reduced to a plant-wide emission limit of 12,773 tons of NO_x per year by December 31, 2017 and continuing thereafter, unless changed pursuant to new regulatory or permit requirements.

2. Basin Electric Power Cooperative shall submit to the Division a permit application for the 12,773 ton plant-wide NO_x emission limit at the Laramie River Station by December 31, 2015.

Jim Bridger Power Plant (Units 1 and 2):

With respect to Bridger Units 1 and 2, PacifiCorp shall: (i) install SCR; (ii) install alternative add-on NO_x control systems; or (iii) otherwise reduce NO_x emissions not to exceed a 0.07 lb/MMBtu 30-day rolling average NO_x emissions rate. These installations shall occur, and/or this emission rate will be achieved, on Unit 2 prior to December 31, 2021 and Unit 1 prior to December 31, 2022. These installations shall occur, and/or this emission rate will be achieved, in conjunction with PacifiCorp's planned overhaul schedule for these units and pursuant to a construction or other permit application to be submitted by PacifiCorp to AQD no later than December 31, 2017.

Jim Bridger Power Plant (Units 3 and 4):

With respect to Bridger Units 3 and 4, PacifiCorp shall: (i) install SCR; (ii) install alternative add-on NO_x control systems; or (iii) otherwise reduce NO_x emissions to achieve a 0.07 lb/MMBtu 30-day rolling average NO_x emissions rate. These installations shall occur, and/or this emission rate will be achieved, on Unit 3 prior to December 31, 2015 and Unit 4 prior to December 31, 2016. These installations shall occur, and/or this emission rate will be achieved, in conjunction with PacifiCorp's planned overhaul schedule for these units and pursuant to a construction or other permit application to be submitted by PacifiCorp to AQD no later than December 31, 2012.

8.3.4 Evaluation of Control Strategies for Sources Identified in the Reasonable Progress - Four-Factor Analysis

The previous chapter evaluated certain non-BART sources through a four-factor analysis for additional controls, as was required by the Federal Regional Haze Rule. This evaluation was limited, in that no guidance was provided for identifying "significant sources", and no contribution to visibility impairment thresholds were established (a potential fifth factor). The Division applied a "Quantity over Distance" (Q/D) process for screening out the most significant stationary source contributors, but that was only the first step in identifying control options. The Air Quality Administrator cannot, per Wyoming Statute 35-11-202, establish emission control requirements except through State rule or regulation. Furthermore, the Wyoming statute requires the Administrator to consider the character and degree of injury of the emissions involved. In this case, visibility modeling would be required to assess the degree of injury caused by the emissions. Modeling is not available at this time to determine impacts from emission reduction. The State believes it has taken a strong and reasonable first step in identifying potential contributors to visibility impairment, and that the next step of creating an appropriate rule or regulation will be accomplished in the next SIP revision. The visibility progress was designed as a long-term program going out to 2064.

8.3.5 Oil and Gas

As discussed in Section 7.3.5, oil and gas production, which is not limited to just one area of Wyoming, is a large, important, and critical component of the State economy. However, the sources associated with oil and gas production emit NO_x, and to a lesser extent, PM. An extensive fleet of field equipment and an array of processing plants operate continuously conducting exploration, production, and gathering activities. Exploration and drilling includes seismic studies, engineering, well testing, drilling operations, and transportation of personnel or equipment to and from sites. Oil and gas production includes operation, maintenance, and servicing of production properties, including transportation to and from sites. Sources include turbines, drill rig engines, glycol dehydrators, amine treatment units, flares and incinerators.

Understanding the sources and volume of emissions at oil and gas production sites is key to recognizing the impact that these emissions have on visibility. To better understand the emissions from these sources, the WRAP instituted a three-phase project. One of the issues was