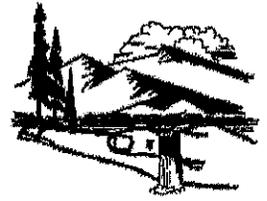




Department of Environmental Quality

To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.



Matthew H. Mead, Governor

Todd Parfitt, Director

March 6, 2013

Ms. Cathy S. Woollums
Sr. Vice President, Environmental and
Chief Environmental Counsel
MidAmerican Energy Holdings Company
106 E. Second Street
Davenport, IA 52801

RE: Jim Bridger Units 3 & 4 SCR Controls

Dear Ms. Woollums:

Thank you for your letter, dated March 5, 2013, regarding your concerns about Wyoming's Regional Haze SIP and the November 2010 Settlement Agreement for Jim Bridger Units 3 and 4. In short your concern focuses on the deadline to install selective catalytic reduction (SCR) on these Jim Bridger units.

To start with, DEQ –AQD has stated previously that the terms and conditions of the Wyoming Regional Haze SIP are requirements that PacifiCorp still needs to meet. Under the Wyoming Regional Haze SIP that the State of Wyoming submitted to the EPA in January 2011, PacifiCorp is required to:

- (i) install SCR; (ii) install alternative add-on NOx control systems; or (iii) otherwise reduce NOx emissions to achieve a 0.07 lb/MMBtu 30-day rolling average NOx 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.

See Wyoming State Implementation Plan, Regional Haze, Addressing Regional Haze Requirements for Wyoming mandatory Federal Class I Areas Under 40 CFR 51.309(g), § 8.3.3 Long-Term Control Strategies for BART Facilities (January 7, 2011). Therefore, a change at this time to these requirements would entail a revision to our overall SIP with the EPA. This is one step that the DEQ-AQD does not intend to undertake at this time.

Secondly, you have requested that DEQ reconsider extending the Settlement Agreement deadlines for Jim Bridger Units 3 and 4. Under the Settlement Agreement, PacifiCorp must:

- (i) Install SCR; (ii) install alternative add-on NOx control systems; or (iii) otherwise reduce NOx emissions to achieve a 0.07 lb/mmBtu 30-day rolling average NOx 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.

See *In re: Appeal and Petition for Review of BART Permit No. MD-6040 (Jim Bridger Power Plant); and BART Permit No. MD-6042 (Naughton Power Plant)*, EQC Docket No. 10-2801, BART Appeal Settlement Agreement, ¶ 4(c) (filed Nov. 9, 2010). The Settlement Agreement may be modified if future changes in: "(i) federal or state requirements or (ii) technology would materially alter the emissions controls and rates that otherwise are required hereunder." *Id.* at ¶ 7. At this time, DEQ-AQD is unaware of any change in federal or state requirements, or technology, that would materially alter the required

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emissions controls or rates for Jim Bridger Units 3 and 4. Therefore, the DEQ-AQD continues to stand by its January 4, 2013 decision declining to extend the Settlement Agreement deadlines applicable to Jim Bridger Units 3 and 4.

If you would like more information or have additional questions, please contact me by phone at 307-777-7391. We appreciate your continued interest in Wyoming's environment.

Sincerely,

A handwritten signature in cursive script that reads "Steven A. Dietrich".

Steven A. Dietrich, P.E.
Administrator, AQD

cc: Todd Parfitt, Director
Nancy Vehr, AG Office