

Draft NEGATIVE DECLARATION

ALAMEDA COUNTY

Roberta Cooper
Scott Haggerty
(Chairperson)
Nate Miley
Shelia Young

PROJECT SPONSOR

Bay Area Air Quality Management District

PROJECT LOCATION

Mirant Potrero, LLC
Potrero Power Plant
1201-A Illinois Street
San Francisco, California 94107
Assessor's Block No. 4232-006

CONTRA COSTA COUNTY

Mark DeSaulnier
Mark Ross
Gayle Uilkema
(Secretary)

MARIN COUNTY

Harold C. Brown, Jr.

PROJECT DESCRIPTION

The Bay Area Air Quality Management District is conducting a review of an Alternative Compliance Plan (ACP) proposed by Mirant Potrero, LLC (Mirant) for its Potrero Power Plant (Potrero) located in San Francisco, California to determine whether approval of this ACP will cause significant environmental effects under the California Environmental Quality Act (CEQA). The ACP addresses the means that Mirant proposes to use to comply with the nitrogen oxide (NOx) requirements of District Regulation 9, Rule 11, which regulates NOx emissions from electric power generating steam boilers.

NAPA COUNTY

Brad Wagenknecht

SAN FRANCISCO COUNTY

Willie Brown, Jr.
Chris Daly
Jake McGoldrick

This application (Application No. 8260) is for an ACP, which would allow Mirant Potrero to utilize existing Interchangeable Emission Reduction Credits (IERCs) to demonstrate compliance with the new, more stringent, NOx limits, for source S-1, Boiler 3-1, at the Mirant Potrero facility.

SAN MATEO COUNTY

Jerry Hill
Marland Townsend
(Vice-Chairperson)

SANTA CLARA COUNTY

Liz Kniss
Patrick Kwok
Julia Miller
Dena Mossar

Mirant currently owns and operates three power plants in the District. These facilities are Plant No. 12 (Pittsburg), Plant No. 18 (Contra Costa), and Plant No. 26 (Potrero). These three power plants are subject to Regulation 9, Rule 11, which limits NOx emissions from utility power generating facilities. At these three facilities, there are ten sources subject to Reg. 9-11. These sources comply with Reg. 9-11 using an Advanced Technology Alternative Emission Control Plan (ATAECP "system-wide emissions bubble"), per Section 9-11-309. Under the ATAECPP, the individual boilers are not required to comply with a specific emission limit, but rather a system-wide average. The current system-wide average NOx limit is 0.057 lb/million Btu for 2003. On January 1, 2004, Regulation 9-11-309.1 requires Mirant to comply with a NOx emission rate limit of 0.037 lb NOx/million Btu heat input. On January 1, 2005, the limit is further reduced to 0.018 lb NOx/million Btu.

SOLANO COUNTY

John F. Silva

SONOMA COUNTY

Tim Smith
Pamela Torliatt

Jack P. Broadbent
EXECUTIVE OFFICER/APCO

The IERCs that will be used for this ACP were approved under Application No. 6473. These IERCs were generated from source S-1, Boiler 3-1, at Mirant Potrero, for the following three credit generation periods: Apr. 1 through Dec. 31, 2000; Jan. 1 through Dec. 31, 2001; and Jan. 1 through Sep. 30, 2002. These IERCs were generated because S-1 operated with emissions below the applicable system-wide NOx emission limit in Reg. 9-11 during each of the credit generation periods.

DETERMINATION

Pursuant to the California Environmental Quality Act (Public Resources Code section 21000, *et seq.*), the District is the Lead Agency for the described project. The District has prepared an Initial Study (attached), and, on the basis of the study, has determined that the project will have a less than significant effect on the environment.

REVIEW PERIOD

Interested persons are invited to send written comments on the Negative Declaration or Initial Study to Barry G. Young, Principal Air Quality Engineer, Bay Area Quality Management District, 939 Ellis Street, San Francisco, California, 94109 or to byoung@baaqmd.gov. Such comments must be received by 5:00 pm on [30 calendar days from the date of this notice]. If you have questions about the project, please contact Greg Stone at (415) 749-4745 or at gstone@baaqmd.gov.

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