

For Immediate Release
September 8, 2004

Contact: Lucia Libretti
415-749-4906
llibretti@baaqmd.gov

Air District Seeks Plant Closure Through Permit Process

Board supports community's desire to close PG&E Hunters Point Plant

SAN FRANCISCO, CA (September 8, 2004) – After hearing the concerns of area residents at community meetings, the Bay Area Air Quality Management District (Air District) has added provisions to the PG&E Hunters Point power plant draft Title V operating permit that would shut down key equipment at the plant when the California Independent Systems Operator (CAL ISO) deems the plant is not essential to the power needs of the area. The Air District Board of Directors has taken an unprecedented position of supporting the closure of the power plant.

“We recognize and support the community’s desire to have the plant shut down and we are also taking a number of steps to respond to the concerns of the residents living near the power plant,” said Jack P. Broadbent, Executive Officer of the Air District. “However, closing a power plant is not as simple a matter as throwing a light switch. De-activating a power plant is every bit as complex a process as putting a new power generation on line. The Air District must follow the Title V process outlined in the federal Clean Air Act,” Broadbent added.

Significant changes in the draft permit include the elimination of permit conditions that allowed the remaining boiler to operate on oil and the addition of increased monitoring requirements to enforce compliance with Air District regulations. The plant now consists of one cleaner-burning natural gas boiler and two stand-by turbines.

Taking into consideration the concerns voiced by the Bay View/Hunters Point community, the Air District has also established an air monitoring station in the area to better assess the level of air pollutants, including toxics. The Air District is also working with community groups to reduce diesel emissions from school buses, as well as reducing energy demand through conservation measures. It is also investigating programs that assess asthma triggers in homes.

The Air District has also requested that the California ISO recalculate the cost of operating the plant to include a wider range of cost factors such as stand-by costs. This calculation is used by the California ISO to determine which plants are the most cost-effective generators.

The proposed Title V permit, which must be renewed every five years, contains all references to the applicable federal, state and local air quality regulations and is being forwarded to the U.S. Environmental Protection Agency for review.

#