

BAYVIEW HUNTERS POINT COMMUNITY ADVOCATES

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ID# 94-3221152

February 4, 2009

Via E-Mail and U.S. Mail

weyman@baaqmd.gov

Weyman Lee, P.E.

Senior Air Quality Engineer

Bay Area Air Quality Management District

939 Ellis Street

San Francisco, CA 94109

Re: Draft PSD Permit for Russell City Energy Center

Dear Mr. Lee:

The Bayview Hunters Point Community Advocates (“BHPCA”) submits the following comments, in support of the Hayward Community, on the proposed permit for the construction of a power plant at the Russell City Energy Center in Hayward (“Permit”). The Permit is currently under consideration by the Bay Area Air Quality Management District (“District”).

BHPCA has successfully worked to improve air quality for years within the San Francisco Bay Area. In particular, we were one of the groups that successfully worked to shut down the Hunters Point Power Plant in 2006. Currently, we are monitoring issues related to the Potrero Generating Plant located in San Francisco (“Potrero facility”).

In the recent permitting action related to the Hayward facility, the District states that, “[t]he proposed project will supply electricity to Northern California. The electricity from the new plant is expected to displace older, less efficient sources of electricity elsewhere in the region.” Page 93 of the Statement of Basis for the Russell City Energy Center.

If the District is referring to the Potrero facility in discussing “older, less efficient sources of electricity,” the District may have little basis for the claim. The Potrero facility is currently proposing a retrofit of units 4, 5 and 6, which would have the effect of extending the life of the facility.

Mirant currently operates Potrero Units 4, 5 and 6 with diesel turbine engines. According to an analysis by CH2MHILL, Mirant's proposed retrofit would consist of diesel turbine engines and baseplates being converted to a system that can run on either natural gas or diesel fuel. The estimated cost for this retrofit is approximately \$78,730,000. *See* CH2MHILL “Potrero Retrofit Feasibility Study”, at 3. 5 and 7. When Mirant discussed this proposed retrofit it did not commit to a concrete shutdown date. Based on this information, we have no reason to believe that the proposed Hayward facility will lead to a shutdown of the Potrero facility.

Even if the District's statements are true and the Russell City Facility could lead to closure of other facilities, BHPCA supports the Hayward community's efforts to ensure that the District completes a proper and thorough analysis before granting the Permit. This effort necessarily includes compliance with all laws, a full assessment of the cumulative air quality impacts of the facility to the surrounding neighborhoods and of the effect the proposed emissions have on prevention of significant deterioration of air quality, and minimization of the facility's harmful air emissions.

Thank you for your consideration of these comments and do not hesitate to contact me at any time if you have any questions or concerns.

Very truly yours,

/s/ Karen Pierce
Karen Pierce
President of the Board of Directors,
Bayview Hunters Point Community
Advocates