



STATE OF WASHINGTON

ENERGY FACILITY SITE EVALUATION COUNCIL

PO Box 43172 • Olympia, Washington 98504-3172

January 9, 2006

Satsop Combustion Turbine Project. Elma, Washington

Announcement of Draft PSD/NOC Approval

Notice of Public Hearing

Project Background

In May 1996, the Governor of Washington State approved the construction and operation of the Satsop Combustion Turbine Project (Satsop CT or Project), in the Satsop Development Park near Elma, Grays Harbor County. Construction of the Project began in September, 2001 under the ownership of Duke Energy. In January 2003, construction of the Project was suspended, with most major equipment having been installed and much of the site construction completed. In January 2005, Grays Harbor Energy LLC purchased the Satsop CT from Duke Energy, with the Energy Facility Site Evaluation Council (EFSEC) approving transfer of all state permits to Grays Harbor Energy in February 2005.

In August 2005 Grays Harbor Energy requested an extension of the Notice of Construction/Prevention of Significant Deterioration (NOC/PSD) approval EFSEC/2001-01, Amendment 2. If the extension is granted by EFSEC, the NOC/PSD permit would be extended by an additional 18 months until July 20, 2007. Proposed changes to the permit also include a number of technical modifications to the approval conditions.

Review of Request and Preliminary Determination

Air emissions that would result from the operation of the Satsop CT must be reviewed under the federal Prevention of Significant Deterioration (PSD) program and Washington State requirements. EFSEC administers the PSD program for facilities under EFSEC jurisdiction.

EFSEC has reviewed the request submitted by Grays Harbor Energy LLC and has determined that the project meets the requirements for a NOC/PSD permit extension. EFSEC has prepared a draft NOC/PSD permit that would require the Project to meet applicable state and federal air emissions limitations and control requirements, as required by Chapters 463-78, 173-400, and 173-460 of the Washington Administrative Code (WAC) and the Code of Federal Regulations (CFR), 40 CFR Parts 52.21 and 60.

Allowable emissions from the Satsop CT, in conjunction with all other applicable emission increases or reductions (including secondary emissions) would not cause or contribute to violation of any ambient air quality standard or any applicable maximum allowable increase over the baseline concentration in any area. There would be no significant impacts resulting from pollutant deposition on soils and vegetation in Class I areas. It is very unlikely that the proposed emissions would cause significant degradation of regional visibility, or impairment of visibility in any Class I area. The Satsop CT is unlikely to have a significant impact on vegetation, soil, and aquatic resources in Class I or Class II.

Public Review and Comment

This notice serves as the Council's official notification that:

- The draft NOC/PSD permit amendment has been issued, and is available for public review and comment;
- Interested persons can submit **written comments** on the draft NOC/PSD permit amendment by **5:00 p.m. February 14, 2006**;
- Interested persons can provide oral comments at a **public hearing** scheduled for **February 14, 2006**, in Olympia, Washington.

All persons, including the applicant, must raise all issues and submit all arguments supporting their position by the end of the comment period. Any supporting materials must be included in full and may not be incorporated by reference, unless they are already part of the administrative record for this proposed approval or are generally available reference material.

Where is the permit available for public reference?

The draft permit and the corresponding technical support document are available for review during the public comment period at the locations below. You can obtain a copy free of charge by calling Tammy Talburt, EFSEC, at (360) 956-2121.

Copies available for public reference and copying:

Washington Energy Facility
Site Evaluation Council
925 Plum Street SE, Building 4
P.O. Box 43172
Olympia, WA 98504-3172
8:00 a.m. to 5:00 p.m. weekdays
Phone (360) 956-2121

Washington State Department of Ecology
300 Desmond Drive
Lacey, Washington.
8:00 a.m. to 4:30 p.m. weekdays
Please contact Bernard Brady at
(360) 407-6803.

Copies available for public reference:

W.H. Abel Memorial Library
125 Main Street South
Montesano, WA 98563-3794

In electronic format on the internet:

The EFSEC web site at
<http://www.efsec.wa.gov>

How do I submit a written comment on the draft permit?

Interested persons can submit written comments on the draft NOC/PSD permit by sending them to:

Attention: Irina Makarow
EFSEC
P.O. Box 43172,
Olympia, WA 98504-3172.

Or by e-mail to: efsec@cted.wa.gov

To be considered, comments must be
received in EFSEC's Office by
5:00 p.m. February 14, 2006.

Public Hearing - February 14, 2006, starting at 2:00 p.m.

The Council will receive oral comments on the draft NOC/PSD permit at a public hearing conducted in accordance with the Administrative Procedures Act, Chapter 34.05 Revised Code of Washington and scheduled as follows:

When: Tuesday February 14, 2006
Beginning at 2:00 p.m.

Where: WSU Cooperative Extension Building 4,
Conference Room 308,
925 Plum Street S.E.,
Olympia, WA 98501.

Final Determination and Appeals

It is expected that the Council will make a final determination on the issuance of Amendment 3 to the Satsop CT NOC/PSD permit at its monthly meeting scheduled for March 14, 2006. A copy of the Council's final determination regarding the proposed amendment will be filed for review at the locations listed above, and persons who submitted comments to the draft permit will be notified.

Any person who commented on the draft approval may petition the EPA Administrator, under 40 CFR 124.19, to review any condition of the decision within 30 calendar days after EFSEC has issued its final decision. Any person who failed to file comments or failed to participate in the public hearing on the draft may petition for administrative review only to the extent of the changes from the draft to the final approved decision.

Additional information

For more information about the Satsop CT Project, this draft NOC/PSD permit, or if you have special accommodation needs, contact Irina Makarow at (360) 956-2047.

By: Allen Fiksdal, EFSEC Manager
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