



City of Alexandria, Virginia

Department of
Transportation and Environmental Services
P. O. Box 178 - City Hall
Alexandria, Virginia 22313



April 12, 2004

Director
Office of Regulatory Development
Department of Environmental Quality
629 East Main Street
P.O. Box 10009
Richmond, VA 23240

Re: City of Alexandria Comments on the Draft State Operating Permit and impending negotiations to resolve Notice of Violations for Mirant, Potomac River Generating Station located at 1400 N. Royal Street Alexandria, Virginia

Dear Sir:

This letter is in response to the Public Hearing Notice and request for comments concerning the proposed state operating permit for the Mirant, Potomac River Generating Station located at 1400 North Royal Street in the City of Alexandria. The following comments are on behalf of the City of Alexandria.

The City of Alexandria is a member of the Metropolitan Washington Air Quality Committee and supported the adoption of the Severe Area State Implementation Plan (SIP) for Northern Virginia and the metropolitan Washington area. This revision to the SIP, because of U.S. EPA rule called the "NO_x SIP Call", requires that the emissions of oxides of nitrogen (NO_x) from the Mirant Potomac River plant in Alexandria be limited to an average rate of 0.15 pounds per million Btu of heat input resulting in a NO_x cap of 1,019 tons during the ozone season from May through September. The proposed state operating permit is the enforcement mechanism to limit the NO_x emissions from Mirant Potomac River plant and achieve significant NO_x reductions during the ozone season. The City strongly supports the NO_x emission limit in the proposed permit.

However, the City has a number of concerns regarding this plant and its emissions, and requests that these concerns be addressed in the ways outlined below.

The City is concerned about how the NO_x emission reductions required by the new permit will be achieved at the Potomac River Generating Plant. The current draft permit does not permit trading or the purchase of credits from reductions at other facilities. The City strongly supports this provision and opposes any use of trading or credit purchases to achieve compliance. The

City would support the installation of SOFA (Separate Over Fired Air) on Units 3, 4, and 5, in combination with a specifically defined and scheduled phase out of Units 1 and 2. This would result in a significant reduction of NOx emissions. Alternatively, the City would support installation of SOFA on all units, 1 through 5, as long as the NOx emissions limit is met through reduced energy production at this facility and not through trading or credit purchases.

The City of Alexandria is a densely populated urban area and is opposed to the installation at the Potomac River Generating Plant of any pollution control methods, such as SCR (Selective Catalytic Reduction) and SNCR (Selective Noncatalytic Reductions), that would require the use of ammonia in the process, potentially causing ammonia slip from stacks and potentially worsening primary particulate problems in the City. The City is also opposed to these control methods because of the significant safety issues raised by the transport, handling and storage of large quantities of ammonia that would be required at the facility. As a result, the City requests that it be consulted before any final decisions on control technologies that will be installed by Mirant are decided.

The City and the Alexandria community also are concerned about the impacts of this facility's NOx and other emissions on ambient air quality in Alexandria and the health of community residents. A particular concern is the potential impact on air quality and health of the short stacks of Mirant's Alexandria facility on nearby high rise buildings, and the potential for down wash in the community. The City requests that VDEQ, either before taking final action on this permit or pursuant to a condition expressly set out in any issued permit, undertake or require Mirant to undertake, a comprehensive modeling exercise or air monitoring program to determine the impact of the facility's emissions, including but not limited to NOx, on ambient air quality in habitable spaces on the ground, in nearby high rise buildings and in the community in the immediate vicinity of the plant.

The City also is concerned about fugitive dust emissions as the result of the operations at Mirant Potomac River plant. The City has consistently received complaints concerning fugitive dust emissions leaving the Mirant facility from the coal pile, and as a result of coal unloading and fly-ash loading operations, and landing in the immediate neighborhood. The City believes that current state regulations regarding fugitive dust emissions are not adequate for an urban community such as Alexandria where a large scale coal-fired power plant is located practically in the heart of a residential neighborhood. VDEQ's own analysis shows that particulates, including coal dust, are leaving the Mirant site, and make up to 50% of the dirt and dust found in the nearby neighborhood. The City requests that Mirant be required, as a condition of this permit or any consent order issued to or regarding this facility, to implement best available control technologies for particulate control at this facility for coal handling and storage and for coal and fly-ash unloading operations. An example of such technology would be the installation of a negative air pressure air handling system with filtration in buildings with operations that result in fugitive dust. This would go a long way in reducing fugitive emissions. This also would help allay the concerns of the neighborhood citizens regarding the impacts of the fugitive dust on their health and welfare.

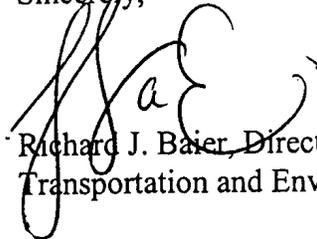
Another major concern is Mirant's failure to comply with the existing state operating permit, issued in 2000, which limits the NOx emissions from the Mirant Potomac River plant during the

ozone season. VDEQ issued a Notice Of Violation (NOV) to Mirant on September 10, 2003, for failing to meet these emissions limits in the 2003 ozone season. It is the City's understanding that VDEQ is currently in negotiations with Mirant concerning the NOV and how Mirant will comply with the NOx emissions limitations in a new permit. The results of these negotiations will have long-term impacts in Alexandria and on our residents. Therefore, the City requests that it be consulted before any final decisions on a consent order are made.

The City urges that any penalties resulting from the NOV and negotiated as part of a consent order be used to fund additional local mitigation measures in Alexandria that reduce pollution locally. The City also urges that such penalties include (and not, in any sense, be limited to) all economic savings that Mirant has accrued as a result of its non-compliance (past and current) with applicable NOx and other emissions limits, and that Mirant will accrue in future years as a result of its ability to continue operations at the Potomac River plant without installation of best available control technology. Such penalty funds could be used to provide additional controls on coal and flyash handling facilities at the plant and to reduce harmful emissions from other sources in Alexandria.

The City appreciates the opportunity to submit these comments. If there are any questions concerning these comments, please contact William Skrabak, Chief, Division of Environmental Quality, at 703-838-4334.

Sincerely,



Richard J. Baier, Director
Transportation and Environmental Services

cc: The Honorable Mayor and Members of the City Council
Philip Sunderland, City Manager
William Skrabak, Chief, Division of Environmental Quality
Robert Burnley, Director, VDEQ
Jeffery A. Steers, Regional Director, NRO, VDEQ