



# COMMONWEALTH of VIRGINIA

## DEPARTMENT OF ENVIRONMENTAL QUALITY

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L. Preston Bryant, Jr.  
Secretary of Natural Resources

David K. Paylor  
Director

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August 29, 2007

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**Re: Mirant Stack Merge Project**

Gentlemen:

Thank you for letter of August 23, 2007, expressing your concern over recent statements by Mirant and apparent activity at the Potomac River Generating Station ("the plant") relating to Mirant's "stack merge" project.

As you know, the State Air Pollution Control Board ("the Board") has divested from DEQ and assumed for itself decision-making responsibility with respect to all permitting issues related to the plant pursuant to the Board's authority under the State Air Pollution Control Law. Among the permitting issues related to the plant that the Board has assumed responsibility for is the question of whether Mirant's stack merge project requires a new source review (NSR) permit from the Board. The Board has yet to make a determination on this question.

In light of Mirant's stated intention to go forward with the stack merge project, I have invoked my authority as Executive Director of the Board under the State Air Pollution Control Law to call a special meeting of the Board at which the Board will consider and, we hope, render a final determination on the issue. The special meeting of the Board will take place on September 13, 2007.

DEQ will be monitoring the situation and inspecting the plant on a weekly basis until the Board can meet. Thus far, while Mirant has been staging equipment and materials at the plant in anticipation of proceeding with the stack merge project, DEQ has observed no activities that indicate Mirant has begun actual construction of the project.

Thank you again for expressing your concerns regarding Mirant's stack merge project. Please call me if you have any questions.

Sincerely,

A handwritten signature in cursive script that reads "David K. Paylor". The signature is written in dark ink and is positioned to the right of the word "Sincerely,".

David K. Paylor

C: Robert Driscoll, Chief Executive Officer  
Mirant Potomac River, LLC

Richard D. Langford, Chair  
Virginia Air Pollution Control Board

Honorable L. Preston Bryant, Jr.  
Virginia Secretary of Natural Resources

Mark E. Rubin  
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