BLUE RIDGE ENVIRONMENTAL DEFENSE LEAGUE

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> Dec. 13, 2002 1828 Brandon Ave. SW Roanoke, VA 24015

Joel Peck Document Control Center State Corporation Commission P.O. Box 1197 Richmond, Virginia 23218

Dear Mr. Peck:

Comments regarding Case Number PUE-2002-00075 - Competitive Power Ventures, Warren County

I am writing on behalf of the Board of Directors of the Blue Ridge Environmental Defense League. BREDL is a regional, community-based, non-profit environmental organization. Our founding principles are earth stewardship, environmental democracy, social justice, and community empowerment. BREDL has chapters throughout the Southeast, including chapters in Virginia.

Despite attempts over the past year, we feel that significant issues are still not being fully addressed by the Virginia Department of Environmental Quality on the impacts from new and proposed gas-fired power plants. Thus, we turn to the Virginia State Corporation Commission for assistance. We request the VA SCC to require the VA DEQ to address these issues. Unlike the summer air around the Shenandoah National Park, it is clear that Virginia has not taken steps to protect the air quality of the SNP and Virginia as a whole.

Impacts

The proposed CPV-Warren facility will be within 7Km of the Shenandoah National Park. SNP is considered the second most polluted National Park in the United States based on monitoring data from 1991 - 2001.¹ SNP is suffering severe impacts from haze, ozone, and acid precipitation. SNP visibility during the summer months is down to only 15.4 miles. In comparison, the Rocky Mountain N.P. visibility is 78.1 miles, Yosemite is 64.3 miles, and Great Smoky Mountains is 14.4 miles.²

¹ Code Red: America's Five Most Polluted National Parks, Appalachian Voices

² Ibid.

The rate of acid deposition in Virginia's mountains is among the highest in the country. From 1985 through 1997, nitrogen oxides from stationary and mobile sources have increased by 50 percent.³ Increases in NOx emissions, even if not sustained, can have severe impacts.

"Recent declines in fish population and species diversity indicate, however, that episodic acidification is taking its toll. In a University of Virginia study on trout reproduction in the Southern Appalachian Mountains, researchers found nearly 100 percent death in the trout eggs and newly hatched fish after a severely acidic rainfall and steep increase in stream water acidity. This sharp acidic surge, due to acidic rainfall, altered stream chemistry, resulting in conditions fatal to fish at young and vulnerable stages." ⁴

A study conducted by Trout Unlimited and analyzed by University of Virginia scientists shows that many of Virginia's streams continue to suffer from acid rain. It showed that the number of "chronically acid" streams increased and will continue to increase. The number of dead streams is expected to more than double in the next 40 years.⁵

In addition, the EPA has found that the eastern portion of the U.S. is most at risk from continued acid deposition. The targeted areas were the lakes and streams of the Appalachian Mountains.⁶

According to the Southern Appalachian Mountains Initiative (SAMI), "the southeastern United States has more frequent episodes of air stagnation than most other areas of the country. During these periods, pollutants can remain over the mountains for several days at a time. The naturally high humidity of the area magnifies the haze generated by airborne particles."

It only requires a small amount of common sense to realize that when an area is suffering such significant impacts, the very last thing that is needed is another source of pollution. Instead the SNP is being bombarded with New Source permit reviews. U.S. National Park Service tracking data reveals that the Park Service has reviewed over twice the amount of permits for the Shenandoah National Park. From January 1987 to December 2000, the Shenandoah National Park officials have reviewed over 75 permits. The Everglades National Park has reviewed only 35 permits and the Great Smoky Mountains National Park just under 30 permits.⁷ Since December 2000, SNP has received more than 15 new proposals. Unless Virginia has a goal of the SNP becoming the most polluted national park in the country, we are definitely heading in the wrong direction.

³ Power That Pollutes: A Status Report on Virginia's Outdated Power Plants, Southern Environmental Law Center/The Izaak Walton League, p.1, April 2000

⁴ Trout Unlimited, 1998

⁵ Virginia Trout Stream Sensitivity Study, Trout Unlimited, October 2000

⁶ Acid Deposition Standard Feasibility Study, Report to Congress, EPA, 1995

⁷ Tracking graphic provided by U.S. National Park Service

Promises

While we applaud some of the extra steps that CPV has taken, especially the huge reduction of required fresh water resources, we feel that the testimonials from CPV representatives included a lot of promises that the company may not be able to fulfill.

Mr. Thomas Eiden, CPV-Warren Vice President for Project Development has commented that the CPV-Warren facility "will help to displace more polluting and less efficient sources of electricity."⁸ We seriously doubt that these "more polluting and less efficient" facilities and companies are going to step aside and reduce their power and profits. In fact, the opposite has been proven over the past 40 to 60 years. The exception would be the Virginia Power Possum Point facility, which is converting from coal to gas, in the severely impacted ozone non-attainment area of Northern Virginia. The antiquated coal-fired power plants in Virginia keep chugging along with no guaranteed plans of either power or pollution reductions.

CPV officials have stepped forward, after a public comment period, by volunteering to include NOx offsets for the Warren County facility. Once again, this offers great promise, but more details are needed to determine potential impacts. For instance, to the best of our knowledge, CPV has not publicly announced where these offsets will be obtained. Hypothetically, there is a possibility that if a facility is permitted a higher NOx cap than the facility emits, then the area will still have an increase in NOx pollutants. Thus, making the offset worthless. Modeling and the scope of the analysis are also factors to be considered.

We question the statement of Mr. Frederick Sellars, who testified on behalf of CPV-Warren, who said, "...when considered cumulatively with other constructed or proposed sources, will not result in any significant deterioration of air quality."⁹ Both modeling and monitoring have shown that Virginia's air quality is bad enough that virtually the entire state does not meet the new Ozone 8-hour health standard¹⁰ and ambient air concentrations of several hazardous air pollutants including benzene, formaldehyde, and 1,3-Butadiene are well above the health benchmark for cancer.¹¹ Once again, it is obvious that Yes, Virginia, we do have an air quality problem. And, No, Virginia, more sources of emissions will not make it go away.

We also request SCC to clarify the CPV-Warren permitting process for Title IV and Title V permits. Mr. Eiden testified that "CPV Warren will be required to obtain an acid rain (Title IV) permit and an air operating (Title V) permit prior to the Facility's startup."¹² However, DEQ has said that for a similar facility "the Acid Rain Permit must be applied for 2 years prior to operation. The Title V Permit must be applied for within 1 year after operation commences."¹³

⁸ Report of Alexander F. Skirpan, Jr., SCC Hearing Examiner, Nov. 24, 2002, p. 12

⁹ Ibid, p. 22

¹⁰ DEQ ozone monitoring data, 2000 - 2002

¹¹ EPA Cumulative Exposure Project, 1996

¹² Report of Alexander F. Skirpan, Jr., SCC Hearing Examiner, Nov. 24, 2002, p. 15

¹³ DEQ response to BREDL comments on Cogentrix-Henry Co. Power Plant, Nov. 12, 2002

Standards and Monitors

We feel that now is the time to address the new ozone 8-hour standard and the Particulate Matter 2.5 standard. These health standards are not currently being addressed by VA DEQ and VA SCC.¹⁴ In a November 2002 letter from EPA to Regional Air Division Directors, the Agency "encourages States to take early action to reduce emissions of pollutants that cause violations of the NAAQS for ozone (the 8-hour standard) and PM 2.5 and that cause regional haze".¹⁵

VA DEQ has a misleading habit of stating that an area is in attainment for a particular pollutant, when actually the area is not being monitored. There is a huge difference. In Warren County, there are no monitors for ozone and PM 2.5 pollutants. The only criteria pollutant monitor in Warren County is for PM 10. During the ozone season, it is interesting to observe EPA air modeling based on the existing ozone monitors. During high ozone days, many areas and counties are indicating high ozone. Not just the monitored areas. Adjacent areas are having air quality problems. The lack of monitors does not decrease ozone formation.

Likewise, the adjacent areas of Northern Virginia that have monitors, which show a severe ozone problem, will be impacted with additional pollution.

In Closing

We urge Virginia SCC to consider these significant impacts for the proposed CPV-Warren facility. Additional emissions of criteria pollutants and hazardous air pollutants will not alleviate Virginia's air quality and acid rain problems nor the human health and environmental problems associated with air pollution. Therefore, we respectfully request the SCC to deny the CPV-Warren application. Thank you for this opportunity to comment.

Sincerely,

Mark E. Barker BREDL SW Virginia Vice President (540) 342-5580 <u>mebarker@rev.net</u> <u>http://www.bredl.org</u>

 ¹⁴ BREDL comments on VA DEQ – VA SCC Memorandum of Agreement, July 9, 2002
¹⁵ EPA letter to Regional Air Division Directors, Nov. 18, 2002
(http://www.epa.gov/ttn/naags/ozone/ozonetech/o3imp8hr.htm #15a)