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PUBLIC WORKSHOP  
REGIONAL HAZE STATE IMPLEMENTATION PLAN (SIP)  
BEST AVAILABLE RETROFIT TECHNOLOGY (BART)

Tuesday, April 3, 2007, 1:00 p.m.

Anchorage, Alaska

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ALASKA STENOTYPE REPORTERS

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## 1 PUBLIC WORKSHOP

## 2 REGIONAL HAZE STATE IMPLEMENTATION PLAN (SIP)

## 3 BEST AVAILABLE RETROFIT TECHNOLOGY (BART)

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5 taken at 555 Cordova Street, First Floor Conference Room,  
6 Anchorage, Alaska, before Mary A. Vavrik, Registered Merit  
7 Reporter for Alaska Stenotype Reporters and Notary Public  
8 for the State of Alaska.

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A-P-P-E-A-R-A-N-C-E-S

Tom Turner, Alaska Department of Environmental Conservation  
John Kuterbach, Alaska Department of Environmental Conservation  
Alan Schuler, Alaska Department of Environmental Conservation  
Alice Edwards, Alaska Department of Environmental Conservation  
Rebecca Smith, Alaska Department of Environmental Conservation  
Al Trbovich, Hoefler Consulting Group  
Greg Arthur, Chugach Electric Company  
Marta Czarnezki, ConocoPhillips  
Doug Murray, TRC  
Lindsay Wolter, Office of the Attorney General  
Bob Price, Municipal Light & Power  
Don Mark Anthony, Alyeska Pipeline  
Kristy McCullough, Agrium  
Chad Parent, CH2M Hill  
David Mott, U.S. Forest Service  
Alfred Bohn, HMH Consulting  
Chris Drechsel, Tesoro  
Yelena Savilla, Municipal Light & Power  
Matt Cohen, Heller Ehrman  
Marilyn Crockett, Alaska Oil and Gas Association  
Henrik Wessel, Golden Valley Electric Association  
Kate Lamal, Golden Valley Electric Association  
Randy Poteet, ConocoPhillips  
Attending by phone:  
Ann Mebane, Forest Service (Wyoming)  
Bruce Polkowsky, National Park Service (Colorado)  
Tim Allen, Fish and Wildlife Service (Colorado)  
Andrea Blakesley, National Park Service (Denali)  
Eri Ottersburg, SLR International (Bothel, Washington)  
Ken Richmond, GeoMatrix (Bothel, Washington)  
Steve Barnard, Hoefler Consulting Group  
Bruce MacDonald, ENSER

1 John Vimont, National Park Service (Colorado)

2 John Notar, National Park Service (Colorado)

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8 Anchorage, Alaska, Tuesday, April 3, 2007, 1:00 p.m.

9 MR. TURNER: My name's Tom Turner. I'm  
10 the Technical Service Manager for the Department of  
11 Environmental Conservation Air Quality Program. We're  
12 here to have a second workshop for the Best Available  
13 Retrofit Technology. We have several people on the phone.  
14 And so we will go around the room and onto the phone to  
15 discuss it out.

16 We also have a recorder for this meeting, so a couple  
17 of real quick meeting rules I'd like to go over. First  
18 off, bathrooms are out the door and to your left. Exit is  
19 out the door to your right, so everybody knows how to get  
20 out of here in case there is an emergency or they need to  
21 take a bathroom break.

22 We do have a pretty tight agenda, so I'm going to  
23 monitor this meeting as best possible to keep things on  
24 task since we have a limited time. A couple of things I'd  
25 like you to consider when you speak. One is please speak

1 up so that people on the phone can hear you. We have, I  
2 believe, ten call-ins. So we have a pretty good audience  
3 on the other end. Second off is, for the recorder's  
4 benefit, the people on the phone, and for everybody here,  
5 if you would please identify who you are when you speak,  
6 each time, which would be lively.

7 The other thing I'd like you to do is please be  
8 conscious about what the topic matter is. Let one person  
9 speak at a time. If a subject matter has come up you feel  
10 it's been discussed enough, if you are not bringing new  
11 information on, there may be other opportunities -- I  
12 don't want to discourage comments, but I also don't want  
13 to go on and on about the same subject matter.

14 Anything else that people think we are going to need?  
15 Okay.

16 There are some adjustments to the agenda. Marilyn  
17 requested that those various interest groups appear and  
18 that we give an opportunity for a representative of each  
19 interest group to give up to five minutes to kind of just  
20 give an idea what their position is and what they are  
21 expecting out of this meeting. I believe we have someone  
22 from the federal land managers which will speak, and Matt  
23 Cohen will speak on behalf of what I call the BART 7. And  
24 then I will speak on behalf of the DEC.

25 So hearing any other questions [sic] -- it's a large

1 group. I think it would be important to go around the  
2 room so people know who is who so they kind of know who is  
3 here, even though we have a large group. What I would  
4 like to do is actually start with the people on the phone.  
5 Can you guys hear me okay?

6 A SPEAKER: Yes.

7 MR. TURNER: I'm going to start with Tim  
8 Allen, and we will just go through the list, then. You  
9 guys will just kind of have to jump in there. I know you  
10 are scattered all over the place down there. So Tim, why  
11 don't you go ahead and start.

12 MR. ALLEN: This is Tim Allen with the  
13 U.S. Fish & Wildlife Service. I'm in Denver right now.

14 MR. POLKOWSKY: And sitting in the same  
15 room with Tim is Bruce Polkowsky, National Park Service.

16 MS. MEBANE: This is Ann Mebane with the  
17 U.S. Forest Service.

18 MS. BLAKESLEY: And I'm Andrea Blakesley  
19 with Denali National Park.

20 MR. BARNARD: This is Steve Barnard from  
21 Hoeffler.

22 MS. OTTERSBERG: Eri Ottersburg from SLR  
23 International.

24 MR. MACDONALD: Bruce MacDonald with  
25 ENSER.

1 MR. RICHMOND: Ken Richmond with  
2 GeoMatrix.

3 MR. TURNER: And Herman is on the line,  
4 yes or no? No. Okay. So I guess that's all the call-ins  
5 we have. We are going to go around the room. Again, my  
6 name is Tom Turner. I'm with DEC. And we will start with  
7 Lindsay and work to my right.

8 MS. WOLTER: I'm Lindsay Wolter with the  
9 Alaska Attorney General's Office.

10 MS. CROCKETT: I'm Marilyn Crockett. I'm  
11 with Alaska Oil and Gas Association.

12 MR. MURRAY: Doug Murray, TRC.

13 MR. ANTHONY: Don Mark Anthony, Alyeska  
14 Pipeline.

15 MS. EDWARDS: Alice Edwards with Alaska  
16 DEC.

17 MS. SMITH: Rebecca Smith with DEC.

18 MR. COHEN: Matt Cohen, Heller Ehrman.

19 MR. PARENT: Chad Parent with CH2M Hill.

20 MR. DRECHSEL: Chris Drechsel with Tesoro.

21 MR. ARTHUR: Greg Arthur, Chugach  
22 Electric.

23 MR. PRICE: Bob Price, manager of  
24 generation for ML&P.

25 MR. TRBOVICH: Al Trbovich, Hoeffler

1 Consulting.

2 MS. CZARNEZKI: Marta Czarnezki,  
3 ConocoPhillips.

4 MS. MCCULLOUGH: Kristy McCullough,  
5 Agrium.

6 MR. KUTERBACH: John Kuterbach, DEC.

7 MR. SCHULER: Alan Schuler, DEC.

8 MS. SAVILLA: Yelena Savilla, ML&P.

9 MR. MOTT: David Mott with the Alaska  
10 region of the U.S. Forest Service.

11 MS. LAMAL: I'm Kate Lamal with Golden  
12 Valley, and Henrik will be in shortly.

13 MR. BOHN: Alfred Bohn, HMH Consulting.

14 MR. POTEET: Randy Poteet, ConocoPhillips.

15 MR. TURNER: That's everybody in the room,  
16 are going to move forward.

17 MR. ALLEN: This is Tim Allen with the  
18 Fish & Wildlife Service. We just had two more Park  
19 Service people join us, John Vimont and John Notar.

20 MR. TURNER: Okie doke. We also have a  
21 sign-in sheet here, and I would appreciate it if everybody  
22 signs in. And for those that have called in on the phone,  
23 if you have received an e-mail from me -- if you have not  
24 received an e-mail from me, I would appreciate if you  
25 would send me an e-mail address with your information. I

1 can be reached at tom\_turner@dec.state.ak.us. And Tim, if  
2 you would send me their names, I'll follow up with an  
3 e-mail so we have everybody on the list.

4 MR. ALLEN: Okay. I will.

5 MR. TURNER: Thank you. The first thing  
6 we would like to do is people would like to have opening  
7 remarks. So since we have that request from the BART 7,  
8 we'll let Matt Cohen have the floor.

9 MR. COHEN: Okay. I'll try to keep it  
10 short. We wanted to use this time just to flag a few  
11 issues that we think are important. And we will develop  
12 them a little bit as we go through the agenda, Tom. Sort  
13 of one principle -- by the way, we think you have done  
14 quite a good job of sort of setting the framework for  
15 doing BART. There is a very tight federal guideline. You  
16 are following it pretty well. So far as we can tell, the  
17 implementation issues -- and they really are  
18 implementation issues -- that are concerning us at this  
19 point are functions of the sort of late start that Alaska  
20 is getting relative to the rest of the country and to  
21 the -- the sort of the limitations on your authority to  
22 issue orders and draft permits to implement this program.  
23 And we do want to get into that as we go. But we think  
24 you are essentially doing it right. We are looking  
25 forward to having an interactive process.

1           So about a half dozen things we are concerned about  
2           is we want the department to do BART per the federal  
3           guideline. We want -- we don't want to invent this  
4           program for purposes of the State of Alaska and the way  
5           that is different than EPA has laid out.

6           Second, we think it's a problem to -- a problem on  
7           multiple levels to be trying to list the BART-eligible  
8           sources and emission units in the regulation itself. We  
9           sort of figured out why that may be happening, and we want  
10          to try to work with you to find a better vehicle to do it  
11          so that when you make an adjustment or a unit or a source  
12          shuts down, you don't wind up having to amend your reg.  
13          And we don't intend to slow the process down that way.

14          Third, there needs to be sort of a synthetic minor  
15          option where a source can take a limit to get out of doing  
16          BART either by limiting emissions -- limiting emissions  
17          voluntarily to achieve an end goal to keep out. And there  
18          is a lot of precedent for doing that in other states.

19          Fourth, we think it's critical that you take the time  
20          to do the job right, and we will outline for you today  
21          some areas where we are anticipating a bit more time  
22          than -- than I think your schedule currently contemplates.  
23          We know that there are SIP deadlines and pressure from the  
24          many interested FLMS on the phone and EPA to get this  
25          thing done quickly to meet a December 2007 deadline. We

1 also know that there are very few states that are meeting  
2 that deadline and that we -- I guess the message we want  
3 to deliver is it's more important to do it right than to  
4 do it quickly, although we are willing to work with you to  
5 make sure it gets done as quickly as possible.

6 Fifth, there is -- there is sort of a vagueness in  
7 these sort of Strawman regs about what administrative  
8 vehicle you are going to use to impose and implement BART.  
9 And we think that issue needs some attention. It's  
10 probably not a good thing to be setting source specific  
11 emission limits and monitoring requirements in a  
12 regulation. And Title 5 permits are not an appropriate  
13 vehicle for doing this. So we would like to talk to you  
14 about how you do it.

15 Finally, we are going to urge you to follow the  
16 federal guideline in -- in using the 98th percentile of  
17 daily impact data to make visibility improvement  
18 determinations. There are some fairly wild outliers in  
19 any statistical distribution at the very edges, and using  
20 the maximum daily compact number strikes us as unnecessary  
21 and unwarranted and contrary to the guideline.

22 So there are some things to talk about. That's  
23 enough time for now.

24 MR. TURNER: Okay. Thank you, Matt. Tim,  
25 are you available or, Bruce, are you available to make any

1 comments from the federal land managers?

2 MR. ALLEN: We were kind of hoping to go  
3 last since we --

4 MR. TURNER: Sure. From DEC's  
5 perspective, one of the things that -- the reason for this  
6 second workshop is we would like to get a clear idea of  
7 what your concerns are that have prevented us from going  
8 forward with the proposed rule. The BART process requires  
9 a full public, in effect, disclosure. We need to be on  
10 the public record. Our process for putting things on the  
11 public record is to put things out for 30 days public  
12 notice, people comment to the public record, and at that  
13 point we respond and go forward. So what we would like to  
14 do is to get your concerns out. And I do thank you very  
15 much for the ones that you laid out because those are the  
16 kind of subjects we want to get on the table today so that  
17 we can get going to advance putting this into the adoption  
18 so that we can meet the federal guidelines.

19 We do recognize that that may be delayed beyond  
20 December, but at the same time we also know that a normal  
21 regulation process is going to take some time, and that  
22 it's important that we get moving forward with the  
23 concerns that we have here to start putting this into an  
24 adoption package. And that is the purpose that we are  
25 advancing with.

1           And just because I always like to make sure that I  
2 haven't missed anything, does John or Alice have any  
3 comments? For those of you that don't know, Alice is in  
4 charge of the SIP once we're done with the BART  
5 regulations, and John is head of program management for  
6 the permits group. No comments?

7                       MR. KUTERBACH: No, I don't have any  
8 comments at this point. I think we have laid out a  
9 process for the meeting. We should be able to explore it  
10 and find out what the real concerns are, what doing it  
11 right means for everybody concerned, and be able to sort a  
12 lot of this out through normal processes.

13                      MS. EDWARDS: Yeah, I don't have anything  
14 to comment.

15                      MR. TURNER: Thank you. Now it's your  
16 turn, federal land managers on the phone. You get to go  
17 last.

18                      MR. POLKOWSKY: This is Bruce Polkowsky  
19 for the Park Service. And I just want to say that we  
20 think Alaska has done a good job putting together their  
21 process for this rule under the tight timetable that they  
22 have and that, you know, it is a responsibility of the  
23 states to examine the sources that are likely to be  
24 subject to BART. It's a process by which they reached a  
25 conclusion, and then for those sources that are subject to

1 BART, to implement appropriate controls after a full BART  
2 review of engineering analysis. So we view this as the  
3 first step in getting this rule out to simply do the  
4 exploration of the sources that are eligible and then the  
5 determination of the sources that are subject to the full  
6 BART review.

7 So I think Alaska is following the federal guidelines  
8 quite well, and so that's sort of our perspective. We, of  
9 course, are always interested and have worked with many  
10 states in establishing this process of source  
11 identification by working with the RPOs, the Regional  
12 Planning Organizations, a first cut to look at modeling  
13 protocols. Then we worked with individual states that  
14 wanted to adopt any changes to those modeling protocols  
15 such as typical areas where they don't have full met data  
16 and issues of that nature, adjusting how you do the BART  
17 determination based on when you don't have -- when you  
18 don't meet the full EPA guidance criteria. And then we  
19 have worked with individual sources who have come back  
20 and -- and then wanted to do refined or additional  
21 modeling.

22 And we think that's part of our consultation process  
23 on this to be in a position to respond to all three  
24 levels. So we will continue to do that with the State of  
25 Alaska. And so that's basically our comments, unless Tim

1 wants to add something.

2 MR. ALLEN: Yeah. I don't have anything  
3 to add.

4 MR. TURNER: Thank you. And since this is  
5 a public process, does anybody else have any comments at  
6 this point they would like to add? Hearing none, we are  
7 going to advance ahead with the agenda though -- the  
8 agenda has laid out the following. I'd like to have a  
9 discussion in regards to the timetable and the schedule.  
10 Mostly I think some of this has just been taken care of,  
11 but my goal was to outline what the various concerns were.

12 We have Strawman regulations that discuss or look at  
13 what each section of the regulation is going to  
14 accomplish, and at this point I think we can address the  
15 various concerns that have been brought up and add them  
16 in, where would they fit in the regulations. We are  
17 definitely looking for an interactive meeting. We would  
18 like you to really give us where you think things should  
19 be, how they should work, kind of set that framework that  
20 has been discussed by all three parties that have major  
21 interest in this process.

22 There have been some adjustments to the visibility  
23 impact analysis, the modeling, so we would like to do a  
24 quick update on where that is and what's going on with it  
25 so that people have an idea what's going on with that.

1 And then I want to come back and revisit the schedule just  
2 to make sure that what we laid out is in the schedule and  
3 where it's going.

4 Again, my primary task in this is I am a -- I want to  
5 make things move along so that we can address people's  
6 concerns, but also keep to a reasonable schedule so we  
7 don't get stuck in inertia or delays. And to me the best  
8 way to do that is through open, honest communication,  
9 identifying the issues, and looking at each issue and  
10 figure out how we need to address it and keep moving  
11 forward. So I'm going to go ahead and go.

12 For people on the phone, on the e-mail -- and if you  
13 did not get the e-mail, my apologies -- but there is a --  
14 on the bottom of my e-mail, though, is a little box flow  
15 chart that talks about what the processes are because I do  
16 think in terms of process maps, and I did send it to room.  
17 I also wrote it up on the white board here.

18 So if you notice, we have a preregulation activity,  
19 which is kind of what we are in now. And then we have the  
20 regulation adoptions. We then move into BART  
21 determination, and we go into the final SIP. So if you  
22 notice on everything, the preregulation is empty, and so  
23 that's the purpose of this meeting right now is it's very  
24 important for us to recognize what the steps are in the  
25 regulation adoption. A normal regulation adoption is

1 going to take six months. That's -- you know, 30-day  
2 public notice, 30-day response for comments. We have to  
3 run through -- things through the Lieutenant Governor  
4 Department of Law, thanks to Lindsay. We also have the  
5 Lieutenant Governor, after he signs it, it's 30 days until  
6 it becomes effective. So one block of -- I'm going  
7 through and identifying where we have blocks of time. We  
8 know there are legal requirements. One of them is the  
9 adoption of the regulation. That usually runs about six  
10 months on a normal, good regulation.

11 Also, I'd like to point out that -- why that's taking  
12 place if though somewhat of an idea where the regulation  
13 is going, it also gives people an opportunity to be  
14 working on all this stuff and information they need for  
15 BART. So it's actually, in my mind, from trying to keep  
16 this on a schedule to satisfy the Feds, there is  
17 opportunities there that people have while the regulations  
18 are going through their process to actually start working  
19 on the issue.

20 Then we have the BART determination which, once it  
21 goes into a regulation, we have to make a determination of  
22 how the sources fit and what they need to do for that.  
23 Again, that would require, based on past experience,  
24 anywhere between four and six months by the time people  
25 present it, we look at it, consultants maybe look at it.

1 And then it goes through a process. We also have another  
2 30-day public hearing within that process. But again, you  
3 may have some opportunity to be working on some of that  
4 technical analysis now, and so maybe we may not need six  
5 months to do that. But we will have to see.

6 And then it goes into the SIP process, which Alice's  
7 group takes over. And based on what we had before, that  
8 process can take anywhere between nine and eleven months.  
9 If tomorrow we came out with the adoption of regulations,  
10 we are still a year off before we can even give it to  
11 Alice. And then she's another nine months to a year off  
12 before it can go in front of the Feds. So I think it's  
13 important that we get these discussions, but the goal here  
14 is to start identifying what you need in the  
15 preregulation.

16 So based on what I heard, some of the things you need  
17 to see on the preregulation is -- and you guys can start  
18 telling me. So you want us to follow the Feds. What else  
19 do you need to see in the preregulation portion?

20 MR. COHEN: I'll start just to get it  
21 going. And one of the problems with commenting on all the  
22 stuff is it all loops together, like the question of how  
23 much time is needed for preregulation. It depends on what  
24 you are planning to do in the regulations itself. So  
25 it's --

1                   MR. ALLEN: I'm sorry. Could the person  
2 who is talking identify themselves?

3                   MR. COHEN: I'm sorry. I'm Matt Cohen.  
4 And I'm presenting some common views for the BART 7.  
5 Okay? So it seemed like there was a crossroads in terms  
6 of how much time you need. We are going to urge you not  
7 to try to list all the sources and eligible units in the  
8 regulation itself. If -- if the department could follow  
9 that recommendation, it seemed to us that there is  
10 basically almost nothing, no time required before you have  
11 a usable proposed rule. I mean, there are little issues  
12 to talk about, but the form of the Strawman regulation is  
13 close, so long as the sources and the emission units are  
14 not in it.

15                  The reason we say that is the list of sources and  
16 emission units that are subject to BART entails a bunch of  
17 intermediate steps for which there is a lot of work to do.  
18 And the sources want to be heavily involved in reviewing  
19 and in some cases proposing some of that work to you. And  
20 I think the Strawman provides for that, at least in part.  
21 But if you wanted to adopt a regulation that included  
22 complete and final subject to BART determinations, then --  
23 then we started talking this morning about what -- what  
24 you would need to do up front.

25                  The first thing clearly would be to complete the sort

1 of eligibility determinations. The department and, I  
2 think, wisely, floated a list of BART-eligible sources and  
3 emission units and asked for feedback from the seven  
4 sources. You are getting that feedback now. I haven't  
5 seen all of it, but I've seen some of it. We know a  
6 couple of them are telling you we don't belong in this  
7 party at all. You are going to get some feedback that the  
8 list of emission units is -- is not quite correct. And  
9 this is by no means unusual. You know, the process you  
10 devise to come up with a list of proposed sources and  
11 units is the same process that other states have followed.  
12 It's a good process. There is nothing the matter with  
13 what you did, but the input you are going to get from the  
14 sources themselves, I think, will persuade you to change  
15 that list in varying degrees for each source. And until  
16 you know what the list of BART-eligible sources and  
17 emission units is, then you don't want to have people  
18 starting out on an expensive road until you nail that down  
19 first because there is a whole lot of work that's  
20 predicated on it.

21 So in our eyes, the first step is to do the  
22 applicability determinations for what are the BART  
23 eligible sources and emission units. We also think that  
24 the modeling effort that has been conducted to date --  
25 currently you are on the sixth version, Alan? And every

1 one has gotten more precise and accurate, but we have  
2 gotten some pretty high-powered expertise in the  
3 consulting community, and they are telling us there are  
4 still at least questions and maybe glitches in the  
5 modeling protocol you used. And not surprisingly where  
6 you have decisions that could cost sources a whole lot of  
7 money, they want to audit your work. And it seems  
8 appropriate to us that they have the opportunity to do so.  
9 Again, this could happen after the regs are adopted so  
10 long as the regs didn't have the final determinations in  
11 them as to who was subject to BART.

12 MR. KUTERBACH: Matt, I have a question  
13 about that because I'm not really understanding it. As I  
14 understand it -- and I'm not a BART expert, by any means.  
15 BART eligibility is just a function of the class of the  
16 facility, the total emissions, and when the thing was  
17 built, right? And that's not really adjustable once we  
18 get the right facts.

19 MR. COHEN: But it's not as simple as you  
20 just presented it, John.

21 MR. KUTERBACH: That's what I don't  
22 understand. What's the complicating factor?

23 MR. COHEN: I'll give you an example. So  
24 you have got Chugach Electric, Beluga River power plant in  
25 for two units. It turns out that during the 15-year time

1 period that's the critical eligibility period for BART,  
2 those units were built, or at least by the end of them  
3 they were both in existence -- that's a term of art for  
4 BART -- as simple cycle turbines. Simple cycle turbines  
5 are not one of the -- are not in the 26 categories. Okay.  
6 So a couple of years after that period closed, Chugach  
7 installed and now is operating a heat recovery steam  
8 generator and now they operate as combined cycle turbines.  
9 If that had been done during the 15-year time period, they  
10 would be in. We are telling you that we think they are  
11 out. But the interaction between those different  
12 eligibility criteria in the rule can get a little bit  
13 complicated.

14 MR. KUTERBACH: So everybody has this type  
15 of problem?

16 MR. COHEN: Well, other people have  
17 different types of problems.

18 MR. KUTERBACH: Well, I guess I'm still  
19 not quite understanding. I understand Chugach has found  
20 over the past six weeks since we told them, look, looks  
21 like you are in, and they figured out this issue.

22 MR. COHEN: Yeah.

23 MR. KUTERBACH: Okay. Then I assume  
24 everybody else went back and looked at their sources and  
25 figured out. What's the issue still remaining?

1                   MR. COHEN: Okay. The determination of  
2 BART eligibility is not a matter of when the plant was  
3 built. It's a matter of when each unit was built.

4                   MR. KUTERBACH: Sure.

5                   MR. COHEN: So for some units that may be  
6 a simple call; for others, the data may be hard to come  
7 by. And we -- at least some of the sources think your  
8 list may not be quite right.

9                   MR. KUTERBACH: Okay.

10                  MR. COHEN: And you have asked for  
11 feedback on that. That's the right thing to do.

12                  MR. KUTERBACH: Sure.

13                  MR. COHEN: For some sources, the  
14 categories are PSD categories. They are borrowed from the  
15 PSD rule. Some of them are not all that specific. Their  
16 scope is vague enough so that in some cases EPA and the  
17 guideline saw fit to make some applicability  
18 determinations about who is in and who is not. So in  
19 other words, you know, what's a fuel conversion plant, you  
20 know.

21                  MR. KUTERBACH: Do we have a fuel  
22 conversion plant? Is that what we are talking about?

23                  MS. CZARNEZKI: Yeah. The LNG plant.

24                  MR. COHEN: Maybe the LNG plant is a fuel  
25 conversion plant. Maybe it isn't. That's an issue that

1 those guys have been wrestling with and that you are going  
2 to have to wrestle with.

3 MR. KUTERBACH: I understand. How much  
4 time do you think it's going to take to sort out or cue up  
5 these issues?

6 MR. COHEN: To a substantial degree it's  
7 how much time -- you have asked for feedback on this. You  
8 are getting your feedback. The latest date I heard that  
9 anybody is getting it back to you is, like, April 9th. So  
10 you are going to get the feedback from us quite shortly,  
11 right?

12 MR. TURNER: Correct.

13 MR. COHEN: So after that, it's how much  
14 time will it take the department to analyze those issues  
15 and make your determinations. But the other thing that I  
16 want you to appreciate is it's crazy to send people off on  
17 exemption modeling or even visibility impact modeling  
18 until you know what the universe of affected sources and  
19 emission units is. You want to do that first. Otherwise,  
20 it's a waste of time and money. That's all. This one is  
21 easy, relatively, compared with some other things.

22 MR. TURNER: Okay. So the purpose here,  
23 just to make sure I'm doing, is we are discussing without  
24 going into the details of this Strawman regs, which we can  
25 discuss there, are issues that need to be addressed so

1 that we can advance the adoption. And for purposes of  
2 managing the meeting, if I see people raising their hand  
3 in the room, I'm going to call on them, and then I will  
4 reference back to the phone to make sure if the phone  
5 people have any comments.

6 So one of the things that I just heard is that there  
7 is a question about the determination of the list. What  
8 the department has done is they have gone through a  
9 process of putting that list out. It's now out for  
10 everyone to look through the list. We have given them  
11 more time than we thought necessary, but they requested  
12 more time. We have extended that time until April 9th so  
13 that they can have a chance to look at it. And we are  
14 going to go back and confirm that list.

15 So one of the criteria that you would like to see  
16 before we go out for adoption is the determination of that  
17 list.

18 MR. COHEN: Actually, Tom, if you -- if  
19 you didn't feel compelled to put the list of sources and  
20 units into the reg, you don't even have to wait to go out  
21 to a proposal until you do that. You don't have to wait  
22 for anything, as far as we are concerned, so long as the  
23 discretionary or nondiscretionary determinations you have  
24 to make for each BART-eligible source and unit don't get  
25 bound into that regulation. That's a -- you guys know

1 that what you are proposing to do is, like, very, very  
2 unusual, if not unprecedented in the implementation of  
3 BART. You know that putting all these -- and Tom, I know  
4 you have already heard this from a couple of members of  
5 this coalition.

6 Putting the list of sources and units into the reg is  
7 just about unheard of. And we also, sitting around this  
8 morning, thought about maybe some reasons why you might  
9 have deemed it interesting or valuable to do that.

10 MR. TURNER: Okay. So just real quick.  
11 So the discussion we are having is the -- one of the  
12 identification -- we can get into more detail later -- is  
13 the identification of whether or not there needs to be the  
14 list within the adoption. So that is one of the key  
15 points. Real quick, does anybody have any comments on the  
16 phone? I'll start again with Tim and Bruce.

17 MR. POLKOWSKY: I was trying to figure  
18 this out earlier and looked at Colorado's BART rule  
19 because they have gone through the phase of identifying  
20 the source of the subject to BART, and we are working with  
21 them and have been for quite a while. And their process  
22 was a little different in that because they had more units  
23 and more sources involved, their rule went out and said  
24 that the State would -- the rule required the State -- and  
25 it may have had a deadline in it; I don't know for sure --

1 within so many days to write a letter to each source  
2 saying you are subject -- you are -- excuse me -- BART  
3 eligible and subject to a full BART review. And so their  
4 process was a little bit different in that it obligated  
5 the State to write a letter to each source that was found  
6 to be subject to the BART review.

7 MR. TURNER: Okay. Anybody else on the  
8 phone? Chris with Tesoro wanted to make a comment.

9 MR. DRECHSEL: I just wanted to follow up  
10 on Matt's point that it sounds like what I heard you say,  
11 Tom, is that you are looking for ways to keep the process  
12 moving, but at the same time, you know, address our  
13 concerns. And it seems like removing the list from the  
14 regulation is a way that you guys can potentially move  
15 ahead, but at the same time we can have the time that we  
16 need to make sure that we have the complete applicability  
17 analysis developed and not pinned down by the fact that  
18 they are in the rule by the time it was proposed. So I  
19 think that's kind of in general why we are making these  
20 points.

21 MR. TURNER: To keep the meeting moving,  
22 because I think we are getting into a Strawman discussion,  
23 a key point I have for moving forward the regulations to  
24 adoption is how to handle the BART determination, how to  
25 handle the list.

1                   MR. KUTERBACH: Well, there is two  
2 different things, two different concepts, I believe, we  
3 are talking about here. The first is BART eligibility,  
4 which is the only list that we really have.

5                   MR. COHEN: No, it isn't.

6                   MR. KUTERBACH: Yes, it is. We have a BART  
7 eligibility list, and then we say everybody on the BART  
8 eligibility list goes through the analysis unless they get  
9 kicked out through the visibility mechanism. That's the  
10 way the rule was written, or at least the example rule was  
11 listed. It had the BART-eligible source list, and then  
12 subsequent to that we said, okay, we're going to assume  
13 based on the modeling that we conducted that all the  
14 sources who are BART eligible are also subject to BART  
15 unless -- and this is the off-ramp that was requested last  
16 time -- unless they show that they -- they are -- don't  
17 impact visibility.

18                  So I understand you are asking for a way to argue  
19 that the source doesn't meet those three criteria is what  
20 I understand. You want to deal with the eligibility list.

21                  MR. COHEN: Yeah. I'm using the  
22 guideline definitions of the terms eligible and subject to  
23 BART. The eligibility step we have talked about is  
24 pretty -- it's -- it's not [sic] straightforward. At  
25 least it won't take a lot of time. The subject to

1 determination is not as straightforward and involves some  
2 policy determinations by the department, most of which we  
3 think you are doing about right. A few of them we want to  
4 talk to you about. But if you need to do that -- and the  
5 concept of an off-ramp, John, why -- if you are going to  
6 find -- and I think the regulation does find -- the  
7 Strawman does find that these sources and units are  
8 subject to BART unless we can persuade you that, through  
9 an off-ramp analysis, that they are not. Am I wrong?

10 MR. KUTERBACH: Right. That's what --  
11 that's what 7 asked for.

12 MR. COHEN: In order for to you find that  
13 they are subject to BART, you need to complete the  
14 visibility impact analysis.

15 MR. TURNER: No, we don't. No. Just to  
16 be clear on -- the purpose of the modeling was not to show  
17 whether you are in BART. The department took on the  
18 modeling to show the benefit -- if you can get kicked out  
19 of BART -- you are subject to BART. That -- that group  
20 was determined to be BART determinate -- BART eligible.  
21 And so the next thing we did after BART eligibility is  
22 let's see if these people model out. That's the purpose  
23 of the modeling is to show that you can get out.  
24 Otherwise you are in.

25 MR. COHEN: Right. But what if -- what if

1 you didn't do the modeling quite right?

2 MR. TURNER: It doesn't -- the modeling's  
3 purpose is to show out.

4 MR. COHEN: Right.

5 MR. TURNER: So if you can then show that  
6 the modeling was done in a manner to show that you are  
7 out, we are discussing including that into the Strawman.  
8 But I think we are jumping ahead into the Strawman  
9 regulations. What I'm trying to do at this point is if we  
10 can identify these issues, when we get into the Strawman,  
11 I think we will do them.

12 So the first issue I have heard coming up is what you  
13 will need -- and this is how when I'm doing project  
14 management I break things apart so that we can identify  
15 issues to keep things moving. So one issue is how we did  
16 BART eligibility and how -- and whether or not the unit  
17 list should be included, and there may be some more time  
18 required or some more discussion over what's on that list,  
19 the unit list. Okay?

20 The second thing is there is a question that we need  
21 to address about the modeling. And I have included a  
22 whole section within the agenda to discuss it. Are there  
23 other things that we're looking at that we need -- we will  
24 discuss all this when we get into the Strawman  
25 regulations. What I'm looking at right now to keep

1 this -- what other stuff is required in order for us to  
2 come out for a regulation.

3 So I'm hearing we are going to have to work on the  
4 unit list a little bit. We are going to have to maybe go  
5 back and visit the modeling. And we are going to have to  
6 have a discussion when we get into Strawman about how we  
7 are going to determine who is in and who is out. Okay?  
8 So anything else that people are hearing that they need in  
9 order for us to go on to regulations? I'm kind of  
10 identifying the issues here, which you did a pretty good  
11 job at the beginning, Matt.

12 MR. COHEN: Thank you.

13 MR. TURNER: Anybody on the phone?

14 MR. MACDONALD: This is Bruce MacDonald at  
15 ENSER. A very quick comment. I understand that if a  
16 source is BART applicable and determined that they do have  
17 an effect, they do have to actually to submit a permit  
18 application and get it approved to install BART. Is that  
19 your understanding?

20 MR. TURNER: Run that one by because  
21 everyone has gotten looks differently on that one.

22 MR. MACDONALD: That if you are subject to  
23 BART, that is, not BART eligible but subject to BART, you  
24 would ultimately need to submit a permit application to  
25 ADEC for review and approval for the actual installation

1 of BART, along with all the compliance, monitoring, record  
2 keeping, and reporting requirements.

3 MR. TURNER: Once you've gone through the  
4 BART determination process, which is -- please recognize  
5 where that stuff is. You have to go through. And Alice  
6 and John, you can jump in if I don't get this totally  
7 correct. Once you have gone through the BART  
8 determination process and once it is going through the SIP  
9 process, at that point when you then have to, in effect,  
10 implement the BART, at that point, yes, we could put it  
11 into a Title 5 permit or adjust your existing Title 5  
12 permit to show that, but you still have those other steps  
13 to go through first.

14 MR. MACDONALD: Sure. I understand. But  
15 ultimately I think whether a construction permit or a  
16 Title 5 permit modification is required I think is an  
17 important point for implementing.

18 MR. TURNER: So you would like to have  
19 some more -- for getting this advancing to adoption, we  
20 initially proposed that it go through the Title 5. You  
21 would like to look at other options.

22 MR. MACDONALD: Well, I think it should be  
23 just clear as to what the options are. If there are none,  
24 then that's fine, but it should be spelled out clearly  
25 what the options are.

1                   MR. TURNER: Just to go back to what Matt  
2 said because I heard this earlier, what I'm hearing is you  
3 would like some more clarity over whether or not it's  
4 going to be some type of a minor permit, whether we're  
5 going to put it into a Title 1, or whether or not we're  
6 going to choose a construction route permit. So you would  
7 like some more clarity around that in order for us to put  
8 it out for adoption.

9                   MR. MACDONALD: Yes.

10                  MR. COHEN: Yes. That's fair statement.

11                  MR. TURNER: I'm making a note here on  
12 that one because that's one I need to add to the list.  
13 Okay. Anything else that we need -- that we -- just  
14 quickly briefing, the discussion points that we need to  
15 start identifying that are required that people want to  
16 cover, look at, discuss in order for us to advance this to  
17 adoption?

18                  MR. KUTERBACH: Proposal.

19                  MR. TURNER: Proposal. Thank you, John.

20                  MR. KUTERBACH: We haven't even proposed  
21 it. We're trying to get the steps of what's going to  
22 clear, what's going to stop you or discourage people from  
23 calling the governor's office or whoever they call to  
24 allow us to propose a regulation. What still has to be  
25 done before that process can go forward.

1                   MR. TURNER: Great. Now we are pretty  
2 close to schedule. Thank you. What I'd like to do is go  
3 to the next part of the agenda, and in it I think we can  
4 get these issues a little bit deeper. I think you kind of  
5 touched upon the first one, Matt. But we have a Strawman  
6 regulation. And what that is is it says Strawman  
7 discussion version of BART regulation. I sent it to  
8 everybody by e-mail, so hopefully the phone people have  
9 it.

10                   And what we have here is laying out what we see as  
11 something that could be a proposed -- thank you, John --  
12 regulations and what the various sections would be, what  
13 subjects they would cover, and how we are looking at doing  
14 it. In other words, this is how we are going to frame the  
15 issue within the regulations.

16                   MR. COHEN: Could I stop you for a second?

17                   MR. TURNER: Of course.

18                   MR. COHEN: I'm sure I'm going to play the  
19 heavy today for the regulated sources, so I'm willing to  
20 assume that burden. There were two schedule issues in  
21 item B on the agenda that I don't think we covered. One  
22 of them we did some thinking about this morning, which is  
23 the BART determination time. And are you up for getting a  
24 perspective from the regulated sources on what you are  
25 going to need for that?

1                   MR. TURNER: You know, Matt, I appreciate  
2 you reminding me in those little two details. Yes, I  
3 would be happy to get your perspective on BART  
4 determination time estimates.

5                   MR. COHEN: Do you want to wait?

6                   MR. TURNER: No, we can go on here. What  
7 I'd like to do is really get an idea of what you guys  
8 think it's going to take to do the BART determination.  
9 Just to give you the perspective, I have -- when you get  
10 into this, we figure it's going to take just roughly  
11 anywhere up to -- we originally, I think, said 120 days to  
12 look at how much to do the analysis. Our perspective is  
13 if the regulation agreement is fairly close when it goes  
14 into regulation, you actually have six months in front of  
15 that, too. So there could be adequate time that the BART  
16 analysis would come from the sources, but then we need  
17 time to walk it through our process, which usually is  
18 about up to three months. So in general, I'm looking at  
19 the overall BART determination process to take about six  
20 months.

21                  Now, a question to you is: Would it take longer and,  
22 if so, why?

23                  MR. COHEN: The really great thing about  
24 this is that somebody else gets to deliver this little  
25 presentation to you. Al Trbovich is --

1                   MR. TRBOVICH: This is Al Trbovich,  
2                   Hoeffler Consulting Group. And as Matt mentioned, we  
3                   thought about the timeline to do our part of the BART  
4                   determination this morning. And our thinking is that it's  
5                   probably going to take us on the order of about nine  
6                   months to work through a BART determination and be  
7                   comfortable with submitting that determination to ADEC.

8                   MR. KUTERBACH: How? No, I was expecting  
9                   something, but not nine months.

10                  MR. TURNER: John is acting with surprise,  
11                  for the phone.

12                  MR. TRBOVICH: And we have the schedule  
13                  here on a piece of paper. And the reason -- there is a  
14                  couple reasons for that. One, of course, is we have to do  
15                  the engineering and design work to figure out what  
16                  technologies are available for BART and how we would fit  
17                  those into our facilities and what the costs would be.  
18                  And then, of course, we need to do the modeling to  
19                  determine whether or not those particular technologies  
20                  would be effective at reducing visibility impacts.

21                  Then after we have developed those numbers, would  
22                  have to go to our management and get -- let them know what  
23                  the costs are and get their approvals to spend the kind of  
24                  dollars that we are talking about here. And then at least  
25                  in the case of the utilities who may be subject to this,

1       there is some generation planning that needs to occur so  
2       that they can work into their overall plans for future  
3       generation whether or not these additional costs for  
4       retrofitting existing facilities is the most cost  
5       effective approach to generation or if perhaps they should  
6       change their long-term generation plan and perhaps adjust  
7       when they are going to install new generation.

8               All that needs to get done in a very detailed and  
9       organized manner. And realistically we believe it's going  
10      to take up to nine months to get that job done.

11              MR. KUTERBACH: I anticipated that -- we  
12      didn't have a good feel for how long BART determinations  
13      take. And so we asked Becca to go and survey states that  
14      have actually been submitting BART determinations and see  
15      what kind of timelines we're looking at. So Becca, maybe  
16      you could give us an idea of what other states are doing.

17              MR. POLKOWSKY: We have been working with  
18      lots of states that are in various stages of this process,  
19      and most of them have not taken nine months to have the  
20      sources do an engineering analysis of options. To the  
21      extent that you have to plan out your finances, I think  
22      that part comes after you find out that you are subject to  
23      BART. But there are three states that on their website  
24      actually have laid out the process very well: Colorado,  
25      North Dakota and Minnesota. And in -- again, in

1 Colorado's example, they put out their rule in March of  
2 last year. They identified their final list of sources  
3 that were eligible in about the Julyish -- July/early  
4 August time frame. And the engineering analyses for the  
5 purposes of moving forward on their SIP came in in the  
6 fall in the October/early November time frame. So you  
7 know -- and I think Minnesota and North Dakota's worked  
8 pretty much the same way, within a month or so maybe one  
9 way or the other. So that's been the experience of other  
10 states. And I guess the benefit of Alaska being a bit  
11 behind is that a lot of that work could inform the sources  
12 as to what the options that they would need to look at  
13 would be.

14 MR. ALLEN: There is also other states  
15 that have gotten farther in the process. From what we  
16 understand, Colorado, North Dakota and Minnesota have  
17 great examples on their websites, but there were plenty of  
18 other states that could be gone to for examples, as well.  
19 We do have BART determinations from the company submitted  
20 by other states.

21 MR. TURNER: Okay. Did that then  
22 answer -- I mean, that was kind of your experience, Becca?

23 MS. SMITH: Yeah. In talking with -- I  
24 did talk with people in Colorado and North Dakota, as well  
25 as a number of other states. And the ones that have

1 finished their -- their analyses or are getting close to  
2 it, they are looking at -- most of those states have taken  
3 between four to six months. And then there are a number  
4 of states that are going out of -- proposed at this point  
5 they haven't yet -- some of their facilities may have  
6 started doing things. Most of them are doing them prior  
7 to a reg process at all. Most of them are proposing  
8 between two and three months for doing the entire analysis  
9 process. That's the case in Arizona, Oregon, Washington,  
10 and Nevada.

11 MR. COHEN: It definitely isn't the case  
12 in Washington. I'm sorry.

13 MS. SMITH: They have been working with --  
14 I talked to the guy there, and he said they have been  
15 working with their sources, but their regulatory orders  
16 are going out in July, and at that point they are giving  
17 their sources 60 days to get the answers back.

18 MR. DRECHSEL: I can speak a little bit to  
19 the Washington project because we're in the middle of it  
20 right now. Even though those reg orders are going out in  
21 July requiring it for two months, the sources in  
22 Washington have been working on them for several months  
23 prior. And our experience thus far is we have started  
24 roughly early part of February on the -- on the technology  
25 review phase, and our plan at this point, assuming those

1 reg orders come out, is to have that submitted by  
2 September. And even with that, we feel like we are really  
3 going to be -- we are really going to be pressed and  
4 stretching it to meet that -- that February to September  
5 time frame, so --

6 One thing to keep in mind, I think one difference  
7 between the amount of time you are working on it versus  
8 kind of the amount of time that an agency has laid out in  
9 requesting, you know, those be submitted, a lot of  
10 companies are working on it in advance.

11 MR. TURNER: And Bob Price with ML&P, did  
12 you have any comments?

13 MR. PRICE: Yes, I do. There is a number  
14 of issues here that concern us. The modeling has been  
15 addressed, certainly, but the implementation timetable is  
16 very important to us. We are in the middle of a turbine  
17 modernization program right now shooting to replace over  
18 200 megawatts of generation with state-of-the-art by 2011.  
19 It's about a five-year process from the beginning to end  
20 to do this.

21 And I foresee a circular problem here because our  
22 plans on moving forward with state-of-the-art, which would  
23 knock 30 percent off our fuel consumption and knock our  
24 emissions down to 10 to 20 percent maybe of what they are  
25 right now might have to be set back a year or two if we

1 are forced to implement this ahead of that particular  
2 process.

3 We have got probably over \$300,000,000 that we are  
4 planning on selling bonds for to go forward for this new  
5 generation. And from initial guesswork by our generation  
6 people, it could cost up to 30,000,000 just to retrofit  
7 some of our turbines. So we have some heavy decisions  
8 here. Do we retrofit, or do we just class 26 the turbines  
9 and put them on a scrap heap, which we can't do until we  
10 get the new turbines. And, oh, by the way, do we keep our  
11 diesel fuel backup, which causes additional environmental  
12 problems, or do we strap that?

13 But we are the only utility in the railbelt that has  
14 any fuel backup, so if your gas lines are interrupted  
15 there will be nobody who can turn on the lights if we do  
16 away with our million-gallon tank up on the hill out  
17 there. And that probably, if it became too cost  
18 prohibitive, we would probably have to choose to do away  
19 with the backup fuel capability.

20 So these are decisions we are facing and every one is  
21 affected by the other decisions that are made here.  
22 That's why the timetable is important to us. I can't  
23 speak to the validity of nine months versus eight versus  
24 six. I'm not an expert in that area, but I know there is  
25 a lot of different options that could be used to retrofit

1 for the two turbines that we have that may be subject to  
2 this. And we need time to address that and get cost  
3 estimates and maybe work with you all.

4 I understand that ADEC does do some cost analyses or  
5 whatever cost impact analyses when -- or they consider  
6 that when they start looking at solutions. Is it worth  
7 30,000,000 to affect your emissions by a tenth of a  
8 percent, for example. Where is the end curve? I don't  
9 know this. I don't have any experience in this area. But  
10 these are factors that we need to talk about. And I'm  
11 sure every other utility has similar type concerns.

12 MR. TURNER: I appreciate it. Thank you,  
13 Bob. Now, again, what the goal is here is just to look at  
14 the overall time schedule. The discussion we are talking  
15 about is how long it takes with BART determination. I  
16 think it's important for people to recognize that the BART  
17 determination is not implementation of BART; it's looking  
18 at how to do it, what to do it, looking at that cost  
19 analysis. So we do recognize that that requires an  
20 adequate amount of time in order to do it right because  
21 there are major capital decisions.

22 We have seen other states running up to six months.  
23 We are hearing from ML&P that it may take as long as nine  
24 months, possibly longer. From the perspective of the  
25 person that has to do deliverables about keeping this on

1 somewhat of a schedule, you will have, if we have  
2 reasonable agreement on the regulations before -- when  
3 they go out for the proposed regulations and before they  
4 get adopted by the Lieutenant Governor is a six-month  
5 process. Then we have an additional discussion point of  
6 four to six months that we are thinking in order to do the  
7 BART determination.

8 If a schedule is nine months to start doing the type  
9 of cost analysis -- we have already heard one example  
10 where they're doing this in Washington state where they  
11 are taking the time now to start sorting this stuff out.  
12 So if you look at how long it takes to do a BART  
13 determination, you have a nine-month schedule. If it's  
14 going to be six months before the regulations are even on  
15 the street and then another six months to do the  
16 determination, you effectively have anywhere between up to  
17 a year to do the BART determination section. You can  
18 start doing that work now.

19 MR. POLKOWSKY: I guess to back up Tom  
20 there a little bit, in terms of what I heard the other  
21 speakers say, there were some concerns about how you  
22 implement the rule. And again, once the BART  
23 determination is made and then incorporated into the SIP,  
24 the emissions goal of that incorporation actually has five  
25 years to be implemented. And part of that BART

1 determination could certainly include a consideration of  
2 future plans in terms of where the emissions are going.  
3 If you are already committing to a modernization plan, you  
4 essentially say, you know, the source of that might be  
5 subject -- you are going to have it replaced by a certain  
6 period of time. The remaining life of the source is one  
7 of the BART factors.

8         So it all, you know, can be accommodated within the  
9 BART determination process in future plans. And then,  
10 again, the emission limit really has a five-year window if  
11 you fully implement it. So it's a long ways away from  
12 actually meeting the limit. And we are just at this point  
13 talking about the State doing the eligibility stuff which  
14 you talked about earlier and then the timing for the  
15 engineering analysis which goes into the State process to  
16 inform the State as to what if any emission limits are  
17 needed.

18                     MR. TURNER: Chris?

19                     MR. DRECHSEL: I was just going to add  
20 that I guess another component of this timeline that we  
21 haven't really brought up yet is the six months that we  
22 are playing with in the draft Strawman appears to  
23 incorporate kind of a parallel process of the exemption  
24 modeling, if we choose to do so, being conducted at that  
25 same time. And one thing that we haven't gotten into yet

1 is one thing that we would like to request or at least  
2 talk about is the ability to accomplish that exemption  
3 modeling, you know, the eligibility -- improving that  
4 eligibility list, et cetera in advance of even getting to  
5 sort of the timeline of doing the technology reviews.

6 MR. KUTERBACH: I guess I'm a little  
7 confused because our last meeting, what was explained to  
8 me was the visibility analysis portion, which would be  
9 part of this -- the exemption that we worked out and that  
10 we had talked about is actually part of this BART impact  
11 analysis, this engineering analysis. And so it could be  
12 going on while -- you know, before you actually did the  
13 engineering aspect of it, you can analyze the visibility  
14 impact. You have to do that anyway if you are going to be  
15 subject to BART.

16 So I guess I -- I see that as naturally part of the  
17 process of doing the BART analysis is that you have to  
18 estimate the impact -- the visibility impact of the  
19 technologies that you are looking at.

20 MR. DRECHSEL: Correct. That's a  
21 component of the technology review, but what I'm saying is  
22 that there is still the exemption modeling or what he's  
23 been calling the off-ramp, as well, that we haven't talked  
24 about yet.

25 MR. COHEN: John, they are different

1 exercises. The exemption modeling is solely focused on  
2 establishing the contribution to visibility impairment of  
3 the existing source. Okay. The BART visibility impact  
4 modeling is intended to model the improvement derived from  
5 a series of controlled technology options. And, you know,  
6 that's just a different question.

7 MR. KUTERBACH: Okay. So I guess I'm  
8 looking over here because I know the people who were at  
9 the meeting last time brought this up, the visibility. So  
10 is what Matt is saying right, that it's really not the  
11 same visibility, the consultants that were here before?  
12 You remember, Al.

13 MR. TRBOVICH: It is modeling for two  
14 different purposes. The exemption modeling is looking at  
15 the existing BART subject -- excuse me -- the BART  
16 eligible emission units and determining if those emission  
17 units should be subject to BART. Okay.

18 Then -- and this is going by the federal guidelines  
19 as opposed to your rule. Then assuming that you need to  
20 do the BART analysis, you can -- you look at the  
21 technologies and model to determine what improvements in  
22 visibility result from that technology. So if -- if --  
23 the way you would do it if you were doing it in a  
24 progressive sense would -- first you would do the  
25 exemption modeling. If you are not exempt under that

1 modeling, then you would start your technology review.  
2 And after your technology review was done, for those  
3 technologies that were feasible, you would do your  
4 improvement model. So there would be three steps there.

5 And the first step, that is the exemption modeling,  
6 typically does not run parallel to the BART technology  
7 review because if you exempt out, there is no point in  
8 doing the BART technology review. So, of course, you  
9 don't want to spend that money, time, and effort doing  
10 something that you don't necessarily need to do.

11 MR. KUTERBACH: Okay. So I guess I  
12 understand. We got some bad info at the last meeting.

13 MS. EDWARDS: But it also seems to me that  
14 you might exempt yourself out after doing that initial  
15 modeling, but you also might need to move forward. And  
16 then you do your subsequent modeling of your -- looking at  
17 the analysis of controls, you are comparing back to the  
18 initial modeling. So you have to do the initial  
19 modeling -- you can either choose to do the additional  
20 modeling at the beginning or you can do -- you are going  
21 to do this baseline and compare it to the control, so you  
22 are going to do that one modeling step regardless.

23 MR. TRBOVICH: That's correct. You are  
24 going to do the one modeling step regardless, but what you  
25 might not do is the technology review and the engineering.

1 And so you would not do the technology review and the  
2 engineering parallel to that first modeling step.

3 MR. DRECHSEL: That's all the point I  
4 was trying to make is that we are talking about the  
5 overall timeline. We are talking about six months. In  
6 the Strawman as proposed, it's talking about the  
7 technology review being done in parallel of the exemption  
8 modeling, whereas those two pieces are kind of one follows  
9 the other.

10 MR. TURNER: I understand. So what I'm  
11 hearing is you have to do the modeling exemption first.  
12 Then you have the BART technology analysis. And then you  
13 have the modeling that will reference the first model.  
14 And I understand you have these three-step processes. I'm  
15 just suggesting that if you look at the overall schedule,  
16 you know, you have got six months doing the proposal up to  
17 adoption, and then possibly of a six to a nine months or a  
18 four to a nine months time to do BART determination. So  
19 in reality you have up to a year to complete this process.  
20 That's all I'm saying at this point.

21 MR. COHEN: I want to raise one other  
22 question. There have been no completed BART  
23 determinations in Region 10, and I don't have any clients  
24 who have actually completed one yet. So when it gets to  
25 the stage of talking about how the actual BART analysis is

1 done, I'm just reading the guideline. But Al, I guess I  
2 want to question whether, in fact, the exemption modeling  
3 analysis has any applicability at that second stage  
4 because I thought what you were modeling at the second  
5 stage is allowables rather than actuals and looking for an  
6 increment of improvement. Forgive me. I just don't know.

7 MR. TRBOVICH: Maybe I wasn't clear. What  
8 I'm saying is the protocols that you set up to do the BART  
9 exemption modeling are going to be the same protocols that  
10 you use to do your impacts model.

11 MR. TURNER: Correct.

12 MR. TRBOVICH: The inputs may or may not  
13 be the same, but the protocols would be the same.

14 MR. TURNER: So back to the schedule,  
15 because we are still on the schedule and now we are off of  
16 my meeting schedule. Do we have any other comments from  
17 the phone? Okay. So when it comes to BART  
18 determination -- and we will need to consider the time  
19 element could be as long as nine months based on some of  
20 the information we are receiving from Municipal Light &  
21 Power. Other states have gone from four to six months.  
22 Okay.

23 MR. TRBOVICH: I have one other comment.  
24 And that has to do with starting these analyses before the  
25 regulation becomes final. I think that issues might exist

1 convincing the management of companies to start analytical  
2 work on a regulation that is not yet finalized because  
3 that regulation may change before finalization. And they  
4 may not want to invest the types of dollars we are talking  
5 about here until they know for certain that the target's  
6 not still moving.

7 MR. TURNER: You know, Al, I totally  
8 appreciate that because I can see as any manager from my  
9 private perspective that people would think that way. But  
10 I distinctly heard at the last meeting that if we delay  
11 going out to the proposed regulation to get it right, that  
12 this would -- this would help the process on the other end  
13 because people would have an idea of what the regulations  
14 are going to look like. So now I'm being told -- this is  
15 what's confusing me as a regulator about trying to do my  
16 task, which is to put the proposal out, is now I'm being  
17 told no, no, we are not going to do anything until the  
18 regulations are complete due to the fact that we don't  
19 want to do anything until we see what the regulations are.  
20 That, I thought, was the whole process of doing this is so  
21 that we could go ahead and get a lot more clarity prior to  
22 putting the regulation out on the street.

23 MR. TRBOVICH: I don't think people would  
24 have problems doing the eligibility and doing the  
25 exemption model. I think it would be getting into the

1 nuts and bolts of the BART analysis that would be  
2 problematic before the rules were finalized.

3 MR. TURNER: I'm seeing heads nod, so  
4 obviously you guys have had this discussion. From my  
5 perspective, I just find it interesting. Go ahead,  
6 Kristy.

7 MS. MCCULLOUGH: I actually was going to  
8 make that comment, so thank you, Al. We didn't talk  
9 specifically about that. But anyway, we -- I just wanted  
10 to say from Agrium's point of view, I know we are still  
11 working with Alan some and with Tom some about ammonia in  
12 general, so we just still don't have a good feel on what's  
13 going to happen there. And that is a large amount of  
14 sources. So I just wanted to second Al's view in that  
15 really that amount of sources we have a lot of trouble  
16 putting much money into anything on those until we know.  
17 And so there is going to be just -- that will just be a  
18 delay on our end when we can get started. So it is going  
19 to take some time.

20 MR. TURNER: Okay. Any other comments?

21 MR. SCHULER: I just want to clarify that  
22 we are talking about the timeline and the BART exemption  
23 modeling and all that. We could as a state just say that  
24 any BART-eligible source is subject to BART and that's in  
25 39161 of the Federal Register underneath Section III

1       there. And that was just quick enough that the regulation  
2       time stuff, we won't even have to deal with BART exemption  
3       modeling. Just make that call, put it in the rule and go  
4       out forward. I don't know if people appreciated that that  
5       is an option that we have.

6                       MR. COHEN: We definitely appreciated  
7       that. We agree with you, you could do that. However,  
8       when we started out by outlining the principle that you  
9       were going to do the federal program as contemplated by  
10      the guideline, the -- a major element of that program, an  
11      element that is being implemented in every single state  
12      that I'm aware of is individual contribution modeling for  
13      individual sources.

14             Alan, I don't know whether you worked -- there was a  
15      -- there was a proposal floated for Washington, Oregon and  
16      Idaho that involved aggregate contribution modeling. It  
17      was not popular with the regulated community. And after  
18      some careful consideration, Washington, Oregon, Idaho,  
19      and, I think, Region 10 backed off of it. So what -- the  
20      model that we are hoping that Alaska will follow is that  
21      you will not subject a source to the very expensive  
22      process of making a -- of developing BART and implementing  
23      BART unless that source's individual contribution to  
24      visibility impairment in a Class I area is significant.  
25      And if that -- that would be -- if that -- if there wasn't

1 consensus on that, that would be a policy level issue we  
2 would definitely want to elevate.

3 MR. TURNER: So any other comments from  
4 the phone on the timetable? Okay. Also on the schedule,  
5 a little bit off of mine, we talked about the SIP process  
6 time requirements. Do we need to go through that? Do  
7 people understand that when we are finished here with our  
8 process about the BART determination, that there is still  
9 a nine to a 12-month activity that needs to be taken to --  
10 excuse me, it is getting long. Nine to 12 months for the  
11 SIP process. Is there any comments on the SIP process  
12 about how much time that's going to take? Anybody on the  
13 phone? Are there other time issues?

14 MR. KUTERBACH: I just want to make sure  
15 that people still want a State program rather than a  
16 federal program and why. I mean, it seems like Region 10  
17 has had a lot of experience with dealing with BART, with  
18 Matt, your consultant here. Probably worked out a lot of  
19 the issues. Is it -- I mean, would we be better served as  
20 a state to just put BART over to EPA? I want to make sure  
21 that everybody is still on board with the State running  
22 the program.

23 MS. CROCKETT: I'll respond to that. I  
24 have been working with the BART 7. I have not heard any  
25 of those BART 7 members say they would prefer for the Fed

1 to take this program on. There isn't any interest in  
2 having that done. At the same time, there isn't a whole  
3 lot of concern on those members' parts based on what's  
4 happened in other states about EPA saying -- calling DEC  
5 on January 1 of 2008 saying you missed a deadline, we are  
6 now taking over the program.

7 MR. KUTERBACH: So is the perspective that  
8 basically we can -- we can move at whatever pace we feel  
9 is reasonable and EPA is not going to -- not going to be  
10 concerned? The federal land managers, of course, they  
11 have their own concerns and they have their own avenues  
12 for getting those concerns addressed, but the perspective,  
13 at least to the BART 7, is that any -- any -- this length  
14 of time, the nine months for this, the -- this timeline  
15 had one year and nine months before we even make a final  
16 determination from now, and then, of course, Alice has her  
17 process, which is how long?

18 MS. EDWARDS: It's going to take a minimum  
19 of probably nine months from the time I get --

20 MR. KUTERBACH: So that's a year -- two  
21 and a half years. Two and a half years from today would  
22 be November of 2009? Is that right? Am I doing the math  
23 right?

24 MS. EDWARDS: That's right.

25 MR. KUTERBACH: So November of 2009, and

1 that's within a reasonable time for everybody at the  
2 meeting?

3 MR. POLKOWSKY: I guess I sort of wonder  
4 if the main components of where Alaska is going in the SIP  
5 process are, are these BART sources and probably smoke  
6 management, which they already have a program for smoke  
7 management. I guess I'm a little confused as to why it  
8 takes a full nine months of simply administrative issues  
9 to get from the point where you have gotten the  
10 information in from your sources and then you are making a  
11 decision as to the final BART determination and then  
12 putting that into whatever enforceable process, either by  
13 permit or whatever. Does it really take nine months to do  
14 that?

15 MS. EDWARDS: Are you asking about the SIP  
16 process?

17 MR. POLKOWSKY: I'm asking about, yeah,  
18 the process of taking the results of these engineering  
19 analyses, which is what this rule is all about, simply  
20 requiring the sources to develop engineering and other  
21 information for the State to then take that information  
22 and blend it with the other components of the regional  
23 haze SIP and processing that. You have to wait for the  
24 actual -- I mean --

25 MS. EDWARDS: Bruce, we are working on the

1 rest of the SIP now. The key for us is we have a  
2 mandatory -- once we get the final BART determinations in,  
3 we know what the emission limits are, we put them into the  
4 draft SIP, we have to give the federal land managers two  
5 months to review and address their comments before we go  
6 to a public comment and public process. And we put that  
7 through the same process that a regulation gets put  
8 through. So six months is usually about as fast as that  
9 goes. So we have got six months plus two, which is eight,  
10 plus there is some time needed for responding to the  
11 federal land managers' comments. So I think nine months  
12 is realistic.

13 Of course, we are going to move it as quickly as we  
14 can move it through our process, but we basically go  
15 through all the same regulation steps that this regulation  
16 would go through as far as the administrative processing  
17 of the plan.

18 MS. SMITH: I don't think that that was  
19 nine months after we get the analyses from the sources.  
20 That was they were wanting nine months to do the analyses.  
21 We are looking at between doing our -- at least what we  
22 have scoped out now, between making a determination on a  
23 department level and doing a public notice and response  
24 and any appeals to a public comment period to make that  
25 final determination of about four months after we receive

1 the analyses from the sources.

2 MS. EDWARDS: And we would move this -- we  
3 would try and move the SIP as quickly as we could once we  
4 knew what those final numbers were.

5 MR. POLKOWSKY: You still have to digest  
6 the numbers. They are not actually doing the BART  
7 emission limitation determination. That is a State  
8 function.

9 MS. EDWARDS: Right. So we have to get  
10 those final numbers in and then incorporate them.

11 MR. POLKOWSKY: I guess I just would  
12 reiterate that other states have not taken nine months  
13 to -- from the point in which they issue a rule to the  
14 point in which sources have done analyses for the five  
15 factors. That's not been the history so far.

16 MR. TURNER: Okay. Any other comments on  
17 the timetable? Hearing none, I am going to suggest we  
18 take a five-minute break. And I repeat, five minutes. We  
19 would like to go through the Strawman regulations. Some  
20 of the discussion has already touched upon those, so if  
21 you think your issues have been addressed, I want to keep  
22 advancing. Thank you very much. Phone folks, you can  
23 choose to hang on. I'm going to come back here at 2:25  
24 Alaska time and start.

25 (A break was taken.)

1                   MR. TURNER: We would like to go on to the  
2 next part of the agenda, which is the Strawman discussion.  
3 I sent -- again, everyone should have it by e-mail on the  
4 phone. We have extra copies if we need them here. John  
5 is going to walk through what he -- and lead the  
6 discussion for what we are looking at for each section.  
7 We also do have examples of -- possible examples of what  
8 the regulations -- proposed regulations would look like.  
9 And we are going to go ahead and start. John.

10                   MR. KUTERBACH: And that's the key is  
11 we -- we had at the last meeting presented a draft of what  
12 we thought might be language we could use, and we found  
13 that to be distracting from the issues. People got  
14 focused on the hypertechnical issues of the language which  
15 we felt was better for the regulatory comment when we  
16 actually have proposed language that they define nuances  
17 of how things were said in a regular public process. What  
18 we are trying to do here is identify what we are trying to  
19 accomplish with the regulation and then what -- what are  
20 the issues and why they are issues for people so that we  
21 get a good understanding of what the concept is.

22                   We have provided what we call example language which  
23 would take what we have here as this topical outline and  
24 throw example language, but again, we are not wordsmithing  
25 that language. That was just so that if you didn't really

1 understand what we are trying to accomplish in this  
2 section, you could see some language that tried to do what  
3 we were doing.

4 So if we start off, we have 18 AAC 50.260. So we are  
5 proposing to add a new section to the rules to deal with  
6 BART regulations. And subsection (a) would adopt the  
7 federal BART guidelines by reference. Are there any  
8 concerns or issues related to doing that? Is there  
9 anybody on the phone that has a problem with that?

10 MR. MACDONALD: Just a clarification. I  
11 guess if there is a conflict between the federal  
12 regulations and some subsequent interpretation, would the  
13 federal regulations take precedence?

14 MR. KUTERBACH: Typically in Alaska if we  
15 have more specific regulations, they would -- usually we  
16 spell it out. We haven't in this case which one would  
17 take precedence. So that's undetermined right now, but is  
18 that an issue?

19 MR. MACDONALD: Well, I could see it could  
20 be, or at least interpretation of the federal regulations.

21 MR. KUTERBACH: Okay. Regulation  
22 precedence is an issue. And is there any sort of opinion  
23 as to whether the federal BART guidelines should take  
24 precedence over the specific language we have in this rule  
25 or vice versa?

1                   MR. COHEN: I would say that there are --  
2                   there are some possibly not fully identified conflicts in  
3                   the rule between the specific language in the reg and the  
4                   BART guideline and that we would hope that you will tailor  
5                   your rule to track the minimum requirements of the BART  
6                   guideline. We really would like to see BART implemented  
7                   per that guideline. Now, the guideline, John, is --

8                   MR. KUTERBACH: Let me see if I can  
9                   understand that first comment. So if we had a rule in  
10                  here that appeared to conflict with the BART guideline,  
11                  you would suggest that we interpret it consistent with the  
12                  BART guideline.

13                  MR. COHEN: I think if it was capable of  
14                  being solved by interpretation, that would be a great  
15                  principle, yeah.

16                  MR. KUTERBACH: Okay. And one other  
17                  thing. We have run down this path with Title 5 in the  
18                  past where we -- we aim at where EPA is holding the target  
19                  today. All right. And then two and a half years down the  
20                  road, which is when this might actually come to fruition,  
21                  EPA has moved the target and now we are aiming at an empty  
22                  space. Are we concerned about that at all in the context  
23                  of the BART rules? Or is EPA going to be developing  
24                  guidance over the next two and a half years that's going  
25                  to further refine this in a way that's not going to be

1 federal rules, but is going to either want to be tracked  
2 or not be tracked by the affected sources?

3 MR. COHEN: You are asking questions that  
4 no one in this room can answer.

5 MR. MACDONALD: I want to point out some  
6 specific concerns. And one of them is your draft language  
7 does cite a specific modeling approach basically. It's  
8 260(g)(3) of the third page where you specify really how  
9 the modeling is to be done to allow a modified protocol  
10 that could be accepted. But I could see easily that the  
11 federal guidelines on this modeling would change over time  
12 and what would be the interpretation that would -- would  
13 the State automatically accept the change that EPA  
14 implements in its rule or would it go through a modified  
15 protocol acceptance?

16 MR. KUTERBACH: A unique provision of the  
17 Alaska Administrative Procedures Act requires us to adopt  
18 date certain things when we adopt them into our rule. We  
19 cannot adopt things as they might exist in the future. So  
20 when we do adopt something, we will have a date certain on  
21 that element. For instance, if EPA subsequently changes  
22 the BART guidelines, we are not going to change those. We  
23 are jumping ahead in the rule here, but what we are  
24 looking at in this rule is something that we were  
25 expecting to implement over the next year where there

1 wouldn't be changes in that time frame that we would have  
2 to worry about, that it would be done, the work would be  
3 done, and we all know what it is now, and then it would be  
4 essentially an obsolete provision, which we could remove  
5 from regulation, if necessary.

6 MS. CROCKETT: John raises a good point,  
7 and I think it's one that in my 30 plus too many years of  
8 working regulatory issues that we have wrestled with over  
9 and over again. And I think DEC has learned and the  
10 regulated community has learned that while there are some  
11 disadvantages to adopting things by reference, the  
12 advantages outweigh those disadvantages because there is  
13 no arguments then about interpretation. There is no  
14 arguments about, you know, is this consistent with the  
15 Federal Rules.

16 If two years from now we are all still sitting around  
17 the table and implementing BART we find out that EPA has  
18 amended those guidelines, there is nothing to stop either,  
19 number one, DEC from proposing a regulatory amendment or,  
20 number two, someone from the regulated community or the  
21 public petitioning the department to amend the regulations  
22 to update that reference.

23 So it's not a perfect world for anybody, for either  
24 the department or anyone else, but it's one that I think  
25 all of us have learned is probably the best that we can

1 deal with.

2 MR. KUTERBACH: Okay. So to wrap up on  
3 subsection (a), everybody is okay with us adopting the  
4 federal BART guidelines by reference. The only question  
5 would be whether or not we have to deal with how it  
6 interacts with our language here. Okay.

7 Subsection (b), ah, nobody has any comments on that.  
8 All right. Well, this would identify the facilities  
9 subject to the rule. Generally when we have a rule that  
10 requires people to do stuff, we like to say in that rule  
11 who it applies to. And so --

12 MR. COHEN: John, have you ever -- I'm  
13 trying to think of a rule in which you identified by name  
14 and emission unit the facilities that it applies to. It  
15 seems off the charts.

16 MR. SCHULER: A volunteer for SIP years  
17 ago, I believe, identified a number of sources.

18 A SPEAKER: State implementation  
19 program.

20 MR. SCHULER: There were some sources  
21 listed specifically in there.

22 MR. COHEN: Well, SIPs will sometimes  
23 have, you know, individual orders that apply to individual  
24 sources, rules adopted for individual sources, but to  
25 actually name -- I mean, your Title 5 rules don't do that.

1 MR. KUTERBACH: No.

2 MR. COHEN: Your Title 1 rules don't do  
3 that.

4 MR. KUTERBACH: Okay.

5 MR. COHEN: So it's not conventional to do  
6 what you are doing here.

7 MR. KUTERBACH: Uh-huh.

8 MR. COHEN: So why are you doing it?

9 MR. KUTERBACH: Well, as you noted, SIPs  
10 will sometimes identify sources by name and have specific  
11 orders in them. And this -- at least the BART  
12 determinations are intended to be the part of the SIP,  
13 part of our regional haze SIP. So we don't see it as  
14 being off the charts. It is unconventional. What I'd  
15 like to understand is: What's the real concern with it  
16 being unconventional?

17 MR. DRECHSEL: Well, I'll let you answer  
18 that and then I'll --

19 MR. COHEN: There are -- there are some  
20 substantive issues and there are some timing issues. The  
21 BART 7 would like to see you get a reg adopted soon. And  
22 we -- you know, we have been sort of challenging you at  
23 times on the adequacy of the time you have provided to do  
24 things, but getting a reg adopted quickly is a benefit, we  
25 think, for the department and for the sources. The series

1 of exercises you have to make to determine what is subject  
2 to BART is a more complex process.

3 John, no state that I've ever -- that I've -- I'm  
4 familiar with -- I haven't seen all of them, but no state  
5 has done it by rule because, A, the list of BART-eligible  
6 emission units can change. ML&P mentioned one reason it  
7 could change. It may turn out that you take one out or  
8 you may turn out -- it may turn out that one that was  
9 thought to be eligible isn't eligible. And the process  
10 should have -- or a source may take a synthetic minor  
11 limit to stay out, an option that most states are  
12 offering. So the initial list of who you think is  
13 eligible can change for reasons that don't reflect  
14 negligence on the part of the source or the department.  
15 And having the flexibility to -- to set out the criteria  
16 you follow in the regulation -- and the guideline pretty  
17 much does that -- and applying it through source-specific  
18 determinations seems like a better way to go. If you did  
19 it that way, then you could adopt the regulation quickly;  
20 whereas, if you do subject to BART determinations by  
21 regulation, we want to talk to you about a lot of things  
22 that are not -- this is not ready for prime time. I  
23 mean --

24 MR. KUTERBACH: Okay. So I guess I  
25 understand that you want to have the opportunity to

1 discuss -- and I want to give the gentleman in the back  
2 here a chance to talk first.

3 MR. MOTT: My only comment is don't the  
4 federal guidelines pretty much state that you are supposed  
5 to specify the facilities subject to the BART  
6 determination? And if we are following the federal  
7 guidelines, doesn't that kind of answer this whole  
8 question?

9 MR. COHEN: I don't think they do, but  
10 check us -- I don't think they do.

11 MR. DRECHSEL: I think I can maybe answer  
12 that. What you may be talking about is when you get down  
13 the road to the SIP -- regional haze SIP process, if I'm  
14 not mistaken, after all of this has occurred and you  
15 determine what is subject to BART and what those emission  
16 limits are, what those control technologies are, that that  
17 is potentially the time to do that.

18 And I guess my other follow-up comment is and what  
19 I'm grappling with is I don't understand what's the  
20 difference if, instead of a table, you either -- you  
21 either adopt the guideline which tells you how you go  
22 through the process, or maybe you have in here, you know,  
23 the -- you know, these are the three or four applicability  
24 criteria built in here rather than having that specific  
25 table. It seems like it gets you to the same point, but

1 at the same time allows some -- you know, this to move  
2 forward while we still have some time to address these  
3 applicability issues.

4 MR. TURNER: Any comments from the phone  
5 on this?

6 MR. MACDONALD: I keep getting hung up in  
7 this discussion about sources being subject to BART  
8 analysis and sources being eligible for BART. It seems to  
9 me what the State has done in this table is list, to the  
10 best of its knowledge -- or in the draft table we have  
11 seen, the best of its knowledge the sources that it  
12 believes are BART eligible. They therefore would then  
13 have to go through a BART review to see if they are  
14 subject to BART. And so that's all the table does. And  
15 then I guess a better -- and I think that's a good idea  
16 for the State to initiate that process by having the table  
17 of sources. Perhaps maybe not the unit level in the rule,  
18 but a table of the facility. So you are there.

19 And then the rule should allow the sources to say we  
20 have gone through our list of BART-eligible units at that  
21 facility as a whole. Now the rule should allow the source  
22 to say we think that for a different modeling protocol,  
23 whatever we want to do, but some process by which they  
24 could say we think the State -- you identified us as BART  
25 eligible, but we don't think we are, and have some

1 timetable in that process that says, okay, you have this  
2 amount of time to do that.

3 And if the State is not convinced by anything, the  
4 State responds and the source goes on to this more  
5 detailed engineering analysis, which we talked about  
6 timetables for that earlier. So I guess are the concerns  
7 that the sources don't want to even have a list of sources  
8 that are eligible by the basic criteria of emissions and  
9 age and is that the problem? They don't even want that  
10 step? Or are they worried that the State has gone all the  
11 way to say you are subject to a full review?

12 MR. COHEN: There is a problem of  
13 terminology. Bruce, I think you are misstating some terms  
14 of art from the guideline. The BART-eligible source is  
15 the list of units at the source that were within the 26  
16 categories built within the relevant time frame for the  
17 250-ton per year potential to emit. That's the  
18 BART-eligible source.

19 Get from there to subject to BART, the source has to  
20 cause or contribute to visibility impairment in one or  
21 more Class I areas. That's what we call the exemption  
22 modeling exercise.

23 To get there, to be subject to BART, Bruce, you have  
24 to first -- well, you can waive the modeling exercise.  
25 The State can say, hey, we are not going to bother, but --

1 but the difference between BART eligible and subject to  
2 BART is that finding that this source causes or  
3 contributes to visibility impairment. That's the  
4 exemption step.

5 And when you -- whether we use the term subject to  
6 BART, if you are going to use the guideline definition of  
7 that term, that's a source that is the right size, the  
8 right age, the right categories, and then causes or  
9 contributes to visibility impairment. All that happens  
10 before do you any BART control technology analysis.  
11 It's -- you are in. That's the final step, and you are  
12 in.

13 And the concern of trying to do that by regulation is  
14 that the visibility impact assessment part of it involves  
15 some work and some agreement on the rules you follow to  
16 perform that work. And, you know, we think in general you  
17 are getting close to doing it right, but there are some  
18 protocol issues we want to talk to you about, and we want  
19 to have a chance -- at least some of the sources want to  
20 do it themselves.

21 MR. MACDONALD: My understanding is the  
22 State used the protocol that was developed by WRAP to do  
23 this process, to which we commented WRAP is an open  
24 process that a lot of sources participated in. What you  
25 are saying is you don't like that modeling that went on,

1 and you want the State to start again from a process that  
2 already went through this open process to develop the  
3 list.

4 MR. COHEN: Well, if it was open, it was  
5 not open to these sources because we really didn't know it  
6 was going on. And it's not true that the modeling -- the  
7 modeling in general follows the rules in the guideline.  
8 It actually departs from recommendations in the guideline  
9 in places, and it also makes additional, call them, policy  
10 calls that are consistent with the guideline but not  
11 required by the guideline, not driven by the guideline in  
12 terms of, for instance, the decision to use, you know,  
13 annual average visibility -- is it -- annual average  
14 versus the best and worst 20 percent of the data.

15 So there are a bunch of judgment calls that went into  
16 the modeling that was performed by WRAP that are not just  
17 automatic products of the protocol, and there are some  
18 places where the protocol didn't get followed at all.

19 MR. TURNER: I'm going to jump in here  
20 because the discussion is on section (b). The modeling  
21 section is down the road. And remind everyone modeling  
22 was done to show whether sources were going to be out, not  
23 in. So that's the big section on the modeling. From the  
24 viewpoint of the State, we are looking at the modeling to  
25 show that sources are not, not to prove that sources are

1 in.

2 MR. COHEN: What does that mean, Tom?

3 MR. TURNER: From our perspective, all  
4 these sources are BART eligible.

5 MR. COHEN: They are BART eligible, but  
6 are you assuming they are subject to BART?

7 MR. SCHULER: May I clarify that? That's  
8 an important distinction here, because you keep saying  
9 that the modeling is used to show what's going to be  
10 subject to the BART. It's actually the opposite.  
11 Everything is subject to BART unless shown otherwise. And  
12 that's how it's worded in the federal regs here. I can  
13 show you the citation here. But you are in unless you are  
14 out or shown otherwise. And actually the way it's worded  
15 in the regs here is that the modeling can be used for us  
16 to consider exempt. We don't even have to go with the  
17 modeling. We can say we don't like this modeling. We  
18 think for whatever reason -- anyway, not that we would,  
19 but --

20 MS. EDWARDS: And I think Bruce maybe had  
21 something to say.

22 MS. CROCKETT: I just wanted to go back  
23 to the question of listing the sources -- I'm going to use  
24 all the wrong terminology, so nobody please jump all over  
25 me -- the companies, the facilities, and the emission

1 units list in the regulations. It is a problem because if  
2 those -- if that facility closes, if the units change, if  
3 any of those things happen, by specifically referencing  
4 and including them in the regulations -- no other state  
5 has done it -- the only way to undo that is for DEC to go  
6 back and amend the regulations. And that is --

7 I mean, set aside whether there is any question of  
8 whether the units are right, the units are wrong, the  
9 facilities should be in or out. Set all of that aside.  
10 The practical problem with including them in the  
11 regulations is that the only way to exclude them is to go  
12 through another round of rule making.

13 So what -- a preferred alternative would be to  
14 include in the regulations how you get to identifying  
15 Agrium -- I'm going to pick on them for just a minute --  
16 and their sources and their units as being in the mix.  
17 That's for section (b) for the question of including that.  
18 That really -- that's the practical reasons why.

19 MR. TURNER: Bruce, did you say you want  
20 to comment on the phone?

21 MR. MACDONALD: Well, no. Let's move  
22 along. I think -- no. Let's move along.

23 MR. KUTERBACH: Okay. And I'm not here to  
24 argue for or against one or the other position. I just  
25 really want to understand because I think we are jumping

1 on two different -- two different levels here. When we  
2 describe -- we can describe who is BART eligible by saying  
3 it's facilities that are this size, this age, these  
4 categories. Okay? We can put that -- we can do that  
5 under subsection (b) and say these are the BART-eligible  
6 sources and then -- and then just use the language  
7 straight out of the guideline which says we can consider  
8 excluding them from BART if they don't have the  
9 visibility -- whatever it says in that language. We can  
10 do that.

11 What I -- and what I'd like to know is: Is that what  
12 you are looking for, or do we want to put in the language  
13 that only sources that demonstrate a visibility impact are  
14 subject to BART? I mean, we were trying to -- and we did  
15 it through two sections. (b) and (c) work together to  
16 accomplish this. What we were trying to do is accomplish  
17 what the guideline says about BART-eligible sources are  
18 here. You are subject to the BART, but -- read the  
19 language for me, Alan.

20 MR. SCHULER: Sure. "Once you have  
21 compiled BART-eligible sources, you need to determine  
22 whether, (1), to make BART determinations for all of them  
23 or (2), to consider exempting some of them from BART  
24 because they may not reasonably be anticipated to cause or  
25 contribute to any visibility impairment in a Class 1

1 area."

2 MR. KUTERBACH: That's what we are trying  
3 to accomplish and that's what we looked at with (b). I'm  
4 going to move on to (c).

5 MR. TURNER: I have to be a good  
6 moderator. Randy wanted to make a comment on this.

7 MR. POTEET: I'm curious. What would be  
8 the downside if DEC were not to specifically name  
9 facilities in the regulation? I don't see the downside to  
10 your doing that, and so we just don't grasp why you are  
11 kind of stubbornly hanging onto this concept.

12 MR. KUTERBACH: Again, I'm not arguing one  
13 way or the other. I'm trying to explain what we put in  
14 the rules and trying to raise issues. We can say the same  
15 thing, you are stubbornly hanging onto the other side, but  
16 let's get beyond that. The reason --

17 MR. POTEET: Could you answer my question,  
18 please? My question --

19 MR. KUTERBACH: I didn't understand your  
20 question.

21 MR. POTEET: My question was: What is the  
22 downside to your just not putting the names in the rule  
23 making?

24 MR. KUTERBACH: The downside would be  
25 confusion over who is actually subject to the section.

1 MR. POTEET: Okay. Thank you.

2 MS. EDWARDS: I think another downside or  
3 maybe another positive to actually at least listing the  
4 facilities, as perhaps Bruce suggested on the phone, is  
5 that it allows the public and other stakeholders who can't  
6 pore through the Title 5 permits and figure out themselves  
7 to understand which facilities are involved in the rule.

8 MR. KUTERBACH: So -- and that -- that is  
9 the other question that I was trying to get to. Is the  
10 concern here really that it's enshrined in the regulation  
11 or that the name is associated with BART? I mean, if we  
12 had other public documents where we have described who we  
13 preliminarily determined is subject to the rule, would  
14 that be okay or is that unacceptable as well?

15 MS. LAMAL: What is unacceptable is having  
16 the name in regulation. And if you -- if you -- end up  
17 not being eligible, BART eligible, then you have to have a  
18 regulatory change to get your name out of there. There is  
19 not a list of Title 5 permittees in the regulations. They  
20 don't list them. So it's very simple for me. And that  
21 is, to get off the list you have to have a regulatory  
22 change, and that's not acceptable.

23 MR. KUTERBACH: Okay. But to answer my  
24 question: Is it a concern to have the names of these  
25 seven facilities in public documents that we have an

1 initial determination that they are BART eligible sources  
2 but not in regulation? Is that a concern?

3 MR. TURNER: Anybody answering that.

4 A SPEAKER: There is no concern.

5 MS. CROCKETT: I don't believe there is  
6 any concern on the part of the BART coalition from having  
7 available to the public the names of their facilities if,  
8 in fact, they are BART eligible. Am I getting that  
9 terminology right? No concern.

10 MR. WESSEL: We appreciated you going  
11 through all that work.

12 MS. SMITH: I would like to point out for  
13 starters this is the list of BART-eligible emission units,  
14 and as -- in my view, as part of the public comment period  
15 if it's determined that some of those units should not be  
16 on the BART eligible list -- this isn't the final list.  
17 The final list would be adopted as part of the final  
18 adoption prior to the regulation going into effect. And  
19 an emission unit is eligible if it fits those categories.  
20 That doesn't necessarily mean that it's going to be  
21 subject.

22 The modeling that Alan will talk about has shown that  
23 there are some facilities which may not be reasonably  
24 contributing to visibility impairment at some of the -- at  
25 one or the other of the Class I areas, in which case those

1 emission units would not be subject to BART for those  
2 Class 1 areas. And that would be indicated in the regs.

3 And in the long run, the determinations that get made  
4 are going to be folded into -- by name with an emission  
5 limit into the SIP. And in theory at that point -- I  
6 don't know, but at that point I would think this  
7 particular part of the regulation in part becomes moot  
8 because once those final determinations have been made,  
9 they are going into another document. And maybe that's a  
10 point at which we look at do we repeal this section  
11 because that work has been done. And I don't know. But  
12 the names are going to be folded into another  
13 State-adopted document eventually, anyway, and they have  
14 to be folded in by name at that point in the SIP.

15 MS. MCCULLOUGH: I just had a quick note,  
16 too. The original table actually left out, I think, like,  
17 19 of our sources and, I mean, that's another concern as  
18 soon as you start listing things; if you accidentally  
19 leave one out, it almost sounds like, okay, it's not BART  
20 eligible, so --

21 MR. TURNER: Again, the reason that the  
22 table is being circulated now is to find these things.  
23 The original table came from what was in Title 5 permits.  
24 We recognize changes could have happened. There could be  
25 lots of changes. And that's why it's being circulated. I

1 would like you all just to quickly -- I'm hearing a couple  
2 of things. We discussed about the BART eligibility, but  
3 John has suggested some language -- to stay focused on  
4 what we want in section (b) that would come right out of  
5 the federal language. And what I'm hearing and seeing is  
6 that would be acceptable and identificating -- geez, I  
7 came up with a new word that I'm constantly getting in  
8 trouble for -- for identifying, okay, the BART-eligible  
9 sources.

10 I also heard twice, in different facets I've heard,  
11 yes, it's okay to list the facilities but not the units,  
12 and then I've heard, no, it's not okay to list the  
13 facilities, but the units are okay. So the question is if  
14 it's identified through the federal language in the  
15 regulation, do you want the units list -- not the units,  
16 the facilities listed. And then the second question to  
17 that is that, recognizing what Rebecca is talking about,  
18 that the table as it stays now, the final table that we  
19 need to adopt is at the end of the BART determination.  
20 I'm seeing heads shake.

21 MS. SMITH: We would need it at the end of  
22 adopting this regulation; we would need to have a final  
23 BART eligible list.

24 MS. EDWARDS: If you were going to adopt  
25 the list.

1                   MS. SMITH:  If we're going to adopt.  So  
2   any changes that anybody is finding.  If we have missed  
3   units, if something shouldn't be on there that is on  
4   there, backup generators or whatever, then there is room  
5   in the public comment period to distill that list into  
6   what it should be --

7                   MR. TURNER:  Correct.

8                   MS. SMITH:  -- to be adopted in the final  
9   regulation.  And then that is -- that is the issue of  
10  eligibility and not the issue of subject to.

11                  MS. CROCKETT:  Just one point of -- Tom,  
12  you said something just a minute ago that I think is  
13  confusing to me.  You said here it's okay for facilities,  
14  not for the units; it's okay for the units, not for  
15  facilities.  Our objection is to having the facilities or  
16  the units list referenced in the regulations.  We do not  
17  want either one.  My answer to John's question earlier --  
18  I thought John's question was do we care if the public  
19  knows.  The answer to that question is no.  We do not care  
20  if the public knows.  We don't want it included in the  
21  regulations.

22                  MR. KUTERBACH:  Okay.  So if we were to  
23  identify -- just to clarify because I don't want to make a  
24  mistake.  If we were to identify in, say, the public  
25  notice that these are rules that we are doing it and these

1 are the seven sources that we think may be subject to  
2 these rules, that would be fine in the subject notice.  
3 You have no problem with that.

4 MS. CROCKETT: That's correct.

5 MR. COHEN: I want to say first, Tom, this  
6 is taking some time, but this is exactly -- this is --  
7 this is exactly the stuff that we should be doing today.  
8 This is worth the time. I want to comment on something  
9 Alan Schuler said. I think a workshop is not the ideal  
10 place to parse a federal regulation, but Alan, I don't  
11 think you are getting it right. The task of determining  
12 whether a source causes or contributes to visibility  
13 impairment is a key component of determining whether a  
14 source is subject to BART. You don't start with the  
15 assumption that you are subject to BART unless they model  
16 out. That is not an accurate reading of the guideline.

17 It is true, as you pointed out earlier, that the  
18 guideline gives states the option to simply skip the  
19 individual source attribution [sic] process and to just  
20 make a policy call that every BART-eligible source is  
21 subject to BART, but that's not the default position in  
22 the guideline.

23 The guideline lists as the core elements -- I can  
24 read it. I'm sort of reluctant to do this here because we  
25 are all sitting here and it's not the best time and place

1 to argue about how the federal guideline works, but I just  
2 want to stake out the position for the BART coalition that  
3 doing that modeling is a core element of figuring out  
4 whether a source is subject to BART. And I can show you,  
5 if you want to take the time.

6 MR. KUTERBACH: I just want to understand.  
7 I'll take what you say at face value for the purposes of  
8 this meeting. We, of course, are going to look into it a  
9 bit closer. So is it your understanding, the BART  
10 coalition understanding, then, that the State doing its  
11 visibility analysis must do a visibility analysis above  
12 any reproach in order for anybody to be subject to BART?

13 MR. COHEN: Above any reproach?

14 MR. KUTERBACH: Yeah.

15 MR. COHEN: No, I'm not willing to be tied  
16 to that standard.

17 MR. KUTERBACH: But we have done a  
18 visibility analysis that shows contribution. We presented  
19 that the last time. We have done some refinements and we  
20 can adjust what we put in based on our refinements. At  
21 some point we are going to pull the plug and say we are  
22 done what we are done [sic]. Okay. I guess I'm -- I want  
23 to be clear when we are done what we are going to be done,  
24 does it then -- now we have to put this through a peer  
25 review process before we can go to regulations?

1                   MR. COHEN: No, no, no. It's not normally  
2 a decision that's made in the context of going to  
3 regulations, John. It's a decision made in most  
4 jurisdictions in the context of either issuing a  
5 regulatory order saying you are subject to BART, we want  
6 to see a BART control technology analysis in X months, or  
7 in a permit in some source specific vehicle. And a letter  
8 in the case of these sources would do just fine. But  
9 you -- you want --

10                   I'll just give you two examples of places where the  
11 modeling that's been done so far departs from sort of the  
12 baseline assumption of the guideline. The guideline says  
13 don't use potential to emit. Use actual emissions because  
14 it's a more appropriate measure for this purpose. I don't  
15 believe that the modeling that's been performed so far,  
16 all six versions of it, have done that. And I think it's  
17 because it requires some fairly detailed emissions  
18 information that wasn't available to the department. The  
19 sources didn't have an opportunity to provide it.

20                   As you know -- and you are a pretty sophisticated guy  
21 on this subject -- there can be a big difference between  
22 actual and potential emissions. Simply, the guideline  
23 pretty strongly recommends that you use the 98th  
24 percentile of the 24-hour visibility impact data to  
25 analyze a source's contribution to visibility impairment.

1       There was a sort of a policy call made here that we will  
2       use the maximum value. We have got some people in the  
3       room who can show you an enormous disparity between the  
4       maximum value and the 98th percentile.

5                       MR. KUTERBACH: For these sources?

6                       MR. COHEN: Yeah. Enormous.

7                       MR. KUTERBACH: And it makes a difference  
8       as to whether they have over a half a deciview or not?

9                       MR. COHEN: Huge difference.

10                      MR. TURNER: Any other comments on the  
11       phone?

12                      MR. MACDONALD: On those points, I guess  
13       on the side of what was done, there was this process by  
14       which the protocol that has been used to determine these  
15       sources at this point. And you know, the point about the  
16       98th percentile, well, that's true if you have three years  
17       worth of met data, but there is only one year worth of met  
18       data in Alaska. So you need to balance that out. And  
19       part and parcel of what was negotiated in the WRAP/Alaska  
20       process was to balance all those factors out.

21                      MR. COHEN: Negotiated by who, Bruce? Who  
22       was in the room when that was negotiated?

23                      MR. MACDONALD: The State and WRAP and us  
24       and the stakeholders in the process.

25                      MR. COHEN: Not any of the regulated

1 stakeholders.

2 MR. MACDONALD: Be that as it may, this  
3 rule, as I read it as you read down, the sections allow  
4 you to come back with modeling that shows that you have  
5 done it a different way and establishing that protocol and  
6 the State and us and third parties would look at that  
7 protocol and see if we can reach agreement as to whether  
8 or not that's better modeling for your particular  
9 source.

10 MR. TURNER: Okay. I want to stay as  
11 close as we can to the Strawman. We were discussing on  
12 section (b). It sounds like we have moved into section  
13 (c), which is the modeling. Go ahead, John.

14 MR. KUTERBACH: That's what section (c)  
15 actually does is it references the modeling we have  
16 already done and says you are subject to BART if the  
17 modeling we have already done says you are okay unless --  
18 unless modeling shows you are out. And that's what  
19 section (c) is intended to do and also specifies some  
20 criteria. There were a lot of considerations. And that's  
21 where I'm a little confused. I had asked whether it was  
22 necessary for us to have a peer review final process. I  
23 heard no, but then I heard elements of a peer review on  
24 why this doesn't meet the criteria. It doesn't meet this,  
25 it doesn't meet that, we have experts looking at it, which

1 is essentially a peer review.

2 So I guess I'm going to put the question out again.  
3 Do we expect to have peer-reviewed modeling before we make  
4 a determination that people are subject to BART?

5 MR. COHEN: I guess no state that I'm  
6 familiar with has made a determination that a source is  
7 subject to BART without giving that source an opportunity  
8 to evaluate QA and duplicate the modeling that put them  
9 there. I mean, it seems sort of -- you know, call it peer  
10 review or call it, you know, sort of common sense, you are  
11 talking about a decision that has potentially profound  
12 implications for an older source. And it's only older  
13 sources that are subject to this program. So, yeah, I  
14 think that's something that you definitely ought to do.

15 MR. KUTERBACH: And what we are talking  
16 about, just to be clear again, we are talking about  
17 something in addition to the review that we have already  
18 offered in the back and forth that Alan has been having  
19 with people. You want a formal process after we are done  
20 to take a second look at this modeling result, is that  
21 right? Am I hearing that right?

22 MR. COHEN: And I need some help on this.  
23 I need some help really with what we have been able to do  
24 so far. I know that there has been comment provided, but  
25 I -- my impression is that the modeling files have not

1       been shared.

2                       MR. SCHULER:  There is a few files that  
3       people have asked for that we haven't received yet from  
4       WRAP.

5                       MR. TURNER:  We haven't received them yet.  
6       They are not being held back.  We haven't received them.  
7       Every time we have received information, we have sent out  
8       e-mails.  We have let people -- on the e-mail I sent out  
9       for this meeting, I even sent you to the link.  And it is  
10      very true that the modeling was going through a fair  
11      amount of revisions -- thank you very much to the sources'  
12      information.

13                      I guess the real question I have here is we heard it  
14      the last time that people wanted an opportunity to model  
15      out, do their own modeling and model out.  We are looking  
16      at putting that into the proposed regulation in section  
17      (c).  We recognize that there could be this discussion and  
18      it could go a long discussion.  What we are suggesting is  
19      it's in the regulation.  It's in section (c).  If we go  
20      through the normal process of discussing it with the  
21      department saying this is the type of modeling we are  
22      looking at and this is what the modeling is proving us, if  
23      it shows you are out at that point, you are out.

24                      MR. COHEN:  I guess there are some  
25      concerns about the level of -- or the quality of the

1 process that has been developed to put us in in the first  
2 place. And I certainly -- I'm not suggesting that any  
3 information has been concealed. I think quite to the  
4 contrary. You have shared what's been available. But  
5 there are some pretty fundamental policy calls that are  
6 reflected in the modeling that we -- we were not able to  
7 give you any views on. It's basically the rules of the  
8 road, John. So here is this -- here is this --

9 MR. TURNER: For the people on the phone,  
10 he's holding up a handout that came around that is some  
11 type of modeling example which he's about to explain.

12 MR. COHEN: Doug, you want to do this one?

13 MR. MURRAY: What you have in front of you  
14 is TRC's attempt to duplicate the WRAP modeling for one of  
15 the sources. This is -- the peak value here, just to give  
16 you a comparison between the TRC duplication and what was  
17 reported by WRAP, we got a 1.56 deciview level. I think  
18 the latest version is 1.55 deciviews as reported by WRAP  
19 for the same source. Previous modeling I was able to go  
20 further down into the frequency distribution, and we were  
21 within a few percent of the data reported. We didn't have  
22 a report of further down the distribution in this last  
23 go-around from the WRAP modeling group.

24 What you see here are 365 days of visibility impacts  
25 for Denali. Far left are basically all the zero cases

1 where there is no impact, and then coming up through on a  
2 reasonably straight line on normal probability paper until  
3 you get to roughly the tenth -- tenth down from the top,  
4 perhaps. Then the dots start departing a little bit from  
5 this nice, smooth line that we have, and then finally up  
6 to the extreme value at the top end, which is an outlier,  
7 certainly, where you are on the order of two, two and a  
8 half times -- two times, I guess, the -- the next highest  
9 concentration that's shown on this graph.

10 The point of this is that EPA has been trying for a  
11 good while now -- EPA and the Clean Air Scientific  
12 Advisory Committee, CASAC, have been trying to move to  
13 more statistically robust measures for their  
14 determinations of significant impacts. The guideline  
15 preamble says that EPA should not use the extreme cases to  
16 make BART applicability decisions. Goes on to say, we  
17 believe it is appropriate to use the 98th percentile time,  
18 a more robust approach that does not give undue weight to  
19 the extreme tail of the distribution with the objective  
20 here of attempting to avoid unusual meteorological  
21 situations and outliers.

22 I have to tell you, this looks like an outlier. It's  
23 pretty well out there on the distribution.

24 MR. KUTERBACH: And that's using the three  
25 years of met data for --

1                   MR. MURRAY: This is using the one year of  
2 met data that was available for Alaska.

3                   MR. KUTERBACH: What year?

4                   MR. MURRAY: This was 2002.

5                   MR. KUTERBACH: 2002, that was a typical  
6 year?

7                   MR. SCHULER: That's the only year we have  
8 available.

9                   MS. EDWARDS: WRAP generated that year for  
10 us.

11                   MR. ALLEN: It seems like more people are  
12 excited about talking about the modeling, so is there a  
13 way that we can just defer what we were talking about and  
14 skip over to the modeling and perhaps answer some of these  
15 questions more directly?

16                   MR. TURNER: Yeah, sure. We can go ahead  
17 and skip over and go to modeling. But I just want to be  
18 clear about what we are doing with the Strawman  
19 regulations. So I'm going to -- I'm going to take your  
20 point, Tim, because everybody wants to talk about the  
21 modeling.

22                   From the perspective of how the regulations are done,  
23 we were looking at the modeling to show that sources would  
24 not need to go through this whole process. And we are  
25 including a section (c) to allow them to demonstrate that

1 as per the request of the first work group. Okay. So we  
2 can get into more detailed discussion. I would like  
3 everyone to look through the Strawman, since we are going  
4 to jump ahead to the modeling, because in it we have other  
5 types of components about what that will be doing. But it  
6 sounds like earlier the points of contention were section  
7 (b) and section (c). So for the purposes of moving things  
8 along, we are going to jump into the modeling and have  
9 that discussion. Now, Alan has a quick ten-minute  
10 PowerPoint that talks about what has happened and what the  
11 update of the modeling is. If it's okay with you on the  
12 phone, Tim, we can advance to that.

13 MR. ALLEN: Let me just say one more thing  
14 about your (b) and (c). I think from the FLM perspective,  
15 certainly from my perspective, you are taking the right  
16 approach. At some point this BART rule is designed to get  
17 the companies that are potentially eligible to act. And I  
18 think it's later in the SIP where you actually form the  
19 decisions and publish those. You are going to publish the  
20 people who are exempt. You are going to publish the names  
21 of the people that were in and had to subsequently do some  
22 changes.

23 So in all of the cases, all of the RPOs, all of the  
24 states that I know of that came up with some type of state  
25 regulation and notified those applicants, whether the

1 applicant was notified in the rule by name or whether they  
2 were sent in a letter, immediately after they need to be  
3 notified immediately to start work towards counteracting  
4 the screening runs that most of the RPOs did.

5 I know that there have been several complaints about  
6 the quality of work that WRAP performed in this case, but  
7 I can assure you that all of the RPOs did some type of  
8 very similar quality screening analysis, and almost all of  
9 them worded it as screening analysis with a full  
10 expectation that if a company wanted to review, quality  
11 assure, offer some suggestions for doing the analysis in a  
12 more refined fashion, that includes fixing problems with  
13 meteorology, that would make them eligible to have a valid  
14 discussion about using the 98th percentile because, again,  
15 although the regulation says and requests that people use  
16 the 98th percentile, there is a whole bunch of other  
17 details in the quality of the modeling analysis that need  
18 to be managed. And so the 98th percentile was one of the  
19 easiest way of managing that uncertainty.

20 So in a sense, I wanted to say that from our  
21 perspective what you are trying to accomplish in this  
22 regulation is very appropriate and we support it very  
23 much. And regardless of how we end up saying it in the  
24 end, I think that time is of the essence. People are  
25 supposed to be submitting these SIPs by the end of

1 December of '07, and we realize that people may not reach  
2 those goals quickly, but it is our position to encourage  
3 this process to move along quickly.

4 So, I guess I would recommend to the BART 7 or the  
5 BART coalition that we start working towards making some  
6 suggestions on exactly how we can get the wording  
7 correctly so that we can actually move forward through  
8 some kind of notification process to let the seven of you  
9 know that you need to start working towards these  
10 evaluations. So --

11 MR. TURNER: I like the idea that I could  
12 have wrote a letter since I contacted everyone back in  
13 January and then we will consider you notified and you  
14 guys would come back with the analysis and we can give it  
15 to Alice and then we can proceed forward without having to  
16 do a regulation process, but for some reason we need to go  
17 through the regulation process.

18 MR. COHEN: You can write us a letter.

19 MR. ALLEN: Most of the states did  
20 actually go through a regulation process. And all I'm  
21 saying is whether it's through the reg or through a  
22 letter, they did notify all of these companies that they  
23 had some type of potentially BART eligible unit and they  
24 needed to either look at the screening analysis that was  
25 performed by the State or the RPO or that the company

1       itself had an opportunity to redo a refined analysis.  And  
2       I think that is exactly what you are attempting to do  
3       here.

4                       MR. TURNER:  Okay.  Are we going to  
5       proceed with the modeling?  Alan.

6                       MR. SCHULER:  I'll just jump up here in  
7       case I want to point.

8                       MR. TURNER:  For the purpose of the  
9       reporter -- we need to clarify that.  Tim?  Bruce?  Tim,  
10      for the purposes of the recorder, would you please let us  
11      know what RPO means.

12                      MR. ALLEN:  Regional Planning  
13      Organization.  So WRAP, the Western Regional Air  
14      Partnership is the RPO that's in your area.  There is five  
15      RPOs in all that cover the continental U.S.

16                      MR. TURNER:  Alan is going to proceed with  
17      his PowerPoint, and I believe the people on e-mail should  
18      receive it, so if you open it up you can follow along.

19                      MR. SCHULER:  Go ahead.  Just a background  
20      for those who weren't here last time for the workshop and  
21      this is a refresher for those who were.  The BART-eligible  
22      sources are subject to the BART unless it is shown -- this  
23      is the argument that Matt and I have been going back and  
24      forth.  He passionately said I'm wrong.  I have to say I  
25      passionately believe he's wrong.  And the two of us can

1 have this discussion afterwards to point to chapter and  
2 verse, because my reading is you are subject to BART  
3 unless you are able to show that you have negligible  
4 visibility impact. Anyway, we will argue that point later  
5 on.

6 The threshold that is being used is the .5 deciview,  
7 and we have used WRAP to do the modeling for us. Next  
8 slide. That was easy.

9 They used CALPUFF. That's the model that was used.  
10 It's the model that's recommended actually in the BART  
11 rules. It's model SO<sub>2</sub>, nitrogen dioxide, and direct PM  
12 emissions. The initial results which we presented at the  
13 first workshop was that all seven of the BART sources had  
14 significant impacts at at least one or more of the Class 1  
15 areas, and therefore we could not exempt or exclude any of  
16 the seven sources.

17 MS. LAMAL: Alan, I'm sorry to interrupt,  
18 but a question: Back in 2001 when you put out your first  
19 regional haze list, you had a list of about 20 sources  
20 that you were going to evaluate. Did WRAP originally  
21 model all of those sources and come up with the seven?

22 MR. SCHULER: No, no, no, no. WRAP only  
23 modeled the seven that were on this BART eligible list  
24 that we came up with. Alice can probably answer more of  
25 what happened in 2001.

1                   MS. EDWARDS: WRAP -- a couple things have  
2 happened. We had an initial list of potential facilities  
3 that might have -- the universe of sources we thought  
4 might have BART-eligible units. That list was gone  
5 through by a contractor at WRAP. It was gone through by  
6 State permit staff. And it was whittled down to the point  
7 where we had these seven facilities left that we thought  
8 actually had units that met the criteria. And then those  
9 were the seven facilities that were modeled by WRAP. So  
10 there has been a couple iterations from that original list  
11 of I don't know how many sources, but it was a much larger  
12 list. And a lot of the facilities fell out for either not  
13 being in the right time period or not being in the right  
14 category, or for whatever reason. They looked at all  
15 those facilities to determine whether or not they really  
16 were BART eligible.

17                   MS. LAMAL: Thank you. Sorry to  
18 interrupt.

19                   MR. SCHULER: No problem. Anyway, the  
20 conclusion that was gone over at the first workshop is  
21 that everyone was still in, no one could be excluded.  
22 That was the conclusion at that point in time. Since that  
23 time, last week, you know, we have heard back from WRAP  
24 that they found an error. WRAP is doing modeling not just  
25 for Alaska but I think it's six other states, plus or

1 minus, and they inadvertently were using Lower 48 ozone  
2 data instead of Alaska ozone data for our analysis because  
3 that's what they were doing for all the other states. And  
4 anyway, when they found that error and they corrected it,  
5 they reran it, it reduced the impacts to a third to a half  
6 of the previous impacts. Okay. Didn't change any  
7 conclusions, but the impacts went down. Next slide.

8         Around that same time frame, Tesoro was looking at  
9 the analysis, and they found another error that was there,  
10 and they reported that to us. And basically their WRAP  
11 had exceeded an undocumented limitation regarding column  
12 width and CALPUFF. When Tesoro's consultant had ran it,  
13 when they exceed this limitation, the model crashes. For  
14 whatever reason, when WRAP runs it it didn't crash, and so  
15 they didn't discover that this was an error there.  
16 Anyway, Tesoro reported it. They have -- WRAP has reran  
17 it, and the conclusion is still the same. All seven  
18 sources are still subject to BART. No one can be excluded  
19 based on modeling.

20         And here is the results now. The results are quite a  
21 bit down. Here is for Tuxedni. Healy has always been out  
22 based on the initial run, at least for Healy. All of the  
23 other six sources are still above the .5 threshold, and so  
24 no one else can be excluded. Next slide.

25         Here it is for Denali. The one change here in

1 conclusion is in this case Tesoro has now dropped out of  
2 being subject to BART at Denali. They are still subject  
3 to BART at Tuxedni, but for Denali it dropped out. Yeah.  
4 Go ahead. Go on.

5 As mentioned before, we are still assessing whether  
6 or not Agrium's ammonia emissions should be included in  
7 this. They have -- based on I believe it's their  
8 allowable emissions, 1,300 tons per year of ammonia, a  
9 substantive amount. Alaska has an ammonia standard that  
10 the public is very well aware of, especially those in the  
11 Cook Inlet area, so we know that ammonia is going to be a  
12 pollutant of public interest, so we need to make sure we  
13 have this addressed and have it addressed well. Whether  
14 it's in or out, we need to have a good basis for it.

15 So we have asked WRAP to conduct a sensitivity  
16 analysis using an approach that we talked with both with  
17 Agrium and the federal land managers to try to figure out  
18 how to assess it. And just real quickly what it is is we  
19 are going to use several different assumptions for --  
20 assume background concentrations for ammonia; those  
21 numbers are on the slide here. And once they run that, we  
22 will find out how sensitive is this.

23 The speculation of the federal land managers, and  
24 actually Agrium, as well -- the speculation is that there  
25 won't be much change at all going from one ppb -- that's

1 parts per billion -- to ten, and with that kind of  
2 increase there, if there's not a change in the visibility  
3 impact, then it shows that ammonia is not a pollutant of  
4 interest -- a pollutant -- it's a pollutant of interest,  
5 but it doesn't have a real effect on the visibility  
6 assessments. If there is an increase, you know, with each  
7 of these increases in ammonia, then it shows that, yes,  
8 maybe we should include it as a pollutant that needs to be  
9 evaluated.

10 So anyway, WRAP is going to be conducting this soon  
11 and that's going to be part of the summary report.  
12 Actually, one quick comment to that. We are on draft  
13 version 6. It's not six times they ran the model. It's  
14 just that they have written up summary report several  
15 times. They gave it to us once, and they mention things  
16 like they had three years of mat data. Like, one, change  
17 that, so then they come to version 2. So anyway, that's  
18 why we are on version 6 already. Next slide.

19 So we have talked about this, too. Can the sources  
20 run your own assessment. If you think that the approach  
21 that WRAP has used on our behalf is too conservative -- I  
22 like what Tim said on the phone that WRAP used a screening  
23 level approach, you know, quick, let's get a basic handle  
24 on it. If you want to use a refined approach, can you?  
25 Yes. And that's what we have been trying to put in

1 section (c) of the regulations.

2 How do you do that? Well, you need to have an  
3 improved modeling protocol. And we will be seeking the  
4 federal land manager and EPA assistance for reviewing that  
5 protocol to make sure it's acceptable with everyone. And  
6 actually, I don't know if we want to go into this level of  
7 detail here. I have some other slides here. We have  
8 talked -- John, you want me to keep going or --

9 MR. KUTERBACH: Go ahead.

10 MR. SCHULER: Go ahead. Okay. Some of  
11 the comments have been made, can you use a different  
12 model. That's an option. I don't see it as being  
13 realistic. Probably the better approach is to look at  
14 what went into the assumptions with CALPUFF. We talked  
15 about actual emissions. Matt has brought that up. They  
16 are allowed in the BART rules. I say there is  
17 questionable results.

18 Tesoro, actually when we -- as we talked about in the  
19 first workshop, asked last August, I think it was, if they  
20 could provide actual emissions. We said yes, as long as  
21 it didn't hold us up. They provided them and they said I  
22 didn't change a whole lot between potentials and actuals.  
23 And the reason is is because we are looking at 24-hour  
24 emission rates, not annual average. And if it was based  
25 on an annual average emission, the difference between

1 actuals and potentials can be very large. When you shut  
2 it down to -- cut it down to one day and how much can you  
3 emit within a day, there is not usually a lot of  
4 difference between actual emissions and potential  
5 emissions. And so is there room there? Probably not.

6       What a lot of people have done in the past for new  
7 source review modeling when they look at actuals, one of  
8 the first things to look at is fuel sulfur because if a  
9 unit is allowed to burn residual fuel with two percent  
10 fuel sulfur and over the last five years they have only  
11 burned distillate fuel, with .5 that's a big change, so  
12 that's an easy thing to do. While you could look at  
13 things like that, here it's going to have minimal impacts.  
14 And I'll show you a table here to explain why. NOX is the  
15 major pollutant that we are looking at here. I'll show  
16 you a table with that, as well. Next slide.

17       Here is the sulfate results, which is based on sulfur  
18 dioxide at Tuxedni. As you see, in most cases the impacts  
19 are very, very small. Alyeska was the only one that has  
20 anything that's really big. Tesoro is a little bit big  
21 there. But most of these impacts -- I mean, Healy, zero  
22 for sulfate. Same with the LNG plant. Sulfate is not the  
23 driver in these BART assessments. Next slide.

24       Here is Denali. Similar. Very, very similar types  
25 of situations. Next.

1           Here is the nitrates. Okay. And here is the percent  
2           of maximum here. Look how high these are. In some cases  
3           nitrates is 100 percent of your impacts or high 90s.  
4           Alyeska has got some sulfate impacts, a little bit  
5           smaller. Next slide.

6                       MR. COHEN: Hold on a second. Forgive me.  
7           What does percent of maximum mean?

8                       MR. SCHULER: All this is is dividing the  
9           nitrate impact by the total impact.

10                      MR. COHEN: So --

11                      MR. SCHULER: Basically we divided  
12           nitrate, which in this case is 1.83, by the maximum that  
13           was on a few slides back, which in that case was 1. -- I  
14           don't know.

15                      MS. SMITH: 1.9.

16                      MR. SCHULER: 1.9. And that gives a 96  
17           percent.

18                      MR. TURNER: Which means the impact is  
19           mostly from nitrate.

20                      MR. SCHULER: Right.

21                      MR. COHEN: Nitrate as opposed to some  
22           other nitrogen compound?

23                      MR. SCHULER: NOX is what it's from. It  
24           gets modeled as NOX, and then here is the atmospheric  
25           chemistry that gets converted to nitrate, which is the

1 pollutant of concern for visibility. So what this tells  
2 me is that in most cases nitrogen oxide is the pollutant  
3 of concern here. Sulfur dioxide and particulates are not  
4 major drivers in these visibility impact assessments.

5 MR. COHEN: So, Alan, if you learned that  
6 a source you were modeling, say, Chugach Beluga, was  
7 operating at a half to a third of its permitted NOX  
8 emission limit, short-term, right?

9 MR. SCHULER: If that's the case for  
10 short-term, which probably means is it's only running 12  
11 hours a day --

12 MR. COHEN: A lot of sources that, for  
13 instance, are subject to NSPS limits operate way below  
14 them. So you don't --

15 MR. SCHULER: If there is -- there is room  
16 to say that the emission factor may be off a little bit,  
17 but I doubt -- it's not saying it can't, but I doubt if  
18 you are going to get a major reduction off the emission  
19 factor by looking at actual emission --

20 MR. COHEN: Why do you say that?

21 MR. SCHULER: Just looking at how NOX  
22 usually comes out and what it's based on.

23 MR. COHEN: Is it your going-in assumption  
24 that these seven sources, NOX emitters, are operating  
25 right about at their emission level?

1                   MR. SCHULER: I presume so, or pretty  
2 close.

3                   MR. COHEN: Why do you presume that?

4                   MR. SCHULER: Just from my experience with  
5 NSR, new source review, permits. I just don't see a lot  
6 of, on a 24-hour basis, change in the NOX emission rate.

7                   MR. DRECHSEL: I can give you an example,  
8 even though this wasn't the case for us, but it often  
9 could be the case if you do have an emission unit that has  
10 a SIMS system on it, a continuous emission monitoring  
11 system for NOX, that the current PTE limit is going to be  
12 at an NSPS limit, but if you go back and evaluate your  
13 SIMS data, you oftentimes are nowhere near or close to  
14 that. So --

15                   MR. SCHULER: Actually, that may be a load  
16 factor. You know, NOX is usually maximum -- the maximum  
17 NOX emission rate is usually 100 percent full load. If  
18 you have partial loads that you are running during a day,  
19 you can do that. But absent SIMS -- are we getting too  
20 detailed?

21                   MR. TURNER: Yes, we are getting too  
22 detailed, I think. The idea is an overview of the  
23 modeling, so just a quick summary of what did the overview  
24 of the modeling tell us.

25                   MR. SCHULER: Well, let me just summarize.

1 If you have actuals, you may use them. I'm just saying I  
2 question whether it's going to be enough of a difference  
3 to change the conclusion. Doesn't mean it can't. I'm  
4 just saying it -- don't put all your eggs in that. Next  
5 slide.

6 MR. ALLEN: Can I say something?

7 MR. TURNER: Go ahead.

8 MR. ALLEN: It's not the average 24-hour  
9 emission rate. It's the maximum 24-hour -- the maximum  
10 24-hour emission rate that occurred over the last three  
11 typical operating years. So you have to find three  
12 representative operation years where you are up at a  
13 normal load and pick the maximum of that 24-hour rate.

14 MR. SCHULER: Thank you, Tim. I'm glad  
15 you clarified that.

16 MR. MURRAY: I think that actually it says  
17 that it's going to be the maximum over the meteorological  
18 monitoring period.

19 MR. TURNER: Okay. So the --

20 MR. ALLEN: I don't think that's the case,  
21 by the way, but we also only have one year of meteorology  
22 so that's kind of another limiting factor. But I thought  
23 it was over typical years and that people were allowed to  
24 go back and say this is not a typical year during the  
25 three models -- the three years of modeling that most

1 states do and pick a different year as a representative  
2 year. But I guess my point was is that it's still a  
3 maximum over a three-year period. And so it's -- I think  
4 that Alan is pretty right that you are often going to have  
5 stuff very close to the PTE.

6 MR. TURNER: So what we have here, just a  
7 summary of the modeling real quick is, yes, the results  
8 have changed from the initial modeling coming out. That  
9 we have noticed some differences that is on the web. It  
10 was posted out. And that we are proposing within the  
11 regulations in section (c) the opportunity for any source  
12 to show whether or not the modeling works, present  
13 alternative modelings of what you are going to do, proved.  
14 It has to run through the federal land managers and EPA.  
15 And it's the requests that I heard from the first workshop  
16 to have an off-ramp for the modeling.

17 MR. DRECHSEL: And so a couple things I  
18 just want to clarify on -- on the ability for us to do our  
19 exemption model. And I'll just throw out a couple of  
20 questions that will give me a better sense on what  
21 flexibility is going to be like for the exemption  
22 modeling. And the first question, I guess, I would throw  
23 out is we have been talking about the 98th percentile, so  
24 would the State be willing to accept a 98th percentile  
25 exemption modeling analysis that's based on the one-year

1 met data?

2 MR. KUTERBACH: We can't answer that. I  
3 mean, we can't answer that off the cuff that we are going  
4 to accept one year. That's something that the federal  
5 land managers have to be involved in the decision. We  
6 would have to see how that would affect the final result.  
7 It's a process. Is the decision that we came up with on  
8 our protocol where we didn't use the 98th percentile  
9 documented well?

10 MS. EDWARDS: And maybe Alan could speak  
11 to that, but I think it was actually EPA had -- we had  
12 worked that out with EPA. They wanted -- because of the  
13 one year of data, they wanted us to use a different  
14 value.

15 MR. SCHULER: With CALPUFF visibility  
16 modeling, the standard operating procedure that the Park  
17 Service and Fish and Wildlife and the Federal Bureau of  
18 Land Management has had is that you use three years of  
19 meteorological data. And that's in their visibility  
20 rules. That's well documented. That's the typical  
21 approach to use.

22 Because of the difficulties we had in generating the  
23 MM5 data for Alaska, we were only able to have one year of  
24 data instead of the standard three years of data. Because  
25 of that limitation -- and what's happening here is that

1       there is -- as you all know, weather changes from year to  
2       year to year. And when it comes into modeling, those  
3       year-to-year variations can drastically change the  
4       results. It's just -- that's just standard. And  
5       that's --

6             For NSR, new source review, modeling for pollutants,  
7       if there is a five-year data set, we want to use the  
8       five-year data set because there is variations from year  
9       to year to year and we want to see what that variation is.  
10      Park Service and Fish and Wildlife has the same thing with  
11      visibility modeling. They know there is variations. They  
12      want three years. We had one year, so they said, okay, we  
13      will accept one year of data. And this was in a May 2006  
14      teleconference that we had with EPA and the federal land  
15      managers about what to do about -- well, actually a number  
16      of things, but one of the things was we had this  
17      limitation. We only had one year of met data. What do we  
18      do.

19            And the solution was, okay, because you only have one  
20      year of met data, instead of allowing you to use the 98th  
21      percentile, we are going to -- you need to use the maximum  
22      impact. And that just to account for this limitation on  
23      lacking of the -- the different met years.

24                    MR. DRECHSEL: A follow-up question.

25      Thanks for that. Did the State consider getting

1 additional years?

2 MR. SCHULER: The question came up.  
3 Region 10 actually encouraged that, and it was just cost  
4 prohibitive and time prohibitive to try to get that put  
5 together.

6 MR. COHEN: Could I --

7 MS. EDWARDS: Can I just say one thing?  
8 Is John Vimont still there?

9 MR. ALLEN: He is.

10 MS. EDWARDS: John, can you explain how  
11 long it took to do the one year MM5 data?

12 MR. VIMONT: Well, MM5 is relatively  
13 routinely run down in the Lower 48, but up there the  
14 initialization fields and everything weren't as readily  
15 available. It -- it was working with the -- actually he  
16 was at the University of Alaska when he started. He went  
17 to North Dakota. One of the professors up there had been  
18 working with it and the consulting group that works with  
19 WRAP worked with him to try to get the model set up. I  
20 think it took six, eight months for him to get all the --  
21 the glitches worked out of it.

22 So it was basically a relatively major effort  
23 compared to running the same modeling for down here. And  
24 at that time it was deemed that that was all that could be  
25 done with the resources that were available and the time

1 that was available.

2 MR. ALLEN: I also wanted to add that the  
3 gentleman asked earlier a few sentences back if it would  
4 be possible to discuss using the 98th percentile, and I  
5 wanted to say that Alan has done a great job of describing  
6 the reasons that -- in a prior process with WRAP that we  
7 made a decision. I think it's very appropriate to say  
8 that, yes, that is on the table.

9 If someone wants to identify a refined protocol that  
10 tries to address some of the issues that we were concerned  
11 about, we are certainly willing to talk with the State,  
12 the EPA, and the applicant, or in this case the seven, to  
13 go ahead and come up with other resolutions. But yes, we  
14 are certainly willing to talk about that and all of the  
15 shortfalls for the modeling that are going on. Those are  
16 definitely on the table as part of the refined approach.

17 MR. KUTERBACH: And when I said we  
18 couldn't answer that is we couldn't give a final answer  
19 without consulting all these other folks.

20 MR. MURRAY: Couple of comments. I am  
21 grateful that you will consider the 98th percentile or  
22 other statistical measures rather than the maximum for the  
23 modeling because I do believe that from looking at the  
24 data that I've seen, the maximum here is a decided  
25 outlier. Point one.

1 Point two, Joe Scire works for us these days, and I  
2 touched base with him regarding -- for those of you who  
3 are not aware, Joe Scire is the author of CALPUFF, and I  
4 spoke with him regarding putting together additional years  
5 of modeling data. For Alaska he suggested that the time  
6 to actually put together the inputs and running MM5 would  
7 be on the order of three months to put together the 2003,  
8 2004 data at a cost of approximately on the order of  
9 \$100,000.

10 MR. KUTERBACH: That's the bid that he  
11 would give?

12 MR. MURRAY: This was -- this was -- no.  
13 I would have to say that that's -- that is -- Joe at the  
14 moment is on travel in Saudi Arabia. I got him to give me  
15 a ballpark figure for what he thought it would involve.  
16 TRC has available to it at the moment the 2003 data that  
17 would need to go into it. 2004 data is something that we  
18 would have to obtain from the National Weather Service or  
19 other sources.

20 MR. VIMONT: This is not an out-of-the-box  
21 run that was done up there so, you know, we would have  
22 to take a good look at it, and even at that some of the --  
23 you know, there were some compromises made to get it to  
24 run up there, also.

25 MR. MURRAY: Right. And I think that Joe

1 understands the -- some of the issues associated with the  
2 Alaska data set at this point. He also indicated that he  
3 assumed it would take about two months to allow the  
4 regulatory community to react to the data set. So he  
5 asked that an additional two months be added to the  
6 schedule, if necessary, for the regulatory folks to review  
7 that data set.

8 MR. KUTERBACH: Does that mean five  
9 months, then?

10 MR. MURRAY: That would mean three months  
11 to have the data available and then assuming that there  
12 would be a need for the regulatory folks to review the  
13 data set.

14 MR. TURNER: Okay. And a comment in the  
15 back, please.

16 MS. LAMAL: I have a question. In  
17 preparation for the meeting, I went back to the 2001  
18 regional haze plan, which kind of laid all this out. And  
19 at that time in 2001 the whole process of getting the MM5  
20 data was laid out. But that was 2001. Here we are 2007,  
21 and we have one year of data. What I'm wondering is, have  
22 we -- so that process which was laid out in '01 and so six  
23 years later we have got one year of data, it also laid out  
24 some other things. And I'm just wondering in this program  
25 have we established baseline visibility for the state?

1 Because if we don't know what baseline visibility is,  
2 actually -- and that was a big issue back in 1999 and  
3 2000. I was working at that time with the Park Service to  
4 do some of that work. So do we have baseline visibility  
5 for the state?

6 MS. EDWARDS: The Regional Planning  
7 Organization, WRAP, has -- I mean, we looked at it and, in  
8 fact, there is a document up on the website that was done  
9 several years ago where we looked at it with the data that  
10 we had. You have to understand we are supposed to use the  
11 most recent five years of monitoring data to calculate  
12 that baseline. We don't have that for all of the sites.  
13 So we have a preliminary look at it, which is up on the  
14 website, and the WRAP has also calculated the baseline.

15 MS. LAMAL: Do we have our improvement  
16 goals out?

17 MS. EDWARDS: We also have the -- I  
18 believe we also have -- the WRAP has calculated out what  
19 the conditions for natural -- natural conditions are that  
20 we are trying to achieve in 2064. So yes, we have both of  
21 those numbers.

22 MS. LAMAL: If all of these facilities  
23 that have been identified installed BART, what impact  
24 would that have on your visibility improvement goals?

25 MR. KUTERBACH: That's what you have to

1 tell us.

2 MS. EDWARDS: I can't tell you that.

3 MR. KUTERBACH: That's the whole point of  
4 the visibility analysis that Al was talking about after  
5 control so we could see what sort of improvement. That's  
6 why that part has to be done before Alice can complete her  
7 implementation plan.

8 MR. COHEN: So John, here is the bottom  
9 line. For -- the guideline says it doesn't say do 98  
10 percent if you have got three years worth of met data.  
11 What it says is do 98 percent and have three years worth  
12 of met data. Okay? So what you are hearing is for a cost  
13 of about 100 grand and five months worth of time,  
14 including regulator, FLM review time, you can have the  
15 data set and follow the procedure recommended in the  
16 federal guideline, and the effect of it would be to cut  
17 the visibility impacts. That change alone cuts the  
18 visibility impairment impacts from these sources in  
19 deciviews by about 50 percent. So it seems like a not  
20 unreasonable thing to ask that we acquire that information  
21 and do it right.

22 MR. KUTERBACH: Does it change the BART  
23 applicable status of any of those?

24 MR. COHEN: That's a good question.

25 MR. KUTERBACH: For all those sources.

1 MR. COHEN: Yeah.

2 MS. MCCULLOUGH: There is a table in your  
3 summary of WRAP that shows it. And it's like -- looks  
4 like some do get closed --

5 MR. TURNER: We don't all have that  
6 document.

7 MS. EDWARDS: It's up on the website.

8 MS. MCCULLOUGH: It looks like it gets  
9 within the range, at least, and this is using your  
10 modeling which I think everybody still is QCing.

11 MS. SMITH: Based on the 98th percentile,  
12 everybody is still in for at least one Class I area.

13 MR. TRBOVICH: That's correct, but that is  
14 based on the model as it exists today, and some QA/QC is  
15 still going on on that model. So I don't think that the  
16 results on that paper are the -- going to be the final  
17 results.

18 MR. KUTERBACH: Right. They may go up.

19 MR. TRBOVICH: It could in three years of  
20 data. They could go down.

21 MR. DRECHSEL: In working with our  
22 contractor, we appreciate that -- working with Alan and  
23 redoing the results, we still feel that there are some  
24 potential errors and some other issues to work out with  
25 the modeling as it stands.

1                   MR. KUTERBACH: Okay. So this additional  
2 five months and \$200,000 -- because I don't believe  
3 100,000 -- this additional five months -- plus we have our  
4 own costs -- that will be added onto the two and a half  
5 years we calculated earlier. So that --

6                   MR. TURNER: Correct. And my question --

7                   MR. KUTERBACH: It's about three years  
8 from today we might have a final BART SIPs submitted to  
9 EPA.

10                  MR. TURNER: And my question becomes -- I  
11 started this from the beginning. When I sit there, I am  
12 not by nature this detail regulatory person. You have  
13 already heard me butcher the English language at will, but  
14 I am good at processes. I can look at a picture and tell  
15 you where holes are and what you need to do to fill them.  
16 So I've heard this whole discussion about the modeling,  
17 the eligibility. The bottom line is, what does it gain?

18                  Because when I look at this process, this is where  
19 the sources have their strength. They have their strength  
20 in the BART determination because then what happens is  
21 when you are done, whether you are deciding what cost  
22 factor is -- and I was in private sector for a lot of  
23 years about what capital costs you have to do -- what  
24 happens is when you leave with the BART determination  
25 where you could put most of your efforts, you will have

1 the State and the sources going to the federal land  
2 managers that says this is how we are going to handle  
3 this. This is the cost of what's going to be there or not  
4 cost. We might determine there is nothing else you can  
5 do. You have done all the controls that are possible.

6 So that's the question. Every time this whole  
7 discussion comes up about where to put efforts and whether  
8 this technology is right and what's happening, the bottom  
9 line is do we gain anything by redoing a modeling for five  
10 months. What do we gain? And then the question is is  
11 when you look at where to put resources and efforts, which  
12 every business here has to consider in their cost, where  
13 is a place that would really show whether or not you even  
14 need to do any retrofits. It's the BART determination.

15 MR. COHEN: Two things. One is whether  
16 this change all by itself gets anyone out or just gets  
17 them close. That change all by itself would mean that you  
18 would be in a position to take a limit and get out if you  
19 wanted to. And someone who was looking at the cost and  
20 difficulty of a BART determination and implementation  
21 might find it very well worth their while to take that  
22 limit and stay out.

23 Second, the effects of getting the three-year data  
24 set and using the 98th percentile not only affect the  
25 initial exemption modeling, they also affect the

1 visibility improvement modeling. So when you are  
2 evaluating the effects of BART controls, you are saying,  
3 well, you know, for a half million bucks I could put this  
4 control technology on. How much will it improve  
5 visibility in Denali? The number is going to be a lot  
6 smaller at that stage, as well, if you have the -- if you  
7 use the 98th percentile and you get the -- well, who knows  
8 what the effect of the three years of -- that change is  
9 critical at both stages of the analysis. So --

10 And I'm not sure, John, that the time we are talking  
11 about is additive to the schedule we gave you.

12 MR. TURNER: That's my question, too.

13 MR. KUTERBACH: We got kind of sidetracked  
14 on that at the last meeting because we were told the time  
15 wasn't additive, and then we get to this meeting and it is  
16 additive. Now I'm hearing another additional length of  
17 time is not going to be additive, and I think we are going  
18 to be sitting here in two months and it will be added  
19 again.

20 MS. CROCKETT: During the break I made the  
21 observation to Matt that I think that there is some  
22 misunderstanding, some misinterpretation of what everybody  
23 thinks the timeline is. And there is probably some  
24 value -- although it's two minutes till four -- in laying  
25 out start to finish what over -- what we think because I

1 don't think -- either we are not being clear or you are  
2 just not -- DEC is not understanding. We think there is a  
3 lot of overlap. We also believe, as Al pointed out, there  
4 are some things we are not going to be willing to do until  
5 we know what the rules are. But that list is much smaller  
6 than the work that could be under way right now. Frankly,  
7 some of it probably already is under way.

8 MR. KUTERBACH: Before we get off of the  
9 idea of collecting more met data and redoing the modeling,  
10 Alice, how much more work can we get out of the WRAP for  
11 this modeling?

12 MS. EDWARDS: I don't know. I can't  
13 answer that off -- I don't think much. Go ahead, John.

14 MR. VIMONT: Until we dissolved the actual  
15 modeling forum, I was the co-chair of the modeling forum.  
16 The forums have been consolidated as WRAP has been running  
17 out of funding. And funding at this point is down to  
18 about zero at WRAP.

19 MR. POLKOWSKY: So FY07 guidance monies  
20 for the WRAP was cut in half for their FY07, and next year  
21 it's going to be cut in half again. So the WRAP is  
22 essentially doing a process of sort of setting up their  
23 archives and pretty much going out of business.

24 MR. ALLEN: I also want to say that I  
25 think we are very anxious to have this conversation

1     scrutinizing CALPUFF as a whole. I can tell you plenty of  
2     examples of areas of the country that had three years of  
3     meteorology, and they weren't allowed to use 98th  
4     percentile either because of other flaws in the whole  
5     modeling system. So I think it's very appropriate for  
6     maybe some of us technical folks to get on a subsequent  
7     phone call -- and that includes all of the stakeholders  
8     here -- and actually go through what kinds of protocol  
9     conditions might make it possible to go ahead and add some  
10    of these things, for example, the 98th percentile. But  
11    you shouldn't fixate on one thing.

12           And I do think that producing two additional years of  
13    MM5 is a very ambitious thing, even if you were doing it  
14    in a data rich area. I'm very skeptical about the  
15    timeline that Joe had proposed.

16                   MR. VIMONT: Another thing to consider is  
17    that the way it works is on any one of the three years  
18    having the eighth high, which is the 98th percentile,  
19    roughly, value, if you look at the tables that Alan put  
20    together, with one exception, everybody is well -- there  
21    are many, many more days above a half a deciview than  
22    eight. Alyeska comes in at eight and nine, but all the  
23    other sources are way over that. So it's very unlikely  
24    that, you know, you are going to get much of a reduction  
25    here in terms of the -- putting you into the process.

1                   MR. TURNER: We have other people raising  
2 hands. So before I go on because I -- because of the time  
3 elements and the end of the day, is the questions you are  
4 going to discuss specific to modeling or is it overall  
5 back to the timeline and the process?

6                   MR. MURRAY: Modeling, timeline, and  
7 process.

8                   MR. TURNER: Make it quick, Doug.

9                   MR. MURRAY: I don't think it's  
10 anticipated that the additional years of meteorological  
11 data would be run by WRAP. I think it was anticipated  
12 that those data would be run by the applicants.

13                   MR. TURNER: Thank you. Okay. John, any  
14 comments?

15                   MR. KUTERBACH: Okay. That was oriented  
16 towards what I was trying to get at is I have no money to  
17 do -- I have no money to be sitting in this meeting right  
18 now. We have a little bit of EPA grant. That's going to  
19 be cut next year. And part of the -- part of the reg  
20 process, the reason why we are going for the regs is to  
21 get it into a permit process that we can then charge fees  
22 for the source-specific negotiation and working out on a  
23 BART analysis to pay for the time.

24                   MR. TURNER: So I'm going to advance this  
25 quite a bit. I've heard a lot of things about what's

1 going on. I first off want to thank Mary, the recorder,  
2 for everything she's done. I'm not going to usually keep  
3 notes, because this was a lively group. But when we got  
4 here, we had our timeline. I'm on the white board, guys.  
5 I'm back on that time sheet for the people on the phone.  
6 We were trying to figure out what we need to do to get to  
7 adoption and -- I mean to proposal and then to adoption so  
8 we can get the BART determination.

9 Things I'm hearing -- and you can correct me. I'm  
10 going to get them out, then you can correct me. One is,  
11 people would like to look at whether or not we are going  
12 to include a list of sources and whether or not we are  
13 going to include the units. Okay. We do recognize that  
14 the unit list is going through review now and that the  
15 purpose of the unit is for the final BART determination,  
16 but that is the first point is to look at whether or  
17 not -- I'm separating these out -- the list of sources and  
18 the list of units, emission units.

19 The second thing is, based on the last conversation,  
20 we are very clear that section (c) allows for the sources  
21 to model out of the BART process at that point. And  
22 please recognize we are out of money -- it sounds like  
23 WRAP is out of money, but it sounds like for the next step  
24 forward, we probably have to have one more technical  
25 session which we will organize very quickly for the

1 technical people to talk about modeling issues, but we  
2 have looked at the regs of having a section (c) where we  
3 could work out those kind of details and you could model  
4 out rather than keep going on and on about whether the  
5 model is in or whether you are out. Section (c) is  
6 designed to do that. Okay.

7 So we have gone ahead and we have heard those points  
8 which I heard at the beginning. We are also going to  
9 follow the Feds as requested. Is there anything else we  
10 need to do to advance this? And then based on those  
11 issues, what's our timeline?

12 MR. KUTERBACH: Recognizing -- recognizing  
13 that we still have the opportunity to fine-tune during  
14 public comment process and the final reg adoption process.

15 MR. TURNER: And I want to thank John for  
16 reminding this. Everybody has their own motivation, but I  
17 still have to look at what the intent is. Based on what  
18 the intent of this whole process is, we have to be very  
19 clear that this is a public process. And the way the  
20 State does that is we put it out for 30-day public  
21 comment. You write your comments, you bring them back.  
22 Okay. So that's kind of where I think at this point we  
23 need to advance to is to start -- establish this stuff  
24 within the public record, hearing what these concerns are,  
25 and try to figure out how to work them within the regs.

1           There's also one other point that we did not have in  
2           the initial regs discussion that I think is worth pursuing  
3           or looking at is whether or not there is some type of  
4           permit mechanism to have limits and in what way that would  
5           take shape or form. But we would have to discuss that out  
6           internally about what that would look like and how that  
7           would look. So I've heard that those are some of the  
8           points that you guys wanted to bring up for points of  
9           discussion.

10           Now, based on all of that, I figure just in rough  
11           numbers, six months for the proposed regulations to get  
12           through to adoption, six months to do the BART analysis.  
13           And that's the whole purpose of the timing. I've heard  
14           the possibility -- excuse me for being a little bit [sic]  
15           at the end of the day -- yeah, sure, we will work on the  
16           things at the same time, but then it's like, well, no, we  
17           can't do it until you are done. So I guess the question  
18           is: What can you work on and what can't you work on in  
19           order to keep somewhat of a schedule?

20                       MS. CROCKETT: Why don't we go back and  
21           put together a project timeline that clearly depicts for  
22           you what we believe we can work on now, what overlaps,  
23           okay, and get it to you right away.

24                       MR. TURNER: We can send you one. We have  
25           one. Yes, we can do that.

1                   MS. CROCKETT: No, we are offering to do  
2                   that for you. We are offering to go back and say this is  
3                   how we see the schedule working out from April 2nd through  
4                   the end. This is what we think overlaps and we are  
5                   willing to do without regulations being in place and  
6                   finalized. Would that be helpful? That's what I'm  
7                   hearing.

8                   MS. EDWARDS: Do you understand what she's  
9                   saying, Tom?

10                  MR. TURNER: Yeah.

11                  MR. KUTERBACH: So some of the key  
12                  milestones that we would like to see on there would be  
13                  regulation proposal date, end of comment period, so that  
14                  we see what you are thinking about as far as those. When  
15                  would BART analyses need to be submitted.

16                  MS. CROCKETT: These that you had in here?

17                  MR. KUTERBACH: Yes.

18                  MR. TURNER: Plus the fact that we do  
19                  have -- we have our own. We can tell you what the  
20                  milestones are that we are looking at so you could figure  
21                  out how to incorporate them in. Would that help us to  
22                  advance this process?

23                  MR. DRECHSEL: I think it definitely  
24                  would. And it seems like the other thing we need to do  
25                  is, since we only got through three paragraphs, is we need

1 to go through the balance of this, correct, at a later  
2 time?

3 MR. KUTERBACH: We can dispense with  
4 anything you don't have a problem with what we are trying  
5 to accomplish or any issues or any issue with how we  
6 accomplish it. But yeah. In fact, if you look at -- I  
7 guess we should go through it at some future time. I  
8 don't know that this format of a meeting would be the best  
9 way to do that if we limit the subject matter to this.

10 MR. TURNER: Well, I would make a couple  
11 of suggestions. When you look through the Strawman, there  
12 are a couple -- it would be interesting to find out where  
13 the points of contention or discussion are. One of them  
14 would be the timeline for the BART determination, which is  
15 part of that. Whether or not you are going to pay for it  
16 or not, well, we have regulations for that. So I don't  
17 know how much discussion we have for that because that's  
18 in our regulations.

19 The other one that could be is we had a discussion  
20 about the fact that we need 30-day public comment. We  
21 went back and forth internally about whether or not we  
22 could figure out a way to speed that time process, show it  
23 as part of the SIP, whatever. So maybe a better way of  
24 doing this would be to go through and find out which  
25 particular points from the BART coalition are points

1 within the Strawman regulation that need further  
2 discussion rather than try to go through each section,  
3 because some of it is basic things that regulations need.  
4 Would that be more helpful for you, Chris? We can't have  
5 workshop after workshop after workshop. In all honesty,  
6 as John pointed out, I have a lot of other things that I'm  
7 supposed to be doing on my job, and my grant money is  
8 running out.

9 MR. DRECHSEL: Yeah, I understand. So I'm  
10 trying to understand how that would play out, then. So  
11 you're asking for feedback from us on essentially comments  
12 on this Strawman?

13 MR. TURNER: Not comments because we would  
14 need to enter into the public comment process for that,  
15 which I would like to do very soon. I would like you just  
16 to say, Tom, we need these following sections discussed.

17 MR. DRECHSEL: We need to discuss these  
18 following sections, and then we can set something up.

19 MR. TURNER: If you start giving me back  
20 written comments, to be honest, I will quickly advance to  
21 upper management that says, if they are going to do this  
22 and I can reference to the attorneys, we need to enter  
23 into a public comment period now because that is not what  
24 we are doing.

25 MR. DRECHSEL: So we identify the sections

1 that we want to talk about. Then what happens after that?

2 MR. TURNER: Then we would have to get  
3 together and figure out how to talk about them.

4 MR. COHEN: I have two questions. One is,  
5 John, is the trigger for your ability to charge fees the  
6 adoption of a regulation?

7 MR. KUTERBACH: No. The trigger is a  
8 permit.

9 MR. COHEN: So give me the short version.  
10 You adopt these regs quickie-quick, and then you tell  
11 people we want a BART -- or a BART analysis or a BART  
12 whatever. When are you -- what permit -- what would be  
13 the -- what would be the vehicle for charging for it?

14 MR. KUTERBACH: We would charge it as a  
15 permit -- since BART determinations are applicable  
16 requirements, our theory on charging for this would be to  
17 charge it under the Title 5 permit as permit service.

18 MR. TRBOVICH: Preapplication service.

19 MR. KUTERBACH: Yeah.

20 MR. COHEN: Okay.

21 MR. KUTERBACH: I mean, if that ends up  
22 being a problem, then I have no revenue source and we are  
23 going to have to turn it back to EPA. We have to find a  
24 way that we can get paid for this.

25 MS. CROCKETT: I'll tell you, we have had

1 no discussion of the coalition members about challenges  
2 associated with having to pay fees for this. There may be  
3 some, but I'm not aware of any.

4 MR. KUTERBACH: We can formulate it a  
5 different way. We can put it as a minor permit  
6 requirement and develop it through that purpose and charge  
7 fees that way.

8 MR. COHEN: Mostly what we have talked  
9 about this morning in our -- in our premeeting was to try  
10 to help you identify a vehicle for which you could make  
11 source-specific BART determinations and applicability  
12 determinations without having to put it all into a rule  
13 because we assumed that that might be one of the obstacles  
14 you were grappling with in listing all this stuff in a  
15 regulation. And we are still interested in talking to you  
16 about finding the right vehicle to do that.

17 MR. KUTERBACH: I guess I don't know what  
18 that means.

19 MR. KUTERBACH: Let me clarify. I'm not  
20 sure what it means that you are interested in helping us  
21 find the right vehicle. What does that mean in practical  
22 terms?

23 MR. COHEN: What that means is we thought  
24 we would be more successful in persuading you to get this  
25 list of sources and units out of the rule if we could

1 identify a permit or an order that you could use to  
2 ultimately impose the BART determinations. And we are not  
3 satisfied at this point Title 5 is it.

4 MR. KUTERBACH: Okay.

5 MR. COHEN: But again, echoing what  
6 Marilyn said, there is no interest that I'm aware of in  
7 the coalition to prevent DEC from implementing this  
8 program or from funding it as needed to implement it. The  
9 goal is essentially to have it done in a way that doesn't  
10 do violence to the principles of your other permit  
11 programs.

12 MS. CROCKETT: We are not objecting to  
13 paying fees for this.

14 MR. KUTERBACH: I understand that,  
15 Marilyn. I'm just kind of thinking of the doing violence  
16 part.

17 MS. SMITH: The rule does say that because  
18 BART requirements themselves are applicable requirements  
19 of the Clean Air Act, they must be included as Title 5  
20 permit conditions.

21 MR. KUTERBACH: What Matt is getting to is  
22 Title 1 decisions have to be in Title 5 permits, as well.  
23 Same type of thing. But they are developed under the  
24 title of permit.

25 MR. TURNER: So I want to sum up things.

1 This is what's going to happen. We are going to go back  
2 and relook at the regulations. We are going to work with  
3 the sources on the BART unit list at this point. We are  
4 going to have the BART coalition produce a project  
5 management as they see to keep task of the schedule with  
6 milestones identified. And you are going to go back as a  
7 BART coalition and ID the specific sections of the  
8 Strawman by just letting us know what section may require  
9 further discussion. There may be the requirement of the  
10 modeling group to get together and have a discussion.

11 And to keep things on a reasonable schedule, this  
12 will all happen in what period of time; the next two  
13 weeks?

14 MS. CROCKETT: Uh-huh. Volunteering on  
15 behalf of the coalition.

16 MR. DRECHSEL: So we will have a follow-up  
17 meeting in the next two weeks?

18 MR. TURNER: No. We are going to have a  
19 project management plan produced by the coalition back.  
20 The coalition is going to come back and give us  
21 information on which sections of the regulations they want  
22 to discuss. We're going to go back and relook at those  
23 BART lists which are due on the 9th that everyone  
24 discussed out. And at that point we will, yes, have some  
25 type of quick follow-up meeting. I'm not looking at doing

1 a -- I'll have to talk to John about whether or not we  
2 have to do a whole workshop again, which I don't see the  
3 need to, but it has to be a public process so that we can  
4 identify these kind of activities to keep us on schedule.

5 MR. DRECHSEL: My question was about the  
6 modeling group meeting you referenced.

7 MR. TURNER: We could probably do that  
8 within the next week, just get models together and let  
9 them discuss out all the different technical aspects of  
10 what they are looking at. And again, our viewpoint based  
11 on the first meeting that we got input at that you weren't  
12 there was very clear that you wanted an off-ramp. So from  
13 the perspective of the regulations, we put it in there.  
14 Modeling is open for discussion in section (c). Pull in  
15 the federal land managers, pull in the EPA, bring in all  
16 the technical people, sit down with Alan and work it out.  
17 And when everybody agrees upon what is the parameters we  
18 all agree upon, that is the place you would be able to  
19 make that question answered. So it was clearly outlined  
20 as we would discuss the fact.

21 Any other comments from people on the phone?

22 MR. VIMONT: No. Thank you for inviting  
23 us, and we will participate to the modeling discussions or  
24 any other pieces that you would like us to comment on.

25 MR. TURNER: Any other general comments

1 from the floor?

2 MS. EDWARDS: I just want to thank the  
3 folks that have stayed through dinnertime on Mountain Time  
4 for hanging with us this afternoon.

5 MR. TURNER: Yes. Thank you very much. I  
6 do appreciate it. And I do appreciate everyone's  
7 patience. It is somewhat an entertaining thing to manage  
8 this with multi opinions and phone conversations. And  
9 again, I want to thank Mary for her time. Thank you.

10 (Proceedings adjourned at 4:18 p.m.)

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REPORTER'S CERTIFICATE

I, MARY A. VAVRIK, RMR, Notary Public in and for the State of Alaska do hereby certify:

That the foregoing proceedings were taken before me at the time and place herein set forth; that the proceedings were reported stenographically by me and later transcribed under my direction by computer transcription; that the foregoing is a true record of the proceedings taken at that time; and that I am not a party to nor have I any interest in the outcome of the action herein contained.

IN WITNESS WHEREOF, I have hereunto subscribed my hand and affixed my seal this \_\_\_\_\_ day of \_\_\_\_\_ 2007.

\_\_\_\_\_  
MARY A. VAVRIK,  
Registered Merit Reporter  
Notary Public for Alaska

1 My Commission Expires: November 5, 2008

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