

BEFORE THE ENVIRONMENTAL QUALITY COUNCIL
STATE OF WYOMING

IN THE MATTER OF:)
BASIN ELECTRICAL POWER COOPERATIVE)
DRY FORK STATION,) Docket No. 07-2801
AIR PERMIT CT-4631)

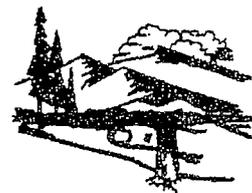
**RESPONDENT DEPARTMENT OF ENVIRONMENTAL QUALITY'S
MEMORANDUM IN SUPPORT OF MOTION FOR PARTIAL SUMMARY
JUDGMENT**

Schlichtemeir Affidavit

EXHIBIT I



Department of Environmental Quality



To protect, conserve and enhance the quality of Wyoming's environment for the benefit of current and future generations.

Dave Freudenthal, Governor

John Corra, Director

May 30, 2006

Mr. Jerry Menge
Air Quality Program Coordinator
Basin Electric Power Cooperative
1717 East Interstate Avenue
Bismark, ND 58503

Re: Completeness Review
Permit Application No. AP-3546

Dear Mr. Menge:

The Division has further reviewed the BACT analysis for NO_x and SO₂ in your March 10, 2006 submittal for the application referenced above. The Division's December 21, 2005 letter requested a BACT analysis for NO_x including emission levels of 0.05 and 0.06 lb/MMBtu, 30-day average. Basin Electric's March 10, 2006 response included emission levels down to 0.056 lb/MMBtu and indicated that this level represents LAER based on adding two standard deviations to the actual emissions rates for W.A. Parish Generating Station Units 5 and 6 in Houston, TX. Although this method ensures that 95% of the data points are within two standard deviations of the average, it is the actual average emission level of approximately 0.04 lb/MMBtu that is of interest. The Division is evaluating a 30 day average limit which allows for higher or lower individual data points as long as the actual average emission level is at or below the limit. An analysis of the technical feasibility and cost effectiveness is therefore required for an emission level of 0.05 lb/MMBtu, 30-day average.

The Division's December 21, 2005 letter requested a BACT analysis for SO₂ including emission levels of 0.07 and 0.08 lb/MMBtu, 30-day average. Basin Electric provided the requested information and indicated that a circulating dry scrubber (CDS) could achieve 0.08 lb/MMBtu and the lowest expected vendor guarantee for a wet scrubber would be 0.054 lb/MMBtu. The response also indicated that Bonanza Unit 1, a 400 MW PC boiler equipped with wet FGD, is actually achieving 0.057 lb/MMBtu. Additionally, Nevada recently issued a permit to Newmont Nevada Energy Investment, LLC for the TS Power Plant with a limit of 0.067 lb/MMBtu, 24 hour rolling average. The equivalent 30 day average limit would be significantly lower. An analysis of the technical feasibility and cost effectiveness is therefore required for CDS at an emission level of 0.07 lb/MMBtu, 30-day average and wet FGD at an emission level of 0.06 lb/MMBtu, 30-day average.

If you have any questions concerning this matter, please contact this office at (307) 777-7340.

Sincerely,

Bernard J. Dailey
NSR Program Manager
Air Quality Division

cc: Mike Warren
File: AP-3546

