

BEFORE THE ENVIRONMENTAL APPEALS BOARD  
UNITED STATES ENVIRONMENTAL PROTECTION AGENCY  
WASHINGTON, D.C.

In re: )  
)  
Sierra Pacific Industries – Anderson )  
) PSD Appeal Nos. 13-01, 13-02, 13-03, & 13-04  
PSD Permit No. SAC 12-01 )  
)  
\_\_\_\_\_)

**OPPOSITION TO REQUEST FOR EXTENSION**

Sierra Pacific Industries (SPI) respectfully opposes the May 23, 2013 request by EPA Region 9 (“Region 9”) for a two-week extension of time to file the supplemental brief ordered by the EPA Environmental Appeals Board (“Board”). The Board’s May 16, 2013 Order Directing Supplemental Briefing set a deadline of May 31, 2013, and stated that due to “the need for expeditious disposition of PSD permit appeals,” the Board would “grant no extensions of time to these deadlines absent a showing of extraordinary circumstances.” Order at 2-3. While SPI appreciates Region 9’s conscientious approach to its brief, it disagrees that extraordinary circumstances warrant a doubling of the time initially allocated by the Board. To the contrary, extraordinary circumstances compel the strict adherence to the original schedule.

After an exceptionally long two-and-a-half year PSD permitting process after SPI’s application was deemed complete by EPA, SPI’s biomass cogeneration Project now faces the impending expiration of the renewable energy tax credits and power purchase arrangements that make it economically feasible. Any further delay therefore threatens the viability of the Project and the economic and environmental benefits it offers.

The Project involves the construction and operation of a cogeneration boiler that will use biomass, a renewable fuel source produced as a byproduct of timber and sawmill operations, to produce approximately 25 megawatts of electricity, as well as steam that will be used to dry lumber. The Project is located within the existing sawmill facility. The electric power will be used onsite and exported to the grid, replacing higher emission petroleum-generated power. Given these environmental benefits, the Project’s EIR was approved with virtually no opposition and no legal challenges, and the PSD review process garnered comments from roughly one percent of those solicited. The Project

offers substantial economic benefits as well, employing 30 to 40 people during the yearlong construction period and 12 to 14 permanent employees thereafter, and creating associated demand for local support services. The Project is also expected to generate an additional \$400,000-\$450,000 in annual tax revenue for Shasta County, which is essentially being forfeited by the ongoing delays.

SPI has had other necessary approvals and permits for the Project since July 2012. The turbine and boiler are onsite, and while no physical construction has commenced, personnel are ready to begin within 48 hours. SPI waits only on PSD permit finalization, as at it has been doing patiently since Region 9 deemed its application complete on October 4, 2010. In the intervening two and a half years, the public has had substantial opportunity to comment on the Project through the EIR and PSD review processes, and Region 9 has acted reasonably in finding that additional public hearings are unnecessary.

Every additional day SPI must wait for its PSD permit raises construction costs by pushing the construction timeline into the winter months, and increasingly threatens the Project altogether, as Project viability depends on tax credits and power purchase contracts which require the Project to be operational by specific deadlines. SPI is already faced with an extremely compressed construction schedule in order to meet these deadlines. A day, much less two weeks, has serious implications for this timeline.

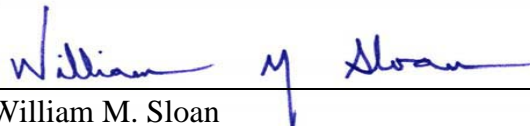
When Region 9 inquired about an extension, SPI responded that it wanted very much to accommodate that request. However, in light of these highly problematic timing concerns, the project is hanging in the balance from these delays. SPI reluctantly indicated that it would consider a one-week extension to accommodate Region 9, conditioned on no further extension requests (and an extension of no more than one

week, if any, for all replies). A two-week extension, however, is regrettably unacceptable given the circumstances described above.

As the Board has recently recognized, PSD permitting proceedings are particularly “time-sensitive.” *See In re: City of Palmdale*, PSD Appeal No. 11-07, slip op. at 17 n.5 (EAB Sept. 17, 2012). SPI’s Project is a paradigmatic example of why. SPI therefore respectfully requests that the Board adhere to the briefing schedule it originally ordered and deny Region 9’s request for extension.

Dated: May 23, 2013

Respectfully submitted,

A handwritten signature in blue ink that reads "William M. Sloan". The signature is written in a cursive style and is positioned above a horizontal line.

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## CERTIFICATE OF SERVICE

I hereby certify that on the 23rd day of May 2013, copies of the foregoing **OPPOSITION TO REQUEST FOR EXTENSION** in the matter of Sierra Pacific Industries, Inc. EAB Appeal Nos. PSD 13-01, PSD 13-02, PSD 13-03, and PSD 13-04 to be served upon the persons listed below by the means so indicated.

Dated: May 23, 2013

/s/ Patti Pomerantz  
Patti Pomerantz

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