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

In the matter of Humboldt Bay Repowering Project) PSD Appeal No. 08-08)
)

SUPPLEMENTAL DECLARATION OF RICHARD L. MARTIN, JR.

- I, Richard L. Martin, Jr. declare as follows:
 - I am the Air Pollution Control Officer for the North Coast Unified Air Quality
 Management District (the "District") and have been so employed since October
 2006.
 - 2. I have directly and actively participated in the District's processing of Pacific Gas and Electric's ("PG&E") Application for Determination of Compliance ("DOC") and Authority to Construct ("ATC") concerning the Humboldt Bay Repowering Project ("HBRP"). The following is based on my personal knowledge except for those matters stated as based on information and belief. For those items based upon information and belief, I have relied upon information reasonably relied on by professionals in my field to inform our professional judgment and opinion, and as to those matters I am informed and believe them to be true as expressly stated herein, and if called to testify I could and would competently testify thereto.

- This Supplemental Declaration is submitted in support of the North Coast District's Response To Rob Simpson's Reply.
- The District issued an ATC and Prevention of Significant Deterioration ("PSD") combined permit to PG&E for the HBRP on April 14, 2008, to construct and operate 10 16.3 MW Wartsila reciprocating engines, a new emergency generator, and a new fire pump engine. I attached a copy of this permit to my earlier Declaration as Exhibit 1, filed with the Board on October 16, 2008 ("HBRP Permit").
- 5. The HBRP will be constructed at a 140-acre site located at 1000 King Salmon Avenue, three miles south of Eureka, Humboldt County, California. This site was historically referred to as Buhne Point.
- 6. Located at the same site, PG&E owns and operates an existing power plant, the Humboldt Bay Power Plant ("HBPP"), which has been operating since 1953. The HBPP consists of two steam turbine generators, or boilers, 52 and 53 MW respectively, primarily fueled by natural gas, with number 6 fuel oil used as a secondary fuel; and two mobile emergency power plants ("MEPPs") consisting of diesel-fueled turbines that act as back-up and peaker units. A non-operating 63 MW nuclear power plant also exists at the site.
- 7. The current HBPP operates under the dual permitting authority of the North Coast District and U.S. EPA Region 9 ("Region 9"). The North Coast District has full permitting authority under the approved California State Implementation Plan, with the exception of PSD permit authority for the MEPPs, which was retained by EPA.

- 8. Based on its SIP authority, the North Coast District issued Permits to Operate for the two steam generators (Permit Nos. NS-020 and NS-021) and for the gas turbine MEPPs (Permit No. NS-057). These permits were consolidated by the North Coast District into Title V Permit To Operate No. 059-12.
- 9. The gas turbine MEPPs are subject to a PSD permit issued by Region 9 on February 23, 1979 (EPA Permit No. NC 77-05). Region 9 has continued to directly administer the PSD permit for the MEPPs, including acting on amendments to this permit three times since it was first issued: December 11, 1981 (to change the allowable nitrogen oxides emission limits and hours of operation); April 20, 2000 (to change the source test frequency); and, October 30, 2000 (to change operating hour limits).
- 10. The HBRP Permit issued by the North Coast District does not authorize a physical change in, or in the method of operation of, or modification of any component of the existing emission units at the HBPP, including the EPA regulated MEPPs units and the steam generators, which would result in an increase in emissions of any air pollutant.
- 11. Conditions 88 and 110 of the HBRP Permit issued by the North Coast District require PG&E to permanently shut down the existing HBPP and all emission units permitted under Title V Permit to Operate NCU 059-12 as soon as possible following the commercial operation of all of the reciprocating Wartsila engines. At that time, all permits for the boilers and gas turbine MEPPs must be surrendered.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct.

Executed on <u>December 4</u>, 2008 at <u>Eureka</u>, California.

North Coast Unified Air Quality Management District

Richard L. Martin, Jr.

Air Pollution Control Officer