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Subject: Summary
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Summary of Action

EPA is taking final action to require the Navajo Generating Station (NGS) to reduce emissions of oxides of nitrogen (NO_x) in order to reduce the impact NGS has on visibility at 11 national parks and wilderness areas. EPA is finalizing the requirements put forth in a Supplemental Proposal on October 22, 2013. These requirements are consistent with an agreement developed by a group of diverse stakeholders known as the Technical Work Group on NGS (TWG).

In today's action, EPA is establishing a cap in NO_x emissions from NGS over 2009 to 2044 and requiring the operator of NGS to implement one of several alternative operating scenarios to comply with the 2009-2044 NO_x Cap. Generally, the alternative operating scenarios require NGS to close one unit at NGS, or curtail electricity generation by a similar amount, in 2019, and to meet a NO_x emission limit that is achievable with the installation of selective catalytic reduction (SCR) on two units in 2030.

When fully implemented, this final action requires over an 80 percent reduction in NO_x emissions from NGS and is expected to significantly reduce the impact of NGS on visibility at 11 mandatory Class I Federal areas.

Background On Today's Final Action

NGS is subject to the BART requirement of the Clean Air Act and Regional Haze Rule based on its age and its effect on visibility at 11 national parks and wilderness areas, including the Grand Canyon. See map.

On February 5, 2013, EPA proposed a BART determination for NGS, an alternative to BART, and a framework for evaluating alternatives to BART that would allow greater flexibility in the timeframe for compliance if the alternative resulted in greater emission reductions. EPA invited stakeholders to suggest additional alternatives to BART that met our proposed framework.

EPA is exercising its discretion under the Regional Haze Rule and Tribal Authority Rule to set an appropriate compliance timeframe for "better than BART" alternatives for NGS and to give credit for early and voluntary NO_x reductions achieved through the installation of low-NOx burners with separated over fire air over 2009-2011.

On July 26, 2013, the TWG submitted Appendix B of the TWG Agreement to meet the framework for an alternative to BART.

The TWG is composed of Salt River Project (operator and co-owner of NGS), the U.S. Department of the Interior, the Navajo Nation, the Gila River Indian Community, Environmental Defense Fund, Western Resource Advocates, and the Central Arizona Water Conservation District.

EPA evaluated Appendix B of the TWG Agreement and in a Supplemental Proposal published on October 22, 2013, proposed regulatory requirements consistent with Appendix B of the TWG Agreement as a "better than BART" alternative.

EPA held five public hearings and received approximately 77,000 written comments.

Today's action finalizes the Supplemental Proposal.

General Background

NGS, a 2,250 MW coal-fired power plant, is located on the Navajo Nation Indian Reservation near Page, Arizona and is one of the largest sources of NO_x in the country.

NO_x is not only a visibility-impairing pollutant but is also regulated as a criteria pollutant (NO_2) and as a precursor to other criteria pollutants, ozone and fine particulate matter.

Under the Clean Air Act, Congress required that EPA reduce visibility impairment in mandatory Class I federal areas across the country. States are required to adopt Regional Haze plans that improve visibility over time. These plans include BART determinations, where older sources are evaluated for additional pollution controls. Most states have completed this process and many have required stationary sources under their jurisdiction to install new air pollution controls for BART.

NGS has already installed pollution control equipment to significantly reduce emissions of sulfur dioxide (SO_2) and particulate matter in order to protect visibility and improve air quality. Now, EPA is requiring that the facility take comparable action to reduce NO_x emissions, the last component of pollution that significantly affects regional haze.

In 2011 alone, 4 million people visited the Grand Canyon. Visibility is important to healthy tourism and the economic vitality of the states, local and tribal communities in the West.

NGS is co-owned by the U.S. Bureau of Reclamation (24.3%), Salt River Project (21.7%), Los Angeles Department of Water and Power (21.2%), Arizona Public Service (14%), NV Energy (11.3%) and Tucson Electric Power (7.5%).

Los Angeles Department of Water and Power and NV Energy have announced their intentions to divest from NGS. Together they own 32.5 % of the plant, or almost one-third of the 3-unit facility.

Next Steps

The Federal Register notice will be published in approximately 2 – 3 weeks. The rule will be effective 60 days after publication in the Federal Register.