



## Legislation Text

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### Compliance with new USEPA air emission requirements (B)

On April 25 the Commission received a presentation from staff on new USEPA regulations. These regulations set new emission limitations on NOX, SO2, and Mercury applicable to the Deerhaven power plant. The options for complying with the regulations were reviewed at that time. At a special Commission meeting on May 12, 2005, the costs and effects on ratepayers of these alternatives were discussed in more detail, and the Commission authorized staff to proceed with a project to add additional emission control equipment to the plant.

Since that time staff has been evaluating the applicable technologies and approaches to meet the new USEPA requirements in detail. As a result, staff is proceeding toward what is commonly called a design/build approach. The design/build process provides project performance and design requirements, and teams of designers, equipment vendors, and construction contractors bid on the entire project at one time, with performance guarantees being one of the evaluation criteria. Having a team that integrates final design, procurement, and turnkey construction within a single contract usually results in overall lower costs and better performance guarantees.

The status report will outline the process in more detail as well as describe the project milestones which will involve the Commission.

The City Commission receive a status report from staff on the project to modify Deerhaven 2 to meet the 2005 Clean Air Interstate Rule (CAIR) and the Clean Air Mercury Rule (CAMR).

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