

1 ENVIRONMENTAL PROTECTION AGENCY (EPA)

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3

PROPOSED PERMITTING ACTION

4

FOR THE MORRO BAY POWER PLANT MODERNIZATION PROJECT

5

MORRO BAY, CALIFORNIA

6

Tuesday, October 24, 2006

7

6:09 p.m. - 8:15 p.m.

8

9

PUBLIC COMMENTS

10

Held at the Veteran's Memorial Hall

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209 Surf Street

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Morro Bay, CA 93442

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Reported by: Allyson Whitendale, CSR No. 12996

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File No. 207346

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Public comments were taken at the  
 Veteran's Memorial Hall, Morro Bay, California, before  
 Allyson Whitendale, CSR No. 12996, on Tuesday, October  
 24, 2006, commencing at the hour of 6:09 p.m.

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Stephen Jawgiel

U.S. EPA Region 9

75 Hawthorne Street

San Francisco, CA 94105

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1 PUBLIC HEARING

2 Morro Bay, California

3 Tuesday, October 24, 2006

4 -oOo-

5 MR. JAWGIEL: Welcome and good evening. This  
6 public hearing is now in session. My name is Stephen  
7 Jawgiel, and I'm the acting public hearing officer for  
8 the United States Environmental Protection Agency,  
9 Region 9, in San Francisco, California, and I'll be the  
10 presiding officer for today's hearing.

11 The purpose of today's hearing is to  
12 accept public comment on the Environmental Protection  
13 Agency's proposed Clean Air Act prevention of  
14 significant deterioration, and I'll be referring to  
15 that phrase as PSD permit for the Morro Bay power plant  
16 modernization project.

17 Under the proposed PSD permit, LSP Morro  
18 Bay's LLC will, Number 1, replace four existing 1950 to  
19 1960's era fossil fuel fired electric utility stream  
20 generators with two combined cycle natural gas fired  
21 turbine block units; Number 2, replace three existing  
22 450-foot exhaust stacks with two 145-foot stacks  
23 complied with good engineering practices; and Number 3,  
24 will remove the existing fossil fuel tanks.

25 With me tonight are Gerardo Rios, Anita

1 Lee, and Leslie Ramirez, who is our timekeeper up here,  
2 of the EPA Region 9 air division; Carole Vondencamp  
3 from EPA's air technical services office; and Wendy  
4 Chavez from EPA's office of public affairs.

5 Before we begin accepting comments, I  
6 would like to describe the procedures for tonight's  
7 proceeding. Thereafter, we will receive public  
8 comments in the order of the speaker sign-up cards, in  
9 the order that they were received. I would like to go  
10 over the ground rules for today's public hearing. This  
11 hearing is a formal legal proceeding. Public notice of  
12 this hearing was made by publication in the Morro Bay  
13 Sun Bulletin, the San Luis Obispo Tribune, and the Bay  
14 News. Public notice was also posted on EPA's website.

15 The audio from this hearing will be  
16 tape-recorded, and a court reporter, whom you see to  
17 your right, will be transcribing a verbatim recording  
18 during this hearing. If you present oral comments at  
19 today's hearing, please speak clearly and slowly so  
20 that the court reporter can understand you and record  
21 your comments accurately.

22 I also ask that you refrain from  
23 interrupting other speakers or asking any questions  
24 during their presentations, and the purpose for that is  
25 the simple courtesy helps the court reporter to listen

1 to one person individually for accuracy's sake so that  
2 she doesn't have to try to record voices that are being  
3 spoken over each other.

4 Please note that you will have the  
5 opportunity to make comments shortly. Once we begin  
6 the public comment portion of this hearing, we realize  
7 that this is a complex issue, so informational  
8 materials are available at the sign-up tables in the  
9 lobby.

10 I don't see any here right now, but in  
11 case there are any people who show up with banners and  
12 posters, they will be allowed to be placed in the rear  
13 of the room; however, banners and posters that are  
14 attached to a stick will not be allowed in the hearing  
15 room. If you wish to carry a banner or poster to your  
16 seat, you'll be asked to sit in the rear of the hearing  
17 room so that others behind you can have a clear view of  
18 the stage here. Any sign or banner may be excluded  
19 from this hearing if it is determined to be disruptive  
20 to the conduct of the hearing.

21 I'd also like to mention that there's --  
22 as you walk in, you noticed that there was a  
23 registration table located in the lobby. You don't  
24 need to register to be present here at the hearing;  
25 however, if you would like to make oral comments at

1     today's hearing, please fill out a green speaker card,  
2     which you can see here. I will be calling individual  
3     speakers based upon the order that they submitted their  
4     speaker cards.

5                     If you would like to receive direct  
6     notification of EPA's final decision on the proposed  
7     permit, please sign in one of the sign-in sheets  
8     located in the registration table. And I know Carole  
9     and Anita are back there, and they can assist you with  
10    any of those forms that you may need.

11                    If you don't wish to speak tonight you  
12    can also submit written comments for the official  
13    record. Written comments and oral comments will  
14    receive equal consideration by the EPA in making a  
15    final permit decision. There is a box at the  
16    registration table for submitting written comments. If  
17    you would like to write comments while you are here  
18    today, a form for that purpose is available also at the  
19    registration table in the lobby. If you have submitted  
20    written comments, it is not necessary for you to give  
21    oral comments as well.

22                    If you submit by -- comments by US mail,  
23    written comments must be postmarked on or before  
24    October 30th, 2006. Comments submitted by e-mail may  
25    be sent to the attention of Mark Sims, and I'd like to

1 provide you with Mr. Sims' mailing address, his fax  
2 number, and his e-mail address. For the purposes of  
3 mailing and comments, you would address them to Mark  
4 Sims, Air Division, open paren, capital AIR-5, close  
5 paren, US EPA Region 9, 75 Hawthorn Street, San  
6 Francisco, California 94105-3901. Comments that you  
7 would like to fax in to the EPA can be faxed at area  
8 code 415-947-3579, and if you would like to submit your  
9 comments via e-mail, they should be sent to R as in the  
10 letter R, 9, the numeral 9, air permits, all one word,  
11 R9Airpermits@EPA.gov and, again, those need to be  
12 submitted by October 30th, 2006. The oral comments  
13 received at this hearing and all written comments  
14 received by the end of this comment period will be  
15 considered by the EPA in making the final permit  
16 decision.

17 EPA decisions on Clean Air Act permits  
18 are typically made with the participation of a number  
19 of people within the organization. EPA staff cannot  
20 comment to any specific decision related to the  
21 proposed permit today. The purpose of this hearing is  
22 to listen to comments, so we will not be providing  
23 responses during this hearing; rather, EPA will prepare  
24 a written summary of the comments and EPA's responses.  
25 The response to comments will accompany the final

1 permit decision. EPA will not make a decision on the  
2 proposed permit until all comments have been  
3 considered. EPA's notice of the final decision on the  
4 permit, along with a response to comments, will be sent  
5 to each person who has submitted written comments or  
6 who has signed up at the registration table to receive  
7 notice and provide an e-mail or postal address. This  
8 information will also be available on EPA's website.

9 A copy of today's transcript -- of  
10 today's hearing will also be available for inspection  
11 at EPA's office in San Francisco. If you wish to  
12 purchase an official copy of the transcript, please  
13 make arrangements directly with the court reporter  
14 following the hearing. We also intend to make this  
15 available on EPA's website.

16 When EPA issues a permit, it becomes  
17 effective 30 days after the notice of the decision;  
18 however, EPA's final decisions are reviewable by the  
19 environmental appeals board, the regulations of which  
20 are found at 40 CFR part 124. Permits to review must  
21 be filed within 30 days of the decision.

22 In a few minutes I will begin calling  
23 speakers. Speakers will be called in groups of five in  
24 the order that they presented their cards. When I call  
25 your name, please come forward, and then you can see



1     there are five chairs to your left over here.  As I  
2     call your name, the chair closest to the podium is  
3     chair Number 1, so if people can fill in the chairs  
4     from 1 to 5, I would appreciate that.  And I will be  
5     calling individuals to come up to the podium and  
6     provide comments.

7                     In order to give everyone who wishes to  
8     speak during this hearing a chance to do so, I ask that  
9     everyone who speaks please make your oral comments  
10    brief, as this hearing is only scheduled for three  
11    hours.  To assist in this effort, I am asking the  
12    speakers to limit their comments to three minutes.  If  
13    you have lengthier comments, you may submit them in  
14    writing.  Each speaker will be given a one-minute  
15    warning and then notified when their time is up.

16                    And I will apologize beforehand if it  
17    seems at some point I'm kind of pushing you off the  
18    microphone just for the purposes of we want to make  
19    sure that everyone who wants to provide comments  
20    tonight has the opportunity to do so.  If we perchance  
21    have additional time at the end of the hearing and  
22    people would like to make additional comments, we may  
23    allow people to come back up to the microphone if time  
24    permits.  But we would like to strictly enforce the  
25    three-minute rule just so that everyone who is here has

1 a fair and equal opportunity to provide comments at  
2 this hearing.

3 I also wish to mention that we have a  
4 group here, the Coastal Alliance Against Plant  
5 Expansion, also known as CAPE. CAPE has had some of  
6 their members donate their time slots to -- so that  
7 they can make one presentation. Currently, it appears  
8 as though they have four individuals that wanted to  
9 donate their time to the organization, so the  
10 organization of CAPE will likely have a 12-minute slot.  
11 So in case it seems you're wondering why they are  
12 allowed to speak longer than the allotted three  
13 minutes, that is the reason why, because instead of  
14 having their individual members come up, we decided it  
15 would be more expedient and probably more efficient to  
16 basically have one person, representative from that  
17 group speak.

18 I would also like to mention that I'm  
19 aware that some of you may have comments relating to  
20 water permit issues regarding this project in addition  
21 to air permit issues; however, I ask you to please  
22 refrain from making any comments related to the water  
23 issues because they are not relative to this specific  
24 air permit hearing and will not be considered as part  
25 of this process. I understand the comment period for

1 the Morro Bay water permit is closed; however, if you  
2 still wish to submit written comments on the water  
3 permit, you may do so by sending written comments to  
4 Michael Thomas at the California Regional Quality  
5 Control Board. You can also, if you feel that it is  
6 necessary to do so or if you would like to do so, you  
7 can also submit written comments to Nancy Yoshikawa at  
8 the United States Environmental Protection Agency, also  
9 at 75 Hawthorne Street, San Francisco, California  
10 94105. Because the official comment period is closed  
11 for the water permits, I cannot guarantee that your  
12 comments will be considered in that permit process.

13 I would like to now begin the comment  
14 period, and I would like to read off the first five  
15 names of individuals who have submitted requests to  
16 make comments and, again, I'm going to preapologize  
17 here if I mispronounce anyone's name. What I would  
18 like to do is if I call you up to the podium, if you  
19 would please state your name for the record and also  
20 spell your name for the court reporter. That would be  
21 greatly appreciated.

22 So I would like to call off the first  
23 five names. The first name is Roger Ewing, if you  
24 could please come up and take the first seat. Thank  
25 you, Mr. Ewing. If you could please sit in that front

1 seat right there, I would appreciate it. The next  
2 person is Colleen Johnson. The third person is Nelson  
3 Sullivan. The fourth person is Garry Johnson. And the  
4 fifth person is Joan Carter.

5 Mr. Ewing, if you would like to please  
6 take the podium and, again, Mr. Ewing, I please request  
7 that you limit your comments to three minutes. You  
8 will receive a one-minute warning, so to speak, when  
9 we're approaching the end of your comment period. So  
10 please feel free to begin.

11 MR. EWING: Is this on? Is the mic on?

12 MR. JAWGIEL: It does not sound like it is.

13 MR. EWING: Good evening. My name is Roger  
14 Ewing, E-W-I-N-G, and I'm a Morro Bay citizen. And  
15 first, I'd like to thank all of you very much for  
16 giving us the opportunity to voice our concerns.

17 I have been opposed to the power plant  
18 from the very beginning. The city government of Morro  
19 Bay chose to pursue the modernization because of the  
20 money interests. I've opposed it because of the health  
21 interests. It is my opinion that the long-term health  
22 of our citizens is far more important than the money  
23 gained in profit to one company. By lowering the  
24 smokestacks from 450 feet to 145 feet, PM-10  
25 particulate matters will be coming right through our

1 windows, right through our doorways, and right into our  
2 lungs. I think that's wrong. I don't think that's  
3 fair to the elderly in our community, nor do I think  
4 it's fair to the very, very young, who's lungs are just  
5 beginning to form. So I would ask the EPA to think  
6 very seriously before granting a permit to continue the  
7 construction of this new power plant.

8 And, again, thank you for the  
9 opportunity to speak. There are many others that will  
10 come and speak on a more technical matter than I can,  
11 so listen carefully. Again, thank you. Have a good  
12 meeting.

13 MR. JAWGIEL: Thank you, Mr. Ewing.

14 I should also mentioned to people that  
15 as you come up and speak that you may be wondering my  
16 specific role in the approval of this process, and I  
17 can assure you I actually -- as a hearing officer, I'm  
18 here to make sure that this proceeding moves forward in  
19 an orderly fashion. I actually do not personally have  
20 a say in the -- in the approval of this permit. I just  
21 wanted to make that clear to everyone as we move along.  
22 People who are -- who will actually make the decisions  
23 will be grading these transcripts and the written  
24 comments that come in, so I wanted to make that crystal  
25 clear for you.

1                   Thank you, Mr. Ewing. I appreciate your  
2       comments tonight. Next person, Ms. Colleen Johnson.

3                   MS. JOHNSON: Good evening and welcome to  
4       Morro Bay. My name is Colleen Johnson, and I  
5       appreciate your traveling here to receive public  
6       comment and to collect all available information  
7       regarding this issue that is so important to our city.

8                   As you know, over the past few years,  
9       many studies have shown the relationship between  
10      increased concentrations of particulate matter and  
11      respiratory problems, especially in children and the  
12      elderly. One study that particularly impressed me was  
13      one that compared the health of children living near a  
14      power plant to those living far from a power plant.  
15      Those who lived near a power plant had a significant  
16      reduction in their lung capacity and an increase in  
17      respiratory problems as compared to those not exposed  
18      to the emissions of a power plant. This was  
19      particularly true for children in their teenage years,  
20      when they are going through a period of rapid growth.  
21      The teenage years, the high school years.

22                  Concerning the power plant here in Morro  
23      Bay, Energy Commission documents referred to a six-mile  
24      radius of increased pollution around the power plant.  
25      Our high school is not 6 miles from the power plant.

1 Our high school is not even 3 miles from the power  
2 plant. It is almost right next door to the power  
3 plant, and if a new power plant is built, it will be  
4 north of the old plant, even closer to the high school  
5 than the old plant. The smokestacks of a new plant  
6 will be lower and closer to ground level so that the  
7 particulate matter, carbon monoxide, sulfur dioxide,  
8 and many other hazardous chemicals will saturate the  
9 students' airways as they run laps during PE or  
10 practice football after school.

11 To add insult to injury, we not only  
12 have the Morro Bay students here at the high school,  
13 but because there is no high school in the neighboring  
14 town of Los Osos, the students there come to Morro Bay  
15 to also attend school under the smokestacks.

16 MR. JAWGIEL: One minute left, Ms. Johnson.

17 MS. JOHNSON: Obviously, we have a problem.  
18 A power plant next door to a school is not a good  
19 situation. The solution: Build a power plant at a  
20 less populated location or, at the very least, employ  
21 best available technology at a new plant here. Knowing  
22 that we -- what we know today and if a permit will be  
23 granted, I urge you to prohibit the applicant from  
24 employing duct burning, and I urge you to ensure that  
25 the most advanced least-polluting turbans available are

1       used. Thank you.

2               MR. JAWGIEL: Thank you, Ms. Johnson.

3       Appreciate that.

4               Our next comment speaker will be Nelson  
5       Sullivan.

6               MR. SULLIVAN: She's a tall girl.

7               MR. JAWGIEL: Good evening, Mr. Sullivan.  
8       How are you?

9               MR. SULLIVAN: Good evening.

10              MR. JAWGIEL: Mr. Sullivan, if you could  
11       please state and spell your name for the record, I  
12       would greatly appreciate that.

13              MR. SULLIVAN: Nelson Sullivan, N-E-L-S-O-N  
14       S-U-L-L-I-V-A-N. And I will be very brief because I  
15       know I'm going to be followed by much more  
16       well-informed people than myself, but I have been  
17       deeply involved in this power plant venture with the  
18       organization CAPE, and I am personally convinced that  
19       this is a bad, bad thing. Not only is it in the middle  
20       of a town where the downwind is going to bring these  
21       particulates right into our houses, but it's a bad  
22       place to be generating electricity. Wiring throughout  
23       the state -- we're out in left field as far as where  
24       the deeds are. And the wires are not in existence, nor  
25       do they plan to be in existence to make the best use of



1 the energy that's being put in that effort. And the  
2 stacks, it's ludicrous to have these short stacks. The  
3 450-foot stacks would let the pollutants go much  
4 farther afield than the population here. That's my  
5 main concern, and thank you very much.

6 MR. JAWGIEL: Thank you, Mr. Sullivan. I  
7 appreciate your comments tonight.

8 Our next speaker is Garry Johnson.  
9 Mr. Johnson, if you could please take the podium.

10 MR. JOHNSON: Garry Johnson, live in Morro  
11 Bay, live two blocks from the plant. G-A-R-R-Y  
12 J-O-H-N-S-O-N.

13 First, I'd like to say I'm an  
14 independent person. I am not affiliated with any  
15 group, not paid by the power plant people or be  
16 influenced by them. I am a retired engineer who worked  
17 in the space industry for most of my career. I  
18 pioneered the field of particle analysis for 40 years  
19 working for Lockheed Corporation. I am considered an  
20 expert in this field. My work included optical  
21 microscopy, scanning electron microscopy, ocean  
22 analysis, atomic absorption, electron disperse of x-ray  
23 analysis, known as EDX, to identify particles and  
24 determine the origin of these particles.

25 I discovered that PM-10 or just

1 particles themselves are everywhere in our lives.  
2 Every breath we take we are breathing in particles from  
3 cars' emissions, diesel emissions, smoke, inside our  
4 cars. Cars are one of the worst things right now  
5 because of the outgasing of the plastics. When you buy  
6 a new car, beware. Windy days, that's another big one.  
7 Pollen, pollen's everywhere. The list goes on and on.  
8 There are more particles going airborne from the list  
9 just mentioned that the plant would ever produce. If I  
10 were so paranoid as some people are about particles, I  
11 would become a Howard Hughes and bury myself in a hotel  
12 room.

13 In my professional career, we had a  
14 contract with customers that I would perform an  
15 in-plant inspection of the facilities and determine if  
16 they all met their requirements, including particle  
17 contamination. After I retired to Morro Bay, I checked  
18 the power plant for safety and found out that the use  
19 is natural gas and the plant is very safe. I even took  
20 a complete tour of the facility and found the plant was  
21 in A+ condition and attended many meetings to discuss  
22 issues that I had -- that I had. I feel the plant is  
23 safe, the plant meets all its requirements, and the EPA  
24 should go ahead and approve the facility.

25 MR. JAWGIEL: One minute, Mr. Johnson.

1           MR. JOHNSON: Okay. I still feel that way.  
2     The plant does produce particles. They're not toxic.  
3     I'm more concerned about the emissions, if I was  
4     concerned of anything at all, but the most important  
5     thing it really meets the EPA requirements. More  
6     than -- you look at the graph, and it proves that if  
7     they didn't meet the EPA requirements, that would be  
8     another issue, but it is not an issue. They do meet  
9     the EPA requirements. Particle contamination is a  
10    complex subject, and that's why we studied it in our  
11    space program, and that's why Intel, for example,  
12    spends a billion dollars to build a facility because of  
13    contamination. It's everywhere around us. The people,  
14    we are the worst contaminants of it all.

15                 So I could go on and on on this subject  
16    since I wrote papers on it and I'm a pretty good expert  
17    on the subject, so I'll leave it at that. Thank you.

18           MR. JAWGIEL: Thank you, Mr. Johnson.

19                 And our next speaker will be Joan  
20    Carter. I'm sorry?

21           MS. CARTER: Are you going to call those  
22    people up?

23           MR. JAWGIEL: I'll call them up after you're  
24    finished, Ms. Carter.

25           MS. CARTER: Okay. My name is Joan Carter,

1 J-O-A-N C-A-R-T-E-R. I'm a Morro Bay resident, and I  
2 would like for this hearing to make note of an article  
3 that was in our San Luis Obispo County newspaper last  
4 week on the 17th. I'm just going to read a little bit  
5 of it to you. It's titled, "County Asthma Rate Tops  
6 State's."

7 "The rates of asthma are increasing  
8 among California adults, and the percentage of San Luis  
9 Obispo County residents with the condition is higher  
10 than the state average, according to a new report.

11 "About 22,000 people in the county -- or  
12 9 percent of the population -- have asthma, according  
13 to data from the 2003 California Health Interview  
14 Survey led by researchers at the UCLA Center for Health  
15 Policy Research. An additional 12 percent, or an  
16 additional 30,000 people in the county, have  
17 asthma-like symptoms that in some cases may be  
18 undiagnosed asthma.

19 "Statewide, 7 percent of residents  
20 reported having asthma symptoms.

21 "Researchers did not conclude why some  
22 counties have higher rates of asthma than others.

23 "Greg Thomas, the county's health  
24 officer, said the top two reasons San Luis Obispo  
25 County has higher rates of asthma are most likely the

1 high pollen count and Central Valley air pollution  
2 drifting into the North County.

3 "Clearly, asthma and other breathing  
4 problems are significant issues for Californians and a  
5 growing challenge for our health care system,' said  
6 Susan Babey, lead author of the report.

7 "Asthma is most prevalent in young  
8 children and one of the leading causes of school  
9 absenteeism, the report said.

10 "Some schools have used a curriculum  
11 from the American Lung Association to teach children  
12 how to control their triggers and symptoms, she said.  
13 The public health department also notifies the schools  
14 on days when the air quality is particularly poor so  
15 teachers can limit outside physical activity.

16 "Almost 10 percent of people  
17 statewide" --

18 MR. JAWGIEL: One minute, Ms. Carter.

19 MS. CARTER: -- "have asthma breathing  
20 problems that may be undiagnosed asthma, the report  
21 found."

22 So this is what's going on here. And  
23 this is a red flag not to add other contributing causes  
24 of asthma in our county, like particulate matter that  
25 will rise 60 percent due to the proposed increased

1 operating time and the lower smokestacks with wind not  
2 blowing the contaminants away, so this permit should  
3 not be issued. Thank you very much.

4 MR. JAWGIEL: Thank you, Ms. Carter.

5 I'd like to call the names of the next  
6 five commenters. The first person will be Phil Hill.  
7 If you could please take the first seat up here,  
8 Mr. Hill. Next will be Pauline LaPlante and, again, I  
9 apologize for mispronouncing anyone's names as we move  
10 through this. Is Pauline in the audience? Next is --  
11 I believe it's Shoosh Crotzer. I'm sure all of you  
12 will correct me when you get up here, when you get up  
13 to the podium. Next is Colby Crotzer. And last is  
14 Bonita Churney.

15 Mr. Hill, if you could please take the  
16 podium and, again, I ask that all of us please state  
17 your name, spell your name for the court reporter, and  
18 please be mindful of the three-minute rule. Thank you.

19 MR. HILL: My name is Phil Hill, P-H-I-L  
20 H-I-L-L. It's not my fault. I'm a Morro Bay citizen.  
21 I live on a boat in the estuary.

22 I am just adamantly opposed to this  
23 whole project, have been for quite a while. I used to  
24 work for the Chamber of Commerce. I had access to an  
25 incredible amount of data some of which I wasn't

1     supposed to have access to, and it's just a hideous  
2     thing. I'm not a smoker, I'm not an asthmatic, and I  
3     don't play one on television, but when I go in public  
4     or I'm at a coffee house or something, I do not sit  
5     downwind from tobacco. I didn't quit smoking to die  
6     from it, okay? You don't have to be a rocket scientist  
7     or anything else to look up at them damn stacks and see  
8     what's coming out the top. If that was blowing into  
9     your garage, it would kill you deader than a doornail.  
10    Birds don't circle around those stacks for a good  
11    reason. I don't want to see the old plant there, and I  
12    don't want to see it operating, and I sure as heck  
13    don't want to see a new one with really big, fat,  
14    shorter stacks.

15                 The predominant winds around here blow  
16    inland. They're blowing over the high school or over  
17    the town, and that much lower we're going to be sucking  
18    that junk into our lungs that much more. I'm  
19    violently -- not violently, excuse me, vehemently  
20    opposed to it. And one-third of that wet stuff out  
21    there that we're not allowed to address is composed of  
22    oxygen, so there's an interchange there. It's an  
23    exchange system, and that's another part that I can't  
24    talk about is the fact that it kills half a million  
25    life forms every day when they cook it.

1                   So we -- you know, there's two schools  
2     here -- there's one -- there's three. There's one  
3     that's concerned with environmental upkeep, which is  
4     your job and mine, and then there's one that's  
5     concerned with economic vitality, and then there's  
6     people that are concerned about both. And I have one  
7     minute left and I am almost done. And I'm concerned  
8     about both, and I know that we can live in good quality  
9     and make decent money and breath good air better if we  
10    don't have that damn plant there. And I'm sorry if I  
11    sugarcoat my words. Thank you.

12                  MR. JAWGIEL: Thank you. Thank you, Mr.  
13    Hill.

14                  Pauline, I'm going to let you help me  
15    with your last name here. Would you please -- if you  
16    want to -- yes. If you could please state and spell  
17    your name for the record.

18                  MS. LAPLANTE: Hi. My name is Pauline,  
19    P-A-U-L-I-N-E, and my last name is LaPlante  
20    L-a-P-L-A-N-T-E. I'm a new resident of beautiful Morro  
21    Bay, and I'm not an expert, but I do feel very strongly  
22    on -- and I would like to vote against the permit  
23    because I feel 6 percent more of the particulate matter  
24    would be most harmful to the health of the wonderful  
25    residents, the people who live here.



1                   When you're talking about a six-mile  
2     radius being affected, the children, the teenagers, and  
3     the adults, as well as senior citizens like myself, I  
4     feel we're dealing with a very serious, dangerous  
5     situation, so I would like to put in my feelings that,  
6     you know, I would appreciate the permit not being  
7     accepted. Thank you.

8                   MR. JAWGIEL: Thank you, Ms. LaPlante.

9                   MS. CROTZER: Hi. My name is Shoosh Crotzer,  
10    S-H-O-O-S-H C-R-O-T-Z-E-R. Another speaker came up and  
11    said he was an expert on air quality and has worked in  
12    power plants. He then preceded to say that there's a  
13    tremendous increase in the particulates that we're  
14    breathing everywhere, he talked about new cars.  
15    Statistics have shown a terrible rise in asthma among  
16    children. There are enormous changes in the past six  
17    years with an increase of really bad things happening  
18    in our environment.

19                   The permit for this plant, the data  
20    that's used for this application is six years old.  
21    Before any permit should be considered, this data needs  
22    to be revised. The permit is outdated and it needs to  
23    be updated, the information. So I'm hoping that this  
24    is really considered. If everyone talks about how much  
25    has changed in the past six years, look at our country,

1 look what's happened in the environment, in politics,  
2 everything. Six years is a long time, and the  
3 information for that permit is outdated and it needs to  
4 be changed before this is even considered at all.

5 Thanks.

6 MR. JAWGIEL: Thank you, Ms. Crotzer.

7 Our next speaker will be Colby Crotzer.

8 MR. CROTZER: Yes. Colby Crotzer, C-O-L-B-Y  
9 C-R-O-T-Z-E-R. Thank you for having the hearing in  
10 Morro Bay to accept our public comments.

11 I have been -- in my second term as  
12 elected city council person here in the City of Morro  
13 Bay, I had the obligation to study the application that  
14 was then put forth by Duke. I know that material quite  
15 well, spent many, many hours studying the data. My  
16 testimony tonight is more anecdotal and personal. I'm  
17 a school teacher here locally. I know most of the  
18 families as they come through, having taught here for  
19 20 years, and I worry about their health and the health  
20 of my progeny. I'm a four-time grandparent at present,  
21 and our family home, being located in Morro Bay  
22 Heights, is, just from my personal experience, downwind  
23 from the present location of the plant and the location  
24 of where the modernized expanded plant might be sited.  
25 So I'm very concerned about the lowering of the height

1 of the stacks from 450 feet to 145 feet.

2 My elevation of my newly-built second  
3 story and my major investment financially has been in  
4 my home here in Morro Bay, and I intend to live my life  
5 out here. The new kitchen and living room is exactly  
6 the 145 feet. Coming right downwind, studying the maps  
7 of the analysis of the particulate matter that APC did  
8 here locally, the X marking the location of where the  
9 particulate matter would increase 10 times is directly  
10 over my neighborhood.

11 I understand also that LS Power has an  
12 application to double that from 10 times to 20 times.  
13 Your officers will know the details of that better than  
14 I do.

15 The concern for me and for our school  
16 children and my own progeny is personally compounded by  
17 the fact that I don't want to be on my death bed. I'm  
18 beginning to experience some symptoms of asthma, and I  
19 don't want to die of emphysema, cursing the EPA, who's  
20 supposed to be the watchdog that looks out for my  
21 livelihood and that of my children.

22 MR. JAWGIEL: One minute, Mr. Crotzer.

23 MR. CROTZER: Thank you. I understand that  
24 APC's jurisdiction of air quality when they do their  
25 analysis is countywide. I wish -- and I know that you

1 can't answer a direct question, but my question to  
2 anyone listening to the tape to analyze this would be  
3 do you really care about the life of people -- the lung  
4 health of the people that live here in this town of  
5 Morro Bay, or is it simply you're going to analyze the  
6 impact of the overall county, the whole region, because  
7 if it's only the latter, then I think I've wasted my  
8 breath here. Thank you.

9 MR. JAWGIEL: Thank you for your comments,  
10 Mr. Crotzer.

11 And our next speaker is Bonita Churney.

12 MS. CHURNEY: Good evening. My name is  
13 Bonita Churney, B-O-N-I-T-A C-H-U-R-N-E-Y. I have  
14 several issues with respect to the permit and object to  
15 the proposed permit on several basis, one of which is  
16 that the proposed PSD permit understates actual  
17 expected PM-10 emission rates by at least 100 percent.  
18 The PM-10 emission rates are not supported by the  
19 facts. The PM-10 rates are not based on the  
20 manufacturers' warranted rates, which are 18 to 20  
21 pounds per hour without duct firing. They are based  
22 instead on Duke Energy's hired expert's guesstimate of  
23 emission rates based only on his, quote, "professional  
24 judgment."

25 This guesstimate was not based on

1 modeling utilizing approved EPA methodology. It was  
2 not based on methods 5 and 202, which are the approved  
3 methodology for PM-10 emission rates, and it's  
4 actually -- it is the methods that are set forth in the  
5 proposed permit itself, so I think that underscores the  
6 fact that those are the methodologies that should have  
7 been used, but were not when coming up with the actual  
8 estimates of PM-10 emissions.

9                   Instead, Duke's expert based his  
10 guesstimate of PM-10 emission rates on unapproved  
11 methodology using methods 201A and 8, and all of this  
12 took place before the California Energy Commission and  
13 hearings and testimony before the California Energy  
14 Commission, and it's all on record, and it's all been  
15 provided to you, to the EPA, by CAPE.

16                   Not coincidentally, the emission rates  
17 that Duke came up with are substantially lower by half  
18 of the vendor guaranteed rate. The PM-10 source test  
19 results that the same model turbans in operation  
20 elsewhere and emission rates using proper EPA-approved  
21 source test methodology, that is, methods 5 and 202.  
22 Thank you.

23                   MR. JAWGIEL: One minute, Ms. Churney.

24                   MS. CHURNEY: All of the emission data from  
25 the vendor and source testing using approved

1 methodology are consistent at 18 pounds per hour  
2 without duct firing, which is well in excess of the  
3 proposed permitted rate of 11 pounds per hour without  
4 duct firing and 13 pounds per hour with. And as the  
5 evidence provided to you demonstrates, the weight of  
6 the evidence actually suggests emission rates without  
7 duct firing of 22 pounds per hour, for a total of 406  
8 tons of particulate emissions per year, not the 203  
9 tons modeled by Duke.

10 So how does the EPA justify permitting a  
11 PM-10 emission rate that is unattainable and factually  
12 unsupported and unproven, setting a lower cap in the  
13 permit condition is useless and unenforceable, because  
14 given current technology, there will be no way to  
15 provide continuous in-stack monitoring.

16 So I would submit that the proposed  
17 permit is based on faulty assumptions, bad science, and  
18 incorrect facts, and should be denied. Thank you.

19 MR. JAWGIEL: Thank you, Ms. Churney.

20 What I'd like to do is I'm going to call  
21 up the next five individuals and after -- just so  
22 people know -- after these next five individuals, I  
23 think what I'd like to do is slot in the 12-minute slot  
24 for CAPE to make their presentation, just in case  
25 you're wondering what the orders are, then I will

1 proceed on with individual comments.

2 So let's take the next five individuals.

3 The first person is Michael Lucas. Mr. Lucas, if you  
4 could please take the first chair over there, I'd  
5 appreciate it. Second person is Robin Cole. Next is  
6 Peter Risley. Is Peter Risley in the room? Thank you.  
7 Mr. Risley, if you could take the next chair, I'd  
8 appreciate that. The fourth person is Mandy Davis.  
9 And the fifth person is Richard Sadowski.

10 Mr. Lucas, if you'll please take the  
11 podium. Please state and spell your name for the  
12 record and, again, if you could please be mindful of  
13 the three-minute rule, we would greatly appreciate it.

14 MR. LUCAS: My name is Michael Lucas,  
15 M-I-C-H-A-E-L, Lucas, L-U-C-A-S. I'm a Morro Bay  
16 resident. I'm on the faculty of Cal Poly, and I teach  
17 in the architecture and ethnic studies departments.

18 I have two different purposes tonight,  
19 the first is as a member of the New Futures Task Force,  
20 which the Morro Bay City Council appointed to review  
21 the power plant ramifications of a permit being granted  
22 or a permit not being granted. Those relationships  
23 with LS Power have been outstanding. They've been very  
24 forthcoming with a productive relationship as we've  
25 searched what might happen with the existing power

1 plant property and grounds, and I think that still has  
2 yet to be played out. I think we'll have some other  
3 speakers from the committee to talk about that  
4 productive relationship later on.

5 I also want to comment tonight as a  
6 citizen. In my field of architecture seven years ago,  
7 the differences in technology, of representation,  
8 modeling, the way we can anticipate any natural  
9 processes, the way we can study those things has  
10 changed radically, I share one of the former speaker's  
11 concerns that the permit now is going on six or seven  
12 years in terms of some of the nature of the facts that  
13 are in there. I think that whatever the EPA can  
14 enforce in terms of upgrades, new studies to further  
15 substantiate the claims in the permit would be  
16 positive.

17 I also am a resident of the hillsides  
18 here as well. I believe my house is probably right  
19 around where the new stack is going to be. So I share  
20 a concern about particulate matter due to the nature of  
21 the height of the stack that's in there. I also know  
22 that during the permit process, there were concerns  
23 about screening the facility, which by its nature may  
24 change the height of the stack as well. So I just hope  
25 that as EPA looks at these issues that the concerns



1     about technology and the modeling of the particulate  
2     emissions on the community would be open for closer  
3     study. Thank you.

4             MR. JAWGIEL: Thank you, Mr. Lucas.

5             Before I call the next person up to the  
6     podium, I also want to mention as a quick housekeeping  
7     matter. In case anyone needs to use the restrooms  
8     through this proceeding, the restrooms are out in the  
9     lobby. The restroom's to the right, and there's a  
10    wheelchair-accessible restroom to the left as you walk  
11    out the door. I also don't want you to feel like  
12    you're being held captive here. If you need to use the  
13    restroom and should I call your name and you're not  
14    here, I will merely put your name to the back of the  
15    pile and call it at a later time this evening. So I  
16    just wanted to make sure everyone knows they don't have  
17    to sit here if you need to go use the restroom.

18            The next person I would like to call to  
19    the podium is Robin Cole. Good evening, Ms. Cole.

20            MS. COLE: Good evening. Thank you for a  
21    chance to voice my concern. I don't have any  
22    statistics. I'm just speaking from the heart. I am a  
23    quite new resident here. I moved from Kern County in  
24    my retirement to get away from the terrible pollution  
25    there. You can imagine my alarm when I saw the

1 information about the possible pollution here. I  
2 understand from a previous speaker that there are many  
3 sources for pollutants, but I can't understand why we  
4 wouldn't try to regulate whatever we can.

5               You know, in Kern County when you sell a  
6 home, the county has to disclose to the buyer the  
7 problem with the bad air. Projecting in the future, I  
8 just can't imagine that happening in Morro Bay. I just  
9 wonder if our city council -- if some of those people  
10 have lived here so long that they don't realize how  
11 precious and special this area is, the Elfin Forrest,  
12 the estuary, the bay itself, just on and on. And I'm  
13 very concerned about the impact on humans, animals, and  
14 plants, especially after reading about an occurrence in  
15 the 1960s at the plant that really did cause some  
16 damage to the very things that I've mentioned.

17              Now when I recommend to my friends in  
18 Kern County to come to Morro Bay to retire, I'm not  
19 sure. I want to see how this plays out. And I can't  
20 imagine -- if word got out about all this statewide, I  
21 can't imagine that it would be such a mecca for  
22 tourists, and I cannot imagine it would even do our  
23 real estate value much good.

24              MR. JAWGIEL: One minute, Ms. Cole.

25              MS. COLE: So I'm just very concerned. I'm

1 not familiar with a lot of the technical aspects. I  
2 just wanted to voice this concern, and I thank you for  
3 the chance.

4 MR. JAWGIEL: Thank you. Thank you,  
5 Ms. Cole.

6 Next is Peter Risley.

7 MR. RISLEY: Yes. Did you want me to spell  
8 my name?

9 MR. JAWGIEL: Yes --

10 MR. RISLEY: R-I-S-L-E-Y. Thank you. I'm  
11 very concerned about this. When I heard that they were  
12 going to reduce the size of the stacks from 445 feet to  
13 175 feet, I was very alarmed because I knew that the  
14 majority of the pollutants would thereby fall within  
15 the breathing range of Morro Bay citizens. And I have  
16 an article here from Cry California, fall of 1967, and  
17 I want -- I would like the people -- you might check it  
18 out. There's been a historical ignorance of the health  
19 of the people of Morro Bay.

20 And, yes, because you're lowering the  
21 stacks and because you're increasing the amount of  
22 exhaust of pollution to the people of Morro Bay, the  
23 real estate values are going to go down, and there's a  
24 good possibility that some people are going to die and,  
25 of course, they're going to be older people or younger

1 people.

2 And so I wonder if perhaps the EPA or  
3 the State or the power companies consider the people of  
4 Morro Bay less valuable, and I wonder if we can assign  
5 a value to the life of people in Morro Bay as compared  
6 to say, for instance, Austin, Texas, or Houston, Texas,  
7 where the owners of these plants who have made enormous  
8 amount of money are going to profit whereas we are  
9 going to have sickness. And that's a major concern of  
10 mine. I'm not against a power plant there. I am  
11 against the abuse and exploitation of the people of  
12 Morro Bay, and I'm against the real estate values being  
13 dropped.

14 MR. JAWGIEL: One minute, Mr. Risley.

15 MR. RISLEY: Yeah. And I wonder how really  
16 democratic this situation is as far as our concerns  
17 are. And so thank you very much.

18 MR. JAWGIEL: Thank you, Mr. Risley.

19 Our next speaker will be Mandy Davis.

20 MS. DAVIS: Hi. I'm Mandy Davis. I am  
21 currently a -- I live in Sarasota, Florida. I just  
22 moved from here. I lived here for over seven years.

23 MR. JAWGIEL: Ms. Davis, can you just take a  
24 moment to spell your name for the record?

25 MS. DAVIS: D-A-V-I-S. And I have been

1 really fortunate in the fact that I've been able to  
2 spend a good portion of my time outside on the estuary  
3 in observance of many of the patterns that we see here  
4 in nature, the wind patterns, our fog patterns. What  
5 happens -- and I happen to also be -- and this is a  
6 very important point -- a human canary in the fact that  
7 I am an asthmatic and I'm very chemical sensitive. So  
8 those combinations have a tendency to make me really  
9 pay attention to what's happening in the air and in the  
10 environment for me. Otherwise, I am in distress.

11                   And one thing that I have noticed since  
12 I've been here, especially since the plant has been  
13 running as a peaker, I have lived on a boat, and I've  
14 lived around the corner from being able to see the  
15 plant and know whether or not it's running. And it's  
16 been a very interesting experiment for me, being a  
17 biologist, in that those days, especially when that we  
18 have a low ceiling and those days that the plant is  
19 running and the days it was running constantly when I  
20 first moved here, is I am in respiratory distress. I  
21 do notice it as soon as I wake up, and so I decided to  
22 kind of make an experiment out of it, and those days  
23 when I woke up and I could tell there was something in  
24 the air, I could feel the difference. I'd go around  
25 the corner and take a look, and it was invariably the

1 case.

2 This is not really what I wanted to tell  
3 you. I mean, you know all the studies on the PM-10.  
4 You know that if you have a lower ceiling, you know  
5 that if you have lower stacks that you are going to  
6 create more respiratory distress for the residents of  
7 this area, especially those of us -- with the  
8 prevailing winds, that are downwind, which is the  
9 majority, if not just about all, of Morro Bay.

10 What I would like to point out to you is  
11 being an animal rights activist --

12 MR. JAWGIEL: One minute, Ms. Davis.

13 MS. DAVIS: -- and being somebody that speaks  
14 for the animals in this area is that the avian  
15 population that we prize so much here that migrates to  
16 this area and migrates in and out over a large portion  
17 of the year is considerably more susceptible to PM-10s  
18 in any of these pollutants. This is a population that  
19 is important. As EPA, this is part of the national  
20 estuary program. This is a highly valued place, and we  
21 value our wildlife, so I ask that you not give this  
22 plant the permits. It will drastically influence in a  
23 very -- it will negatively impact the avian population,  
24 all the wildlife here, people like myself, the  
25 children, the older people. Please do not allow this

1 to happen. It's really important to our population.

2 Thank you.

3 MR. JAWGIEL: Thank you, Ms. Davis.

4 And the next speaker will be Richard  
5 Sadowski. If you could please state and spell your  
6 name for the record.

7 MR. SADOWSKI: Richard Sadowski,  
8 S-A-D-O-W-S-K-I. Richard Sadowski, Ocean Outfall  
9 Group, also a member of the American Society of  
10 Mechanical Engineers.

11 This plant -- first of all, you  
12 mentioned about this being an air quality issue or a  
13 water quality issue or visual-impact issue, this issue  
14 is a pollution issue. I attended the American Society  
15 of Mechanical Engineers conference that was held in Las  
16 Vegas between the 18th and the 20th, and there were  
17 various academia and people of expertise, doctors in  
18 engineering, and also the chair of the EPA, Mr. John  
19 Lyons. And I got a chance to speak with him about this  
20 plant, and I told him that our mayor had just signed a  
21 50-year lease with somebody we didn't know for an  
22 outfall, and we find out later on it's the guy that  
23 used to run Chernobyl and kind of brought on a little  
24 laughter there.

25 Now, the problem with this plant goes

1     beyond just those little issues. This was a piece of  
2     antiquity of engineering when it was built back then,  
3     and it's just worse, and it's just degrading more and  
4     more. The power plant symbolizes pollution, death, and  
5     destruction, and in my opinion and out of the respect  
6     for the unborn American generations yet to come, it  
7     should be immediately retired, period. It destroys 17  
8     to 33 percent of the life coming into our beautiful  
9     estuary. The stacks pollute. We have already a  
10    nitrate problem. It contributes to our sewage  
11    problems. It's time for it to go. Thank you for this  
12    opportunity to address you.

13                 MR. JAWGIEL: Thank you, Mr. Sadowski.

14                 At this time, like I said before, we are  
15    going to allot a 12-minute slot for a representative  
16    from CAPE to speak. They will go ahead and have 12  
17    minutes -- continuous 12 minutes.

18                 MR. NELSON: Before the time starts, I wonder  
19    if I could make just a couple of corrections on what  
20    you earlier stated. First, we're Coastal Alliance on  
21    Plant Expansion, not "against."

22                 MR. JAWGIEL: Again, I'm sorry.

23                 MR. NELSON: A lot of people do, but I don't  
24    understand it.

25                 MR. JAWGIEL: Thank you for the correction.



1           MR. NELSON: And the other thing was that you  
2     were asked about water board comments, and you said it  
3     was closed. I hope the EPA isn't under the illusion  
4     that they have their water permit, because that permit  
5     is not final or not even on the table so --

6           MR. JAWGIEL: All I said was that -- make for  
7     clarification is that the official comment period is  
8     closed.

9           MR. NELSON: See, that's not true because the  
10    hearing hasn't even been held.

11          MR. JAWGIEL: Okay. What I would recommend  
12    is I will have to go back and clarify what the comment  
13    period is. If you feel like you want to comment on the  
14    water issues I, again, would encourage you to still  
15    submit your comments to the sources that I identified  
16    earlier.

17          MR. NELSON: But that is open --

18          MR. JAWGIEL: You know what, I'll tell you  
19    what. I can't go on record right now to say that, but  
20    it's my understanding it was closed. If it is open, I  
21    certainly haven't closed it tonight. I don't have the  
22    authority to close it. If the comment period and the  
23    water permit is still open, if, in fact, is still open,  
24    it would be still open regardless of what I said here,  
25    so I would encourage anyone, again, who does have any

1     comments on that water permit to go ahead and submit,  
2     and we'll leave it at that. But why don't we go ahead  
3     and --

4             MR. NELSON: With those corrections made, I'm  
5     ready to --

6             MR. JAWGIEL: Okay. We'll begin with the 12  
7     minutes.

8             MR. NELSON: Okay. I am David Nelson, and I  
9     am co-president of Costal Alliance on Plant Expansion.  
10    And speakers tonight will be Henriette Groot and myself  
11    and Monique Nelson. And I'm going to turn this over to  
12    Monique now, and if the timekeeper can five me the one  
13    minute warning at four minutes. Thank you.

14            MS. GROOT: Good evening. My name is  
15    Henriette Groot, that's spelled H-E-N-R-I-E-T-T-E  
16    G-R-O-O-T, and I want to tell you a little bit about  
17    CAPE. CAPE has been involved with this project since  
18    1999. We became interveners in the process -- the  
19    application with the California Energy Commission. We  
20    never were opposed to the plant as to the new plant or,  
21    quote, "modernization" as such. We only took issue  
22    with the plans for air and for water, and that still is  
23    the case.

24                    The -- scanning the application, it is  
25    indeed very outdated and incomplete. And having been

1 involved as well with the National Estuary Program.  
2 I'm surprised that the right hand and the left hand of  
3 the EPA don't seem to talk to each other. In other  
4 words, the National Estuary Program -- the Morro Bay  
5 National Estuary Program here is -- receives funding  
6 and is under the supervision of the EPA water division.  
7 And reading from the NEP website, EPA's "working" --  
8 and I'm quoting -- "working to safeguard and improve  
9 the health of our nation's most important coastal  
10 waters." I wanted to remind you of that. That  
11 estuary's very important to us as well as the people  
12 who live around it, of course.

13                   Again, as David says, the cooling method  
14 permit has not been issued, and the hearing has not  
15 even been scheduled. I thought -- it was my  
16 understanding that in order to have this present permit  
17 issued, all other permits had to be in line.  
18 Apparently that is not the case.

19                   Then the other comment I need to make is  
20 on the meteorological analysis. I'm a sailor, and I  
21 know that wind patterns depend very much on the  
22 topology of the land mass nearby. The meteorological  
23 analysis was based on data from Vandenberg Air Force  
24 Base. They don't have a Morro Rock at Vandenberg.  
25 It's a totally different situation there, and people

1     who live here know the particular wind patterns around  
2     that rock are very typical of this particular area. So  
3     that's only one of the things that is wrong with the  
4     permit, and people have mentioned other parts of it.

5                     I do want to thank you for coming here  
6     and letting us give you input, and now I'll turn it  
7     over to the next speaker.

8                     MR. JAWGIEL: Thank you, Ms. Groot.

9                     MR. NELSON: As I said, my name's David  
10    Nelson, N-E-L-S-O-N, and I'd like to start out by  
11    addressing here your conclusions on the ambient air  
12    quality impact report. It says on Number 10, "Based on  
13    the information provided by LS Power and the review of  
14    the analysis contained in the permit application."  
15    Now, LS Power's -- I'm quoting from a CEC study that  
16    has really different rules than what the EPA should be  
17    offering or does offer, as Ms. Churney said, about the  
18    methodology used to determine particulate matter. They  
19    didn't use manufacturers' specs or manufacturers'  
20    guarantees, so they varied from that. So that's just  
21    the beginning of this mess, and to base your conclusion  
22    on that is dangerous.

23                     And the Coastal Alliance has put in a  
24    law, and I'm only going to brief over a few things.  
25    The wrong baseline is a really important thing to us.

1 The baseline of the emission levels for all pollutants  
2 of the existing Morro Bay power plant is four times  
3 lower than Duke claims. Duke inflated permissible  
4 levels of the emissions of all pollutants, including  
5 PM-10 for new turbans. We're really concerned that  
6 Duke based its baseline on 24-month emission period for  
7 all four units for the years of 1998 to 2000, and EPA  
8 is very clear that it should be 24 months of a  
9 five-year period closest to the destruction period of  
10 the plant. Obviously, we're in 2006, so this study  
11 that they based these numbers on are really out of  
12 whack, and we would then be asking you to use a more  
13 representative period because this period between 1998  
14 and 2000 was during the so-called energy crisis, where  
15 they were running that plant way over what the normal  
16 is or was.

17 So that would be the first thing and,  
18 you know, baseline that they used in the period was  
19 just not representative, and we're asking that you make  
20 it within a period of five years immediately preceding  
21 construction. The best available technology, again,  
22 too, this is based on stuff from 1999, it's seven years  
23 old, we know that there's cleaner generators out there  
24 and available for best available technology.

25 The meteor -- the contention that Duke

1 has been here since 1950s and has done no harm, I have  
2 an article here from Cry California 1967, and I'll  
3 leave this as an add-on to what we've already put in,  
4 and this shows clearly that there's been lots of  
5 damage, so that takes care of our baseline concerns.

6 We have so many more, and in 12 minutes  
7 really isn't much to work with, but bear with me. The  
8 emission rates proposed by Duke just aren't acceptable  
9 under EPA's standards. They should -- excuse me while  
10 I get that. CAPE does challenge EPA's preliminary  
11 conclusion that the proposed project will not cause a  
12 violation of the applicant PSD increments as set forth  
13 in the record. As noted the -- we're really worried  
14 about the meteorological --

15 MR. JAWGIEL: Mr. Nelson, I just wanted to  
16 let you know this is the four minute mark.

17 MR. NELSON: Okay. So as Ms. Groot said,  
18 using Vandenberg as our meteorological is unacceptable  
19 because everybody knows from Point Sal to Point  
20 Conception is totally different than here. And I'll  
21 turn this over to Mrs. Nelson.

22 MR. JAWGIEL: Thank you, Mr. Nelson.

23 MRS. NELSON: My name's Monique Nelson,  
24 M-O-N-I-Q-U-E N-E-L-S-O-N. And CAPE has already  
25 submitted written comments to your office with

1 voluminous exhibits. Tonight we have touched on some  
2 of the important points made in our comments, but by no  
3 means have we covered them all. We trust that the EPA  
4 will take the time necessary to read and understand the  
5 material we've submitted and, if you have any follow-up  
6 questions, to please give us the opportunity to answer  
7 them at that time.

8                   So what exactly is CAPE asking you, the  
9 EPA, to do?

10                   To summarize, we are asking you to deny  
11 the issuance of a PSD permit to the applicant, whether  
12 that applicant is Duke Energy, LS Power, or Dynergy.  
13 In the alternative, we ask you to delay a decision on  
14 the PSD permit until the errors in the applicant's  
15 analysis are corrected and the data then reevaluated.  
16 More specifically, we're asking the EPA to reject the  
17 PM-10 emissions rate proposed by the applicant and to  
18 require that they refigure this rate for the proposed  
19 new power plant, using EPA-approved methodology and  
20 based on nothing less than the emission data supplied  
21 by the turbine manufacturer, and this data is further  
22 supported by source tests of such turbines in  
23 operation.

24                   EPA regulations specify that the  
25 baseline period must be for any 24-month consecutive

1 period within the five-year period immediately  
2 proceeding construction of the project. We ask you to  
3 reject the inflated baseline proposed by Duke Energy  
4 and now supported by LS Power and Dynergy. This  
5 baseline is for the period between 1998 and 2000, which  
6 was distorted by the energy crisis, a crisis Duke  
7 Energy helped create.

8 We further request that you order the  
9 applicant to reevaluate the baseline based on the  
10 operation of the existing Morro Bay power plant for a  
11 24-month consecutive period, starting no earlier than  
12 five years ago. This period would also be more  
13 representative of normal operating conditions. These  
14 recalculated results should then be reviewed and  
15 adjusted as necessary when construction actually  
16 begins.

17 Although other air pollutants are not  
18 being addressed at this hearing, CAPE believes the  
19 corrected baseline will show increased levels of CO2 --

20 MR. JAWGIEL: One minute, Mrs. Nelson.

21 MRS. NELSON: -- NOX, and VOC, in addition to  
22 higher levels of PM-10 emissions, and that all of these  
23 will need to be reevaluated. CAPE asks the EPA to  
24 require updated information be provided by the  
25 applicant in order to analyze best available control



1     technology, or BACT. We also ask the EPA to mandate  
2     measures to improve BACT, for instance, by having  
3     applicant install newer, more technologically advanced  
4     turbines and eliminate the duct-firing process, which  
5     contributes disproportionate amounts of PM-10 and other  
6     pollutants in relation to the energy it produces. We  
7     also ask the EPA to delay any final decision until the  
8     cooling issue is resolved since, in a case where  
9     closed-cycle cooling is required, for example, this  
10    will impact the outcome of the PSD analysis.

11                   There is more to say, but I'll stop  
12    here. Again, CAPE asks you to deny the PSD permit as  
13    proposed or at least delay your decision until the  
14    issues raised have been addressed and the flaws in  
15    applicant's analysis corrected. Thank you.

16                   MR. JAWGIEL: Thank you. And I would like to  
17    again thank Ms. Groot, David Nelson, and Monique Nelson  
18    for their comments on behalf of CAPE.

19                   I would like to go ahead and proceed  
20    with calling individuals to the podium, so I'm going to  
21    call the next five individuals. The next person is  
22    Joey Racano. If you could please take the first chair  
23    there, Mr. Racano. Thank you. Next is Margaret  
24    Beetham. David Wiseman. Is Mr. Wiseman in the room?  
25    Is Mr. Wiseman here, or maybe he went to the restroom.

1     What I'll do is I'll put Mr. Wiseman's card back into  
2     the stack, and we'll call him at a later time. Next is  
3     Marla Bruton. Ms. Bruton, if you could please take the  
4     next seat. Next is Bill Martony. And the fifth  
5     commentary for this particular section is Melody  
6     DeMeritt. Is Melody in the room? She will also be  
7     back. What I'll do is, so we can keep moving along,  
8     also put her card back into the stack and call the next  
9     person, Barry Dorfman. Dr. Dorfman.

10                 Mr. Racano, if you could please take the  
11     podium, state and spell your name for the record and,  
12     again, please be mindful of the three-minute rule, we'd  
13     greatly appreciate that.

14                 MR. RACANO: Absolutely.

15                 MR. JAWGIEL: Thank you.

16                 MR. RACANO: My name is Joey Racano, that's  
17     R-A-C-A-N-O. I'm a director with the Orange County  
18     Ocean Outfall Group, a statewide 501C3 dedicated to  
19     ending all waivers of the Clean Water Act and the Clean  
20     Air Act.

21                 The reason that I have come before you  
22     today is to question the necessity for a permit or even  
23     why are we calling it a permit. Let's call it what it  
24     is: It's a waiver. It's a waiver that does not bring  
25     a power plant into compliance with the Clean Air Act;

1     rather, it brings the power plant around compliance  
2     with the Clean Air Act. The Clean Air Act of 1973  
3     is -- you're 33-and-a-half years behind at this point.

4                     Also another important point to remember  
5     is that Thad Baxley and Janice Peters of our city are  
6     running for the Morro Bay City Council, and both voted  
7     for a 50-year extension to the outfall lease without  
8     yet knowing who had purchased the power plant, and I  
9     think that that is a very good reason not to elect  
10    either one of them.

11                    Now, I'd like to talk for a minute about  
12    PM-10s. PM-10s are very different from 10 p.m. At 10  
13    p.m. you go to sleep. With PM-10's you go to the  
14    hospital. Particulate matter less than 10 microns  
15    across is not only shown to be damaging, but new  
16    studies show that we don't even know how damaging, and  
17    it just seems to get worse all the time.

18                    Now, let's say we could separate the  
19    water from the air issue. Well, we really couldn't  
20    because if you separated the water from the air issue,  
21    you'd have to tell that to, say, cormorants who dwell  
22    both in the estuary and in the air. Now, if you were  
23    to stick a cork in the single-pass cooling intake of  
24    this power plant, you'd find that power plant --

25                    MR. JAWGIEL: One minute left, Mr. Racano.

1                   MR. RACANO: Yeah. One minute left. Yeah.  
2       That's why I've been holding up the rude sign, because  
3       you've been breaking everybody's concentration with  
4       that, and it's a public relations ploy. We don't  
5       appreciate you coming here asking if you can pollute  
6       us, and we don't appreciate your public relations  
7       ploys. So every time you hold up a one-minute sign to  
8       me and be rude, I'm going to hold up a rude sign, so  
9       please don't do it again.

10                   Now, if you stuck a cork in that intake,  
11       you'd find that power plant would overheat faster than  
12       a 440 in a motor home on the grapevine. They are  
13       inextricably connected, and you're killing the estuary  
14       and larvae. Now, to concluded, I would say that birds,  
15       eco-tourists, the environmentalists, hunters,  
16       fisherman, businesses, and children all depend on this  
17       power plant's speedy departure from Morro Bay, and the  
18       sooner the better. So do us a favor. Get rid of the  
19       waiver. No more single-pass cooling intake, no more  
20       nitrogen dioxide, no more power plant. Thank you for  
21       this opportunity to address you today.

22                   MR. JAWGIEL: Thank you, Mr. Racano.

23                   Our next speaker will be Margaret  
24       Beetham. Ms. Beetham, if you could please take the  
25       podium and state and spell your name for the record.

1       We'd greatly appreciate it.

2               MS. BEETHAM: Yes, I'm Margaret Beetham, B as  
3       in boy, E-E-T-H-A-M, San Simeon, California. Oh, do I  
4       give the a street address too?

5               MR. JAWGIEL: Oh, no. Just the name would be  
6       sufficient, thank you.

7               MS. BEETHAM: Oh, okay. Sorry. I'm hearing  
8       challenged, so I wasn't hearing everything.

9               I am definitely opposed to continuation  
10       of the plant in any form, such as it is, unless we can  
11       do alternate energy, and it seems like there should be  
12       no contest between what kind of power plant if we're  
13       going to have one. At this particular time in history  
14       when we can do alternate energy, we can do something  
15       that doesn't pollute, and we're talking about doing  
16       something that pollutes, it seems rather insane. And  
17       also it seems immoral to have a plant that does all the  
18       things that our previous speakers have spoken of. It's  
19       -- and even if you say, oh, take it with a grain of  
20       salt, you couldn't get that much salt, you know.

21               It's just -- well, I'm speechless. I  
22       didn't prepare something, but I -- I think we have one  
23       of the world class pieces of geography here in Morro  
24       Bay and not to -- not to use it as perhaps we could  
25       say nature intended, not something that kills animals

1 and eventually people, and eventually unborn people  
2 will suffer, consequences that we don't know whether  
3 we'll even be able to help. We don't know whether  
4 we'll be able to help genetic damage in any feasible  
5 and any satisfactory way, so --

6 MR. JAWGIEL: One minute, Ms. Beetham.

7 MS. BEETHAM: So I plead for a humanitarian  
8 solution here. Thank you.

9 MR. JAWGIEL: Thank you for your comments  
10 tonight.

11 Next will be Marla Bruton. Ms. Bruton  
12 if you could please state and spell your name for the  
13 record.

14 MS. BRUTON: Certainly. Marla Jo Bruton, B  
15 as in boy, R-U-T-O-N. I'm a court reporter, so I know  
16 how to spell slow.

17 I'm from north Morro Bay here. I'm also  
18 part of the Ocean Outfall Group on the central coast,  
19 and we are, as Mr. Racano mentioned, we are dedicated  
20 to stopping waivers of the Clean Water Act and the  
21 Clean Air Act. So I see this plant as being integral  
22 between the two. There's no separation. I attended  
23 the region -- I mean the State Water Quality Board  
24 scoping meeting earlier this year, and we were  
25 discussing the once-through cooling, and I see the

1 future of that not being viable no longer, and I  
2 believe that there are several experts and people in  
3 position in the EPA who would agree with that.

4 The companies coming in here that are  
5 private companies that are causing danger to the public  
6 health. Using public resources to do that is a thing  
7 that should be of the past. Also it was interesting,  
8 it was brought up this evening that the timeframe for  
9 the studies on the air emission was '98 to 2000. Well,  
10 that was the energy crisis, and Duke Energy was found  
11 to have been one of those eight corporations to have  
12 manipulated the energy crisis in this state and rip off  
13 the public. Now, sometime we just have to stand up  
14 here and say no more, no more.

15 I also was up at Ocean Protection  
16 council meeting, and we were having the energy crisis  
17 this summer and, you know --

18 MR. JAWGIEL: One minute left.

19 MS. BRUTON: -- people dying in the Central  
20 Valley because of heat. This plant wasn't running.  
21 There was barely a little energy field coming out the  
22 top, clear. It wasn't running. They are manipulating  
23 again. This is profit born. They are hoping to  
24 enshrine the once-through cooling, and it is not  
25 acceptable.

1                   Also, I spoke with John Lyons, the chair  
2     at the EPA, last week and was telling him about  
3     everything that was going around here, and he was just  
4     shaking his head going there must be some kind of  
5     politics, some kind of something going on, and so the  
6     people here are asking you -- also, I raised my  
7     children here, 23 years I've lived here, having soot on  
8     the windows, on the car in the morning. Someday we  
9     thought it would stop, and that someday should be now.  
10    Thank you.

11                   MS. BRUTON: Thank you, Ms. Bruton.

12                   Next is Bill Martony. Mr. Martony if  
13    you could please state and spell your name for the  
14    record.

15                   MR. MARTONY: Bill Martony, M-A-R-T-O-N-Y.  
16    And, you know, I think I'll bring up one plus factor of  
17    the power plant before I kind of chew into it. Came  
18    here in 1970, and it was really nice surfing out in  
19    front, warm water. That's when wet suits were just  
20    coming in. But at the same time I asked myself why did  
21    they build a power plant right in the center of town?  
22    And, of course, I thought, well, this was in the 50s,  
23    you know. Back then people didn't realize what was  
24    going on. I knew it was economics, but now we're here  
25    in 2006, and we're talking about duplicating what I



1     felt was probably -- not that we don't need a power  
2     plant, but built in the wrong location. I know  
3     originally it was -- I think Via Creek (phonetic) was  
4     one of the locations they were talking about up the  
5     coast a little further away from the population  
6     visually.

7                     But I think with this new power plant,  
8     one of the points as far as the design, I know people  
9     talked about short stacks, tall stacks. We've been  
10    sold that tall stacks are visually ugly and short  
11    stacks would be much more compatible or acceptable.  
12    When -- we own a ranch behind Cayucos. When I come  
13    down the hill in the summertime and it's foggy in Morro  
14    Bay, the existing stacks go up above the fog line, and  
15    I don't think this has been addressed, or maybe it has  
16    and I haven't heard it, but the reason the stacks were  
17    450 foot tall was it goes above the fog line to  
18    disburse the pollutants. You can actually see the  
19    yellow plumes going into San Luis, or you get offshore  
20    and you can see it going out or above Cayucos. And so  
21    it really disburses in a wide area, and you're going to  
22    end up with -- the short stacks, you're going to end up  
23    with like the black fog of London where when the fog  
24    sets in the summertime, the pollutant won't actually  
25    get through the fog and it will condense it and hold it

1 down --

2 MR. JAWGIEL: One minute, Mr. Martony.

3 MR. MARTONY: Sure. And secondly, the other  
4 thing is when you have a rock like Morro Rock, you'll  
5 actually get a downdraft on the back side of the rock.  
6 And so I think to actually have the power plant with  
7 short stacks on the back side of the rock when you  
8 actually have a downdraft that actually -- it's like  
9 your fireplace when you have the wind blowing and it  
10 blows the smoke back down and out the fireplace, I  
11 think you're going to have that effect with the short  
12 stacks. Thank you.

13 MR. JAWGIEL: Thank you, Mr. Martony.

14 Dr. Dorfman. If you could please take  
15 the podium and please state and spell your name for the  
16 record.

17 MR. DORFMAN: Berry Dorfman, B-A-R-R-Y D as  
18 in David, O-R-F as in Frank, M-A-N. Thank you for  
19 holding this hearing. I want to just endorse the many  
20 comments that have been made about the flaws in the  
21 database and methodologies for the air -- for the  
22 permit.

23 As a bit of background, I'm currently a  
24 psychiatrist, but prior to that I was in public health  
25 for 20 years. And back when I started training in

1 public health in the late 1960s, there were many  
2 studies beginning to emerge that it was bad for your  
3 health to breath polluted air. During that time the  
4 evidence has become incontrovertible. That's why we  
5 have agencies such as yours. And there has been  
6 progress, although it had to get a lot worse before it  
7 began to get better. We don't want that to happen  
8 again.

9 I think that not only do we have to  
10 understand the update -- the need to update the  
11 database, but in the time since the permit was -- since  
12 the initial database was laid down, there's been a  
13 great increase to the understanding in terms of  
14 biological mechanisms as to how the air pollution and  
15 especially PM-10s do their damage. And they do their  
16 damage not only physically, but they do their damage  
17 because of what they do to the immune system in the way  
18 they present either inorganic or organic particulate  
19 matter to the immune system cells that send the signals  
20 out. And I ask that any permitting process update  
21 itself with the current science.

22 I think everyone understands the idea  
23 that if you take a group of people and they smoke more  
24 than compared with a group that doesn't, more of them  
25 will die of cancer or have various other problems. If

1     you configure it out, it's called attributable risk --  
2     I see the one minute -- it's called attributable risk.  
3     However, I can't say you're the person or you're the  
4     person that's going to have the problem from it, but I  
5     guarantee you that if this permit goes forward as is,  
6     with its certain increase in PM-10s, someone will do  
7     their Ph.D. on the increase death and morbidity in this  
8     area. There will be neonates, children, and adults who  
9     will die, and it needn't be, who will have untold  
10    misery, putting aside the economic impact. And it  
11    needn't be.

12                 The thing we want to avoid, which is an  
13    old medical maxim, at least do no harm. It will be  
14    doing harm to have this permit with its -- as currently  
15    envisioned, because of the morbidity and mortality it  
16    is demonstrably certain to cause. Unfortunately, it  
17    would be after the fact and too late. Thank you.

18                 MR. JAWGIEL: Thank you, Dr. Dorfman.

19                 I would like to call our next five  
20    speakers. The next speaker -- I have to apologize.  
21    I'm having a little bit of difficulty reading the name.  
22    I believe it's Roy Eiyowat, it looks like R-O-Y  
23    E-I-Y-O-W-A-T.

24                 MR. CINOWALT: Sorry about that.

25                 MR. JAWGIEL: That's okay, apologize for not

1 pronouncing your name correctly.

2                   Next person is Kathy Wells. Is  
3 Ms. Wells in the audience? I will go ahead and set  
4 aside Ms. Wells' card -- I'll go ahead and set aside  
5 Ms. Wells' card and call her at a later time. Next is,  
6 is it Sandra Brazil? Sandra Brazil? And I'll go ahead  
7 and set this card aside. Next is David Wiseman. I  
8 believe we called Mr. Wiseman previously. Melody  
9 DeMeritt. Well, since none of these people are  
10 present, why don't we go ahead -- oh, okay. I'm sorry.  
11 Are you Melody DeMeritt? Thank you, Ms. DeMeritt.  
12 We'll go ahead with you two and see if these people  
13 return after you're finished.

14                   Sir, if you could please take the podium  
15 and state and spell your name for the record, we'd  
16 greatly appreciate it.

17                   MR. CINOWALT: Good evening. Roy, R-O-Y,  
18 Cinowalt, C-I-N-O-W-A-L-T.

19                   MR. JAWGIEL: Thank you.

20                   MR. CINOWALT: I live on the east side of the  
21 Salinas Valley. I own some acreage out in an area that  
22 nobody wants to live in, relative to the desirability  
23 of this area. Rattle snakes, coyotes, mountain lions,  
24 bobcats, and the deer will eat anything you plant;  
25 however, I chose to move there. I live there with

1       these limitations and facts of life.

2                       I notice the power plant's been here  
3       since 1955. I wonder how many people were there when  
4       they built the plant.

5                       In this light, I would like to tell you  
6       a story of one of the places I lived in my life. I  
7       lived in about 10 different cities, some not even in  
8       this country. I worked 43 years in construction. I  
9       would like to see the plant under the right conditions  
10      built.

11                      The little story in the scenario is I  
12      lived in the Los Angeles area near the Los Angeles  
13      airport. They call it LAX. I lived and played in L.A.  
14      down near the end of the runway. In the 50s they built  
15      some, what I considered, fantastic homes on the sand  
16      dunes above the beach, between the beach and the end of  
17      the runway. To me they were beautiful, beautiful  
18      homes, and I lived just north of there in an old 50s  
19      type home; however, when I lived there, a lot of people  
20      got together and formed a homeowners association and  
21      said the jets are too noisy, the airplanes are too  
22      noisy, and they made a lot of noise. That is the  
23      homeowners group did, and a study was conducted. Some  
24      homeowners were given some insulation for their homes  
25      to reduce the sound impact. The homeowners insisted

1     that it's still too noisy. To make a long story less  
2     long, the airport did a study and they said, you know  
3     what? You're right. It is too noisy, and they  
4     condemned all the homes. And while I lived there I  
5     watched every single one towed away, relocated to  
6     places like Watts, Gardena, whatever. There were  
7     hundreds of homes tore out, and today what was a  
8     beautiful place where people could have lived are now  
9     wind-blown sand dunes. Thank you for your time.

10           MR. JAWGIEL: Thank you, Mr. Cinowalt.

11           Ms. DeMeritt, if you could please state  
12     and spell your name for the record. I'd greatly  
13     appreciate it.

14           MS. DEMERITT: My name is Melody, that's  
15     spelled M-E-L-O-D-Y, DeMeritt, D-e-M-E-R-I-T-T. I'm a  
16     member of the city council, but I'm speaking in four  
17     capacities. First one is as a resident of Morro Bay  
18     who lives on a hillside. I'm disturbed that the power  
19     plant stacks are going to come down and emit 60 percent  
20     more PM-10s because since the age of about 10, I've  
21     been asthmatic, and the asthma doesn't get any better  
22     with age, and it doesn't get any better with PM-10s.  
23     And I know you've had this article referred to you  
24     tonight that was published on October 17th about the  
25     asthma rate in this county. I'm kind of waiting to go

1     home, actually, and get to my inhaler.

2                     The second hat I wear is as a proud  
3     former member of CAPE. I didn't know any better about  
4     this power plant until CAPE was telling me things. I  
5     was all for it. But in 1998 when Duke first came here,  
6     that first power company, I didn't know any better, and  
7     I think some people don't. And as I got more  
8     information, I became more aware of the danger that  
9     this new plant would pose.

10                    After being on CAPE for five years, I  
11     became a member of the city council, was elected in  
12     2004. One of the sad parts of being on the city  
13     council is you don't always win. I fought vigorously  
14     against the lease that we signed with this power plant  
15     company for their outfall. I absolutely hate the deal.  
16     I'm opposed to it. You will hear some people say that  
17     Morro Bay wants a power plant. I'd give you about 40  
18     percent of us by now because we're getting smarter.

19                    On the city council, we were lucky  
20     enough to have enough people on our council to form a  
21     committee called New Futures Committee. It is a  
22     council-appointed body that is appointed to look at  
23     alternative uses of the power plant property. It's  
24     been very active. We meet twice a month. And we've  
25     had very good cooperation from LS Power, by the way,



1 very helpful in providing us with zoning maps, site  
2 maps, looking at the lot, giving us tours of the plant,  
3 helping us out with the recent community workshop that  
4 generated over a 100 people coming in and talking about  
5 the possibilities of different uses.

6 I think that the idea of what a future  
7 vision for a beautiful place like this that has already  
8 suffered 50 years of pollution and damage to the  
9 estuary is a PowerPoint show that I wanted to bring you  
10 tonight, but I will e-mail it to you. I see the one  
11 minute sign. This is a power plant in London that is  
12 planned to be on the Thames River. It has actually  
13 incorporated a power plant that will be in this green  
14 space. This is a power plant that is planned -- sorry.  
15 It is built in Baltimore. Notice these are all water  
16 dependent along the ocean and near urban places where  
17 people don't like PM-10s, so they build shopping malls  
18 instead, for big revenue.

19 This is one that is planned for Hampton,  
20 Virginia, a nice ritzy part they decided they're so  
21 ritz and we should too, that they're going to build  
22 nice big shopping malls and hotels instead of power  
23 plants. These don't emit PM-10s by the way. This  
24 power plant is planned for Austin Texas near their  
25 river, another water intake plant. They decided --

1     Seaholm Power, by the way, is cooperating with them in  
2     building this redevelopment property. So I would just  
3     hope that -- I'll send this all to you, and I'll  
4     referring you tonight to our great website that is  
5     newfutures.morro-bay.org, and it lists all of these  
6     possibilities. Thank you.

7             MR. JAWGIEL: Thank you, Ms. DeMeritt.

8             I'm going to go ahead and try these  
9     individuals again. Is David Wiseman in the room?  
10    Sandra Brazil or Kathy Wells?

11            Ladies and gentlemen, as you know this  
12    hearing is actually scheduled to last until 9:00. It's  
13    approximately 10 minutes to 8. What I would like to do  
14    is why don't we take a 10- to 15-minute break. Why  
15    don't we take 15 minutes, and we'll come back at five  
16    minutes after 8, and if any of you would like to make  
17    additional comments, why don't we go ahead and -- well,  
18    I don't think it's necessary to resubmit -- if you  
19    would like to make additional comments, why don't you  
20    talk to me, give me your name, I'll pull your cards  
21    out, and we'll make a new stack. And we'll go ahead  
22    and we'll do three-minute increments until the time  
23    expires. So, you know, we'll just go ahead if you  
24    would like to make another round of comments for as  
25    long as we can.

1                   So why don't we go ahead and take a  
2   15-minute break, and any of those of you who would like  
3   to make additional comments, why don't you talk to me  
4   and we'll go ahead and make a new stack of cards.

5                   (A BREAK WAS TAKEN.)

6                   MR. JAWGIEL: Before we call the commenters  
7   up, I also just want to make a little bit of an  
8   announcement here. The gentlemen who are recording  
9   this hearing wanted me to let you know that the DVD for  
10  this meeting will be available through AGP Video, and  
11  their website is called slospan, S-L-O-S-P-A-N, that's  
12  one word, slospan.org. And then when you get to that  
13  website, you click into "special meetings." So I just  
14  wanted to let you know that the videotape of this  
15  hearing will be available through that website.

16                  We have two more speakers, David and  
17  Monique Nelson, both of who you previously heard from  
18  the organization CAPE. We'd like to give them a little  
19  extra time since they are the only two speakers who  
20  requested the extra time. So I'd like to give them  
21  four minutes apiece, and we'll let you know when you're  
22  at three-minute mark so you'll have indication when you  
23  have one minute left.

24                  Mr. Nelson, since you requested  
25  additional time -- Mrs. Nelson would you like to come

1 up first? That is fine. However you'd like to do it.  
2 And, again, Mrs. Nelson you don't need to state your  
3 name for the record, and you'll have an additional four  
4 minutes.

5 MRS. NELSON: Thank you. I didn't hear  
6 whether I should or shouldn't, so my name is Monique  
7 Nelson, and I really don't need four minutes. I won't  
8 go into more of CAPE. I'll leave that to my husband  
9 David, but I do have more of a question for the EPA.

10 The Morro Bay power site is home to  
11 several endangered species of plants and animals, and  
12 from what I saw on the EPA record for the PSD permit, I  
13 didn't see anything one way or another specifically  
14 addressing the effects of PM-10 on these endangered  
15 species. So I'm wondering how the Fish and Game and  
16 the EPA could sign off and say there are no impacts  
17 when it looks like no studies have ever been made. So  
18 I guess my question to the EPA is have any studies been  
19 done specifically for the purpose of studying the  
20 effects of PM-10 on these endangered species and, if  
21 so, where are they in the record? Thanks. That's it.

22 MR. JAWGIEL: Thank you again, Mrs. Nelson.  
23 We appreciate you taking your time tonight.

24 Mr. David Nelson.

25 MR. NELSON: Thank you for the extra time.

1 I've been doing this for seven years, and it's just  
2 impossible to bring this much stuff and be able to  
3 focus well enough to hit the best points.

4 One of the big points I'd like to make  
5 is the absence of our city officials here as city  
6 officials. We've heard from Ms. DeMeritt, who is a  
7 city official, but she was speaking as herself. The  
8 reason for that is that early in this process, our city  
9 signed a document waiving any right to come to these  
10 meetings and fight for higher standards. Their job in  
11 writing by contract is to go along with the power  
12 company and the decisions that this board makes.

13 Now, one thing I figured out over seven  
14 years of doing this is when you do this to people, like  
15 you that are working on all kinds of projects, it  
16 leaves these big cracks, and the crack is, like I  
17 started pointing out earlier, data that's being  
18 supplied to you is less than what it should be for your  
19 purposes. It was approved by CEC, but it doesn't  
20 really apply if you take into consideration your  
21 mandate and what is expected from you. So that's what  
22 we're expecting from you, and we really are here to  
23 work with you and make your job as easy as we can, and  
24 that's why we've done all this background search for  
25 you, showing you where maybe what the power company's

1 told you might be a little bit tilted and maybe out of  
2 whack, and this is our view and our work over years in  
3 doing this.

4 The thing that I need to point out,  
5 again, with our council is that they sold a bill of  
6 goods to our city that this was going to be a cleaner  
7 power plant, and they had a vote on it saying that it  
8 was going to be a smaller, cleaner power plant. And  
9 here we are six years later, and I'm reading in your  
10 own -- the air impact reports here that your  
11 significant emission rate per year is significant at  
12 the rate of 15 tons.

13 Now, what we have here is a power plant  
14 that's being looked at in light of a 50-year record. I  
15 mean, when they figured out the existing power plant,  
16 they got to use oil licenses that would never, ever be  
17 able to be used today, but because it was  
18 grandfathered, they believed for the CEC purposes they  
19 could do that, and maybe they could. But for your  
20 purposes, this is a total redo of a power plant, and I  
21 would hope that you could come up with better numbers  
22 than that.

23 I understand that these credits are  
24 shifted around, both as a person who lives under these,  
25 we should know that, oh, by the way, before we make

1     this a cleaner plant, we get to take all the dirt that  
2     we have here, all the emissions that we've put out for  
3     50 years, including oil, then buy credits from another  
4     area to bring them in here to make it fit. So what  
5     we're talking about here is significant emissions of 15  
6     tons, and they're asking with their own numbers for a  
7     76-ton increase.

8                 People have to know that this is really  
9     dangerous. This is a serious thing. You know and I  
10    know how many studies are done on particulate matter  
11    and what a big thing it is at a statewide level for the  
12    air. So we're asking you to come back and go through  
13    these and calculate these numbers right, and when you  
14    do, the whole scale will tip because not only are  
15    particulates going to go up, but so will greenhouse  
16    gases like SOs, which they're already 13 tons over on  
17    SOs. So we're just asking you to work with us here and  
18    make this process work, because I've seen the process  
19    when it works. It really can work, but it takes a lot  
20    of effort by people, and there's a lot of people that  
21    you don't see in CAPE that do a lot of work here, and  
22    we have the facts here, and please give it the time  
23    that it needs to look at it, because there's no way I  
24    can even brief you on what we've put in here. But I  
25    hope that you give it validity and start just from the

1 premise that their calculations are off, their methods  
2 are off, according to the EPA standards, and make them  
3 hold up to EPA standards.

4 MR. JAWGIEL: Mr. Nelson, thank you for your  
5 comments tonight. And, again, I'm aware that CAPE has  
6 submitted a very extensive written comment, and we  
7 appreciate the time and effort that was put into that.  
8 And we'll obviously consider those very closely.

9 MR. NELSON: Good. Thank you. We look  
10 forward to your replies.

11 MR. JAWGIEL: Thank you. What I'd like to do  
12 is I just want to make one more attempt at calling some  
13 of the individuals who we called previously who were  
14 not in attendance. David Wiseman -- I don't know if  
15 David Wiseman has returned -- Sandra Brazil and Kathy  
16 Wells. Since no one is here, none of those individuals  
17 are here, I'm going to go ahead and conclude this  
18 hearing. Again, any information that you would need to  
19 submit written comments either through fax, e-mail, or  
20 through the regular mail can be found in the lobby.

21 I want to thank everyone for taking time  
22 out tonight to come here and provide us with comments.  
23 It was a pleasure working with you, and I understand  
24 that this is a very serious -- very serious issue that  
25 is very important to the residents of Morro Bay, and



1     that's why we're here. We really appreciate all of you  
2     taking the time out to inform us of your thoughts about  
3     this project. So I'm going to go ahead and formally  
4     concluded this hearing. Thank you and good night.

5                     (Hearing concluded at 8:15 p.m.)

