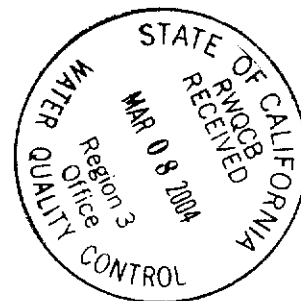




**AIR POLLUTION  
CONTROL DISTRICT**  
COUNTY OF SAN LUIS OBISPO



March 4, 2004

Michael Thomas  
Regional Water Quality Control Board  
895 Aerovista Place, Suite 101  
San Luis Obispo, CA 93401-7906:

Re: Saltwater Cooling Tower Issues Related to Air Quality – Duke Morro Bay Power Plant Modernization Project

Dear Mr. Thomas:

The use of saltwater cooling towers as the primary cooling method for the Morro Power Plant Modernization Project conflicts with two air quality requirements: Best Available Control Technology (BACT) and offsets.

BACT is required for any emission source greater than 25 lb/day. Particulate matter emissions from saltwater cooling towers would exceed that level. The currently proposed once through cooling has negligible particulate emissions. If it were not allowed, BACT would almost certainly be considered dry cooling towers over saltwater cooling towers.

Offsets, which are emission reductions equivalent to an emissions increase, are required for Duke's proposed project. Offsets of this magnitude have not yet been identified and are not readily available. In addition, if the offsets were available, there is an issue with expending a scarce commodity (offsets) on a project that could otherwise avoid the emissions.

Based upon these findings, it is unlikely that an Air Pollution Control District permit for salt water cooling towers could be issued for the Duke Modernization project.

If you have any questions, please to contact me at (805) 781-5937 or by email at [gwilley\\_apcd@co.slo.ca.us](mailto:gwilley_apcd@co.slo.ca.us).

Sincerely,

Gary E. Willey  
Air Pollution Control Engineer

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