

# Navajo Generating Station (NGS) TWG BART Proposal

## Background

- » The Navajo Generating Station (NGS), located near Lake Powell on the Navajo Reservation, provides more than 90 percent of the power Central Arizona Project (CAP) needs to deliver water.
- » CAP is the largest single end-user of power in the state. It takes 2.8 million megawatt hours of energy for CAP to pump 1.6 million acre-feet of Colorado River water across a 336-mile long conveyance system each year. Since CAP's service area is located at significantly higher elevations than the Colorado River, a pump lift of about 3,000 feet is required to deliver CAP water to users.

## TWG BART Proposal

- » In February 2013, The U.S. Environmental Protection Agency (EPA) issued a proposed Best Available Retrofit Technology (BART) rule to reduce emissions of nitrogen oxides (NOx) from the NGS power plant.
- » The proposed installation of Selective Catalytic Reduction technology at NGS by 2018, or by 2023 at the latest, will cost \$544 million, and could exceed \$1 billion if additional air filters are also required at the plant to remove the air-borne particulates created by the SCR process.
- » CAP's portion of these costs would be borne by its customers and the people of Maricopa, Pinal and Pima counties.
- » CAP, the Gila River Indian Community, the Navajo Nation, SRP, the Environmental Defense Fund, the U.S. Department of Interior and Western Resource Advocates created a Technical Work Group (TWG) to develop an alternative plan for NGS.
- » The TWG BART Proposal, provided to the EPA in July, presents two alternatives that ensure NOx emissions over the life of NGS will be less than what would occur under the EPA proposal, and allows sufficient time for NGS owners to address uncertainties facing the plant, including the upcoming departure of two NGS owners, Los Angeles Department of Power and Water and Nevada Energy.
- » Benefits include:
  - ◇ Stable and reliable power supplies for decades
  - ◇ SCR installation costs are delayed potentially until 2030, ensuring CAP can continue delivering affordable, renewable water supplies while preparing for future cost increases in a deliberate fashion
  - ◇ CAP is still able to fund Arizona's repayment obligation to the federal government for the CAP system's construction through the sale of surplus NGS power
  - ◇ Power cost increases that threatened to disrupt the Native American water rights settlements are mitigated.

## To Comment

- » The EPA public comment deadline is Jan. 6, 2014. To support the TWG BART Proposal, identify comments by docket number EPA-R09-OAR-2013-0009 and submit to the EPA in one of the following ways:
  - ◇ Federal eRulemaking Portal: [www.regulations.gov](http://www.regulations.gov). Follow the online instructions.
  - ◇ Email: [r9ngsbart@epa.gov](mailto:r9ngsbart@epa.gov)
  - ◇ Mail or deliver: Anita Lee (Air-2), U.S. Environmental Protection Agency Region 9, 75 Hawthorne Street, San Francisco, CA, 94105-3901

