documents are available from Nekoosa at Georgia-Pacific Corporation, Highway 501 North, Big Island, VA 24526.

i. With this notice we are soliciting preliminary terms, conditions, and recommendations on the PDEA and comments on the Draft License Application. All comments on the PDEA and Draft License Application should be sent to the address noted above in item (f) with one copy filed with the Commission at the following address: Federal Energy Regulatory Commission, 888 First Street, NE, Attn: James T. Griffin, Mailstop HL–11.3, Washington, DC 20426. Moreover, all comments must include the project name and number and bear the heading ''Preliminary Comments'', ''Preliminary Recommendations'', ''Preliminary Terms and Conditions'', or ''Preliminary Prescriptions''. Any party interested in commenting should do so before Thursday, October 22, 1998.

David P. Boergers,

Secretary.

[FR Doc. 98–22252 Filed 8–18–98; 8:45 am]

BILLING CODE 6717–01–M

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6147–4]

Kammer Power Plant; West Virginia; Stack Height Infeasibility Analysis

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice.

SUMMARY: This notice is to announce that EPA has informed the State of West Virginia that it does not accept the ''Kammer Plant Infeasibility Analysis'' dated January 5, 1995, as supplemented on April 28, 1995, as revised on February 8, 1996, and as clarified on June 29, 1998. EPA is publishing this notice to inform all interested parties that it disagrees with the State of West Virginia's decision to accept the ''Kammer Plant Infeasibility Analysis'' prepared by the Ohio Power Company (OPC). EPA has determined that OPC has failed to demonstrate that it is not feasible to meet an emission limit equivalent to the new source performance standard (NSPS) applicable to electric utility steam generating units. The NSPS limit is presumed to be met in order to seek credit for having a tall stack. The credit for stack height in excess of good engineering practice (GEP) sought by OPC for the Kammer Plant in Moundsville, West Virginia, cannot be granted. This notice further informs all interested parties that any revision(s) to the West Virginia State Implementation Plan (SIP) submitted to EPA based upon technical analyses which rely upon acceptance of this ''Kammer Plant Infeasibilty Analysis'' will not meet the Clean Air Act's criteria for approval.

FOR FURTHER INFORMATION CONTACT: Marcia L. Spink, Associate Director, Air Programs, Mailcode 3AP20, U.S. Environmental Protection Agency, Region III, 1650 Arch Street, Philadelphia, Pennsylvania 19103 at (215) 814–2104.

SUPPLEMENTARY INFORMATION: The Kammer Plant is a 630 MW, coal-fired power plant constructed in Marshall County, West Virginia in 1959. The Kammer Plant is owned and operated by Ohio Power Company (OPC), a subsidiary of American Electric Power (AEP). Kammer operates three coal-fired boilers and was built specifically to provide power to the Ormet Corporation aluminum production facility in nearby Hannibal, Ohio. High sulfur coal is currently delivered by barge from the nearby Shoemaker Mine of Consolidation Coal Company.

In 1994, EPA began development of an enforcement case against OPC for the Kammer Plant's failure to comply with the applicable sulfur dioxide (SO_2) emission limit in the West Virginia State Implementation Plan (SIP). On May 21, 1996, EPA and OPC entered into a modified partial consent decree which provided that a comprehensive SO_2 SIP revision be developed for the Marshall County Area by November 1998. As part of that SIP development effort, West Virginia must address the stack height provisions of the Clean Air Act as they apply to the Kammer Plant.

In the mid-1970s, OPC replaced two 600-foot stacks at the Kammer Plant with a single, 900-foot stack. According to EPA's stack height regulations, the 900-foot stack exceeds good engineering practice (GEP) design specifications. In the late 1970s and early 1980s, EPA developed stack height regulations to limit the common practice of using tall smokestacks to abate localized pollution problems without decreasing net emissions. According to the stack height rules OPC has two options with regard to this issue: (1) Accept the ''grandfathered'' creditable stack height of 600-feet for the Kammer Plant or (2) attempt to receive credit for some or all of the existing stack height above 600-feet. Determination of the creditable stack height is necessary for use as input into air quality dispersion modeling that will support the SIP revision establishing the allowable emission limits for the affected sources, including the Kammer Plant. OPC has chosen to seek credit for that portion of the stack that exceeds GEP in order to justify the approval of a higher allowable emission rate at the Kammer Plant.

In order to obtain such credit, Ohio Power must satisfy the requirements of the federal and state stack height regulations that allow a source to rebut the presumptive new source performance standards (NSPS) emission limit when seeking credit for stack height above that height provided by the good engineering practice (GEP) formulae. Such a rebuttal is commonly termed an ''infeasibility analysis'' because the affected company presents operational and economic information to justify its contention that it is unable to meet the present industry standard for new sources (the NSPS) and that the emission limit is therefore ''infeasible'' for its source.

On May 30, 1995, West Virginia submitted to EPA the ''Kammer Plant Infeasibility Analysis'' dated January 5, 1995, and supplemented on April 28, 1995, as prepared by OPC. West Virginia's submittal also included its decision to approve the analysis. On September 13 and October 20, 1995, EPA provided extensive and significant comments to West Virginia and OPC regarding the ''Kammer Plant Infeasibility Analysis.'' EPA suggested in its comments that OPC overstated the regional economic impacts that would occur if OPC pursued emission reductions at the Kammer Plant and that it erroneously presented economic forecasts of the costs of certain control options. On June 28, 1996, West Virginia officially forwarded to EPA the ''Kammer Plant Infeasibility Analysis—Revision 1, February 8, 1996,'' as prepared by OPC, again along with the State's decision to approve the analysis.

The original ''Kammer Plant Infeasibility Analysis'' and the revised analysis state that any alternative other than the status quo at the facility would be catastrophic to the regional economy and the viability of Ormet and the Shoemaker coal mines. EPA's review of the original and revised analyses indicate that West Virginia had not adequately supported this position. On October 17, 1997, EPA informed West Virginia that the June 28, 1996 Infeasibility Analysis—Revision 1 was inadequate and would not be approved as part of, or as the basis of, any SIP revision for Kammer. EPA based this decision on the fact that in September 1996 AEP and Ormet entered into a new electric supply contract whereby the Kammer Plant will supply Ormet's needs only until the end of 1999. After 1999, Kammer will market its electricity

to other customers. The Infeasibility Analysis—Revision 1 does not reflect these future operating conditions at Kammer.

On November 20, 1997, West Virginia stated to EPA that their approval of the infeasibility analysis was based upon the potential closure of the Shoemaker Mine, and the resultant loss of jobs to the local economy, as the probable result of any decision to require controls at the Kammer Plant. On January 20, 1998, West Virginia submitted AEP's Economic Analysis of Kammer Plant SO_2 Control Options to EPA. On February 6, 1998, EPA met with West Virginia, AEP, and other interested parties to present comments on the Economic Analysis of Kammer Plant SO_2 Control Options. The EPA found that AEP had incorrectly specified the base case for the analysis and had equated feasibility with least cost. The EPA concluded that both the scrubbing and alternative fuel options were feasible.

On June 29, 1998, West Virginia forwarded to EPA, along with its endorsement, a ''Response to Comments by USEPA on Economic Analysis of Kammer Plant SO_2 Control Options,'' prepared by AEP and dated June 4, 1998. In their response, AEP revised the base costs as suggested by EPA. AEP emphasized that the most cost effective option for the Kammer Plant is to continue to use the coal from the Shoemaker Mine. AEP also stated that the incremental cost of electricity (c.o.e.) is a better indicator of the Kammer Plant's ability to remain profitable because the EPA metric of dollars per ton removed is not representative.

AEP further pointed out that there would be no net change of total emissions of SO_2 loaded to the atmosphere because of the provisions of the Acid Rain Program under Title IV of the Clean Air Act. AEP stated that the Kammer Plant would receive an allotment of 23,775 tons (of SO_2 emissions) under Phase II of the Acid Rain Program. AEP argued that if Kammer had to purchase allowances to equal the actual emissions in the future, those emissions would have to be reduced somewhere else. Or, conversely, if Kammer did not need to purchase the allowances the emissions would occur somewhere else.

AEP also provide a table of control options and the associated cost, reproduced in the table, below:

Option	Levelized annual incremental C.O.E. ($1998)	Levelized annual cost of removal ($1998)	Average annual SO_2 reduction (tons/year)	Incremental (marginal) levelized annual per ton cost of SO_2 removal ($/ton)
Shoemaker Coal (Base Case)	$0	$0	0	$0
Switch to 2.5 lb Coal in 2000	726,000	15,402,000	58,209	264
Switch to 2.5 lb Coal in 1998	3,179,000	20,593,000	71,144	401
Switch to 1.2 lb Coal	16,635,000	41,124,000	100,046	710
Wet Lime Scrubber	15,115,000	44,587,000	120,407	487
Limestone Scrubber	13,877,000	43,391,000	120,577	461
Ammonia Scrubber	12,805,000	42,320,000	120,577	440

Another point that AEP felt should be considered was the length of time to engineer, design, and install a scrubber, estimated to be three years. With a potential retirement date of 2008 there would be only eight years for capital recovery. AEP expressed concern about controlling costs in view of the possible requirement to install controls for nitrogen oxides.

In addition AEP indicated that scrubber technology cannot be considered an option because it cannot assure air quality compliance under all operating conditions. Because, AEP argued, scrubber systems are subject to start-ups, shutdowns, upsets, and malfunction there will be times when the ambient air quality standards could be violated.

Although West Virginia and AEP believe that the cost of electricity should be considered in evaluating infeasibility, by tradition and rule the EPA has relied upon an incremental cost of dollars per ton of pollutant reduced for evaluating alternative controls. The preamble to the stack height regulations states that EPA will use the use of Best Available Retrofit Technology (BART) for determining that the presumptive new source performance standard (NSPS) limitation cannot feasibly be met by an individual facility. The BART guidelines specifically identify dollars per ton removed as the metric to be used.

The levelized annual per ton cost of sulfur dioxide (SO_2) removal estimates provided by AEP indicate that any of the scrubbing options are feasible. The BART guidelines identify cost effectiveness as the relevant factors to consider in determining whether specified controls are economically and technically feasible, not what is the least cost option. Furthermore, as was stated at the February 6, 1998, meeting, costs in excess of $1,000 per ton, sometimes substantially higher, have been determined to be reasonable. A decision to install a scrubber would allow the continued use of coal from the Shoemaker Mine and would ensure the preservation of the coal miners' jobs.

As stated previously, AEP also pointed out that the total loading of sulfur would remain the same in that the allowances, under Title IV of the Clean Air Act, will be used somewhere, if not at Kammer. However, once again, the relevant inquiry according to the BART guidelines is to examine the technical and economic feasibility of controls at a particular facility. The concern here is with the feasibility of Kammer's meeting the emission rate equivalent to the presumptive NSPS. Furthermore, this analysis is ostensibly being performed to support a relaxation of the allowable SO_2 emission rate of the West Virginia SIP under Title I of the Clean Air Act. Finally the likelihood of the allowances being used more efficiently elsewhere should be noted. In terms of megawatts per ton of SO_2 the Kammer plant is, by far, the least efficient plant in all of the states which comprise EPA Region III's jurisdiction and one of the least efficient in the country. To illustrate the ineffeciency of the Kammer Plant, EPA has tabulated, in decreasing order of efficiency, the Phase I utilities in Region III. In the table below, are the rated capacity, the 1996 SO_2 emissions reported by the Acid Rain Program, the megawatts of electricity per ton, and the inverse (or tons per megawatt).

EPA Region III—Phase I Utility Plans

Plant name	Rated capacity (mw)	1996 SO_2 emissions (tons)	Generation efficiency	
			(mw/ton)	ton/mw
Kammer	712.5	119,369	0.00597	168
Armstrong	326.4	32,150	0.01015	98
Hatfields Ferry	1728.	153,413	0.01126	89
Shawville	625.	53,945	0.01159	86
Martins Creek 1&2	312.5	24,601	0.01270	79
CP Crane 1&2	399.84	28,744	0.01391	72
Cheswick	565.25	39,980	0.01414	71
Albright	140.25	9,246	0.01517	66
Mount Storm	1662.48	107,211	0.01551	64
Fort Martin	1152.	71,152	0.01619	62
Portland	426.7	25,783	0.01655	60
Morgantown	1252.	72,778	0.01720	58
Chalk Point	728.	37,211	0.01956	51
Sunbury	621.	20,450	0.03037	33
Mitchell	1632.6	53,152	0.03072	33
Brunner Island	1558.73	47,771	0.03263	31
Conemaugh	1872.	40,182	0.04659	21
Harrison	2052.	16,469	0.12460	08

There are two responses to AEP's concern that there are potentially only eight years for capital recovery of the cost of a scrubber. First, AEP could have elected to install a scrubber in 1987 when the final stack height rules were promulgated. In that case the time for capital recovery would more than double. Secondly, there is no assurance that the Kammer plant will in fact be retired in 2008.

The additional contention by AEP that scrubber technology cannot be considered because it cannot assure air quality compliance under all operating conditions has no validity. Many of the state and federal air pollution control requirements involve devices which can, and do, shutdown or malfunction and require maintenance. These instances do have the potential to result in air quality violations. Nevertheless these devices are relied upon to protect air quality. To accept AEP's argument in this regard would undermine almost all air pollution control programs.

At the time of the Congressional deliberation on the Clean Air Act Amendments of 1990, it was suggested that the stack height provisions would no longer be necessary because the acid rain control provisions would serve to reduce SO_2 emissions. The Congress rejected this notion and reaffirmed that constant emission controls were to be required versus using dispersion from tall stacks to achieve and maintain the ambient air quality goals and standards under Title I of the Act.

Therefore, the State of West Virginia has been informed by EPA that it cannot approve the analysis which seeks to demonstrate the infeasibility of Kammer's meeting the emission rate equivalent to the new source performance standard. The SIP development project for Marshall County should go forward with the Kammer plant modeled at the grandfathered stack height of 600 feet.

Dated: August 11, 1998.

W. Michael McCabe,

Regional Administrator, Region III.

[FR Doc. 98–22340 Filed 8–18–98; 8:45 am]

BILLING CODE 6560–50–P

ENVIRONMENTAL PROTECTION AGENCY

[FRL–6147–7]

Acid Rain Program: Permit Modification

AGENCY: Environmental Protection Agency (EPA).

ACTION: Notice of permit modification.

SUMMARY: The U.S. Environmental Protection Agency (EPA) is issuing, as a direct final action, a permit modification revising the early election plan for the Rockport plant in Indiana in accordance with the Acid Rain Program regulations (40 CFR parts 72 and 76). Because the Agency does not anticipate receiving adverse comments, the modification is being issued as a direct final action.

DATES: The permit modification issued in this direct final action will be final on September 28, 1998 or 40 days after publication of a similar notice in a local publication, whichever is later, unless significant, adverse comments are received by September 18, 1998 or 30 days after publication of a similar notice in a local publication, whichever is later. If significant, adverse comments are timely received on the permit modification, the permit modification will be withdrawn through a notice in the **Federal Register**.

ADDRESSES: Administrative Records. The administrative record for the permit, except information protected as confidential, may be viewed during normal operating hours at EPA Region 5, 77 West Jackson Blvd., Chicago, IL, 60604.

Comments. Send comments, requests for public hearings, and requests to receive notice of future actions to EPA Region 5, Air and Radiation Division, Attn: Cecilia Mijares (address above). Submit comments in duplicate and identify the permit to which the comments apply, the commenter's name, address, and telephone number, and the commenter's interest in the matter and affiliation, if any, to the owners and operators of all units in the plan. All timely comments will be considered, except those pertaining to standard provisions under 40 CFR 72.9 or issues not relevant to the permit modification.

FOR FURTHER INFORMATION: Cecilia Mijares (312) 886–0968.

SUPPLEMENTARY INFORMATION: Title IV of the Clean Air Act directs EPA to establish a program to reduce the adverse effects of acidic deposition by requiring reductions of nitrogen oxides (NO_x) emissions from coal-fired electric utility boilers and by issuing permits reflecting this requirement. Today, EPA is taking action to delete a provision in the early election plan in the Acid Rain permit for the Rockport plant in Indiana. Under the plan, Rockport units 1 and 2 must comply with a NOx emission limit of 0.50 lb/mmBtu from