

US EPA ARCHIVE DOCUMENT

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June 21, 2000

Christopher Knopes
Office of Reinvention Programs
United States Environmental Protection Agency
401 M Street SW
Room 1029
Washington D.C. 20460

Subject: Joint XL Project Proposal –
Integrated Air Quality Approach for Wisconsin Electric Power Company

Dear Mr. Knopes:

Enclosed is a joint proposal submitted by the Wisconsin Department of Natural Resources (“WDNR”) and the Wisconsin Electric Power Company (“Wisconsin Electric”) for consideration and acceptance or approval under the United States Environmental Protection Agency’s (“U.S. EPA’s”) Regulatory Reinvention Pilot Project XL Program (“Project XL”). The purpose of the project is to pilot an integrated air quality strategy for Wisconsin Electric’s coal burning power plants.

This project will result in significant emission reductions from Wisconsin Electric’s coal burning power plants. Specifically, the project will result in emission reductions of nitrogen oxides by 65-70%, sulfur dioxide by 35-40% and mercury by 40% over the next ten years. Additionally, this project will pilot a new approach to permitting projects at electric generating stations that will not only enable Wisconsin Electric to provide reliable electric service to its customers without increasing emissions from its facilities but will also reduce the transaction and time costs incurred by both Wisconsin Electric and WDNR when permitting a physical change at a facility.

We welcome the opportunity to work with you and our project stakeholders to pilot this innovative and environmentally beneficial project. WDNR and Wisconsin Electric believe that this project will serve as a model for what may be accomplished when coal burning electric generating units are regulated under an integrated air quality approach. We anticipate that the regulatory flexibility contained in the XL project will result in cost effective emission reductions that take into account the collateral effects that emission reduction efforts have on other emissions from the

facility. We further believe that this project will demonstrate that collaborative efforts between regulatory authorities and industry can be successful in developing and implementing new environmental protection approaches and guide future regulatory and legislative efforts.

We look forward to further developing and implementing this unique project and look forward to your response to our joint proposal. We have had preliminary meetings with U.S. EPA representatives to discuss this project and would like to meet again to further discuss the project. In the meantime, if you have any questions concerning the enclosed proposal, please contact John Shenot, Business Sector Specialist, WDNR Bureau of Cooperative Environmental Assistance, at (608)267-0802 or Kris McKinney, Manager, Environmental Strategy at Wisconsin Electric, at (414)221-2157.

Sincerely,

Wisconsin Department of Natural Resources

By: _____

George E. Meyer
Secretary

And

Wisconsin Electric Power Company

By: _____

Richard R. Grigg
President and Chief Operating Officer

Enclosure

cc: John Seitz, U.S. EPA

Bill Harnett, U.S. EPA

Bharat Mathur, U.S. EPA, Region V

Joan Tanaka, U.S. EPA, Region V

Rachel Rineheart, U.S. EPA, Region V