

# STATE OF COLORADO

Bill Owens, Governor  
Jane E. Norton, Executive Director

*Dedicated to protecting and improving the health and environment of the people of Colorado*

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Colorado Department  
of Public Health  
and Environment

May 22, 2001

The Western Regional Air Partnership  
Ms. Dianne Nielson, State of Utah  
Governor Lloyd Tortalita, Pueblo of **Acoma**

Dear Governor Tortalita & Ms. Nielson:

Colorado understands the WRAP is a regional organization with voluntary participation by western states. We also recognize members of the market-trading forum have invested considerable time and energy in the development of the Annex and the information to be considered by the WRAP Board today. We have spent additional time reviewing the Annex since it was adopted by the **WRAP** last September. We have a better understanding of the Annex and remain concerned about the policy implications of adopting a backstop program to improve visibility in Class I areas that cannot demonstrate a perceptible improvement in visibility.

The **WRAP** is due to consider supplemental information to be submitted to EPA in support of the Annex approved by the WRAP Board in September 2000. The milestone adjustments for opting in or out of the program seem to be a basic component of the program and not supplemental information or even technical supporting information. A state's decision to opt in or out of the program will be based, at least in part, on the allocations in the opt in/opt out provisions for each state and on the new source set aside for each state. We understand the milestone adjustments and the new source set aside are not necessarily binding on each state, but remain concerned about the implications for Colorado regarding how these provisions may be viewed in the future. The calculation of allocations is now proposed to be based on emission projections with **BART** emission control levels applied to **BART** eligible sources. The calculation of the new source set aside seems to be based on a comparative analysis of the current level of emissions in each state and appears to make no consideration for projected growth in individual states that may choose to participate in the program.

We are concerned that a state such as Colorado with high projected growth rates, could experience substantial difficulty in meeting the new source set aside over the long term. Colorado may eventually be subject to reliance on other states for power generation and be required to pay a premium for electric utility costs. We are concerned that new sources that may be considering Colorado as a future location may be persuaded to locate elsewhere based on the need to purchase allocations in order to be permitted.

We are **also** concerned about the analysis to determine new source growth in the region for electric power generation and "other sources" given the pending discussions related to the development of a new energy policy for our country under the Bush Administration that would substantially increase the likelihood of new source growth in Colorado.

Colorado is committed to protecting visibility in Class I areas and remains interested in the activities of the WRAP through our participation in many of the forums and workgroups. Colorado will abstain **from** voting on the supplementary information to be submitted to EPA in support of the Annex. On its face, we do not support the methodology to develop the new source set aside allocations and the possible implications they could have for Colorado, however, we do not want impede the process **from** moving forward if the majority of western states **find** value in it.

We appreciate the effort put forth regarding regional haze and look forward to working with you in the **future**.

Sincerely,



**Doug Benevento**  
Director of Environmental Programs  
Colorado Department of Public  
Health & Environment

CC: Jane Norton  
Margie Perkins  
Doug Lempke