

November 26, 2003

Mrs. Ellen Russell
Office of Fossil Energy (FE-27)
U.S. Department of Energy
1000 Independence Avenue SW
Washington, DC 20585-0119

RE: Comments for FE Docket Nos. PP-234 and PP-235 EIS Intergen/Sempra Plants

Dear Mrs. Russell,

Environmental Defense respectfully submits the following comments regarding the revised environmental impact statement for the Baja California Power, Inc. (i.e. Intergen) and Sempra Energy Resources projects to construct two transmission lines for the purposes of cross-border trade in electricity.

We support the May 2, 2003 U.S. district court decision requiring that power plant emissions be included as part of the Environmental Impact Statement (EIS) for this project. The transmission lines are being constructed in order to transmit power from new plants. Thus it follows that air quality impacts associated with these new plants should be included in the EIS. Included in these impacts should be air pollutant emissions, opacity and cooling tower plume emissions. Given that these plants could affect air quality in areas of the U.S. that already exceed the health-based National Ambient Air Quality Standards (NAAQS), the EIS must examine alternatives that will ensure no further degradation of regional air quality.

The EIS must also consider these air quality impacts in light of other power plants proposed for this region.

With respect to the potential impacts of the plants on water resources, the EIS should examine the full range of alternatives, including the use of dry cooling. While the U.S. cannot require that plants in Mexico adopt dry cooling practices, it is important to inform decision-makers about the full range of impacts associated with wet cooling and alternatives.

We would like to refer you to our new report "Pollution Without Borders: How Power Plants in U.S.-Mexico Border States Threaten Human Health and the Environment" which can be found at www.environmentaldefense.org/go/borderenergy. We believe this report may provide useful reference information for the EIS.

The report makes several recommendations on environmental management for new power plants in U.S.-Mexico border states which may be applicable to the alternatives analysis for the new Intergen and Sempra plants in Baja California, such as:

- equivalent emission standards for new power projects in the border region;
- the establishment of declining caps on total emissions of specific pollutants from existing and new power plants;
- the development of official protocols for emissions trading in the border region; and
- the establishment of “electricity import pollution offsets” for electricity imported from a jurisdiction that lacks pollution caps.

The report also dedicates an entire chapter to cross-border trade in electricity – again of particular importance in this case.

We thank you in advance for consideration of our comments. Please feel free to contact us with any questions you may have.

Sincerely,

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