STATE OF NEW YORK DEPARTMENT OF ENVIRONMENTAL CONSERVATION 625 Broadway Albany, New York 12233-1550

In the Matter

- of the -

Proposed New York Section 111(d) State Plan
For Implementation Of Coal-Fired Electric Steam Generating Unit
Mercury Emission Guidelines
(Mercury State Plan)

HEARING REPORT

by

/s/

P. Nicholas Garlick Administrative Law Judge

November 14, 2006

PROCEEDINGS

The New York State Department of Environmental Conservation ("Department" or "DEC") scheduled a public hearing session to provide an opportunity for comment on the proposed Mercury State Plan.

On May 18, 2005 EPA finalized the Clean Air Mercury Rule (CAMR) (70 Federal Register 28605-28700) and established performance standards for mercury for new and existing coal-fired electric utility steam generating units. CAMR limits mercury emissions and creates a market-based cap-and-trade program that permanently caps utility mercury emissions nationwide in two phases. Pursuant to 40 CFR 60.4141, all States are required to submit to EPA their designated mercury allowances for each coal-fired electric steam generating unit by November 17, 2006.

The Department is incorporating 6 NYCRR Part 246, "Mercury Reduction Program for Coal-Fired Electric Utility Steam Generating Units" into the Mercury State Plan in lieu of accepting the model rule requirements of the federal Clean Air Mercury Rule. Part 246 will achieve a 90 percent reduction in mercury emissions from the coal-fired electricity generating units covered by the CAMR in two phases. Phase I of Part 246 imposes facility-wide mercury emission limitations based upon the state mercury budget distributed to New York State by EPA. The facility-wide emission limitations will be in effect from 2010 to Phase II of Part 246 establishes a unit-based emission 2014. limit of 0.6 pounds per trillion Btu on a 30-day rolling average basis for each applicable unit starting in 2015. The Department is also amending 6 NYCRR Part 200, "General Provisions", to incorporate by reference the relevant Clean Air Act sections and the federal regulations applicable to the mercury reduction program.

The public hearing on the proposed Mercury State Plan, which includes 6 NYCRR Part 246 and amendments to 6 NYCRR Part 200 as proposed in the New York State Register and Environmental Notice Bulletin on September 6, 2006, as well as appendices containing supporting documents, was held at 2:00 p.m. on Monday, November 6, 2006, in Room 129A of DEC's Albany headquarters, 625 Broadway, Albany, NY. Three members of the public attended the hearing and one spoke. The hearing began with a brief introduction to the Department's proposal by Robert Bielawa, a DEC Staff engineer. Next, Mr. William Cooke, Director of Government Relations for the Citizen's Campaign for the Environment, spoke in support of the Department's proposal and commended DEC Staff for its efforts. He continued that his organization would like to see the program implemented more quickly and that he hoped other states would follow New York's lead on this issue and implement similar programs.