

1 May 2008

Memorandum

TO: David Paylor, Director, Department of Environmental Quality
FROM: Vivian Thomson, Vice Chair, Air Pollution Control Board
**RE: Questions for Dominion, the Public, and DEQ Staff Concerning Emission Offsets
at the Proposed Virginia City Hybrid Energy Center**

In my 14 April 2008 memorandum to you I raised a variety of questions about Dominion's proposed Virginia City Hybrid Energy Center. Below are two related questions that pertain to the issue of emission offsets.

In the past the Board has approved another PSD permit (for the CPV Warren facility) that included requirements for NO_x offsets. My understanding is that Dominion has also offered to offset a portion of its criteria pollutant emissions. I have asked DEQ staff for the details of that offer. (1) Could the Board require offsets for criteria pollutant or greenhouse gas emissions in the Virginia City Hybrid Energy Center permit? (2) If so, how could these offsets be physically accomplished?

I look forward to hearing your response to these and the other questions that my fellow Board members and I have raised.