



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 4
ATLANTA FEDERAL CENTER
61 FORSYTH STREET
ATLANTA, GEORGIA 30303-8960

April 27, 2011

RECEIVED

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BUREAU OF
AIR REGULATION

Mr. Roy S. Belden
Vice President
Shady Hills Power Company, LLC
120 Long Ridge Road
Stamford, Connecticut 06927

Subject: Endangered Species Act Consultation – Shady Hills Generating Station (PSD-FL-402A)

Dear Mr. Belden:

Section 7 of the Endangered Species Act of 1973, as amended (16 U.S.C. 1531 et seq.) (“ESA”), directs all Federal agencies to use their existing authorities to conserve threatened and endangered species and, in consultation with the U.S. Fish and Wildlife Service, to ensure that their actions do not jeopardize listed species or destroy or adversely modify critical habitat. Section 7 applies to Federal actions that may affect listed species, including Federal approval of private activities through the issuance of Federal permits, licenses, or other actions.

It is our understanding that you will be submitting a prevention of significant deterioration (PSD) permit application pursuant to 40 CFR 52.21 to the U.S. Environmental Protection Agency in the near future, which addresses the Shady Hill Generator Station’s greenhouse gas (GHG) emissions. The EPA must assure that listed species or their critical habitat will not be jeopardized by the changes at the Shady Hill Generating Station before a final Federal PSD permit can be issued.

As part of your PSD permit application, please provide a list of all endangered or threatened plant and animal species and their critical habitat in the area of the proposed project; such a list may be obtained from the Fish and Wildlife Service and the National Marine Fisheries Service. Please contact both:

Dr. Jon M. Hemming
U.S. Fish and Wildlife Service
Field Office
1601 Balboa Avenue
Panama City, FL 32405-3721
Phone: (850) 769-0552 x2238

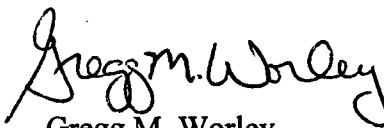
Kyle Baker
Protected Resource Division
NOAA National Marine Fisheries Service
Southeast Regional Office
263 13th Avenue South
St. Petersburg, FL 33701-5505
Phone: (727) 824-5312

If any endangered or threatened species or critical habitats are in the area of the project, provide a biological assessment of the impact construction or operation of the source may have on such species and their habitat. A biological assessment should discuss the proposed project in sufficient level of detail so that the EPA can determine whether it is appropriate for the Agency to initiate a section 7 consultation process with the U.S. Fish & Wildlife Service and/or the National Marine Fisheries Service, and so that the biological assessment can be utilized by the EPA and these Services if a section 7

consultation is needed. Information regarding their respective section 7 ESA consultation processes can be found online at http://www.fws.gov/angered/esa-library/pdf/esa_section7_handbook.pdf and http://www.fpir.noaa.gov/PRD/prd_esa_section_7.html.

If you have any questions or need additional information regarding this process or the ESA in general, please contact Katy R. Forney of my staff at 404-562-9130 or forney.kathleen@epa.gov.

Sincerely,

A handwritten signature in black ink that reads "Gregg M. Worley". The signature is written in a cursive style with a large initial "G".

Gregg M. Worley
Chief
Air Permits Section

cc: Trina Vielhauer, FDEP
Dr. Jon Hemming, USFWS
Kyle Baker, NMFS