

**PUBLIC NOTICE OF INTENT TO ISSUE A
UNDERGROUND INJECTION CONTROL (UIC) PERMIT
FOR THE ARIZONA PUBLIC SERVICE COMPANY**

Comment period through March 13, 2009

PURPOSE OF PUBLIC NOTICE

The U.S. Environmental Protection Agency (EPA) is soliciting public comments on its proposal to issue a federal Underground Injection Control (UIC) Class V Experimental permit to the Arizona Public Service (APS) Company for an Arizona Utilities Carbon Dioxide (CO₂) Storage Pilot Test to be located at the Cholla Power Plant, 4801 Frontage Road, Joseph City, Arizona. The draft permit, if issued, would authorize the underground injection of approximately 2,000 metric tons of food-grade CO₂ over an expected duration of 14 to 20 days for the CO₂ storage pilot test.

BACKGROUND

The draft permit is proposing a Class V Experimental injection well for a CO₂ injection test to allow the West Coast Regional Carbon Sequestration Partnership to gather information on the geology and suitability of the location for sequestration of CO₂. The injection well will be designed to inject to a depth of approximately 4,000 feet below ground surface. Based on EPA's review of the proposed well construction, operation standards, monitoring requirements, and the existing geologic setting, the Agency has made a preliminary determination that the activities allowed under the draft Permit are protective of underground sources of drinking water as required by the Safe Drinking Water Act.

The Arizona Department of Environmental Quality (ADEQ) has also proposed a draft permit (Temporary Aquifer Protection Permit No. P-106019) for the injection activity. The ADEQ permit, which would ensure that the project complies with state aquifer protection requirements, was public noticed on January 30, 2009.

EPA has made a preliminary determination to issue the Class V Experimental injection well permit as provided by Part C of the Safe Drinking Water Act, as amended, and by UIC regulations in Title 40 of the Code of Federal Regulations (CFR) Parts 124, 144, and 146.

DOCUMENTS

EPA has prepared a Statement of Basis which briefly describes the derivation of the conditions of the draft permit and the reasons for them. The Statement of Basis and the draft permit are available for public inspection online at:

<http://www.epa.gov/region09/water/groundwater/uic-permits.html>

Copies of the draft permit, the Statement of Basis, this public notice and the APS=s permit application are available for review at:

Holbrook Public Library
403 Park St.
Holbrook, AZ 86025
(928)524-3732

Copies of EPA=s documents and the APS=s permit application can also be obtained by contacting: U.S. Environmental Protection Agency, Ground Water Office (WTR-9) 75 Hawthorne Street, San Francisco, CA 94105, Attn: Nancy Rumrill; phone (415) 972-3293; fax (415) 947-3549; or e-mail rumrill.nancy@epa.gov.

The EPA San Francisco office also contains the administrative record for the draft permit which is available for public inspection from 8:30 am to 5:00 pm, Monday through Friday. All data submitted by the applicant is available as part of the administrative record.

PUBLIC COMMENT

Interested persons are invited to make comments and recommendations on the draft permit and the APS's permit application. The thirty (30) day public comment period will end on March 13, 2009. All comments must be received or postmarked by that date and must be in writing (e-mail is acceptable) to be considered. Please send comments to U.S. Environmental Protection Agency, Ground Water Office (WTR-9), 75 Hawthorne Street, San Francisco, CA 94105, Attn: Nancy Rumrill; phone (415) 972-3293; fax (415) 947-3549; or e-mail rumrill.nancy@epa.gov.

During the public comment period, persons may also request a public hearing regarding EPA's proposed issuance of this UIC permit (see 40 CFR §§124.11 and 124.12). Any request for a public hearing must be in writing and state the nature of the issues proposed to be raised in the hearing. EPA will only hold a hearing if significant interest is expressed, and will provide a minimum of 30 days notice prior to any hearing.

FINAL PERMIT DECISION AND APPEALS PROCESS

EPA will make a final decision regarding the draft federal permit after all comments and recommendations have been considered. EPA will send a response to comments and

a notice of our final decision to each person who submitted comments or requested such notice. Within thirty (30) days after the final permit decision has been issued, any person who filed comments on the draft permit, participated in any Public Hearing on this matter, or takes issue with any changes in the draft permit, may petition the Environmental Appeals Board to review any condition of the permit decision. Commenters are referred to 40 CFR Section 124.19 for procedural requirements of the appeal process. If no comments request a change in the draft permit, the permit shall become effective immediately upon issuance (40 CFR §124.15).