

ANN BECKER

Vice President, Environmental & Chief Sustainability Officer

400 N. 5th Street Phoenix, AZ 85004 Mail Station 9910 **Tel** 602 250 3722

December 30, 2013

VIA U.S. MAIL AND ELECTRONIC SUBMISSION

Mr. Jared Blumenfeld Administrator Environmental Protection Agency, Region IX 75 Hawthorne Street San Francisco, CA 94105-3901

RE: Source Specific Federal Implementation Plan for Implementing Best Available Retrofit Technology for Four Corners Power Plant— Selection of Compliance Strategy

Dear Mr. Blumenfeld:

Pursuant to 40 C.F.R. § 49.5512(i)(4), Arizona Public Service Company ("APS") hereby notifies the U.S. Environmental Protection Agency that APS has selected the alternative Best Available Retrofit Technology ("BART") compliance strategy set forth in Section 49.5512(i)(3) of the final Four Corners Power Plant ("FCPP" or "Plant") BART rule. Consistent therewith, APS will retire FCPP Units 1, 2, and 3 by January 1, 2014 and comply with a BART emission limit for NOx of 0.098 lb/mmBtu (determined on a 30-boiler-operating-day rolling average basis) on FCPP Units 4 and 5 by July 31, 2018. APS plans to achieve this emission limitation through the installation and operation of selective catalytic reduction ("SCR") control technology on these two units. APS submitted a Prevention of Significant Deterioration ("PSD") permit application for the SCR controls on October 29, 2013 and received acknowledgment and notice of preliminary review from EPA Region 9 on November 27, 2013. APS expects EPA to issue the final PSD permit by summer of 2014, after which time APS plans to commence construction of the SCR controls.

Having secured the necessary regulatory approvals from the Arizona Corporation Commission, Federal Energy Regulatory Commission, Federal Trade Commission, and U.S. Department of Justice, on December 30, 2013, the FCPP co-owners executed a new fuel supply contract for the Plant, and APS consummated its transaction with Southern California Edison Company ("SCE") to purchase SCE's ownership interest in FCPP Units 4 and 5. Mr. Jared Blumenfeld December 30, 2013 Page 2

Thank you for your time and consideration. Please do not hesitate to contact me if you have any questions.

Sincerely,

ann C. Berker

Ann C. Becker Vice President of Environmental & Chief Sustainability Officer

Cc: Deborah Jordan