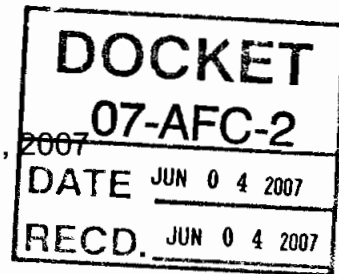


CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512
www.energy.ca.gov



June 4, 2007

TO: AGENCY DISTRIBUTION LIST (STATE AND FEDERAL)**DISTRIBUTION OF SUPPLEMENTAL INFORMATION FACILITATING AGENCY PARTICIPATION IN THE REVIEW OF THE SAN GABRIEL GENERATING STATION PROJECT, APPLICATION FOR CERTIFICATION (07-AFC-2)**

On April 24, 2007, your agency was sent a copy of the Application for Certification (AFC) to construct and operate the San Gabriel Generating Station (SGGS) Project in the city of Rancho Cucamonga, San Bernardino County, with a request for your agency's comments. Enclosed is a copy (CD) of the supplement to the AFC that was subsequently received from San Gabriel Power Generation, LLC (applicant) on May 21, 2007.

On May 23, 2007, the California Energy Commission accepted the AFC with the supplemental information as complete. Energy Commission staff has now begun the data discovery and analysis phases of the proposed project's 12-month process. During this time, staff will conduct a detailed examination of the proposed project's potential for public health and safety and environmental impacts, and its compliance with all applicable laws, ordinances, regulations and standards (LORS). As part of our review process, the Energy Commission staff works closely with local, state and federal agencies to ensure that all LORS are met and incorporated into the final decision of the Energy Commission. Your agency now has the opportunity to assist Energy Commission staff in identifying significant issues and any additional information necessary for proper analysis and resolution.

Energy Commission's Facility Certification Process

The Energy Commission is responsible for reviewing and ultimately approving or denying all applications to construct and operate thermal electric power plants, 50 MW and greater, in California. The Energy Commission's facility certification process carefully examines public health and safety, environmental impacts, and engineering aspects of proposed power plants and all related facilities, such as electric transmission lines and natural gas and water pipelines. The issuance of a certificate by the Energy Commission is in lieu of any local, state or federal permit (to the extent permitted by federal law). The Energy Commission is the Lead Agency under the California Environmental Quality Act (CEQA), although it produces several environmental and decision documents rather than an Environmental Impact Report.

Agency Participation

To ensure the timely processing of the AFC, we request your cooperation by providing us with the following information: 1) a list of the laws, regulations, ordinances, and standards that your agency administers and enforces and which are applicable to the proposed project or would be applicable to the proposed project, but for the Energy Commission's exclusive jurisdiction, and 2) the action that the applicant must take to meet any requirements administered or enforced by your agency or that would be administered or enforced by your agency, but for the Energy Commission's exclusive jurisdiction (Cal. Code Regs., Title 20, Sections 1714, 1714.3, 1714.5, 1742, 1743, and 1744). Please let us know if you need additional information or need to

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perform analyses or studies in order to resolve any concerns of your agency (Cal. Code Regs., Title 20, Section 1714.5). Finally, we want you to be aware that Energy Commission staff will work closely with you to ensure that your concerns and conclusions are described in the Preliminary and Final Staff Assessments. Therefore, any legal determinations (such as those contained in a Determination of Compliance, wastewater discharge requirements, and biological opinion) are needed by **September 20, 2007** (preliminary determinations) and **November 20, 2007** (final determinations). Please also be aware that you may be asked to provide a witness to describe those determinations at the evidentiary hearings held for the proposed project (Cal. Code Regs., Title 20, Sections 1714, 1714.3, 1714.5, 1743, and 1744.5).

Over the coming months, the Energy Commission will conduct a number of public workshops and hearings on the proposal to determine whether the proposed project should be approved for construction and operation and under what set of conditions. These workshops will provide the public as well as local, state and federal agencies the opportunity to ask questions about, and provide input on, the proposed project. The Energy Commission will issue notices for these workshops and hearings at least 10 days prior to the meeting. We encourage your agency to participate in these proceedings.

If you have any questions on how to participate in the Energy Commission's review of the proposed project, please contact Stanley Yeh, Project Manager, 1516 9th Street, MS-15, Sacramento, CA 95814, or e-mail at syeh@energy.state.ca.us. The status of the proposed project, copies of notices, electronic version of the AFC, and other relevant documents are also available on the Energy Commission's Internet web site at <http://www.energy.ca.gov/sitingcases/sangabriel>. You can also subscribe to receive e-mail notification of all proposed project-related activities and availability of reports by subscribing to the List Server at <http://www.energy.ca.gov/listservers>.

Sincerely,



Roger E. Johnson, Manager
Energy Facilities Siting and Compliance Office

Enclosure