



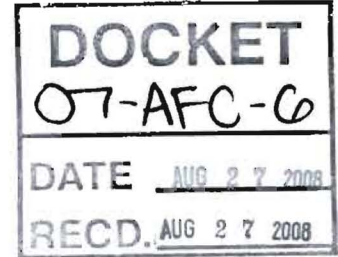
980 Ninth Street, Suite 1900
Sacramento, California 95814
main 916.447.0700
fax 916.447.4781
www.stoel.com

August 27, 2008

KIMBERLY HELLWIG
Direct (916) 319-4742
kjhellwig@stoel.com

VIA HAND DELIVERY AND PER PROOF OF SERVICE

Mr. J. Michael Monasmith
Siting Project Manager
California Energy Commission
1516 Ninth Street
Sacramento, CA 95814



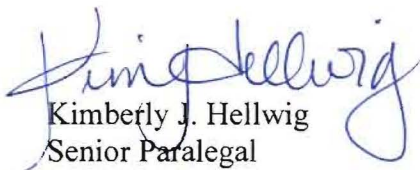
**Re: Carlsbad Energy Center Project (07-AFC-6)
Revised Emissions Baseline Calculations for Units 1-3 at Encina Power Station**

Dear Mr. Monasmith:

Enclosed for docketing in the Carlsbad Energy Center Project proceeding (07-AFC-6) is the revised emissions baseline calculations for the existing boiler Units 1, 2, and 3 at the Encina Power Station. Included herein is correspondence directed to Dr. Steve Moore at the San Diego Air Pollution Control District and the Revised Five Year Average NO_x Baseline Emissions modeling files as indicated above.

Respectfully submitted,

Stoel Rives LLP


Kimberly J. Hellwig
Senior Paralegal

KJH:kjh

Enclosures

cc: See Proof of Service (correspondence only)
Mr. Will Walters, Siting Division, California Energy Commission

Oregon
Washington
California
Utah
Idaho
Colorado
Minnesota

1817 Aston Avenue, Suite 104
Carlsbad, CA 92008

Direct: (760) 710-2144
Fax: (760) 710-2158

Carlsbad Energy Center LLC

August 25, 2008

Dr. Steve Moore
Engineering Group
San Diego Air Pollution Control District
10124 Old Grove Road
San Diego, CA 92131

**Subject: Application for Authority to Construct
Carlsbad Energy Center Project**

Dear Dr. Moore:

On behalf of Carlsbad Energy Center LLC, we are pleased to submit the enclosed revised emissions baseline calculations for the existing boiler Units 1, 2, and 3 at the Encina Power Station. With the exception of NO_x emissions, the enclosed baseline emissions for the existing boilers are identical to the values in our April 17, 2008 submittal to the SDAPCD. As agreed during the California Energy Commissioning public workshop on March 26, 2008, the baseline period continues to a 5-year average for the period from 2002 to 2006. For NO_x emissions, the emission baseline was revised in response to a recent request from the SDAPCD that the NO_x emissions be based on Continuous Emissions Monitoring (CEM) data rather than the SDAPCD-prepared annual emission inventory reports for the Encina Power Station. The initial operation of the new NO_x CEM system at the Encina Power Station began on the following dates:

- Unit 1: July 1, 2003
- Unit 2: May 1, 2003
- Unit 3: February 28, 2003

These dates correspond to the initial operation of Units 1, 2, and 3 after the installation of the new SCR systems. Consequently, during all of 2002 and a part of 2003 NO_x emissions were not monitored by the new NO_x CEM system. During this missing data period, with the exception of boiler startup/shutdown hours, NO_x emissions were calculated based on the SDAPCD Rule 69 emission factor of 0.15 lbs/MW-hr and the hourly MW generation of each boiler. For boiler startup/shutdown hours (hours with electric generation less than 1 MW), NO_x emissions were calculated based on hourly fuel use and a startup/shutdown NO_x emission factor of 0.039 lbs/MMBtu. This startup/shutdown emission factor was calculated based on a review of CEM data during a typical startup of one of the boilers.

Dr. Steve Moore
San Diego County APCD
August 25, 2008
Page 2 of 2

The revised baseline NOx emissions are enclosed for your review. Also enclosed are the CO, VOC, PM₁₀, and SOx baseline emissions. As discussed above, these baseline emissions remain unchanged from the levels shown in our April 17, 2008 submittal to the SDAPCD. The detailed NOx emission calculations and CEM NOx emissions data are included on the enclosed compact disc.

If you have any questions, please contact me at (760) 710-2144 or Tom Andrews at (916) 444-6666.

Sincerely,



Tim E. Hcmig
Vice President
Carlsbad Energy Center LLC

Enclosure

cc: George L. Piantka, Carlsbad Energy Center LLC
John McKinsey, Stoel Rives LLP
Will Walters, CEC
Michael Monasmith, CEC
Tom Andrews, Sierra Research
Robert Mason, CH2M HILL
CEC Dockets Office (07-AFC-6)

Table 5.1B-12 (Revised 8/20/08)
Actual Annual Emissions For Units 1, 2, and 3
Encina Power Station

| | | Total Emissions in tons/year | | | | |
|-------|-------|------------------------------|-------|------|------|-----|
| | | Reported Emissions | | | | |
| Years | Units | NOx | CO | VOC | PM | SOx |
| 2002 | 1 | 11.3 | 138.6 | 4.5 | 9.6 | 0.5 |
| | 2 | 14.0 | 174.6 | 5.8 | 13.2 | 8.4 |
| | 3 | 14.2 | 181.3 | 5.9 | 12.6 | 0.6 |
| 2003 | 1 | 8.3 | 57.0 | 3.8 | 7.5 | 4.5 |
| | 2 | 9.4 | 70.6 | 4.7 | 8.3 | 3.1 |
| | 3 | 13.1 | 100.4 | 6.7 | 12.2 | 4.9 |
| 2004 | 1 | 10.8 | 82.4 | 5.4 | 9.9 | 0.6 |
| | 2 | 13.7 | 105.2 | 6.9 | 14.9 | 0.8 |
| | 3 | 21.5 | 163.4 | 10.7 | 19.3 | 1.2 |
| 2005 | 1 | 9.6 | 73.6 | 4.9 | 9.6 | 0.6 |
| | 2 | 10.2 | 79.9 | 5.3 | 11.9 | 0.7 |
| | 3 | 12.0 | 87.6 | 5.8 | 11.7 | 0.7 |
| 2006 | 1 | 2.8 | 12.2 | 1.6 | 3.2 | 0.2 |
| | 2 | 5.8 | 68.9 | 3.0 | 6.9 | 1.1 |
| | 3 | 7.6 | 28.9 | 3.7 | 7.5 | 1.4 |

Table 5.1B-13 (Revised 8/20/08)
5-Year Average Baseline Emissions For Units 1, 2, and 3
Encina Power Station

| | | Total Emissions in tons/year | | | | |
|--------------|-------|------------------------------|-------|------|------|-----|
| | | Reported Emissions | | | | |
| Years | Units | NOx | CO | VOC | PM | SOx |
| 5-Year | 1 | 8.6 | 72.8 | 4.0 | 8.0 | 1.3 |
| Lookback 5- | 2 | 10.6 | 99.8 | 5.1 | 11.0 | 2.8 |
| Year Average | 3 | 13.7 | 112.3 | 6.6 | 12.7 | 1.8 |
| Total = | | 32.8 | 284.9 | 15.7 | 31.6 | 5.8 |

Table 5.1B-21 (new table as of 8/20/08)
 NOx Emission Summary for Units 1, 2, and 3
 Encina Power Station

| Boiler | 2002 | 2003 | | 2004 | 2005 | 2006 | |
|--------|------------------|------------------------------|-----------------------|------------------|------------------------------|------------------------------|-------|
| | Sum (tons/yr) | Missing Data (tons/yr) | New CEMS (tons/yr) | Sum (tons/yr) | New CEMS Sum (tons/yr) | New CEMS Sum (tons/yr) | |
| Unit 1 | 11.30 | 5.88 | 2.40 | 8.29 | 10.78 | 9.57 | 2.83 |
| Unit 2 | 13.96 | 3.09 | 6.26 | 9.35 | 13.69 | 10.21 | 5.76 |
| Unit 3 | 14.17 | 3.73 | 9.34 | 13.07 | 21.54 | 11.95 | 7.58 |
| Total | 39.42 | | | 30.70 | 46.00 | 31.73 | 16.17 |

**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT
COMMISSION OF THE STATE OF CALIFORNIA**

APPLICATION FOR CERTIFICATION
FOR THE **CARLSBAD ENERGY CENTER
PROJECT**

Docket No. 07-AFC-6 PROOF OF
SERVICE
(Revised 7/31/2008)

**Carlsbad Energy Center Project (07-AFC-6)
Revised Emissions Baseline Calculations for Units 1-3 at Encina Power Station**

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-AFC-6
1516 Ninth Street, MS-15
Sacramento, CA 95814-5512
doCKET@energy.state.ca.us

APPLICANT

David Lloyd
Carlsbad Energy Center, LLC
1817 Aston Avenue, Suite 104
Carlsbad, CA 92008
David.Lloyd@nrqenergy.com

Tim Hemig, Vice President
Carlsbad Energy Center, LLC
1817 Aston Avenue, Suite 104
Carlsbad, CA 92008
Tim.Hemig@nrqenergy.com

APPLICANT'S CONSULTANTS

Robert Mason, Project Manager
CH2M Hill, Inc.
3 Hutton Centre Drive, Ste. 200
Santa Ana, CA 92707
robert.Mason@ch2m.com

Megan Sebra
CH2M Hill, Inc.
2485 Natomas Park Drive, Ste. 600
Sacramento, CA 95833
Megan.Sebra@ch2m.com

COUNSEL FOR APPLICANT

John A. McKinsey
Stoel Rives LLP
980 Ninth Street, Ste. 1900
Sacramento, CA 95814
jamckinsey@stoel.com

INTERESTED AGENCIES

Ca. Independent System Operator
P.O. Box 639014
Folsom, CA 95763
e-recipient@caiso.com

City of Carlsbad
Joseph Garuba,
Municipals Project Manager
Ron Ball, Esq., City Attorney
1200 Carlsbad Village Drive
Carlsbad, CA 92008
jgaru@ci.carlsbad.ca.us
rball@ci.carlsbad.ca.us

Allan J Thompson
Attorney for the City
21 "C" Orinda Way #314
Orinda, CA 94563

INTERVENORS

California Unions for Reliable Energy ("CURE")
Suma Peesapati
Marc D. Joseph
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, CA 94080
spesapati@adamsbroadwell.com

Dick Ratliff
Staff Counsel
dratliff@energy.state.ca.us

Public Advisor's Office
pao@energy.state.ca.us

ENERGY COMMISSION

JAMES D. BOYD
Commissioner and Presiding Member
jboyd@energy.state.ca.us

KAREN DOUGLAS
Commissioner and Associate Member
kldougl@energy.state.ca.us

Paul Kramer
Hearing Officer
pkramer@energy.state.ca.us

Mike Monasmi
Siting Project Manager
mmonasmi@energy.state.ca.us

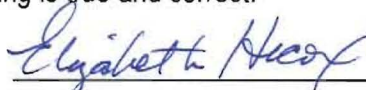
DECLARATION OF SERVICE

I, Elizabeth Hecox, declare that on August 27, 2008, I deposited copies of the attached document in the United States mail at Sacramento, California, with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.



Elizabeth Hecox