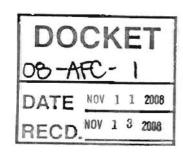


2666 Rodman Drive Los Osos, CA 93402

805.528.6868 Phone 805.528.4141 Fax

www.TRCsolutions.com



November 11, 2008

Mr. Christopher Meyer Project Manager California Energy Commission 1516 Ninth Street MS-15 Sacramento, CA 95814-5512

Ref: Avenal Energy Carbon Monoxide Emission Limit Reduction (08-AFC-1)

Dear Mr. Meyer:

Attached for your reference and docketing for the Avenal Energy project is a copy of a letter submitted by Avenal Power Center, LLC to the San Joaquin Valley Air Pollution Control District modifying the proposed limit for steady-state carbon monoxide emissions from the Avenal Energy turbines to 2.0 ppmvd @ 15 % O2. This is a 50 % reduction compared to the previously proposed limit of 4.0 ppmvd @ 15 % O2 identified in the Avenal Energy Application for Certification (AFC) and Authority to Construct permit application. Because the 4.0 ppmvd @ 15% O2 limit used for air quality impact analysis in the AFC was more conservative (i.e., higher) than the new 2.0 ppmvd @ 15% O2 limit, the Applicant is not proposing any additional impact modeling.

If you have questions regarding the attached letter, please call Jim Rexroad at (713) 275-6147, or me at the phone number in the letterhead.

Sincerely,

Joseph L. Stenger Project Director

TRC Solutions, Inc.

Attachment

cc. Jim Rexroad, Avenal Power Center, LLC Jane Luckhardt, Downey Brand, LLP Eric Walther, Sierra Research, Inc.

Joseph L. Stenger

Avenal Power Center, LLC 500 Dallas Street, Level 31 Houston, TX 77002

October 28, 2008

Mr. David Warner
Director of Permit Services
San Joaquin Valley Air Pollution Control District
1990 E. Gettysburg Ave
Fresno, California 93726-0244

Dear Mr. Warner:

Avenal Power Center, LLC (APC) submitted an application for an Authority to Construct a two-on-one natural gas fueled combined cycle power plant on February 15, 2008 (the Application). On July 11, 2008, San Joaquin Valley Air Pollution Control District (SJVAPCD) issued a Preliminary Determination of Compliance (PDOC) for comment. The PDOC was properly noticed and the comment period closed on or about August 14, 2008. The Application and subsequent PDOC assumed that the carbon monoxide limit for steady state operation of the PG7241FA gas turbines proposed for the APC project would be 4.0 ppmvd @ 15% O₂.

It is APC's understanding that some comments received by the SJVAPCD regarding the PDOC have suggested that the project's CO limit should be lower than that originally proposed. Subsequent to the notice and comment period for the PDOC, APC has concluded that the carbon monoxide limit for steady state operation of the APC project can and should be revised to 2.0 ppmvd @ 15% O₂. As this limit is more conservative than the limit currently proposed, APC believes that no additional modeling or other analysis is required. Furthermore, since the change would result in a reduction in emissions and no additional or adverse impacts beyond those evaluated in the PDOC, we believe that no further public notice is required.

Therefore, APC requests SJVAPCD issue the Final Determination of Compliance (FDOC) assuming a carbon monoxide limit of 2.0 ppmvd @ 15% O₂. Should you have additional questions please contact me at 713-275-6147 or via email at <u>jim.rexroad@macquarie.com</u>. Thank you in advance for your continued assistance in this matter.

Sincerely,

が、P. Rexroad Vice President

Avenal Power Center, LLC