

DOCKET
08-AFC-3

DATE _____
RECD. JUN 30 2010

Marsh Landing Generating Station
CEC Docket 08-AFC-3

Exhibit 43

Marsh Landing Generating Station Emission Reduction Credit Package

Pollutant	Offsets Required		Certificate Number			Total	Fully Offset?
			756 ¹	831 ²	863 ³		
NO _x	90.356	Credits Owned	1.173	66.060	247.500	90.356	YES
		Credits To Be Surrendered	<u>1.173</u>	<u>66.060</u>	<u>23.123</u>		
		Credits Remaining	<u>0.000</u>	<u>0.000</u>	<u>224.378</u>		
POC	14.230	Credits Owned	0.390	72.280	5.300	14.230	YES
		Credits To Be Surrendered	<u>0.390</u>	<u>13.840</u>	<u>0.000</u>		
		Credits Remaining	<u>0.000</u>	<u>58.440</u>	<u>5.300</u>		
PM ₁₀ /PM _{2.5}	31.570	Credits Owned	6.443	202.530	25.270	31.570	YES
		Credits To Be Surrendered	<u>6.443</u>	<u>25.127</u>	<u>0.000</u>		
		Credits Remaining	<u>0.000</u>	<u>177.403</u>	<u>25.270</u>		
SO ₂	4.960	Credits Owned	0.000	0.000	130.179	4.960	YES
		Credits To Be Surrendered	<u>0.000</u>	<u>0.000</u>	<u>4.960</u>		
		Credits Remaining	<u>0.000</u>	<u>0.000</u>	<u>125.219</u>		

¹ Source: Hudson ICS, San Leandro, April 1997, Shut-down of wood-fired boilers

² Source: Crown Zellerbach, Antioch, March 1990 and July 1993, Shut-down of paper mill equipment

³ Source: PG&E, Martinez, July 1987, Shut-down of power plant boilers

Keith E. Casey, Ph.D.
Vice President, Market & Infrastructure Development

June 24, 2010

Mr. Barry G. Young
Air Quality Engineering Manager
Engineering Division
Bay Area Air Quality Management District
939 Ellis Street
San Francisco, CA 94109

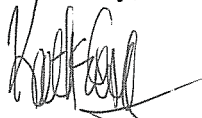
Dear Mr. Young:

The California Independent System Operator has the authority under section 41 of its tariff to designate a generating unit as needed for "reliability must-run" (RMR) service. When this occurs, the generating unit is then obligated to operate when called upon by the ISO under the terms of an RMR contract.

In your correspondence dated June 15, 2010, you asked "how likely it would be for the ISO to require one or both of the existing Contra Costa Power Plant Units 6 and 7 to continue operation beyond April 30, 2013 after the Marsh Landing Power Plant becomes operational." Your letter also explains that the Marsh Landing Generating Station is being developed at a site adjacent to the existing Contra Costa generating units. Also, the project, as defined in public documents issued by the California Energy Commission, will have capacity of 760 MW compared 680 MW of total installed capacity provided by Contra Costa Power Plant Units 6 and 7.

Contra Costa Power Plants Units 6 and 7 are not currently designated as RMR units, and we do not foresee a need for either unit after the Marsh Landing Power Plant becomes operational. I hope that this adequately responds to your inquiry. If I can provide any additional information, please do not hesitate to contact me.

Sincerely,



Keith E. Casey, Ph.D.
Vice President, Market & Infrastructure Development