CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512



October 9, 2001

Mr. Fred Salzmann Project Manager PASTORIA ENERGY FACILITY, LLC P.O. Box 866 Lebec, CA 93243-9998

SUBJECT: Pastoria Energy Facility (99-AFC-7C)

Approval of Revisions to Conditions of Certification AQ-24 and AQ-27

Approval of Verification Changes AQ-25 and AQ-26

Dear Mr. Salzmann:

California Energy Commission (Energy Commission) staff reviewed your petition dated September 26, 2001, for the Pastoria Energy Facility, requesting a modification of air quality Conditions of Certification AQ-24 and AQ-27. The proposed modifications would allow emission reduction credits to be surrendered prior to the start of operation of the facility, rather than prior to the commencement of construction. You also requested that the verifications for AQ-25 and AQ-26 be modified accordingly.

As directed by Governor's Executive Order D-25-01, concerning post-certification amendments, we expedited review of the petition. Energy Commission staff concluded that the proposed project changes have no potential for adverse environmental or public health and safety impacts, and that these changes are consistent with the regulations of the San Joaquin Valley Air Pollution Control District. Therefore, the requested changes to the verifications of AQ-25 and AQ-26, and Conditions of Certification AQ-24 and AQ-27, as shown below, are approved.

APPROVED CHANGES TO VERIFICATIONS:

Deleted text is shown in strikeout, new text is shown in underline.

AQ-25 Verification: "The project owner shall submit copies of the ERC surrendered to the CPM no later than 30 days prior to the commencement of construction operation."

AQ-26 Verification: "The project owner shall submit copies of ERC surrendered to the CPM no later than 30 days prior to the commencement of construction operation."

APPROVED CHANGES TO CONDITIONS OF CERTIFICATION:

"AQ-24 Prior to the commencement of construction operation the project owner shall surrender offsets for S-3636-1-0....

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<u>Verification:</u> The project owner shall submit copies of ERC surrendered to the SJVUAPCD in the totals shown to the CPM prior to no later than 30 days prior to the commencement of construction <u>operation."</u>

"AQ-27 At least 30 days prior to commencement of construction operation, the the project owner shall provide the District....

<u>Verification:</u> The project owner shall submit copies of ERC surrendered to the CPM no later than 30 days prior to the commencement of construction <u>operation."</u>

A copy of this letter will be posted on the Energy's Commission website at www.energy.ca.gov, and we will file a California Environmental Quality Act Notice of Exemption with the State Clearinghouse. If you have any questions, please contact Nancy Tronaas, Compliance Project Manager, at (916) 654-3864, or by e-mail at ntronaas@energy.state.ca.us.

Sincerely,

ROBERT L. THERKELSEN, Deputy Director Systems Assessment & Facilities Siting

cc: Raymond Rodriguez, PEF/Calpine Seyed Sadredin, SJVAPCD Mike Ringer, Energy Commission Nancy Tronaas, Energy Commission