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January 31, 2006

WEC 2006-005

Lance Shaw Compliance Project Manager 02-AFC-4C California Energy Commission 1516 Ninth Street Sacramento, CA 95814

RE: WALNUT ENERGY CENTER AUTHORITY, WALNUT ENERGY CENTER: CONDITIONS OF CERTIFICATION AQ-70 & 71: PROPOSED REVISIONS

Dear Mr. Shaw:

On January 10, 2006, the Walnut Energy Center Authority (WECA) filed a petition requesting modification to Conditions of Certification AQ-70 and AQ-71 for the Walnut Energy Center (WEC). These two conditions provide emission limits during project commissioning.

Based upon further review by WECA's technical experts and discussions with the San Joaquin Valley Air Pollution Control District and CEC Staff, we believe it is prudent to simplify the original request as follows. First, WECA withdraws the requested language changes to Condition AQ-70. Although the proposed change was intended to provide for uniformity between the SOx emission limits specified in the commissioning and operations conditions, the suggested changes are not required in practice as WECA can meet the existing SOx emission limit specified in Condition AQ-70 without modification. Thus, there is no need to amend the condition.

Second, as stated in the original petition, it was discovered that the AQ-71 emission limits for SOx and PM_{10} were inadvertently transposed. WECA requests that Condition AQ-71 language be revised as follows:

AQ-71 Combined emission rates from permit units N-7172-1 and N-7172-2, during the commissioning period, shall not exceed any of the following limits:SOx 336.0 47.8 lb/day; $PM_{10} - 47.8$ 336.0 lb/day.

The language proposed above corrects the transposition error.

As we have previously stated, we believe that the Staff has the discretion to process these

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changes as an insignificant project change. There are no changes to the underlying air quality analyses or the conclusions reached in the Commission's Decision. If, however, Staff decides to process these changes as an amendment, this filing is consistent with the requirements of Section 1769 of the California Energy Commission regulations. Specifically, the information presented herein provides a complete description of the proposed modifications, including the new language for the affected Condition AQ-71, as required by Section 1769(a)(1)(A). This filing also includes a discussion of the necessity of the proposed changes, per Section 1769(a)(1)(B). This filing is based on information that was not known during the time of the certification, and it does not undermine the assumptions, rationale, findings, or other bases for the final decision, per Sections 1769(a)(1)(C) and 1769(a)(1)(D). As discussed above, the revision to the AQ-71 condition language does not have the potential to create any significant impacts on the environment, and the project remains consistent with all applicable LORS, per Sections 1769(a)(1)(E) and 1769(a)(1)(F). The proposed revisions will not adversely affect the public, per Section 1769(a)(1)(G). In addition, the proposed revisions will have no adverse effects on nearby property owners, per Section 1769(a)(1)(H) and 1769(a)(1)(I).

Should you have questions, please do not hesitate to contact me at 916-447-2166.

Sincerely,

Jeffery D. Harris Attorneys for WECA