

CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET
SACRAMENTO, CA 95814-5512

August 9, 2007

Tom Allen
PG&E Project Manager
P.O. Box 770000
San Francisco, CA 95814

DOCKET	
00-AFC-1C	
DATE	AUG 09 2007
RECD.	AUG 09 2007

**Subject: Gateway Generating Station Project (00-AFC-1C)
Commission Approval of the 12/19/06 Petition to Eliminate the Use of San Joaquin River Water for Cooling**

Dear Mr. Allen:

On August 1, 2007, the Energy Commission approved Order 07-0801-2 allowing Pacific Gas and Electric (PG&E) to eliminate the use of San Joaquin River water as the cooling water source for the Gateway Generating Station, and to complete ten associated project design changes at the project, including a wet surface air cooling (WSAC) system designed to augment the fin-fan cooling system for the closed-cycle cooling system when ambient temperatures exceed 80 degrees.

Please find enclosed a copy of the Energy Commission Order approving the Gateway Generating Station amendment petition that was heard at the California Energy Commission Business Meeting on August 1, 2007. The Order has been posted on the Energy Commission's website and was docketed on August 6, 2007. I have also enclosed a copy of the Notice of Decision that was filed with the Secretary of Resources and docketed at the Energy Commission on August 2, 2007.

PG&E is approved to start construction on the Gateway Generating Station, as modified by Order 07-0801-2, with the understanding that several conditions of certification have been amended, requiring additional information to be provided to the Energy Commission staff prior to specific activities approved in the enclosed Order.

It was a pleasure working with you and your staff on this amendment. If you have any questions, please contact me at (916) 653-1639.

Sincerely,

Christopher Meyer, Compliance Project Manager
Energy Facilities Siting Division

Enclosures: Commission Order, Notice of Decision

cc: Andrea Grenier, PG&E
Carlos Baltodano, CBO