

April 9, 2008

Ms. Angela Hockaday
California Energy Commission
Docket Unit, MS-4
1516 Ninth Street
Sacramento, CA 95814-5512

***SUBJECT: PG&E'S COMMENTS ON THE PRESIDING
MEMBER'S PROPOSED DECISION
COLUSA GENERATING STATION
DOCKET NO. (06-AFC-9)***

Dear Ms. Rodriguez:

Enclosed for filing with the California Energy Commission are one original and 12 (Twelve) copies of **PG&E'S COMMENTS ON THE PRESIDING MEMBER'S PROPOSED DECISION**, for the Colusa Generating Station Project (06-AFC-9).

Sincerely,

Marguerite Cosens
Administrative Assistant
GalatiBlek

Scott A. Galati
GALATIBLEK, LLP
555 Capitol Mall
Suite 600
Sacramento, CA 95814
(916) 441-6575

STATE OF CALIFORNIA
Energy Resources
Conservation and Development Commission

In the Matter of:

Application for Certification for the
Colusa Generating Station

DOCKET NO. 06-AFC-9

**PG&E's COMMENTS ON THE
PRESIDING MEMBER'S PROPOSED
DECISION**

PG&E hereby files its comments on the Colusa Generating Station Presiding Member's Proposed Decision (PMPD). We appreciate the Committee's work in correctly capturing the evidentiary record and the various agreements between the parties. We offer the following comments for the Committee's consideration and will be prepared to discuss each in detail at the Committee Conference on April 14, 2008. We have also reviewed the comments offered by Staff and agree with each of them.

Transmission System Engineering

Page 77, Summary and Discussion of Evidence, 1. Project Description – The second sentence incorrectly identifies that the high side of each transformer would be connected to the CGS switchyard via 2,000-Amp breakers. The term "2,000-Amp breakers" should be replaced with "disconnect switches".

Transmission Line Safety and Nuisance

Page 96, Potential Impacts, Nuisance Shocks- The last sentence of the paragraph refers to compliance with **TLSN-5**, which should be **TLSN-2**.

Air Quality

PG&E requests modification be made to Condition of Certification **AQ-27** affecting the timing of the surrendering of PM10 Emission Reduction Credits (ERCs) to offset the facility PM10 emissions. Construction of the facility will generate PM10 emissions and operation of the facility will generate PM10 emissions. The amount of PM10 ERCs that must be surrendered prior to construction should not be more than those required to mitigate any potential impact from construction related PM10 emissions. The current version of Condition of Certification **AQ-27** requires the Project Owner to surrender all of the PM10 Emission Reduction Credits (ERCs) in amounts that would offset the emissions from full operation of the facility, which far exceed the amount of PM10 that may be generated during construction activities. Since the purpose of surrendering these PM10 ERCs early, prior to construction rather than prior to operation, is to mitigate construction PM10 emissions, PG&E respectfully requests the following modification to **AQ-27**.

AQ-27 Offsets for the Colusa Generating Station power plant shall be in effect prior to operation of the facility and shall not be less than the following amounts at any time. The offsets presented in the table below reflect distance factors and the VOC:NOX interpollutant ratio. All **Sufficient** ERCs for PM10 will be provided prior to start of construction activities to offset construction PM10 emissions.

Verification: At least 30 days prior to commencing construction, the project owner shall surrender PM10 ERC certificates in the amounts **sufficient** to offset the **construction PM10** emissions ~~shown above~~ to the District and provide documentation of that surrender to the CPM and APCO. At least 60 days prior to commencing CTG first fire, the project owner shall surrender the remaining ERC certificates to offset the emissions in the amounts shown above, and as required in Condition **AQ-SC7**, to the District and provide documentation of that surrender to the CPM and APCO.

We appreciate the opportunity to provide the comments on the PMPD and look forward to participating in the upcoming Committee Conference on the PMPD on April 14, 2008.

Dated: April 9, 2008

Respectfully Submitted,

A handwritten signature in black ink, appearing to read "S. Galati", written over a horizontal line.

SCOTT A. GALATI
Counsel to PG&E

**BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE
STATE OF CALIFORNIA**

**APPLICATION FOR CERTIFICATION
FOR THE COLUSA GENERATING
STATION PROJECT**

**Docket No. 06-AFC-9
PROOF OF SERVICE
(REVISED 8/22/2007)**

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies OR 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed OR electronic copy of the documents that shall include a proof of service declaration to each of the individuals on the proof of service:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 06-AFC-9
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

Andy Welch, Vice President
Competitive Power Ventures,
8403 Colesville Rd, Suite 915
Silver Spring, MD 20910
awelch@cpv.com

APPLICANT'S CONSULTANTS

Dale Shileikis – URS
Vice President
221 Main Street, Suite 600
San Francisco, CA 94105-1917
dale_shileikis@urscorp.com

Mark Strehlow – URS
Senior Project Manager
1333 Broadway, Suite 800
Oakland, CA 94612
Mark_Strehlow@URSCorp.com

COUNSEL FOR APPLICANT

Mike Carroll - Latham & Watkins
Attorneys at Law
650 Town Center Drive, 20th Floor
Costa Mesa, CA 92626-1925
michael.carroll@lw.com

INTERESTED AGENCIES

Larry Tobias
Ca. Independent System Operator
151 Blue Ravine Road
Folsom, CA 95630
LTobias@caiso.com

Electricity Oversight Board
770 L Street, Suite 1250
Sacramento, CA 95814
esaltmarsh@eob.ca.gov

Stephen M. Hackney, Director
Colusa County Dept. of Planning & Building
220 12th Street
Colusa, CA 95932
shackney@countyofcolusa.org

Harry Krug, APCO
Colusa County APCD
100 Sunrise Blvd. #F
Colusa, CA 95932-3246
hak@countyofcolusa.org

Steve Tuggle
Environmental Manager
Sierra Nevada Region
Western Area Power Administration
114 Parkshore Drive
Folsom, CA 95630
tuggle@wapa.gov

Mark Wieringa
Western Area Power Administration
12155 W. Alameda Parkway
P.O. Box 281213
Lakewood, CO 80228
wieringa@wapa.gov

INTERVENORS

Emerald Farms
c/o Allen L. Etchepare
P.O. Box 658
4599 McDermott Road
Maxwell, CA 95955
ime@efarmsmail.com
ale@efarmsmail.com

Pacific Gas and Electric Company
GalatiBlek LLP
555 Capitol Mall, Suite 600
Sacramento, CA 95814
sgalati@gb-llp.com
dwiseman@gb-llp.com

Pacific Gas and Electricity Company
c/o Andrea Grenier
Grenier & Associates, Inc.
1420 East Roseville Parkway, Suite 140-377
Roseville, CA 95661
andrea@agrenier.com

ENERGY COMMISSION

JOHN L. GEESMAN
Presiding Member
jgeesman@energy.state.ca.us

JAMES D. BOYD
Associate Member
jboyd@energy.state.ca.us

Susan Brown
Adviser to Commissioner Boyd
sbrown@energy.state.ca.us

Raoul Renaud
Hearing Officer
rrenaud@energy.state.ca.us

Jack Caswell
Project Manager
jcaswell@energy.state.ca.us

Dick Ratliff
Staff Counsel
dratliff@energy.state.ca.us

Public Advisor
pao@energy.state.ca.us

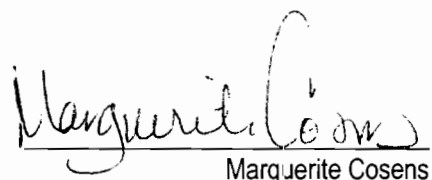
DECLARATION OF SERVICE

I, Marquerite Cosens, declare that on April 9, 2008, I deposited copies of the attached **PACIFIC GAS & ELECTRIC COMPANY'S COMMENTS ON THE PRESIDING MEMBER'S PROPOSED DECISION** in the United States mail at Sacramento, California with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

I declare under penalty of perjury that the foregoing is true and correct.


Marguerite Cosens