

South Coast Air Quality Management District

21865 Copley Drive, Diamond Bar, CA 91765-4178 (909) 396-2000 · www.aqmd.gov

July 11, 2008

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John S. Peterson Peterson Law Group 707 Wilshire Blvd, Suite 5270 Los Angeles, CA 90017

Subject:

San Gabriel Generating Station (SGGS)

8996 Etiwanda Ave, Rancho Cucamonga, CA 91739

Dear Mr. Peterson:

Thank you for your letter of May 15, 2007 outlining your client's concerns regarding the above-referenced project.

AQMD has conducted an evaluation of the proposed project's impacts on air quality in the area. The results of the analysis show that the project meets all of our standards for release of both criteria air pollutants (nitrogen and sulfur oxides, particulate matter, carbon monoxide, and organic compounds) as well as toxic air contaminants. Additionally, AQMD Rules 401 and 402 set standards for the release of visible and/or offensive air pollutants, and under normal operation, a plant such as this is not expected to release emissions which would exceed the standards of these rules.

The California Energy Commission (CEC) also has regulatory jurisdiction for this project, and is in the process of conducting an analysis of not only air pollution impacts, but also water quality, noise impacts, and socio-economic impacts as well. CEC's report will provide a detailed impact analysis on the cumulative effect of this project's air pollution in conjunction with other air pollution sources located within 10km. The current status of CEC's preliminary staff assessment (PSA) can be obtained by contacting Ms. Felicia Miller at fmiller@energy.state.ca.us.

Concerns that your client may have regarding the location of this plant should be addressed to the local planning agency in Rancho Cucamonga.

Feel free to contact John Yee of my staff at (909) 396-2531 or jyee@aqmd.gov if you have any further questions.

Sincerely,

Michael D. Mills, P.E.

Senior Manager

General Commercial & Energy Team

michael D. mills

Engineering & Compliance

MM:JTY:CGP

cc: Mohsen Nazemi Felicia Miller, CEC

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Via Facsimile

May 15, 2008

Mr. Chris Perri
Mr. John Yee
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178

Re: Reliant Energy, Etiwanda, Proposed San Gabriel Generating Station (SGGS); Facility ID

No. 115315, Location: 8996 Etiwanda Ave., Rancho Cucamonga, CA 91739; (07-AFC-2)

Dear Messrs. Perri and Yee:

The following comments are issued on behalf of our client, PNS Stores, Inc., dba Big Lots (Rancho Cucamonga), in response to the above referenced project application submitted to the South Coast Air Quality Management District.

As a business owner and operator in close proximity to the power plant, our client has several concerns about the cumulative impacts of the proposed project addition to the currently existing power plant facilities as they relate to air quality issues. We are concerned about the amount and chemical makeup of the particulate matter discharged into the environment and the negative health effects which may occur. Also, the odor and color of the discharge may be offensive to the senses and have an opacity that could adversely affect the amount of visible sunlight. Groundwater contamination is also a concern. We are concerned about the resulting noise level with the addition of two turbines to the existing facilities.

While the concerns discussed above all relate to health issues, our client has the additional concern as a business and property owner of how these issues adversely affect its business. These issues could devalue the property and make our client's business a less attractive site to customers thereby decreasing the traffic to the business. This may result in a negative impact to the highest and best use of the real property and its fair market value. Not only is our client's property subject to a lower market value but the business may become less profitable as well, all of which result in less tax revenue.

The comments listed within this letter are without prejudice to any additional comments that we may assert at a later date including those issued with respect to a change or amendment in the proposed project.

John S. Peterson

JSP:

cc: client