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March 19, 2009

Mr. Jack W. Caswell Compliance Program Manager California Energy Commission 1516 9<sup>th</sup> Street, MS 2000 Sacramento, CA 95814-5512

Re:

California Energy Commission Compliance Status for Indigo Energy Facility (Docket N0. 01-EP-2) and Larkspur Energy Facility (Docket No. 01-EP-1)

ON-EP-2C

DOCKET
ON-EP-NC

DATE MAR 1 9 2009

RECD. MAR 2 6 2009

Dear Mr. Caswell:

In response to inquires made by the California Energy Commission (CEC) on March 2, 2009, please find below Diamond Generating Corporation's (DGC's) response regarding the compliance status of the Indigo Energy Facility (Indigo) and Larkspur Energy Facility (Larkspur). Both facilities currently hold Title V Permits; Indigo under the jurisdiction of the South Coast Air Quality Management District (SCAQMD, Facility ID #127299), and Larkspur under the jurisdiction of the San Diego Air Pollution Control District (SDAPCD, Permit #978248). Per a conference call between the CEC, DGC, and DGC's consultant (ENVIRON International Corporation) on March 2, 2009, the CEC has requested the number of yearly startups and shutdowns for each turbine at Indigo and Larkspur. Tables summarizing this information are presented below. As shown, the turbines presently undergo less than 365 startup/shutdowns per year as referenced in the CEC License Application, Attachment B; however, the facilities have the ability and may be required by California System Operator (Caiso) by its tariff to startup and shutdown more than 365 times per year depending on electricity demand. Neither SCAQMD nor SDAPCD permit restricts the number of startup and shutdowns the turbines can have.

## Larkspur

TURBINE UNIT 100		
Year	Startup/Shutdowns	
2005	169	
2006	153	
2007	173_	
2008	236	

<b>TURBINE UNIT 200</b>		
Year	Startup/Shutdowns	
2005	148	
2006	154	
2007	173	
2008	238	

## Indigo

<b>TURBINE UNIT 300</b>		
Year	Startup/Shutdowns	
2005	195	
2006	197	
2007	211	
2008	262	

TURBINE UNIT 400		
Year	Startup/Shutdowns	
2005	193	
2006	172	
2007	209	
2008	248	

TURBINE UNIT 500		
Year	Startup/Shutdowns	
2005	181	
2006	185	
2007	191	
2008	256	

Indigo and Larkspur are presently in compliance with all the terms and conditions of their respective Title V permits. As required, periodic reports indicating any deviations have been submitted in a timely manner to the local air districts as well as the United States Environmental Protection Agency (USEPA) when applicable.

Please call the undersigned at (213) 473-0084 or our consultant, Rachel Velthuisen of ENVIRON International Corporation at (919) 435-7801 if you have questions or comments regarding this letter.

Very truly yours,

Audun Aaberg

Vice President, Operations & Maintenance

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## Enclosure

cc: Rachel Velthuisen, ENVIRON International Corporation Wayne Forsyth, Diamond Generating Jason King, Wildflower Energy