DOCKET

99-AFC-4C

**DATE** DEC 09 2009

**RECD** DEC 09 2009

## CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO CA 95814-5112



December 9, 2009

James Dodson, Plant Manager Dynegy Moss Landing Power Plant, LLC Highway 1 & Dolan Road P.O. Box 690 Moss Landing, CA 95030-0690

SUBJECT:

Moss Landing Power Plant (99-AFC-4C)

Pilot Carbon Sequestration Project

Dear Mr. Dodson:

We have reviewed the October 20, 2009 letter from your attorney Christopher Ellison to Arlene Ichien, Assistant Chief Counsel of the Energy Commission. In that letter, Mr. Ellison explained your intent to participate in a pilot carbon sequestration project adjacent to the Dynegy Moss Landing Power Plant (MLPP). The participation would entail allowing Moss Landing Cement Company (MLCC) to temporarily draw flue gas from Unit 1's Heat Recovery Steam Generator (HRSG) Stack No. 2 and/or Unit 2's HRSG Stack No. 4 to a pilot process for producing cement with carbon sequestration to reduce greenhouse gas emissions. It is our understanding that a 36-inch flue gas pipe will be connected to the MLPP HRSG stacks and run along the surface of the Moss Landing site and then under Dolan Road to the MLCC pilot plant.

Specialists in all technical areas have reviewed your request and determined that the proposed project is temporary, and will not constitute a change in the design, operation, or performance requirements for the power plant. Therefore, it will not be necessary for you to file a petition for the change under §1769 of the Commission's Siting Regulations.

If you have any questions, do not hesitate to call me at (916) 654-4745.

Sincerely,

Donna Stone

Compliance Project Manager

Siting, Transmission & Environmental

James Stone

Protection Division

cc: Chris Ellison