

CALIFORNIA ENERGY COMMISSION

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June 27, 2012

Francisco Escobedo
Director, Asset Management
Inland Empire Energy Center
26226 Antelope Road
Menifee, CA 92585

California Energy Commission

DOCKETED
01-AFC-17C

TN # 65983

JUN 27 2012

RE: INLAND EMPIRE ENERGY CENTER (01-AFC-17C) - ANNUAL GREENHOUSE GAS EMISSIONS REPORTING REQUIREMENTS PURSUANT TO CONDITION OF CERTIFICATION AQ-SC17

Dear Mr. Escobedo:

On June 22, 2005, the Inland Empire Energy Center Power Project (project) received approval (Order No. 05-0622-03) from the California Energy Commission (Energy Commission) to make changes to the project's previously approved power generation configuration. As a result of these changes, a new condition of certification (COC), **AQ-SC17**, was required for the project which states:

"If the project owner does not voluntarily participate in the California Climate Action Registry then the project owner shall report to the Compliance Project Manager (CPM) the quantity of CO2 emitted on an annual basis as a direct result of facility electricity production.

Any CO2 emissions that are reported by the project owner to the California Climate action Registry or pursuant to this condition shall be reported to the CPM once each year as part of the fourth Quarterly Air Quality Reports required by Condition of Certification AQ-SC8. "

Through the verification component of **AQ-SC17**, your facility is required to report to the CPM the annual quantity of carbon dioxide emitted from your facility in each fourth quarter air quality report (regardless of whether the project owner voluntarily participated in the California Climate Action Registry¹).

However, pursuant to the Global Warming Solutions Act of 2006, passed by the Legislature as Assembly Bill 32 (AB 32, Chapter 488, Statutes of 2006), your facility is

¹ The California Climate Action Registry accepted its last emissions inventory reports and officially closed in December 2010.

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also required to report annual greenhouse gas emissions, including carbon dioxide, to the California Air Resources Board (ARB).

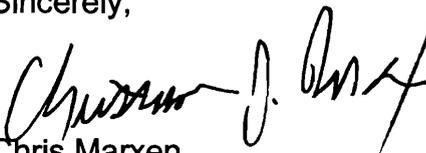
On March 13, 2012, you submitted a request to change the timing of the COC verification from the fourth quarter (report submitted in January) to the third quarter (report submitted in October) for the previous year's reporting period in order to align with the ARB data verification in September.

Because your facility now reports annual greenhouse gas emissions to ARB pursuant to AB32 and the Energy Commission has access to that information from the ARB website, the reporting requirements required by **AQ-SC17** will no longer be necessary.

Energy Commission staff intends to initiate a formal procedure deleting this air quality condition for several projects, including yours. However, until this procedure has been approved by the Energy Commission, you are still required to comply with the condition. In the interim, your request to change the timing of the verification for the condition has been approved by Energy Commission staff.

If you have any questions or need any additional information, please contact Christine Stora, Compliance Project Manager, at (916) 654-4745 or by e-mail at christine.stora@energy.ca.gov.

Sincerely,



Chris Marxen
Compliance Office Manager
Siting, Transmission &
Environmental Protection Division

cc: Docket (01-AFC-17C)