



South Coast Air Quality Management District

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February 27, 2007

Mr. Roger Johnson
Siting Manager
California Energy Commission
1516 9th Street
Sacramento, CA 95814-5512

SUBJECT: Long Beach Generation, LLC, Proposed 260 MW Re-Powering Project; Facility ID No. 115314,
Location: 2665 West Seaside Blvd., Long Beach, CA 90802

Dear Mr. Johnson:

The South Coast Air Quality Management District (AQMD) has received and reviewed permit applications for the project described above. Long Beach Generation, LLC is proposing to re-power and operate a 260 megawatt (MW) natural gas fired power plant located at the facility location shown above. This power plant will operate annually on an intermittent basis during periods of high electricity demand.

The AQMD has evaluated the subject permit applications and made a preliminary determination that the equipment will comply with all of the applicable requirements of our Rules and Regulations. We intend to issue the final permit at (1) the end of the 30-day public comment and review period after all pertinent comments have been considered, and (2) upon receiving EPA approval of the Title V permit.

Based on the emission potential, this project is subject to the public notice requirements of AQMD Rules 212 (Standards for Approving Permits) and 3006 (Title V), and has applied for a Title V Significant Permit Modification. Therefore, this project is subject to a 45-day EPA review and a 30-day public notice period under AQMD Rules 212 and 3006.

In a letter dated December 6, 2006 Energy Facilities Siting Division Deputy Director indicated that Energy Commission staff has reviewed pertinent information regarding the return to service of the Long Beach Generating Station in response to a request for additional generating capacity from SCE for the summer of 2007. The letter further indicates that CEC staff has (a) discussed this issue with the CEC's Siting Committee and (b) does not believe the facts pertaining to the decision by the owner of the Long Beach Generating Station to bring several units out of retirement warrant a recommendation for the CEC to assert jurisdiction over the project. Therefore, it is AQMD's understanding that CEC staff will not assert jurisdiction over Long Beach Generation's 260 MW re-powering project.

However, if you wish to provide comments or have any questions regarding this project, please contact Mr. Kenneth L. Coats at (909) 396-2527/ kcoats@aqmd.gov or Mr. John Yee at (909) 396-2531/ jyee@aqmd.gov.

Sincerely,

Michael D. Mills

Michael D. Mills, P.E.
Senior Manager
General Commercial & Energy Team
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