MINTZ LEVIN

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December 1, 2006

Mr. Joel La Bissonniere Assistant General Counsel for Ocean Services National Oceanic and Atmospheric Administration 1305 East-West Highway, SSMC4, Room 6111 Silver Spring, MD 20910

Re: Mirant Kendall, LLC

MCZM Consistency Determination regarding NPDES Permit No. MA0004898

Dear Mr. La Bissonniere:

I write to follow up on the string of correspondence culminating in your letter of November 17, 2006, which provided an extension of time until December 29, 2006 for Mirant Kendall, LLC to re-file its appeal of the consistency determination issued on September 15, 2006 (the "September 15th determination") by the Massachusetts Office of Coastal Zone Management ("MCZM"). The September 15th determination concerned the proposed issuance by Region 1 of the U.S. Environmental Protection Agency ("EPA") of National Pollutant Discharge Elimination System Permit No. MA0004898 (the "NPDES Permit") for the Mirant Kendall Station in Cambridge, Massachusetts.

As described in your letter of November 17th, that extension until December 29th was required due to EPA's delays in compiling the administrative record that must be filed as part of an appeal of the September 15th determination.

The circumstances that led Mirant Kendall to seek to appeal MCZM's September 15th determination, however, have now changed. By letters dated November 8, 2006 and November 22, 2006, copies of which are attached, MCZM addressed its September 15th determination and, per its letter of November 22, now intends its letter of November 8th entirely to "supersede and replace" its September 15th determination.

The purpose of this letter is simply to inform your office that Mirant Kendall no longer intends to re-file its appeal of the September 15th determination because MCZM has entirely withdrawn and replaced that determination including, but not limited to, those aspects of the September 15th determination which had led Mirant Kendall to file its appeal to your office.

For the reasons identified in its notice of appeal initially filed with your office and dated October 24, 2006, however, Mirant Kendall continues to believe that the September 15th

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determination constituted an objection by MCZM to EPA's proposed permit for Mirant Kendall, and that EPA's subsequent issuance of the NPDES permit on September 26, 2006 violated EPA's obligations under the Coastal Zone Management Act and its own regulations.

Mirant Kendall fully reserves its rights in any proceeding to contest whether EPA had authority to issue the NPDES permit on September 26, 2006 in reliance on the September 15th determination.

Very truly yours,

Ralph A. Child

/encls.

cc: Brett Grosko, NOAA
Bennet Heart, EOEA
Bruce Carlisle, MCZM
Ron Fein, EPA Region 1
Bob Brown, MDEP

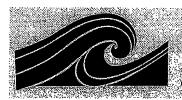
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bcc:

Sonnet Edmonds Shawn Konary Leslie Alden Jeff Perry Chris Sherman Charlie Cooper Bret Leone-Quick Colin Van Dyke

LIT 1596021v.1



THE COMMONWEALTH OF MASSACHUSETTS

EXEGUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS
OFFICE OF COASTAL ZONE MANAGEMENT
251. Causeway Street, Suite 800, Boston, MA 021.14-21.36
(617) 626-1200 FAX: (617) 626-1240

November 22, 2006

Ralph A. Child Counsel for Mirant Kendall, LLC Mintz Levin One Financial Center Boston, MA 02111

RE: CZM Federal Consistency Review of Mirant Kendall Station,

NPDES permit # MA0004898; Cambridge

Dear Mr. Child:

This letter is to respond to your inquiry dated November 10, 2006. The Massachusetts Office of Coastal Zone Management intended its correspondence to Mr. Shawn Konary, dated November 8, 2006, to supersede and replace the earlier letter dated September 15, 2006.

Sincerely,

(BKC for SSC)

Susan Snow-Cotter Director

czm #6078

cc: Shawn Konary: Mirant Kendall, L.L.C., 9 Freezer Road, Sandwich, MA 02563

Brett Grosko: NOAA Office of General Counsel for Ocean Services,

1315 East-West Highway, Rm. 6111, Silver Spring, MD 20910

George Papadopolous & Ronald Fein: EPA New England, 1 Congress St., Suite 1100 RAA, Boston, MA 02114

Glenn Haas & Philip Weinberg: Mass DEP, 1 Winter Street, Boston, MA 02108



THE COMMONWEALTH OF MASSACHUSETTS

EXECUTIVE OFFICE OF ENVIRONMENTAL AFFAIRS
OFFICE OF COASTAL ZONE MANAGEMENT
251 Causeway Street, Suite 800, Boston, MA 02114-2136
(617) 626-1200 FAX: (617) 626-1240

November 8, 2006

Shawn Konary
Director, Environmental, Safety and Health
Mirant Kendall, L.L.C.
9 Freezer Road
Sandwich, MA 02563

RE:

CZM Federal Consistency Review of Mirant Kendall Station,

NPDES permit # MA0004898; Cambridge

Dear Mr. Konary:

On September 15, 2006, the Massachusetts Office of Coastal Zone Management (CZM) notified you by letter that we had completed our review of the Mirant Kendall Power Station NPDES permit. This letter is intended to clarify that correspondence.

CZM finds that the activity is consistent with the CZM enforceable program policies.

CZM also takes this opportunity to note that, going forward, federal regulations allow CZM the opportunity to (1) review activities that constitute "major amendments" to previously issued federal authorizations (15 CFR 930.51); (2) request remedial action to ensure that activities continue to conform to federal and state requirements (15 CFR 930.65); and (3) provide for supplemental coordination in cases where the proposed activity's effect on coastal uses or resources substantially differs from that originally described (15 CFR 930.66).

Thank you for your cooperation with CZM.

Sincerely

Susan Snow-Cotter

Director

czm #6078

cc: Brett Grosko: NOAA Office of General Counsel for Ocean Services, 1315 East-West Highway, Rm. 6111, Silver Spring, MD 20910

George Papadopolous & Ronald Fein: EPA New England, 1 Congress St., Suite 1100 RAA, Boston, MA 02114

Glenn Haas & Philip Weinberg: Mass DEP, 1 Winter Street, Boston, MA 02108 Ralph Child: Mintz, Levin, Cohn, Ferris, Glovsky, and Popeo, P.C., One Financial Center, Boston, MA 02111