



GE ENERGY

<b>DOCKET</b> 01-AFC-17C	
DATE	JUN 08 2007
RECD.	JUN 11 2007

June 8, 2007

**RE: Disregard First Annual NOx RTC Confirmation - IEEC (Facility ID 129816) Letter**

Dear Mr. Levy:

We have just sent you the letter for the Annual Nox RTC Confirmation for the Inland Empire Energy Center on June 8, 2007. Please disregard the first FedEx letter you have received for the annual Nox RTC Confirmation. There where revision made on Table 2 for the Nox RTCs and attachment 3 has been omitted. Here is the second letter with the corrected information. Sorry for the inconvenience and if you have further question don't hesitate to call me at 951-928-6900.

Sincerely,

Roderick Hintay  
Administrative Assistant



# GE ENERGY

**John Gates**  
Commercial Manager

Inland Empire Energy Center, LLC  
26226 Antelope Road  
Romoland, CA 92585  
USA

T-951-928-6905  
John.gates@ge.com

**Ref. No. GE/IEEC-0047**

June 8, 2007

John Levy  
Air Quality Inspector  
South Coast AQMD  
21865 Copley Drive  
Diamond Bar, CA 917656

**RE: Annual NOx RTC Confirmation – Inland Empire Energy Center (Facility ID 129816)**

Dear Mr. Levy:

The purpose of this letter is to comply with the annual NOx RTC demonstration required by the District Facility Permit for the Inland Empire Energy Center (IEEC). Permit conditions 1296.1, 1296.2, 1296.3, 1296.4, and 1296.5 require the IEEC owner/operator to submit an annual demonstration to the District showing that the facility holds sufficient NOx RTCs to offset NOx emissions during the upcoming compliance year. Since the IEEC facility is a Cycle 2 RECLAIM facility, the compliance year runs from July 1 to June 30. The following table summarizes the required NOx RTCs for the upcoming compliance year (July 1 2007 to June 30, 2008).

**Table 1**  
**NOx RTC Requirements**

Device Number	Equipment Description	NOx RTCs Required (lbs)	SCAQMD Permit Condition
D1	Gas Turbine/HRSG	165,612	1296.1
D2	Gas Turbine/HRSG	152,218	1296.2
D3	Auxiliary Boiler	790	1296.3
D9	Emergency Generator Engine	1,946	1296.4
D10	Emergency Generator Engine	1,946	1296.4
D32	Emergency Fire pump Engine	172	1296.5
Total =		322,684	

The following table summarizes the amount of NOx RTCs currently controlled by Inland Empire Energy Center, LLC for use at the IEEC facility for the upcoming compliance year July 1, 2007 to June 30, 2008.



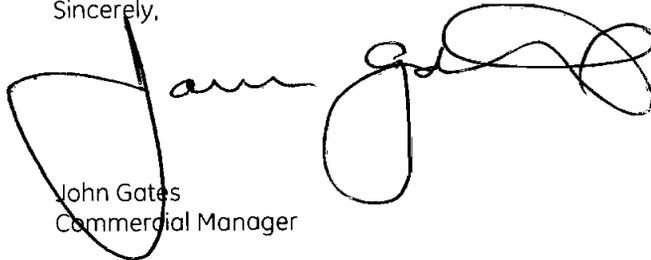
Table 2  
NOx RTCs Controlled by Facility

NOx RTC Cycle/Year	NOx RTC Amount	Reference
1/07 to 12/07	127,000	Section B of Facility Permit <sup>1</sup>
7/07 to 6/08	125,000	Section B of Facility Permit
1/08 to 12/08	86,000	Section B of Facility Permit
1/07 to 12/07	75,000	RTC Transfer (Registration No. 8456) <sup>2</sup>
7/07 to 6/08	75,000	RTC Transfer (Registration No. 8456)
Total =	488,000	

As shown in Table 2, the IEEC facility controls sufficient NOx RTCs to cover the required amount of NOx RTCs during the upcoming compliance year. Please note that any eligible credits that are not used during the upcoming compliance year will either be used for the next compliance year (July 1, 2008 to June 30, 2009) or sold during the fourth quarter reconciliation period as allowed under Rule 2005.f.

If you have any questions or need any additional information, please do not hesitate to contact me at (951) 928-6905.

Sincerely,



John Gates  
Commercial Manager

- CC: Ken Kohl, GE
- Craig Matis, GE
- Barry Bedaw, GE
- Jennifer Gavaldon, Calpine
- Connie Bruins, CEC
- CEC Dockets Office, Docket #01-AFC-17C

<sup>1</sup> See Attachment 1.

<sup>2</sup> See Attachment 2.



**GE ENERGY**

**ATTACHMENT 1**  
**SECTION B OF IEEC FACILITY PERMIT**

**FACILITY PERMIT TO OPERATE  
INLAND EMPIRE ENERGY CENTER, LLC**

**SECTION B: RECLAIM ANNUAL EMISSION ALLOCATION**

The annual allocation of NOx RECLAIM Trading Credits (RTCs) for this facility is calculated pursuant to Rule 2002. Total NOx emission shall not exceed such annual allocations unless the operator obtains RTCs corresponding to the facility's increased emissions in compliance with Rules 2005 and 2007.

The level of Starting Allocation plus Non-Tradable Credits used to determine compliance with Rule 2005(c)(4) and applicability of Rule 2005(e) - Trading Zone Restrictions is listed on the last page of this Section.

The following table lists the annual allocations that were issued to this facility and the amounts of RTCs held by this facility on the day of printing this Section.

**RECLAIM POLLUTANT ANNUAL ALLOCATION (POUNDS)**

Year Begin End (month/year)	Zone	NOx RTC Initially Allocated	NOx RTC <sup>1</sup> Holding as of 07/01/06 (pounds)	Non-Tradable <sup>2</sup> Non-Usable RTCs (pounds)
1/2007 12/2007	Coastal	0	127000	0
7/2007 6 /2008	Coastal	0	125000	0
1/2008 12/2008	Coastal	0	86000	0

Footnotes:

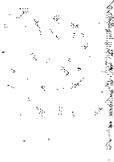
1. This number may change due to pending trades, emissions reported under Quarterly Certification of Emissions Report (QCER) and Annual Permit Emission Program (APEP) Report required pursuant to Rule 2004, or deductions made pursuant to Rule 2010(b). The most recent total RTC information can be obtained from the District's RTC Listing.
2. The use of such credits is subject to restrictions set forth in paragraph (f)(1) of Rule 2002.



GE ENERGY

ATTACHMENT 2

NOX RTC TRANSFER – REGISTRATION NUMBER 8456



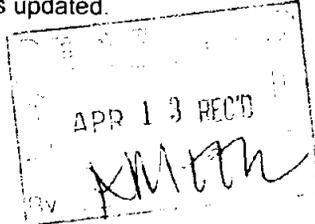
# SOUTH COAST AIR QUALITY MANAGEMENT DISTRICT

**RTC Transfer Confirmation**  
SCAQMD RECLAIM ADMINISTRATION  
P.O. BOX 4830, DIAMOND BAR CA 91765-0830

**BUYER**  
**ID: 129816**

This letter is to confirm that the South Coast Air Quality Management District (AQMD) has received RTC trading information to comply with Rule 2007-Trading Requirements. The following summarizes your company information and the registration information that you and your trading partner specified in Form 2007-2. The transactions have been recorded and the RTC Listing was updated.

**Registration No:** 8456



**Recording Date:** 3/16/06

**Pollutant:** NOX

**TRANSFER FROM:**

**Company Name:** GENERAL ELECTRIC COMPANY  
**Facility ID:** 700126  
**Signing Representative:** Sarah Mee  
**Mailing Address:** 1 RIVER RD  
SCHENECTADY, NY 12345-

**TRANSFER TO:**

INLAND EMPIRE ENERGY CENTER, LLC  
129816  
Sarah Mee  
P.O. BOX 1240  
ROMOLAND, CA 92585-

Terms of RTC Transferred			Original Zone	Quantity (lb/yr)	Unit Price (\$/lb)	Use Code	Generation Code	Account Source	Origin of Credits
Cycle	From Compliance Year (*)	To Compliance Year (*)							
1	12/31/2007	Single Year Trade	COASTAL	75,000	0.0000	02	NA	B	REGXX
2	6/30/2008	Single Year Trade	COASTAL	75,000	0.0000	02	NA	B	REGXX

(\*) RTC Expiration Date

Approved By: *Carol A. Coy*  
(Signature) CAROL A. COY  
DEPUTY EXECUTIVE OFFICER(DEO)  
Engineering & Compliance

**Code Description :**

Use Code ( 02 ) : Use under Rule 2005 - New Source Review for RECLAIM  
Generation Code ( NA ) : Not Applicable  
Account Source ( B ) : Certificate