



GE ENERGY

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Ref. No. ~~GE/IEEC-0051~~

DOCKET 01-AFC-17C	
DATE	JUN 15 2007
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John Levy
Air Quality Inspector
South Coast AQMD
21865 Copley Drive
Diamond Bar, CA 917656

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

Dear Mr. Levy:

This letter is a revision to the letter submitted to the District earlier this month discussing compliance with the annual NOx RTC demonstration required by the District Facility Permit for the Inland Empire Energy Center (IEEC). The earlier version of this letter unintentionally included a double accounting of NOx RTCs controlled by the IEEC facility. Table 2 below shows the corrected amount of NOx RTCs controlled by the facility. 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.

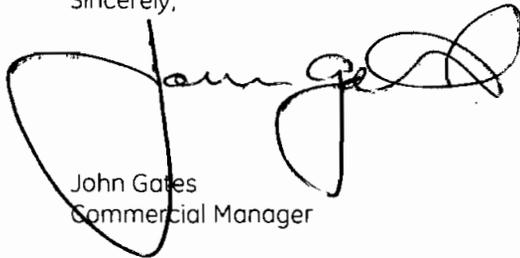
Table 2
NOx RTCs Controlled by Facility

NOx RTC Cycle/Year	NOx RTC Amount	Reference
1/07 to 12/07	127,000	Section B of Facility Permit ¹
7/07 to 6/08	125,000	Section B of Facility Permit
1/08 to 12/08	86,000	Section B of Facility Permit
Total =	338,000	

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 forth 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

¹ See Attachment 1.



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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		Zone	NOx RTC Initially Allocated	NOx RTC ¹ Holding as of 07/01/06 (pounds)	Non-Tradable ² Non-Usable RTCs (pounds)
Begin (month/year)	End				
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.