United States Department of Agriculture
Forest Service
San Bernardino National Forest
Supervisor's Office
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File Code: 2580/2670
Date: FEB 26 2007

Michael D. Mills
General Commercial & Energy Team
South Coast Air Quality Management District
21865 Copley Drive
Diamond Bar, CA 91765-4178

DOCKET
05-AFC-3
DATE FEB 26 2007
RECD. MAR 01 2007

Dear Mr. Mills:

We are replying to your January 31, 2007 Sun Valley Energy, LLC (SVE) notification letter issued under AQMD Rule 212 (Standards for Approving Permits) and rule 3006 (Title V). Thank you for the opportunity to provide comments.

For the following reasons, we request that the effects of nitrogen emissions from this facility be addressed as part of its application and licensing process and that mitigation and monitoring be required where appropriate:

(a) This facility is one of the largest and most recent stationary sources of nitrogen pollution being proposed for construction and operation near National Forest Lands (NFL) in southern California. The NFL surrounding the Los Angeles Basin are known to be heavily impacted by atmospheric sources of nitrogen. The interaction between NO_X, NH_3, ozone and forest aquatic and terrestrial ecosystems is not well understood. Sun Valley Energy, LLC (SVE) doesn't qualify under the Clean Air Act (CAA) Prevention of Significant Determination (PSD) requirements for Federal Land Manager (FLM) review and comment; therefore, we are providing our comments here.

(b) Our experience with natural gas fired turbine driven power plants that meet the requirements for PSD consultation under the CAA suggests that nitrogen emissions from these plants are high during start up. This plant is designed to capture peak load opportunities, potentially shutting down and restarting several times a month. Our assumption is that this simple cycle plant might experience even more shutdowns and start ups than the adjacent Inland Empire combined cycle plant for which FLM PSD comment was provided. Simple cycle power plants do not use inline steam heat recovery generators that the combined cycle plants do.

(c) This plant is one of three power plants planned or under construction in Romoland, California. The others are Mission Energy Valle del Sol, 500 MW, and Inland Empire, 810 MW. Inland Empire meets the requirements for PSD and has the potential to emit 215 tons of NO_X per year. Modeled nitrogen deposition from Inland Empire was reviewed by the FLM and found to equal or exceed the 0.005 kg/ha/yr Deposition Analysis Thresholds (DAT) levels at all of the nearest Class I areas, Agua Tibia, San

PROOF OF SERVICE (REVISED 3/1/07) FILED WITH ORIGINAL MAILED FROM SACRAMENTO ON 3/1/07

Jacinto, San Gorgonio and Cucamonga Wildernesses. The cumulative impact of nitrogen deposition created by this new power plant on NFL has not been clearly described. It is anticipated that SVE will have substantial release of nitrogen, having a maximum monthly emission of 10.1 tons/month (121 tons/yr) of NO_X and 5.8 tons/month (70 tons/yr) of NH_3. Background nitrogen deposition rates of up to 15 kg/ha/yr have been measured in forest areas near the San Gorgonio Wilderness, but deposition levels on NFL as high as 70 kg/ha/yr have been measured on the western side of the San Bernardino Mountains, far exceeding loadings that lead to ecosystem change. Nitrogen deposition to the San Gorgonio and Cucamonga Wilderness areas has resulted in nitrate concentrations in streamwater that are the highest reported in North America.

Additional supporting reasons for Forest Service concern;

(1) New science has affirmed that nitrogen can and does change the biotic community composition of sensitive ecosystems and can contribute to increased tree mortality caused by bark beetle infestations, can lead to excess fuel accumulation contributing to increased fire frequency and intensity, and enhanced growth of non-native plant species at the expense of native plant and animal species. Increased nitrate in surface waters and ground water has also been documented throughout much of the Transverse Ranges as a result of nitrogen deposition, along with the many other ecological impacts of N deposition that have been described;

(2) These impacts are more severe in the Transverse Ranges of the South Coast Air Basin, including Class I Wilderness areas, than in any other place in North America;

(3) The offsets required by South Coast Air Quality Management District for these pollutants may not be completely effective in protecting sensitive forest resources from all the known nitrogenous emissions derived from this facility;

(4) NO_X when converted to an aerosol and NO_2 contributes to visibility impacts, a mandatory Class I area Air Quality Related Values (AQRV).

For these reasons we request that consideration of the physical and ecological impacts on NFL from the potential emissions this facility be analyzed, mitigated to the extent possible, and monitored to determine their impacts.

We have been in discussion with the California Energy Commission biological staff regarding our concern about the ecosystem effects of nitrogen deposition on the National Forests and we are providing a copy of this letter to them for consideration in their permitting process for this and other power plants.

If you have any comments or questions please contact Mike Mc Corison, Southern California Province Air Resources Specialist (626-574-5286) or Steve Loe, San Bernardino Forest Biologist (909-382-2724).

Sincerely,

for JEANNE WADE EVANS
Forest Supervisor

cc: California Energy Commission, CNF Forest Supervisor, Mike McCorison

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA

APPLICATION FOR CERTIFICATION FOR THE SUN VALLEY ENERGY PROJECT (SVEP)	**DOCKET NO. 05-AFC-3** **(Revised 1/29/2007)**

PROOF OF SERVICE LIST

DOCKET UNIT

Send the original signed document plus the required 12 copies to the address below:

CALIFORNIA ENERGY COMMISSION
DOCKET UNIT, MS-4
*Attn: Docket No. **05-AFC-3**
1516 Ninth Street
Sacramento, CA 95814-5512
E-mail: docket@energy.state.ca.us

* * * *

In addition to the documents sent to the Commission Docket Unit, also send individual copies of any documents to:

APPLICANT

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Revisions to POS List, i.e. updates, additions and/or deletions
SUN VALLEY ENERGY PROJECT Docket No. 05-AFC-3

INTERESTED AGENCIES

None listed as of 3/3/2006

INTERVENORS

California Unions for Reliable Energy
(CURE)
C/O Marc D. Joseph
Gloria D. Smith
Adams Broadwell Joseph & Cardozo
601 Gateway Boulevard, Suite 1000
South San Francisco, California 94080

*** Romoland School District**
Roland Skumawitz, Superintendent
25900 Leon Road
Homeland, California 92548

DECLARATION OF SERVICE

I, Joann Gonzales, declare that on March 1, 2007 I deposited copies of the attached US Forest Service to SCAQMD potential impacts of SVEP, in the United States mail at Sacramento, CA with first class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above. Transmission via electronic mail was consistent with the requirements of California Code of Regulations, title 20, sections 1209, 1209.5, and 1210.

I declare under penalty of perjury that the foregoing is true and correct.

[signature]

Revisions to POS List, i.e. updates, additions and/or deletions
SUN VALLEY ENERGY PROJECT Docket No. 05-AFC-3