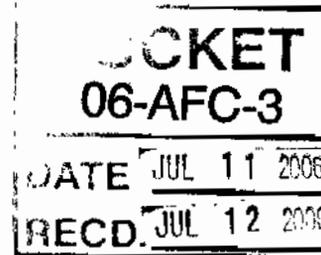




LS POWER GENERATION, LLC  
1735 Technology Drive Suite 820  
San Jose, CA 95050  
408-572-1300 main  
408-392-9757 fax

July 11, 2006

Jayne Hurley  
Permit Processing Group  
San Diego Air Pollution Control District  
10124 Old Grove Road  
San Diego, CA 92131



Subject: Application for Authority To Construct for the Proposed South Bay Replacement Project

Dear Ms. Hurley:

Please find attached a copy of the Application For Certification (AFC) for the proposed replacement of the existing South Bay Power Plant with a new natural gas-fired combined-cycle combustion turbine power plant known as the South Bay Replacement Project. This AFC was filed with the California Energy Commission on June 30, 2006. The AFC materials, together with the enclosed San Diego APCD (District) permit application forms and air quality modeling data on compact disc, are enclosed for your review.

The Project consists of the decommissioning and removal of the existing South Bay Power Plant and the installation of two GE 7FA combined-cycle combustion turbine generators. The new combustion gas turbine generators will be fired on natural gas exclusively. The turbines will be equipped with dry low-NOx combustors, selective catalytic reduction, and oxidation catalysts to minimize emissions.

Our check in the amount of \$72,164 to cover the initial filing fee for the permit application package will be submitted under separate cover.

If you have any questions regarding this application package, please contact Gary Rubenstein of Sierra Research at (916) 444-6666.

Sincerely,

Kevin R. Johnson  
Vice President

Enclosures (filing fee check, District forms, AFC, CD with modeling files)

cc: (w/o enclosure)

Bruce Hollingsworth, San Diego Unified Port District

CEC Dockets Office (06-AFC-3)

Gary Rubenstein, Sierra Research