AIR POLLUTION CONTROL DISTRICT
COUNTY OF SAN DIEGO

Air Pollution Control Board
Greg Cox District 1
Dianne Jacob District 2
Pam Slater-Price District 3
Ron Roberts District 4
Bill Horn District 5

November 22, 2006

DOCKET
06-AFC-3
DATE NOV 22 2006
RECD. NOV 30 2006

KEVIN JOHNSON
LSP SOUTH BAY LLC
1735 TECHNOLOGY DRIVE STE 820
SAN JOSE CA 95050

Dear Mr. Johnson:

This is in response to the October 5, 2006 letter from Sierra Research to the District regarding the South Bay Power Plant Replacement Project (SBRP). The District has the following comments and requests:

1. During the SBRP commissioning period when both the existing South Bay Power Plant (SBPP) and the SBRP will be in operation, emission offsets are required unless it is demonstrated that the SBRP commissioning operation will not create a contemporaneous emission increase to the existing stationary source. In order to be included in the contemporaneous emission increase analysis, any actual emission reductions occurring at the SBPP during the SBRP commissioning period must be real, quantifiable and enforceable. Because operation of the existing SBPP is not entirely within the control of LSP, the District does not believe these contemporaneous emission reductions can be considered real and enforceable. During the period when the SBPP is still operated along side of the new SBRP please provide emission offsets as defined in Rule 20.1(d)(5) to mitigate the project's emission impacts.

2. The District has reviewed and provided comments regarding the air quality impact analysis (AQIA) protocol, however a complete AQIA has not yet been provided to the District. The District can not approve this project without a complete AQIA. Please provide a completed AQIA performed according to the approved protocol.

3. The District has reviewed and discussed with LSP, the projects screening health risk assessment (HRA) for normal operations. The District has requested corrections and clarification and understands that the screening HRA was preliminary and will be repeated for a final determination of risk using AERMET data supplied by the District. Of specific concern are emissions during the commissioning period. LSP notes that emissions of acrolein, benzene and formaldehyde are higher during the commissioning period. These risks should be quantified in the final HRA. Chronic non-cancer effects should be characterized using the higher commissioning period's emission rate because these effects may occur with a chronic as opposed to a lifetime of exposure. Please provide an updated risk assessment using the most recently released version of the Hot Spots Analysis and Reporting Program (HARP version 1.3).

10124 Old Grove Road, San Diego, California 92131-1649 • (858) 586-2600
FAX (858) 586-2601 • Smoking Vehicle Hotline 1-800-28-SMOKE • www.sdapcd.org
Printed on Recycled Paper

In addition to the above information, please provide a copy of LSP's response to CEC's October 31, 2006 data request. Please provide the requested information to the District by November 30, 2006. If there are any questions regarding these comments, please contact the undersigned at (858) 586-2747.

Sincerely,

CAMQUI NGUYEN
Associate Air Pollution Control Engineer

I.D.#: 17 334A

Cc: Bill Pfanner, California Energy Commission
Eric Walther, Sierra research
Tom Andrews, Sierra Research
San Diego APCD Compliance Division