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July 2, 2009

VIA EMAIL AND US MAIL

Mike Monasmith, Siting Project Manager
California Energy Commission
1516 Ninth Street, MS-15
Sacramento, CA 95814

Re: Carlsbad Energy Center Project (07-AFC-6)
Response to City of Carlsbad's Letter re SDG&E's RFO

Dear Mr. Monasmith:

On or about, June 12, 2009, Mr. Joe Garuba, Municipal Projects Manager for the city of Carlsbad ("City"), sent a letter to George Piantka, Carlsbad Energy Center LLC's ("Applicant") Project Manager for the Carlsbad Energy Center Project ("CECP"). Therein, Mr. Garuba inquired about San Diego Gas & Electric's ("SDG&E") Request for Offers ("RFO") processes in relation to CECP. The City forwarded that letter to you on June 18, 2009. While the letter does not proclaim to be a "data request," it includes questions specific to CECP and has been docketed with the California Energy Commission ("CEC") and served on the parties to the CECP AFC proceeding. As such, Applicant is responding to the letter here.

The letter asks questions regarding SDG&E's RFO processes for new generation. Because these processes are confidential to ensure competitive and fair electricity pricing for ratepayers, Applicant cannot comment on this topic. Applicant's silence is not an issue within the context of the CECP application for certification proceeding as the Warren-Alquist Act does not require evaluation of, nor does the CEC attempt to evaluate, an applicant's plans for the marketing and sale of electricity beyond understanding what the operational characteristics will be for a project.

To that end, as Applicant has explained and continues to point out, CECP will provide much needed, fast-response, highly efficient, clean natural gas generation in the San Diego region, and that this generation will be an ideal back stop to increasing use of non-dispatchable renewable energy. Further, CECP will enable Units 1, 2 and 3 to be shutdown at Encina Power Station.

As always, please do not hesitate to contact me at (916) 447-0700 should you have any questions regarding this correspondence.

Very truly yours,

for John A. McKinsey

JAM:kjh
cc: See Attached Proof of Service List

BEFORE THE ENERGY RESOURCES CONSERVATION AND DEVELOPMENT COMMISSION OF THE STATE OF CALIFORNIA
1516 NINTH STREET, SACRAMENTO, CA 95814
1-800-822-6228 – WWW.ENERGY.CA.GOV

APPLICATION FOR CERTIFICATION FOR THE CARLSBAD ENERGY CENTER PROJECT	**Docket No. 07-AFC-6** **PROOF OF SERVICE** **(Revised 5/11/2009)**

Carlsbad Energy Center Project

Response to City of Carlsbad's Letter re SDG&E's RFO

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 07-AFC-6
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DECLARATION OF SERVICE

I, Denise M. Morison, declare that on July 2, 2009, I deposited copies of the aforementioned document in the United State mail at 980 Ninth Street, Suite 1900, Sacramento, California 95814, with first-class postage thereon fully prepaid and addressed to those identified on the Proof of Service list above.

OR

Transmission via electronic mail was consistent with the requirements of California Code of Regulations, Title 20, sections 1209, 1209.5, and 1210. All electronic copies were sent to all those identified on the Proof of Service list above.

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

D Morison

Denise M. Morison