

COLUSA COUNTY
DEPARTMENT OF AGRICULTURE - AIR POLLUTION CONTROL DISTRICT
HARRY A. KRUG

AGRICULTURAL COMMISSIONER & SEALER OF WEIGHTS & MEASURES - (530) 458-0580
DIRECTOR OF AIR QUALITY STANDARDS - (530) 458-0590
100 SUNRISE BLVD., SUITE F, COLUSA, CALIFORNIA 95932

January 26, 2007

DOCKET	
06-AFC-9	
DATE	JAN 26 2007
RECD.	JAN 29 2007

Mr. Jack W. Caswell, Project Manager
California Energy Commission
1516 9th Street, MS 40
Sacramento, CA 95814-5504

Dear Mr. Caswell:

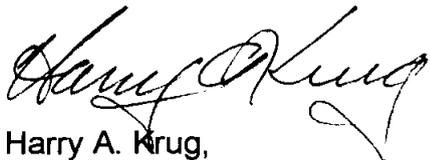
The air quality consultant for the Colusa County Air Pollution Control District, Mr. Les Fife, attended the California Energy Commission's (CEC) Informational Hearing and Site Visit for the proposed Colusa Generating Station on Thursday, January 25, 2007. He advised me that the Commission's committee members and staff expressed several concerns regarding air quality.

As Director of the Colusa County air agency I want to respond to the potential air quality issues raised at the hearing. The Commissioners noted the role of the County Air District and the need to have a Preliminary Determination of Compliance (PDOC) completed in a timely manner to adhere to the 12 month licensing schedule. My staff and our consultant began drafting the PDOC as soon as the application was deemed complete. Data have already been collected to evaluate County air quality levels. Also, mitigation analyses of the proposed offsets have commenced. The District has been actively reviewing the application. We will have a completed PDOC by the tentative date (March 23, 2007) listed in the proposed CEC schedule. Another issue was the agricultural emission reduction credits.

Colusa County is primarily an agricultural county. Emission reduction credits (ERCs) issued by the Air District for cessation of open burning are done according to legally adopted rules and with reference to the federal criteria of real, quantifiable, permanent and enforceable emission reductions. My office has been administering a comprehensive agricultural burning management program for over 25 years with a database of agricultural fields, a geographic information system map of fields and access to realtime air quality and meteorological conditions. We use Air Resources Board developed and approved emission factors to calculate the credits and a no-burn list, deed restrictions and the burning management program to enforce the permanent restriction on burning of fields with ERCs. The Colusa County Air District considers

those credits as valid as any we have issued to stationary sources. Our concern is the air quality within the County. Emission reductions to offset new sources should be acquired locally.

Regards,

A handwritten signature in black ink, appearing to read "Harry A. Krug". The signature is written in a cursive style with a large, looping initial "H".

Harry A. Krug,
Director of Air Quality Standards

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

**APPLICATION FOR CERTIFICATION
FOR THE COLUSA GENERATING
STATION PROJECT**

**Docket No. 06-AFC-9
PROOF OF SERVICE**

INSTRUCTIONS: All parties shall 1) send an original signed document plus 12 copies OR 2) mail one original signed copy AND e-mail the document to the web address below, AND 3) all parties shall also send a printed OR electronic copy of the documents that shall include a proof of service declaration to each of the individuals on the proof of service:

CALIFORNIA ENERGY COMMISSION
Attn: Docket No. 06-AFC-9
1516 Ninth Street, MS-4
Sacramento, CA 95814-5512
docket@energy.state.ca.us

APPLICANT

Andy Welch, Vice President
Competitive Power Ventures,
8403 Colesville Rd, Suite 915
Silver Spring, MD 20910
awelch@cpv.com

COUNSEL FOR APPLICANT

Mike Carroll - Latham & Watkins
Attorneys at Law
650 Town Center Drive, 20th Floor
Costa Mesa, CA 92626-1925
michael.carroll@lw.com

APPLICANT'S CONSULTANTS

Dale Shileikis – URS
Vice President
221 Main Street, Suite 600
San Francisco, CA 94105-1917
dale_shileikis@urscorp.com

Mark Strehlow – URS
Senior Project Manager
1333 Broadway, Suite 800
Oakland, CA 94612
Mark_Strehlow@URSCorp.com

INTERESTED AGENCIES

Larry Tobias
Ca. Independent System Operator
151 Blue Ravine Road
Folsom, CA 95630
LTobias@caiso.com

Electricity Oversight Board
770 L Street, Suite 1250
Sacramento, CA 95814
esaltmarsh@eob.ca.gov

INTERVENORS

Paul Kramer
Hearing Officer
pkramer@energy.state.ca.us

ENERGY COMMISSION

JOHN L. GEESMAN
Presiding Member
jgeesman@energy.state.ca.us

Jack Caswell
Project Manager
icaswell@energy.state.ca.us

JAMES D. BOYD
Associate Member
jboyd@energy.state.ca.us

Dick Ratliff
Staff Counsel
dratliff@energy.state.ca.us

Margret Kim
Public Adviser
pao@energy.state.ca.us

DECLARATION OF SERVICE

I, Joann Gonzales, declare that on January 29, 2007, I deposited copies of the attached Letter from Department of Agriculture/Harry A. Krug, Issues and comments regarding the January 25, 2007 site visit, in the United States mail at Sacramento, California 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.



[signature]