January 29, 2007

Ms. Deborah Jordan
Director, Air Management Division
United States Environmental Protection Agency
75 Hawthorne Street
San Francisco, CA 94105

Dear Ms. Jordan:

This to advise you that the Bay Area Air Quality Management District is issuing a significant revision to the Major Facility Review Permit for the following facility.

Facility	Facility Name	Application	Permit Engineer	City	County
B4415	Gilroy Energy Center, LLC for the Lambie Energy Center	11002	A. Chiu	Suisun City	Solano

ALAMEDA COUNTY Tom Bates

Scott Haggerty
Janet Lockhart
Nate Miley

CONTRA COSTA COUNTY

John Gioia Mark Ross (Chair) Michael Shimansky Gayle B. Uilkema

MARIN COUNTY Harold C. Brown, Jr.

NAPA COUNTY Brad Wagenknecht

SAN FRANCISCO COUNTY

Chris Daly Jake McGoldrick Gavin Newsom

SAN MATEO COUNTY

Jerry Hill (Vice-Chair) Carol Klatt

SANTA CLARA COUNTY

Erin Garner Yoriko Kishimoto Liz Kniss Patrick Kwok

SOLANO COUNTY

John F. Silva

SONOMA COUNTY

Tim Smith Pamela Torliatt (Secretary) The main purpose of the proposed significant revision (Application # 11002) is to change permit conditions that have been revised under NSR application 11003. The proposed permit condition changes include the following:

- 1. Amend the definition of "hour" to "clock hour" since the facility's continuous emission monitors operate on a clock hour basis.
- 2. Condition #20134, part 18.2: Revise the ammonia slip monitoring language to agree with standard language in other Calpine power plant permits. The revised language will allow the use of a District-approved calculation method to monitor ammonia slip. This is not a relaxation of monitoring, but replaces the original calculation method that was inaccurate.
- 3. Condition #20134, part 24: Change the required source test frequency for the gas turbine from annual to every 8000 hours of gas turbine operation or once every 3 years, whichever comes first. This is a relaxation of monitoring and therefore is considered a significant revision pursuant to Regulation 2-6-226.3.

The public comment period ended on December 4, 2006. The EPA comment period ended on December 21, 2006. No comments on this proposed significant revision were received from the public, EPA, or the facility.

The District has decided to issue the revised permit incorporating the proposed significant revision. Enclosed is a copy of the final revised permit. If you have any questions regarding this permit, please call Barry Young, Air Quality Engineering Manager, at: (415) 749-4721.

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-	Inal D. Proadhant
	Jack P. Broadbent
	Executive Officer/Air Pollution Control Officer

Sincerely yours.

Jack P. Broadbent EXECUTIVE OFFICER/APCO Enclosures: JPB:BFB:DTJ