

Notice Inviting Written Public Comment on Proposed Air Quality Permit

The Bay Area Air Quality Management District (“District”) is proposing to issue an amended Authority to Construct and Prevention of Significant Deterioration (“PSD”) Permit for the **Gateway Generating Station** (formerly known as Mirant Contra Costa Generating Station Unit 8). Before doing so, the District is providing the public with notice of its proposal and an opportunity to review and comment on the proposed permit.

The Gateway Generating Station is a 530-MW natural gas fired merchant power plant to be located at 3223 Wilbur Avenue in Antioch, CA. The power plant will be owned and operated by Pacific Gas & Electric Co. and will consist of two combustion turbine generators, two heat recovery steam generators, a steam turbine generator and associated equipment, a dry cooling system, a natural gas fired preheater, an oil-water separator, and a diesel fire pump. The District initially issued a permit for the project in 2001. The permit now needs to be amended to reflect certain changes in project design.

Under the proposed amended authority to construct, the facility would be allowed to emit up to the following maximum quantities of regulated air pollutants:

Nitrogen Oxides (NO_x): 174.3 tons per year
Carbon Monoxide (CO): 554.3 tons per year
Precursor Organic Compounds (POC): 46.6 tons per year
Particulate Matter (PM): 101.7 tons per year
Sulfur Dioxide: (SO₂): 37.0 tons per year

The project will utilize the Best Available Control Technology to minimize emissions of these air pollutants as required by District Regulation 2-2-301. The project will also offset its emissions of NO_x and POC by surrendering emissions reduction credits as required by District Regulation 2-2-302. The proposed project will consume a less-than-significant degree of PSD increment, and a full PSD increment consumption analysis is not required.

Further information about the project and how it will comply with applicable regulatory requirements is available in the District’s Engineering Evaluation for the proposed amended permit. The Engineering Evaluation, proposed permit conditions, and all supporting materials are available for public inspection at the Outreach and Incentives Division Office located on the 5th Floor of District Headquarters, 939 Ellis Street, San Francisco, CA, 94109. The Engineering Evaluation and proposed permit conditions are also available on the District’s website at www.baaqmd.gov.

The District invites all interested parties to comment on any aspect of the proposed amended Authority to Construct and draft amended PSD Permit pursuant to District Regulation 2-2-405 and 40 C.F.R. Section 124.10. Comments should be made in writing and directed to Brian K. Lusher, Air Quality Engineer, Bay Area Air Quality Management District, 939 Ellis Street, San Francisco, CA, 94109, (415) 749-4623, blusher@baaqmd.gov, and must be received by July 14, 2008. During the comment period, interested parties may also request that the District hold a public hearing on its proposal. A request for a public hearing must be in writing and must state the nature of the issues proposed to be raised at the hearing. The District will review any requests for a public hearing and will hold a hearing if it finds, on the basis of the requests, a significant degree of public interest in the permit exists.

Dated at San Francisco, the 4th of June.

Signed by Jack P. Broadbent

Jack P. Broadbent

Executive Officer/APCO

Bay Area Air Quality Management District