

September 24, 2007

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

Dear Ms. Jordan:

This is to advise you that the Bay Area Air Quality Management District is proposing a minor revision to the Major Facility Review Permit for Dynegy Oakland LLC, Facility Number B1887, and is submitting the permit to EPA for review.

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)

Jack P. Broadbent
EXECUTIVE OFFICER/APCO

The purpose of the minor permit revision is to modify existing permit conditions for Source S5 Turbine, one of six 27.5 MW (365 MMBtu/hr) distillate oil-fired gas turbines (S1-S6) at this peaking power plant located in Oakland. These condition revisions will allow Dynegy to conduct performance and emissions testing of biofuel blends at the S-5 Turbine. The District is proposing to issue a conditional Temporary Permit to Operate (TPO), valid for 3 months after issuance, to Dynegy for biofuel testing. Condition revisions and the TPO conditions will be eliminated upon expiration of the TPO. These actions are not expected to result in any emission increases.

The administrative amendment and proposed minor revision will be effective immediately. The permit will be formally re-issued after EPA review. This revision is not subject to public comment and therefore, requires no public notice.

The proposed Major Facility Review Permit and the statement of basis can be viewed and downloaded on the BAAQMD website at http://www.baaqmd.gov/pmt/title_v/public_notices.htm. If you have any questions on this matter, please call Weyman Lee, Senior Air Quality Engineer, at: (415) 749-4796, fax (415) 749-5030.

Sincerely,

Signed by Jack P. Broadbent

Jack Broadbent

Executive Officer/Air Pollution Control Officer

JB:BFB:myl