



GREAT BASIN UNIFIED AIR POLLUTION CONTROL DISTRICT

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December 4, 2006

Via Overnight Mail and Hand Delivered

Mr. Ronald F. Deaton
General Manager
Los Angeles Department of Water and Power
111 Hope Street, Room 1550
Los Angeles, California 90012

Subject: Revised Supplemental Control Requirements Determination Incorporating the Terms of the Approved 2006 Owens Lake Settlement Agreement

Dear Mr. Deaton:

This letter and attachment is the Supplemental Control Requirement (SCR) determination that revises and supersedes the SCR determination issued by the Air Pollution Control Officer (APCO) on December 21, 2005 and modified on April 4, 2006. This revised SCR determination incorporates the terms of the approved 2006 Owens Lake Settlement Agreement (Agreement) between the City of Los Angeles (City) and the Great Basin Unified Air Pollution Control District (District).

Procedural Background

On December 21, 2005, the APCO issued the SCR determination for the July 1, 2002 through June 30, 2004 data collection period. The SCR determination is required by the 2003 Revision to the *Owens Valley PM₁₀ Planning Area Demonstration of Attainment State Implementation Plan* (2003 SIP) and District Board Order #031113-01 contained in the 2003 SIP.

On February 22, 2006, the City submitted to the District a letter from the General Manager of the Los Angeles Department of Water and Power, along with extensive comments on the District's December 21, 2006 SCR determination. The City's comments on the SCR determination are also referred to as the "alternative analysis."

The District reviewed the City's alternative analysis and on April 4, 2006 the APCO issued a modified SCR determination that superseded the December 21, 2005 determination. The City disputed the modified determination and, among other things, on May 18, 2006 suggested mediation as a means to resolve the two agencies' differences. From May through November 2006 staff from the City and the District met with a mediator on a regular basis in an attempt to

craft a resolution to the disputes. On November 15, 2006 mediation was completed and a proposed Agreement was released to the public.

On November 27, 2006, the City's Water and Power Commission approved the proposed Agreement. On December 4, 2006 the District Governing Board approved the proposed Agreement.

Section 35 of the Agreement states:

Within 15 days of the execution of this Agreement, the APCO shall issue a revised SCR determination that incorporates the terms of this Agreement and that supersedes all previous determinations.

Revised SCR Determination

Pursuant to Paragraph 35 of the Agreement, the terms and conditions of the attached Agreement shall serve as the revised SCR determination, and shall supersede the SCR determination issued on December 21, 2005 and modified on April 4, 2006.

This revised SCR determination directs the City to immediately commence the process for implementing additional dust control measures on at least 12.7 square miles of the Owens Lake bed at the locations described in and according to the schedule set forth in the Agreement.

We appreciate the City's commitment to the Agreement and look forward to working with you in implementing its terms as incorporated in this revised SCR determination.

Sincerely,



Theodore D. Schade
Air Pollution Control Officer

Attachment:

Approved Settlement Agreement

Cc: Larry Biland, USEPA, Region 9 (w/attach.)
Sylvia Oey, Calif. Air Resources Board (w/attach.)
Richard Harasick, LADWP (w/attach.)
Julie Conboy, LADWP (w/attach.)