Mirant Mid-Atlantic, LLC
8711 Westphalia Road, Upper Marlboro, Maryland 20774
T 301 669 8113 **F** 301 669 8002

BY TELECOPY

Robert G. Burnley, Director
Commonwealth of Virginia Department of Environmental Quality
629 East Main Street
Richmond, Virginia 22319

MIRANT

October 14, 2005

Mirant Potomac River: Proposal to Test Trona on Unit 1

Dear Mr. Burnley,

Mirant Potomac River, LLC ("Mirant") proposes to test a promising boiler SO2 control technology, trona injection, on Unit 1 of the Potomac River power plant and submits this package to the Virginia Department of Environmental Quality in furtherance thereof. Enclosed with this letter are:

- Description of trona, and the planned transportation, storage and injection system;
- Potomac River trona test plan; and
- Material Safety Data Sheet for trona

As you are aware, in accordance with its letter of September 20, 2005, Mirant resumed generating electricity on a limited basis with the operation of Unit 1 subject to the operating limitations of (1) a 24-hour SO2 tons-per-day emissions cap of 7.4 tons per calendar day, and (2) no generation between the hours of 10:00 pm and 5:00 am. The typical operating profile of Unit 1 with the above limitations allows for up to 16 hours of generation per calendar day, with up to 8 hours at full capacity (88 MW) and 8 or more hours at minimum capacity (35 MW). With the September 20, 2005, letter, Mirant submitted Update #1 to "A Dispersion Modeling Analysis of Downwash from Mirant's Potomac River Power Plant," which demonstrates that Unit 1 operating in the mode described above results in ambient air concentrations that are better than the National Ambient Air Quality Standards for SO2, PM10, and NO2, and ensures protection of human health and the environment surrounding the power plant.

The Potomac River power plant is unique among the power plants operated by affiliates of Mirant in that it uses both hot and cold electrostatic precipitators. Therefore, testing trona at the Potomac River power plant is critical for projecting both the SO2 reductions as well as the precipitator performance that can be achieved using trona injection at this plant. Mirant proposes to conduct trona testing at Unit 1, operating the Unit under the limitations described in the September 20 letter and summarized above. Operating Unit 1 with such limitations results in modeled ambient air concentrations that are better than the

National Ambient Air Quality Standards for SO2, PM10, and NO2; accordingly, no modeling is necessary to support this proposal because the trona injection will reduce SO2 emissions and result in even better modeled ambient air quality for SO2. Moreover, the SO2 daily emission cap will continue to limit operations such that, regardless of the trona performance, SO2 emissions will not cause exceedances of the ambient air quality standards. Trona testing at Unit 1 will allow Mirant to ascertain the actual SO2 reduction that can be achieved with trona injection while continuing to provide for ambient air concentrations that are better than the National Ambient Air Quality Standards for SO2.

Mirant tested Unit 1 precipitator performance at the end of September 2005 to reconfirm precipitator condition and capacity. The test demonstrates that the equipment is in good operating condition and that the built-in equipment margins are large. The test results show that stack particulate emissions are 92% below those allowed under the state operating permit for the power plant. Given these results, we are confident the trona testing will have no material adverse impact on particulate matter emissions. In addition, during the trona testing on Unit 1 Mirant will conduct another EPA Method 5 particulate test (40 CFR 60 Appendix A) while the Unit is at full load and the trona injection system is in service.

We respectfully request that you review and respond to this proposal in accordance with our discussions with your staff regarding timing and protocol. However, given that our proposal is for testing on Unit 1 which requires no additional modeling, the review should be less intensive and we therefore ask that DEQ expedite the review and complete it in less than the two-week period discussed. We are enthusiastic about trona's ability to reduce SO2 emissions and look forward to sharing the test results with you, as well as proposing appropriate next-steps based on such results.

Mirant continues to work diligently towards the goal of resolving the ambient air quality issues in the vicinity of the Potomac River power plant, returning the plant to full service and restoring electric reliability in the region to acceptable levels. We remain committed to working cooperatively with DEQ and appreciate your support of the testing schedule so that we can continue to make progress toward resolution of this matter.

Please call me with any questions or comments.

Sincerely,

Lisa D. Johnson
President, Mirant Potomac River, LLC

cc: Deborah Jennings, Esq