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October 24, 2002

Salt River Project Attn: Larry Wilson PO Box 52025 Phoenix, AZ 85072-2025

Subject: SRP Santan Combustion Testing Services

Estimates of Emissions on Ultra Low Sulfur Fuel

Dear Larry,

This letter is to document to SRP emissions expectations from the burning of EC1 liquid fuel at Santan Units 1-4 per our discussions last month. We are confident that based on our experience that a test is not needed to provide the emission estimates.

Based on fuel analysis reports and fuel specifications for low sulfur diesel, CARB diesel, and ultra low sulfur fuel oil (EC1), we find that the physical properties of the fuels are substantially similar, such that emissions of CO, PM10, and VOC should be effectively identical. Expected NOx emissions on EC1 fuel are slightly less (approximately 3-4%) than the other fuels because of EC1's lower nitrogen content. Expected SO2 emissions, however, will be significantly lower than the other fuels based on the maximum sulfur content for each fuel. The maximum sulfur content of the fuels and the expected emissions for each fuel at those sulfur levels are presented in the following table.

Maximum Fuel Sulfur	Low Sulfur Fuel Oil	CARB Diesel	<u>ECI</u>
Content (ppm)	500	500	15
Estimated Emissions (lb/MMBtu)	0.0533	0.0533	0.0016

Sincerely,

Ed Barry