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Washington, D.C. 2004-1304

RE: Maryland PSC Case No. 8997 - Rolan O. Clark Information/Data Request 4 to Sempra Energy Resources re: soci-economic values.

Dear Mr. Barrett:

It is my opinion that a CPCN should not be granted to Sempra for the Catoctin power plant because a CPCN is a Certificate of Public Convenience and Necessity. I believe what Sempra is applying for is, in reality, a Certificate of Corporate Conveniences without Necessity. Below are my discussions for that reasoning, stretched out over the minimum 20 year life expectancy of the proposed plant.

If the proposed Sempra plant was not built I believe there would be no public inconvenience, therefore no necessity.

There is little doubt that present property values will be devalued if the proposed Catoctin power plant is built, especially with the presence of all the other heavy industries in the area emitting their byproducts.

Southern Frederick County already has several heavy industrial plants that are emitters of non agricultural noises, gases and chemicals. Those plants are Eastalco, Essroc and Tamko. If all the known prerequisites are within permit guidelines that still doesn't address the fear and concern of those who farm and live close to these plants. I believe quality of life should be our first concern and even if our fears are unfounded, from a data point of view, it certainly doesn't satisfy our concern about the unknown, unknowns that may be with us for 20 plus years, especially if there is no real need for another power plant, the other being close by at Dickerson, Maryland.

How can Sempra build a \$300 million plant and operate it part time? My reasoning is that it will be part time at first but with expectations that it will be full time operation within a short time, a few years, if not sooner, but I think that has been stated, else how could any business invest that much money for a power plant to operate part time? Good business practices dictate that businesses be operated close to or exceeding capacity to get a ROI. I believe the proposed plant will be used as vehicle to invest in long term power but the immediate need is not there so the proposed plant is in effect acting as a place holder and is not an immediate necessity as used in the definition of a CPCN.

I believe that assessing what electric power is Maryland's and what is imported is a moot point. It seems to me that there is a lot of electricity "imported" and "exported" into and out of the state and even if one was to add up all the electric power generated in the State of Maryland, regardless of where it goes, and then add up all the electric power used in the State of Maryland, regardless of where it came from, the answer would have no practical meaning because most of Maryland's electric power, for many years, has been from the PJM grid with the result that, as far as electric power is concerned, states borders have really been transparent and our electric power is the result of organizations like PJM that we consider our electric power source, for the most part.

The electric power increase demands estimates for the State of Maryland has been reduced to the .7% a year ball park figure I believe. This is without any obvious aggressive steps taken by the State of Maryland to try and conserve electricity. I remember during the 70's, the oil embargo episode, when power companies asked people to conserve energy and if I remember correctly 10% plus saving were readily achieved and power companies then had to go to the PSC to ask for rate increases because their income had fallen so drastically they couldn't maintain the system. If we reduced our electric use by 1% a year we would, apparently, have a reserve of electric power.

Last week Mr. Greenspan acknowledged that we will have to deal with an inflationary trend. I believe it is also true that natural gas prices will keep increasing not only because of demand but also because the delivery infrastructure of natural gas is lagging. I believe these factors will also increase inflation and that is usually accompanied by a decrease in the rate of increase of electric power demand, if not a decrease in total electric power demand.

It is my belief that the needs of Eastalco or any entity cannot be considered in this application because if the needs of Eastalco were to be considered as even partial justification for the building of the proposed Sempra power plant then Eastalco should be committed to the life of the power plant project and that cannot be done. No entity should be in for the short haul just to help qualify for the requirement needs of the applicant. This whole venture should be based only on the applicants ability to secure it's own markets and other industries should not be a concern of this application unless we are going to travel down the road of State sponsored businesses. I thought that deregulation was the basis for power plants seeking their own markets and these markets were not part of the CPCN process. I believe that the argument that building a \$300 million dollar power plant to save PJM \$23 million dollars to the Doubs substation upgrade is not a valid argument for approving a CPCN or a valid argument to be used in considering a CPCN.

I believe there is a danger, following deregulation, of a glut of whatever service was deregulated with the ever looming potential of companies/corporations then asking for tax breaks or rate increases to cover that portion of their expense that was over extended.

It is my believe that Sempra should have all water and all other permits in hand before a CPCN is issued and all plans finalized so the citizens of Frederick County will be aware of the long term plans because, if not, the applicant can then have a newly built \$300 million plant to use as leverage in persuading the State of Maryland to issue any permits.

I believe the State of Maryland should initiate an aggressive program to conserve electricity before it would allow a power plant to be added to the existing heavy industry already located in this area rich in farming and ever growing residential clusters, with many schools, such as we have here in our beautiful Monocacy River Valley while taking into consideration the fact that the Monocacy River is the largest tributary of the Potomac River and the Monocacy River itself needs much improvement to help in restoring the quality of the Chesapeake Bay.

In closing I feel that a CPCN should not be granted to Sempra for the Catoctin electric power generating station because it will not enhance the public convenience and it is not necessary for the public good until Maryland has an aggressive electric power savings program in place that reasonably reduces the amount of wasted electricity and then demonstrates the amount of available electric power is in short supply. Maryland should not approve policies for the purpose of generating electric power to accommodate a businesses venture. Maryland's first responsibility is for the quality of life of its citizens, not to be an electric market promoter.

Your comments, please, considering all the paragraphs/discussion points in aggregate or individually as you wish.

I do, however, as always, reserve the right to be wrong.

Respectfully Submitted,

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