Mirant Potomac River, LLC 1400 North Royal Street Alexandria, VA 22314 T 703 838 8249 U www.mirant.com

January 24, 2006



Mr. Lawrence Mansueti
Permitting, Siting and Analysis Division
Office of Electricity Delivery and Energy Reliability
United States Department of Energy
Routing Symbol OE-20
1000 Independence Avenue, S.W.
Washington, D.C. 20585

RE: District of Columbia Public Service Commission,

Docket No. EO-05-01

Dear Mr. Mansueti:

Attached is Supplement Number 3 to the Operating Plan of Mirant Potomac River, LLC, which is being submitted in compliance with Order No. 202-05-03, issued by the Department of Energy on December 20, 2005, in the captioned proceeding.

Thank you for your attention to this matter,

Sincerely,

Lisa D. Johnson

President

Mirant Potomac River, LLC

Enclosure

UNITED STATES OF AMERICA DEPARTMENT OF ENERGY

MIRANT

| District of Columbia Public Service |) | Docket No. EO-05-01 |
|-------------------------------------|---|---------------------|
| Commission |) | |

SUPPLEMENT NUMBER 3 TO OPERATING PLAN OF MIRANT POTOMAC RIVER, LLC IN COMPLIANCE WITH ORDER NO. 202-05-03

Pursuant to Section 202(c) of the Federal Power Act, 16 USC § 824a(c), Section 301(b) of the Department of Energy Organization Act, 42 USC § 7151(b), and Order No. 202-05-3, issued by the Department of Energy ("DOE" or the "Department") on December 20, 2005 ("Order"), Mirant Potomac River, LLC ("Mirant") hereby submits the following Supplement Number 3 to the Operating Plan submitted to the Department on December 30, 2005 (the "Operating Plan") in response to the Order.

Capitalized terms not otherwise defined in this Supplement Number 1 shall have the meanings ascribed to such terms in the Operating Plan.

Supplemental Information

In Section VI of the Operating Plan, Mirant stated that Mirant would provide the unit specific rate caps to the Department in a supplement to the Operating Plan together with modeling to support such caps. Mirant proposes the unit-specific SO2 emission rate caps set forth below which are supported by the modeling included as Exhibit A with this Supplement Number 3:

| Modeled Single Unit S02 Rates | | |
|-------------------------------|---------------|--|
| Unit 1 | 0.84 lb/MMBtu | |
| Unit 2 | 0.44 lb/MMBtu | |
| Unit 3 | 0.31 lb/MMBtu | |
| Unit 4 | 0.36 lb/MMBtu | |
| Unit 5 | 0.61 lb/MMBtu | |

Mirant proposes that the unit specific 24 hour daily SO2 rate caps set forth above apply during any non-emergency period of the Temporary Phase or the Intermediate Phase, when only one unit is in operation. Compliance with such rate caps will result in modeled compliance with the SO2 NAAQS and will allow

Dated: January <u>24</u>, 2006

Mirant to maintain the necessary flexibility to operate each unit consistent with normal operating practices. In the Operating Plan, Mirant proposed SO2 rate caps for 3-unit operation in a non-emergency situation under Option A and Option B.

With respect to 2-unit operation in a non-emergency situation under Option A, Mirant submitted with the Operating Plan ENSR Update #3 with the modeling results to support the two-unit operation of units 1 and 4. Update #3 indicates that compliance with a rate cap of 0.3 lb/MMBtu will result in modeled compliance with the SO2 NAAQS. Mirant is continuing the modeling of other 2-unit operating configurations and will submit the results and corresponding rate caps in a further supplement to the Operating Plan.

The above SO2 emission rate caps shall apply only during nonemergency operations during the Temporary Phase and the Intermediate Phase of the Operating Plan because, as described in Section IX of the Operating Plan, implementation of the Long Term Phase operating plan through some form of stack reconfiguration mitigates the downwash effect. The applicable Long Term SO2 emission rates should be established upon implementation of the Long Term Phase.

Mirant attached to the Operating Plan as Exhibit D a calendar for implementation of Option A assuming a commencement date of January 2, 2006. Attached to this Supplement Number 3 is Revised Exhibit D, a calendar incorporating activities related to the scheduled outages of the 230kV lines commencing January 9, 2006 and January 23, 2006.

Respectfully-submitted.

Lisa D. Johnson

President

Mirant Potomac River, LLC 1400 North Royal Street

Alexandria, VA 22314

Exhibits

Exhibit A: Modeling in support of single unit operation

Revised Exhibit D: Updated Calendar