

**Remarks of Commissioner John A Bohn
Upon the Dedication of the
Long Beach Power Plant**

August 1, 2007

Introduction

Good morning **NRG Chief Executive Officer David Crane, Southern California Edison CEO Al Fohrer, NRG Regional President Steve Hoffmann,** and **Mayor Bob Foster.** Good morning to all of you here today. Thank you for inviting me to appear. I am delighted to speak to you today as a guest of **NRG West** and **NRG Energy,** and to share this historic occasion with you.

Our Purpose

We are here today to dedicate this power plant, the Long Beach power plant, as it returns to service from what some thought would be a permanent retirement. But here it is, rejuvenated and ready to enter service once again. You can look at this plant as a mere assemblage of industrial equipment – steel, copper, and other materials – brought together to do a job, competently functioning according to the terms of a contract.

That would be good enough. All of us do jobs, and we can take satisfaction in doing them well. Surely when people turn on their lights, their appliances, their air conditioners, they expect that the electricity will flow into their homes, their shops, their factories. And whatever needs they have will be met. The little electrons will flow – quietly, competently, efficiently, without notice. The electric system will hum away, and no one will much remark about it.

Someone might say, “My, what a hot day it is today!” And someone else might say, “Yes, come on inside where it is cooler.”

Ladies and Gentlemen, that is one way to look at this power plant. But that is not the way *I* look at it.

I see this plant as a landmark, as a place to pause along a road where we can look *back*, and we can look *forward*.

We can look *back* to a time a few years ago when people did not have quite so much confidence that the electric system would hum along without interruption. Today, partly because you have brought us this plant, we hardly worry about the prospect of outages.

And we can look *forward*. We can see a growing and confident California, raising itself up, putting in place the necessary infrastructure for a healthy society and a vibrant economy.

We can see something else, too – this plant is being dedicated today because of investors who made sound decisions to go forward with this project. The investors took risks. Such people make progress possible. We see managers who assembled the factors – the people, the tools, the skills, and brought the project forward. And we see workers who arrived on the scene and applied their efforts to get this project completed – on time.

So here we are, in Long Beach, pausing for a moment along the road, to look *back*, to look *forward*, but most of all, to *admire* this landmark, and to *dedicate* it to service.

The Purpose of the Long Beach Plant

The Long Beach Power Plant has a special purpose. Its primary purpose is not to produce energy. In fact, this plant is likely to be called on only seldom to produce energy. Mostly, this plant will produce peace of mind.

It will be an additional resource that can be called upon to provide service at times when the system is strained. It stands here in the midst of a power-hungry load area waiting to supplement the other resources located throughout the area and across the state. And it waits, quietly and confidently, for *the call*.

“We need you,” the caller will say. And the staff here will respond, “We are ready to serve.” That is what peace of mind is all about.

Maybe I am being melodramatic. How much can one power plant do in a state like California?

It can do a lot. The purpose of this plant is to move us just a bit further away from worry, from the unlikely event of system stresses that otherwise could result in load disruptions. It is one more tool in a toolbox that includes baseload generation, conservation, efficiency, demand-side management, load-shifting, non-traditional generating sources, and good old-fashioned peaking power plants. It can do a lot.

A Final Important Difference

There is another important feature of the Long Beach Power Plant that I wish to point out to all of you here. This is the first major independent fossil-fired power plant to be brought to service in some time. This plant is not owned or operated by a utility, but instead by an independent energy producer. There have not been many like this for some time. Here at Long Beach we have visible proof that it is possible for entrepreneurs to respond to a utility’s request for offers and to actually get a contract for a traditional fossil power plant. You at NRG are to be congratulated for that. And Southern California Edison Company is also to be congratulated for its part in contracting and moving this project forward.

I am very pleased to see this sign of competitiveness in the electric generating business.

Chief Executive Officer Crane, Regional President Hoffmann, Southern California Edison CEO Fohrer, Mayor Foster, Ladies and Gentlemen, thank you for inviting me to speak to you today.