

EXECUTIVE OFFICER SUMMARY REPORT
May 12, 2010

- ITEM: 12
- SUBJECT: NPDES Permit Revision: Carlsbad Desalination Project discharge to the Pacific Ocean via the Encina Power Station Channel, transfer of responsibility of Order No. R9-2006-0065, NPDES No. CA0109223, including the implementation of the Flow, Entrainment and Impingement Minimization Plan (Minimization Plan), from Poseidon Resources Corporation to Poseidon Resources (Channelside) LLC (Tentative Order No. R9-2010-0073) (*Michelle Mata*)
- PURPOSE: To transfer responsibility for compliance with Order No. R9-2006-0065, including the implementation of the Minimization Plan, from Poseidon Resources Corporation to Poseidon Resources (Channelside) LLC.
- PUBLIC NOTICE: Notification of this action was included in the May 12, 2010 agenda notice, which was mailed on April 23, 2010 and has been posted on the San Diego Water Board web page. This notification satisfies the 10-day noticing requirements, which is the minimum time required prior to the San Diego Water Board making minor modifications to NPDES permits.
- DISCUSSION: On August 11, 2006 the San Diego Water Board adopted Order No. R9-2006-0065, NPDES No. CA0109223 establishing waste discharge requirements for up to 57 million gallons per day (MGD) combined concentrated saline wastewater and filter backwash wastewater from a reverse osmosis unit (RO), to be discharged by the Carlsbad Desalination Project (CDP) to the Pacific Ocean.
- The San Diego Water Board was notified on November 16, 2009 that the financing arrangements for the Carlsbad Desalination Project require the project company, Poseidon Resources (Channelside) LLC, be named as the discharger, responsible for compliance with for the NPDES Order rather than the parent company, Poseidon Resources Corporation.
- On March 1, 2010, the San Diego Water Board received an Assignment and Assumption of Agreement (Agreement) between

Poseidon Resources Corporation and Poseidon Resources (Channelside) LLC. The Agreement transfers, conveys and assigns responsibility for compliance with Order No. R9-2006-0065, NPDES No. CA0109223, including the implementation of the Minimization Plan, from Poseidon Resources Corporation to Poseidon Resources (Channelside) LLC as of February 26, 2010.

The tentative Order was sent via email to the Discharger on April 22, 2010 and by regular mail on April 23, 2010. No comments have been received to date.

SIGNIFICANT CHANGES: N/A

COMPLIANCE: N/A

LEGAL ISSUES: None

SUPPORTING DOCS:

1. Site Map
2. Transmittal Letter for Order No. R9-2010-0073 dated April 22, 2010
3. Tentative Order No. R9-2010-0073
4. Assignment and Assumption Agreement between Poseidon Resources Corporation and Poseidon Resources (Channelside) LLC

RECOMMENDATION: Adoption of Tentative Order No. R9-2010-0073 is recommended