

State of California  
Regional Water Quality Control Board  
San Diego Region

EXECUTIVE OFFICER SUMMARY REPORT  
March 9, 2011

ITEM: 7

SUBJECT: The San Diego Water Board will consider adoption of Tentative Resolution No. R9-2011-0028 to approve Poseidon Resources' preliminary wetland restoration plan and wetland mitigation site selection to mitigate for entrainment and impingement impacts of the Carlsbad Desalination Project (Jody Ebsen)

PURPOSE: The San Diego Water Board may approve, modify or reject the adoption of Tentative Resolution No. R9-2011-0028 (Supporting Document 1) which would approve Poseidon's preliminary wetland restoration plan and identifies the mitigation site selected as the Otay River Floodplain Wetland Mitigation Site.

PUBLIC NOTICE: Public Notice of this item was provided in the meeting agenda mailed on February 25, 2011. The Tentative Resolution was also posted on the San Diego Water Board's web page on February 25, 2011. Supporting technical documents were posted on the San Diego Water Board web page on January 31, 2011

DISCUSSION: Poseidon Resources Corporation (Poseidon) Carlsbad Desalination Project (CDP) is regulated by Order No. R9-2009-0038, National Pollutant Discharge Elimination System (NPDES) Permit No. CAS0108758, *Waste Discharge Requirements for the Discharge to the Pacific Ocean Via the Encina Power Station Discharge Channel* (Order). Operation of the CDP will have entrainment and impingement impacts on marine life. These impacts are caused when marine life is trapped and killed during the intake of seawater for the desalination process. To mitigate for these impacts to marine life, the *Flow, Entrainment and Impingement Minimization Plan March 27, 2009* (Minimization Plan) was conditionally approved by the San Diego Water Board with the adoption of the Order on May 13, 2009.

The Minimization Plan includes a Marine Life Mitigation Plan (MLMP) that specifies steps to accomplish the mitigation requirements for the impacts to marine life caused by the CDP operation. The Minimization Plan requires that the site(s) selected by Poseidon to mitigate for these impacts are approved by the San Diego Water Board.

The Order requires that Poseidon complete 55.4 acres of wetland mitigation within the San Diego Region for the marine life impacts that meet the minimum standards and objectives set in the MLMP for providing intertidal, subtidal, and mixed salt marsh habitats. The site selection process required by the Order, specifies that eleven sites within the Southern California Bight be considered in the site selection process, but also provides that other appropriate sites may be considered. The Order stipulates that sites within the San Diego Water Board's jurisdiction should be considered priority sites. Six of the eleven sites identified in the Order were outside the San Diego Water Board's jurisdiction. Four sites within the San Diego Water Board's jurisdiction were added for a total of fifteen sites. The Order also provides that the mitigation could be done in two phases, but Poseidon has proposed to do the entire mitigation in one phase.

Poseidon has evaluated the fifteen wetland mitigation sites listed in the MLMP, including the Otay River Floodplain within the U.S. Fish and Wildlife Service's San Diego Bay National Wildlife Refuge near the City of Imperial Beach. Based on the MLMP minimum standards, MLMP objectives, and other criteria, Poseidon has determined that the 66 acre Otay River Floodplain site (Site) is the best wetland mitigation site location (Supporting Documents 2, 3 and 4).

On February 9, 2011 the California Coastal Commission approved both the selection of the Site and Poseidon's preliminary site restoration plan for the development of a final wetland restoration plan to address mitigation for marine life impacts caused by operation of the CDP (Supporting Document 5).

The Site selection and corresponding preliminary wetland restoration plans meet the requirements of the MLMP and the Order. Tentative Resolution No. R9-2011-0028 would, if adopted, approve both the selection of the Site and Poseidon's preliminary wetland restoration plan. Following

the San Diego Water Board's adoption of the Tentative Resolution, Poseidon will be required to prepare a final wetland restoration plan, a productivity monitoring plan, and apply for a Section 401 Water Quality Certification to implement the mitigation plan.

LEGAL CONCERNS: None

SUPPORTING DOCUMENTS:

1. Tentative Resolution No. R9-2011-0028
2. Poseidon Resources Marine Life Mitigation Plan Supplemental Alternatives Analysis of California Coastal Commission Standards and Objectives, January 2011, Nordby Biological Consulting.
3. Technical Memorandum Poseidon Tidal Wetland Restoration Plan, January 17, 2011.
4. Proposed Backup Site – Poseidon Resources Wetland Mitigation, January 2011.
5. Condition Compliance, California Coastal Commission, January 27, 2011

RECOMMENDATION(S): Adopt Tentative Resolution R9-2011-0028.