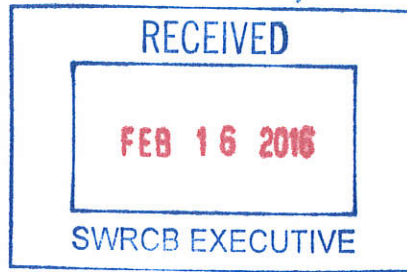


Dynergy Moss Landing, LLC
Moss Landing Power Plant
Highway 1 & Dolan Road
Moss Landing, CA 95039-0690
Mailing Address
P.O. Box 690
Moss Landing, CA 95039-0690
Phone 831.633.6700
Fax 831.633.6625



JB
Owa



DYNERGY

**CERTIFIED MAIL 7012 0470 0001 8868 0260
RETURN RECEIPTS**

February 9, 2016

Thomas Howard
Executive Director
State Water Resources Control Board
P.O. Box 100
Sacramento, CA 95812-0100

Re: Response to SWRCB December 16, 2015 Letter Requesting Information for Moss Landing Generating Station regarding the Once-Through Cooling (OTC) Policy

Dear Director Howard:

Dynergy Moss Landing, LLC (Dynergy Moss Landing) submits this response to the information requested by the State Water Resources Control Board (SWRCB) December 16, 2015 letter regarding "Information Requirements for Moss Landing Generating Station", as pertaining to the Statewide Water Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (OTC Policy).

The four questions and requests set forth in the SWRCB's letter are restated below and followed by Dynergy Moss Landing's responses.

1. Does Dynergy still intend to achieve compliance through Track 2? If not, please provide an updated implementation plan.

Yes.

2. Dynergy's recent Implementation Plan provided a compliance schedule for all Moss Landing units to meet the final retirement deadline of December 31, 2020. Are there any expected changes to this schedule? If so, please provide details.

Dynergy Moss Landing's Updated Implementation Plan (November 2014, as transmitted to the SWRCB by letter dated November 6, 2014) did not identify a "final retirement deadline" as stated in this Question No. 2. Rather, Dynergy Moss Landing's

Updated Implementation Plan identified the “final compliance deadline” of December 31, 2020, which is identified in the OTC Policy Amendment adopted by the SWRCB on April 7, 2015. We believe this Question No. 2 intended to ask about the “final compliance deadline” of December 31, 2020.

At this time, there are no expected changes to the final compliance deadline schedule as identified in Dynegy Moss Landing’s November 2014 Updated Implementation Plan.

3. Is Dynegy on track to conduct the impingement and entrainment studies detailed in paragraph 2.1.6(c) of the Settlement Agreement to achieve Track 2 compliance? Please provide details on the status of measures to reduce impingement and entrainment, including any studies undertaken in the previous calendar year.

Yes. In accordance with the Settlement Agreement between the SWRCB and Dynegy Moss Landing, Dynegy Moss Landing submitted its “Monitoring Plan for Impingement Mortality and Entrainment” (IM&E Monitoring Plan) to the SWRCB by letter dated December 10, 2014. Dynegy Moss Landing started entrainment sampling on March 18, 2015 and impingement sampling on March 22, 2015, consistent with its IM&E Monitoring Plan. Dynegy Moss Landing also reduced flow during the spring 2015 entrainment and impingement season by taking planned maintenance outages of 20 days in April at Unit 2 and nine days in May at Unit 1.

In addition, in accordance with the Settlement Agreement, to reduce flow, Dynegy Moss Landing continues to implement its written operating procedures limiting the duration of circulating water pump operation during unit startup and shutdown and limiting the number of circulating water pumps in operation during various unit operating configurations at less than full utilization.

4. What actions have been taken to obtain permits, obtain contracts or meet other regulatory obligations to implement the compliance mechanism identified above?

As indicated in the response to Question No. 3 above, Dynegy Moss Landing started entrainment and impingement sampling in March 2015. In addition, in preparation for meeting the Settlement Agreement’s December 31, 2016 deadline to install variable speed drive (VSD) controls on the circulating water pumps for Units 1 and 2, Dynegy Moss Landing has contracted for purchase and installation of VSD controls for four circulating water pumps. A purchase order was issued in January 2016 to Buckles-Smith Electric Co. through Rockwell for the VSD controls and the associated equipment enclosure. In January 2016, Dynegy Moss Landing also filed a permit application with the Monterey County Planning Department for a Coastal Administration Permit to install the VSDs. Preliminary design to install the VSDs has been completed and the VSDs are expected to be delivered by July 2016. Installation work is anticipated to start by August 2016, depending on completion of the Monterey County permit approval process.

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Dynegy Moss Landing continues to participate in Request for Offers to market resource adequacy, to market all of its units for tolling agreements and to explore strategies to secure energy related contracts up to and beyond the respective compliance deadline for all the units.

Dynegy Moss Landing also continues to explore potential OTC Policy compliance strategies for Unit 6 and/or Unit 7, including installation of control technologies, repowering and/or replacing Unit 6 and/or 7. Any decision regarding Unit 6 and/or Unit 7 will be contingent on certain key factors and currently unknown future variables, including energy market conditions, permitting, and securing a suitable long-term power sales/power purchase agreement(s) for the output of the unit(s) or other sources of capital.

If you have questions regarding the above information, please contact Lee Genz, Sr. Environmental Professional, at 831-633-6785 or Lee.Genz@dynegy.com.

Sincerely,



Rex A. Lewis
Managing Director
Moss Landing Power Plant

cc: Ms. Lisa Horowitz McCann, Executive Officer
Central Coast Regional Water Quality
Control Board
895 Aerovista Place, Suite 101
San Luis Obispo, CA 93401

Attn: Peter von Langen, PhD.

Lee Genz