



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

NOV 7 2016

Mr. Lee Genz
Dynegy Moss Landing, LLC
Highway 1 & Dolan Road
PO Box 690
Moss Landing, CA 95039

Dear Mr. Genz:

INFORMATION REQUIREMENTS FOR MOSS LANDING GENERATING STATION

On May 4, 2010 the State Water Resources Control Board (State Water Board) adopted the Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (Once-Through Cooling [OTC] Policy). To prevent disruption with the State's electrical power supply, section 1.1 of the OTC Policy provides that the State Water Board will convene a Statewide Advisory Committee on Cooling Water Intake Structures (SACCWIS) to advise the State Water Board on grid reliability and the impact of OTC Policy implementation on local area and system reliability. In order to perform an updated grid reliability analysis, the State Water Board requires updates to the previously submitted implementation plans submitted pursuant to section 3.A of the OTC Policy.

Pursuant to the OTC Policy and California Water Code section 13383, the State Water Board requires that Dynegy provide the most current information for Moss Landing Generating Station (Moss Landing), updated from the previously-submitted Plan (See attachment).

Please note that a compliance date extension request requires an amendment to the OTC Policy. If and when circumstances that require an extension occur, Dynegy must submit a formal request for State Water Board consideration of an amendment to the compliance date set forth in the OTC Policy, along with supporting documentation. Please allow adequate time for the State Water Board to consider and process a request. The State Water Board requires a minimum of one year to process an OTC Policy compliance date deferral request.

Submission of the requested information is required no later than 60 days from the date of this letter.

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, Ca 95812-0100 | www.waterboards.ca.gov

Mr. Lee Genz

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Should you have any questions on this matter please feel free to contact Mr. Jonathan Bishop, Chief Deputy Director, at (916) 341-5820 Jonathan.Bishop@waterboards.ca.gov or Maria de la Paz Carpio-Obeso, Chief of the Ocean Standards Unit, at (916) 341-5858 MarieleaPaz.Carpio-Obeso@waterboards.ca.gov.

Sincerely,


Thomas Howard
Executive Director

Attachment:

MOSS LANDING GENERATING STATION

1. The following is the State Water Board's current understanding of the proposed mechanism to bring each unit into compliance:

On April 7, 2015, an Amendment to the OTC Policy was approved by the State Water Board, changing the Moss Landing OTC Policy compliance date from December 31, 2017 to December 31, 2020. On July 18, 2016 the OTC Policy Amendment became effective upon approval by the Office of Administrative Law.

Moss Landing Units 1 and 2 are dispatchable combined cycle facilities that began commercial operation in 2002. In the November 2014 updated implementation plan, Dynegy stated its intent to implement Track 2 for Moss Landing Units 1 and 2, and identified its plans to achieve Track 2 compliance through prior flow reduction credits, use of operational controls and installation of technology controls.

Moss Landing Units 6 and 7 are steam generators that began commercial operation in 1967 and 1968, respectively. Dynegy stated its intent to achieve compliance with Track 2 for Moss Landing Units 6 and 7 by December 31, 2020, or cease operation until compliance is achieved. In 2013, Dynegy announced it had secured a contract for the next three years for the output from Moss Landing Units 6 and 7.

Please respond to the following questions and requests for information:

1. Does Dynegy still intend to achieve compliance for Moss Landing Units 1, 2, 6 and 7 through Track 2? If not, please provide an updated implementation plan.
2. Dynegy's updated implementation plan provided a compliance schedule for Moss Landing Units 1, 2, 6 and 7 to meet the final compliance deadline of December 31, 2020. Are there any expected changes to this schedule? If so, please provide details.
3. Is Dynegy on track to achieve Track 2 compliance by completing the impingement and entrainment studies detailed in paragraph 2.1.6(c) of the Settlement Agreement? Please provide details on the status of measures to reduce impingement and entrainment, include any studies undertaken in the previous calendar year.
4. What actions have been taken to obtain permits, obtain contracts or meet other regulatory obligations to implement Track 2 compliance with the OTC Policy?
5. If Dynegy is successful in achieving compliance using Track 2 for Moss Landing units, what will the impact of each unit be on capacity? Please provide your response in the form of a before- and after-compliance table.

6. The April 29, 2016, 2017 CAISO Local Capacity Technical Analysis report now considers Moss Landing units as local capacity units in a South Bay-Moss Landing subarea of the Greater Bay Area. Local capacity area requirements are projected to be over 2,000 megawatts. Satisfying local capacity requirements without Moss Landing capacity will present challenges for load serving entities. Please provide a construction schedule for implementation of measures to achieve Track 2 compliance, identifying downtime for each Moss Landing unit. Please identify interactions among Moss Landing Units 1, 2, 6 and 7, that require two or more units to be concurrently out of service.

7. Is there any other information that the State Water Board should be made aware?