
State Water Resources Control Board

SEP 12 2018

Mr. George L. Piantka
Director, Regulatory Environmental Service
NRG Energy, West Region
5790 Fleet Street
Carlsbad, CA 92008

Dear Mr. Piantka:

**SUBJECT: GRID RELIABILITY INFORMATION REQUEST FOR ORMOND BEACH
GENERATING STATION**

On May 4, 2010, the State Water Resources Control Board (State Water Board) adopted the statewide Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (Once-Through Cooling or OTC Policy). To prevent disruption of 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 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 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 NRG Energy (NRG) provide the most current information for Ormond Beach Generating Station (Ormond) and respond to the questions in Attachment A. Submission of the requested information is required no later than 60 days from receipt of this letter.

Please note that a compliance date extension request requires an amendment to the OTC Policy. Should circumstances that require an extension occur, such as a delay in construction schedule, NRG 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 process a request.

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If you have any questions regarding this information request, please contact Julie Johnson at (916) 341-5687 (Julie.Johnson@waterboards.ca.gov) or Katherine Faick at (916) 445-2317 (Katherine.Faick@waterboards.ca.gov).

Sincerely,

A handwritten signature in blue ink, appearing to read 'Eileen Sobeck', with a long horizontal flourish extending to the right.

Eileen Sobeck
Executive Director

Enclosure:
Attachment A – Grid Reliability Information Request Questions for Ormond Beach Generating Station

Attachment A – Grid Reliability Information Request Questions**ORMOND BEACH GENERATING STATION**

The State Water Board's current understanding of the proposed path for compliance with the OTC Policy for each OTC unit at Ormond Beach Generating Station is:

The final OTC Policy compliance date for Ormond Beach Unit 1 (741 megawatts [MW]) and Unit 2 (775 MW) is December 31, 2020. In February 2018, NRG notified the California Public Utilities Commission (CPUC) of its intent to shut down and retire Ormond Beach ahead of schedule (October 1, 2018). However, the California Independent System Operator's (CAISO) 2019 Local Capacity Technical Analysis Final Report¹ (released May 15, 2018) identifies that at least one Ormond Beach unit is needed to meet "local capacity requirements" for reliable operation of the local transmission system due to load increase. Moreover, the reliability need cannot be addressed with other alternatives in time to meet the 2019 calendar year. CPUC is pursuing a Resource Adequacy (RA) contract with Southern California Edison (SCE). On July 26, 2018, the CAISO Board of Governors authorized one unit at Ormond Beach for reliability must-run (RMR) designation. If SCE does not procure one of the Ormond Beach units under its RA solicitation, CAISO will pursue an RMR contract. The need for one Ormond Beach unit will be mitigated after the Moorpark-Pardee #4 230 kV transmission project is in service, currently scheduled for December 31, 2020.

Please respond to the following questions and requests for information:

1. Has any of the above information changed? If yes, please provide corrected information.
2. Is there any other information that the State Water Board should be made aware of?

¹ <http://www.aiso.com/Documents/Final2019LocalCapacityTechnicalReport.pdf>