



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

DEC 16 2015

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

Dear Mr. Piantka

INFORMATION REQUIREMENTS FOR ORMOND BEACH GENERATING STATION

On November 30, 2010, the State Water Resources Control Board's (State Water Board) Executive Director, sent a letter requiring the submittal of an Implementation Plan (Plan) by April 1, 2011. The letter outlined mandatory information for the Plan, including actions for compliance with the Statewide Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (Once-Through Cooling [OTC] Policy). Since the final compliance by October 1, 2015 was not feasible, interim mitigation measures must be identified in the Plan. Due to the current uncertainty with the conditions identified in implementation plans previously submitted from the OTC power plants with a near-term compliance deadline, further information and data input is necessary to conduct grid reliability analysis to determine the impact on local and system reliability.

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) 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, 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. 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

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 Dr. Maria de la Paz Carpio-Obeso, Chief of the Ocean Standards Unit, at (916) 341-5858 MarieleaPaz.Carpio-Obeso@waterboards.ca.gov.

Sincerely,

A handwritten signature in blue ink that reads "Thomas Howard". The signature is written in a cursive style with a large, sweeping initial "T".

Thomas Howard
Executive Director

Attachment:

ORMOND BEACH GENERATING STATION (ORMOND)

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

Ormond Unit 1 (741 megawatts (MW)) and Unit 2 (775 MW) are scheduled to retire by December 31, 2020. In a November 7, 2013, letter to the State Water Board, NRG confirmed that it is evaluating the viability of replacement generation projects for these units and remains on track to comply with the OTC Policy by December 31, 2020.

Please respond to the following questions and requests for information:

1. In its 2012 Long-Term Procurement Planning Process, the California Public Utilities Commission authorized procurement of between 215 and 290 MW in the Big Creek/Ventura area to meet Local Capacity Requirements (LCR). Since these LCR needs are proposed to be met by NRG's 262 MW Puente Power Project located at the Mandalay Bay Generating Station site, do current plans still include replacement generation at Ormond? Please explain.
2. If replacement generation is being pursued at Ormond, what is the planned capacity of the project and what types of generating units are being considered? If natural gas-fired turbine generation is being considered, what type of cooling system will be used?
3. If replacement generation is being pursued at Ormond, does NRG expect any issues securing the required air pollutant emission reduction credits? Please explain.
4. If Ormond Units 1 and 2 will be retired in stages, please describe the planned retirement schedule, by unit, for such activities.
5. In May 2015, the City of Oxnard extended its ordinance placing a moratorium on new or expanded generation in the Coastal Zone until June 20, 2016, while the Oxnard Local Coastal Program plan is being updated to address sea level rise and other issues. Is NRG evaluating any other alternative sites to replace retired generation at Ormond? If so, please provide any details regarding the capacity and type of generating units and schedule for these projects.