



Linda S. Adams
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State Water Resources Control Board

Division of Water Quality

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Arnold Schwarzenegger
Governor

NOTICE OF PUBLIC HEARING

**WATER QUALITY ORDER NO. 2010-XXXX-DWQ
NPDES NO. CA0001368**

**WASTE DISCHARGE REQUIREMENTS
FOR
DUKE ENERGY SOUTH BAY, LLC
SOUTH BAY POWER PLANT
SAN DIEGO COUNTY**

NOTICE IS HEREBY GIVEN THAT the State Water Resources Control Board (State Water Board) will accept written comments on the Draft National Pollutant Discharge Elimination System (NPDES) Permit for the South Bay Power Plant (SBPP). Written comments must be received by **12:00 noon on October 18, 2010** and addressed to:

**Jeanine Townsend, Clerk to the Board
State Water Resources Control Board
1001 I Street, 24th Floor
Sacramento, CA 95814**

Comment letters may be submitted to the Clerk to the Board via email at commentletters@waterboards.ca.gov (if less than 15 megabytes in total size) or by fax at (916) 341-5620. Please indicate in the subject line: **“Comment Letter – Draft NPDES Permit for South Bay Power Plant.”** Couriers delivering comment letters must check in with lobby security personnel in the Cal/EPA Building at 1001 I Street, Sacramento, CA. They may also contact Jeanine Townsend at (916) 341-5600 if needed.

NOTICE IS ALSO HEREBY GIVEN THAT the State Water Board will hold a public hearing/adoption meeting to accept oral testimony on the draft permit. After hearing all testimony, the State Water Board plans to take action on the draft permit. The location and time of the hearing are provided below.

**November 17, 2010 – 9:00 a.m.
San Diego Regional Water Quality Control Board
Board Meeting Room
9174 Sky Park Court
San Diego, California 92123-4340**

California Environmental Protection Agency

BACKGROUND

On November 10, 2004, the San Diego Regional Water Quality Control Board (San Diego Water Board) adopted [Order No. R9-2004-0154](#), NPDES No. CA0001368, establishing waste discharge requirements for the SBPP in the City of Chula Vista.. SBPP is on the San Diego Bay waterfront land conveyed and granted in trust to the Port of San Diego (Port) pursuant to state enabling legislation. The Port owns the SBPP facilities which are leased by Dynegy South Bay, LLC (Dynegy), operator of SBPP. Dynegy submitted an NPDES permit application dated April 10, 2009, for the reissuance of Order No. R9-2004-0154. Dynegy updated the NPDES permit application by letters dated October 16, 2009, and October 19, 2009, regarding the schedule for anticipated closure of SBPP. On November 9, 2009, San Diego Water Board staff amended Order No. R9-2004-0154 to reflect a schedule for interim flow reduction resulting from the shutdown of power generating Units 3 and 4 (occurring on December 31, 2009) and the eventual shutdown of Units 1 and 2. The San Diego Water Board ratified the [amended Order](#) at a public meeting on December 16, 2009. In accordance with the amended Order No. R9-2004-0154, discharges from Units 1 and 2 would terminate either on the date that the California Independent System Operators (California ISO) determines that they are no longer designated as "Reliability Must Run" (RMR) units and, thus, no longer needed, or on December 31, 2010, whichever occurs first, absent further action by the San Diego Water Board.

On May 12, 2010, the San Diego Water Board held a hearing and considered Tentative Order No. R9-2010-0062 to determine whether: 1) SBPP's intake and discharge operations endanger human health or the environment and can only be regulated to acceptable levels by NPDES permit modification or termination; and 2) any effects identified in Item 1 provide a sufficient basis for the San Diego Water Board to require that SBPP discharges be terminated earlier than December 31, 2010, and prior to California ISO's release of Units 1 and 2 from RMR status. The San Diego Water Board adopted Order No. R9-2010-0062, which determined that it is not necessary or appropriate to modify the terms of Order No. R9-2004-0154 and, therefore, in accordance with its terms, discharges from Units 1 and 2 at SBPP shall terminate as of December 31, 2010, or on the date that California ISO determines that Units 1 and 2 are no longer designated as RMR units, whichever occurs first.

California ISO's letter to Dynegy dated May 18, 2010, stated that its assessment of SBPP's role to meet the reliability needs of the San Diego local area indicates that SBPP's Units 1 and 2 may have to continue operating beyond December 31, 2010. Accordingly, California ISO may seek to extend the term of the RMR Agreement between Dynegy and California ISO. Therefore, California ISO requested Dynegy to submit an application for a new NPDES permit for SBPP Units 1 and 2. Dynegy submitted its [application](#) dated June 14, 2010.

On May 4, 2010, the State Water Board adopted the Statewide Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling ([Policy](#)), which is pending approval by the Office of Administrative Law. The Policy specifies December 31, 2011 as the compliance date for SBPP. The proposed Water Quality Order No. 2010-XXXX-DWQ (NPDES No. CA0001368) amends the date for the cessation of discharge to bring it into compliance with the Policy.

DOCUMENT AVAILABILITY

The proposed Water Quality Order No. 2010-XXXX-DWQ (NPDES No. CA0001368) is available to view or download on the State Water Board's website at:

http://www.waterboards.ca.gov/water_issues/programs/npdes/cwa316.shtml

Alternatively, you may receive a paper copy in the mail by contacting Lydia Deller at (916) 341-5506 or ldeller@waterboards.ca.gov.

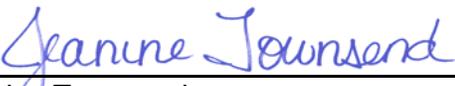
ACCESSIBILITY

Individuals who require special accommodations are requested to call (916) 341-5880 at least five working days prior to the meeting date. Persons with hearing or speech impairments can contact us by using the California Relay Service Telecommunications Device for the Deaf (TDD). TDD is reachable only from phones equipped with a TDD Device.

HEARING IMPAIRED RELAY SERVICE: TDD to voice 1 800-735-2929; voice to TDD 1-800-735-2922.

If you have any questions regarding this proposed Water Quality Order, you may contact Renan Jauregui at rjauregui@waterboards.ca.gov or (916) 341-5505.

September 16, 2010
Date


Jeanine Townsend
Clerk to the Board