

## Los Angeles Regional Water Quality Control Board

August 22, 2018

Mr. Bob Nast  
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Oxnard, CA 93035  
[nofrack@hotmail.com](mailto:nofrack@hotmail.com)

VIA EMAIL

### **RESPONSE TO REQUEST THAT THE LOS ANGELES REGIONAL WATER BOARD POSTPONE TERMINATION OF THE MANDALAY GENERATING STATION (MGS) NATIONAL POLLUTANT DISCHARGE ELIMINATION SYSTEM PERMIT (NPDES No. CA0001180, CI No. 2093)**

Dear Mr. Nast:

On August 5, 2018, the Los Angeles Regional Water Quality Control Board (Regional Water Board or Board) received your letter addressed to several public and private sector stakeholders, including the Regional Water Board. Your letter expressed concerns that the closure of the Mandalay Generating Station (MGS or Facility) has, in part, caused impacts to water quality in Channel Islands Harbor (CIH), noting observations of dark, murky and odorous water in early June 2018, approximately two and a half months following the cessation of the MGS operations. In your letter, you also made several recommendations. Two of these were related to a pending matter before the Board. Specifically, your letter requests that the Regional Water Board postpone termination of the NPDES permit issued to NRG California South LP (NRG) for the Mandalay Generating Station (MGS or Facility), currently scheduled for consideration at the Board's September 13, 2018 meeting, and modify the existing permit to allow for the continued operation of the circulating water pumps at the Facility. Here, Board staff are responding to these two specific requests directed to the Board.

NRG ceased operation of the Facility and all permitted discharges from the Facility to the ocean on March 29, 2018. By way of explanation, the MGS was a natural gas-fired plant that used a once-through cooling (OTC) water system. While the Facility was designed to generate up to 560 megawatts of electricity, in recent years it operated only when required by the marketplace demand. Therefore, while the NPDES permit for the Facility allows discharge of up to 255.3 million gallons per day (MGD) of wastewater to the ocean, the average discharge for the first quarter of 2018 was 13.14 MGD.

On June 5, 2018, NRG submitted to the Regional Water Board a request to terminate their NPDES permit for MGS. On June 25, 2018, Board staff conducted a site inspection and verified that Facility operations and discharges to the ocean had ceased. The OTC circulating system, including the ocean water cooling pumps and the associated conduits and piping, had been disconnected and its ends plugged, eliminating withdrawal of water from Edison Canal and discharge to the ocean.



The Board has no role in NRG's decision to decommission the Facility. Since NRG ceased operation of the Facility and is no longer discharging wastewater, which includes cooling water, to the ocean, its individual NPDES permit is no longer required by the federal Clean Water Act. The Board cannot require NRG to maintain its individual NPDES permit coverage for wastewater discharges if it is not discharging wastewater to the ocean. We do note that NRG has also been enrolled in the Statewide General NPDES Permit for Storm Water Discharges Associated with Industrial Activities (NPDES No. CAS000001); however, this permit coverage for stormwater discharges from the Facility does not have any bearing on the operation of the OTC system intake pumps in Edison Canal.

The Board also does not have the authority to require that NRG (or a third party) continue to operate the intake pumps. Even if NRG or a third party were willing to continue to operate the pumps and maintain coverage under a NPDES permit, as you note, there are entrainment concerns. Therefore, the Board intends to move forward with consideration of the termination of the referenced permit at the September 13, 2018 Board meeting scheduled to begin at 9:00 AM at the Ventura County Government Center Hearing Room, 800 South Victoria Avenue, Ventura, California.

However, the Regional Water Board is committed to appropriate actions to evaluate and address concerns regarding water quality in CIH. To further evaluate the recent concerns raised by residents about CIH water quality and options to address possible water quality impacts, Board staff held a conference call with Ms. Sara Wan and Mr. Rick Belmonte on August 7, 2018. Other participants included staff from the State Water Resources Control Board and the City of Oxnard. During the call, Board staff discussed the purpose and requirements of the State's OTC Policy and the NPDES permitting program as well as specifics regarding the Board's jurisdiction over NRG and the MGS given the cessation of wastewater discharges. During the call, Mr. Thien Ng summarized the recent actions the City of Oxnard has taken to address concerns about water quality in CIH. You also mention some of these actions in your letter. Specifically, Mr. Ng discussed the following actions.

- On June 23, 2018, the City initiated water quality sampling at twenty-five sites within CIH for dissolved oxygen, bacteria, pH, temperature and salinity. The results are posted at: <https://www.arcgis.com/apps/webappviewer/index.html?id=636cb6231b4444d19cb1f0e30b2d7934&extent=6180154.1812%2C1882662.4135%2C6205487.5145%2C1896612.4135%2C102645>.
- On July 5, 2018, the City Council amended a contract for the services of a USC professor in oceanography and a biologist to evaluate conditions in CIH and potential mitigation measures.
- On July 11, 2018, the City presented initial results of sampling and the response plan to the public at a meeting. The water quality data presented showed that the dissolved oxygen levels were returning to the acceptable level of 5 mg/L.
- On July 26, 2018, the City installed and placed into operation six aerators in the Seabridge residential area and began a pilot study to look at the effect of aeration on conditions in CIH.
- City staff are developing a proposal for a nutrient study to present to the City Council for possible funding in September. The purpose of the study would be to identify current nutrient sources with the goal of implementing source control.

The discussion on the call continued with how to ensure that the CIH water quality is acceptable to the agencies and the residents. The Seabridge Memorandum of Understanding (MOU)



between the County of Ventura, the City of Oxnard, and OLY Mandalay Bay General Partnership that you referenced in your letter was also discussed. In particular, we discussed Items 4(a) and (b) of the MOU, which address the potential cessation of operations at the Mandalay Power Generation Plant and its potential adverse effects on CIH water quality, including implementation of remediation measure(s) by the County of Ventura and City of Oxnard.

At the close of the conference call, Board staff committed to the following action items:

- Identify any relevant data collected through the Conditional Waiver for Discharges from Irrigated Lands (Order No. R4-2016-0143) regarding irrigated agricultural discharges to the Edison Canal and/or CIH;
- Develop a list of qualifications for a modeler to evaluate the retention time for ocean water pulled into the CIH at different conditions;
- Contact staff at the County of Ventura to facilitate discussions with City of Oxnard regarding provisions of the Seabridge MOU related to implementation of remediation measures to address any adverse effects on CIH water quality from cessation of the operation of MGS; and
- Facilitate discussions between stakeholders to effectively maintain and protect CIH water quality.

The Regional Water Board will continue to work with stakeholders to ensure that CIH water quality meets water quality standards and supports beneficial uses of the waterbody.

Sincerely,



Renee Purdy  
Assistant Executive Officer

cc: (via email only)

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