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ENVIRONMENTAL PROTECTION

## State Water Resources Control Board

SEP 09 2019

Mr. Mark J. Sedlacek  
Director of Environmental Affairs  
Los Angeles Department of Water and Power  
Box 51111  
Los Angeles, CA 90051-5700

Dear Mr. Sedlacek:

### **RE: INVOICE FOR THE 2017-2018 INTERIM MITIGATION PERIOD FOR HARBOR GENERATING STATION - ONCE-THROUGH COOLING POLICY**

This letter serves as an invoice for Harbor Generating Station's interim mitigation payment for the operating period of October 1, 2017, through September 30, 2018 (2017-2018 interim mitigation period). The final determination calculating the interim mitigation payment is included as Attachment A.

The State Water Resources Control Board's (State Water Board) Statewide Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (Once-Through Cooling or OTC Policy) requires owners or operators of existing power plants to implement measures to mitigate interim impingement and entrainment impacts resulting from their cooling water intake structures. The interim mitigation period commenced on October 1, 2015, and continues up to and until owners or operators achieve final compliance with the OTC Policy. Section 2.C(3) of the OTC Policy provides options for demonstrating compliance with the interim mitigation requirements.

As stated in the 2015-2016 Final Determination for Harbor Generating Station<sup>1</sup>, Los Angeles Department of Water and Power (LADWP) elected to comply with the interim mitigation requirements in Section 2.C(3)(b) of the OTC Policy. This option demonstrates compliance with the interim mitigation requirements by providing funding to the Ocean Protection Council or State Coastal Conservancy to fund appropriate mitigation projects.

The State Water Board calculated the interim mitigation payment for Harbor Generating Station for the 2017-2018 interim mitigation period using information provided by LADWP in its December 11, 2018<sup>2</sup>, and February 25, 2019<sup>3</sup> information response

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

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Mr. Mark Sedlacek

letters. The annual interim mitigation payment is the sum of three components: an entrainment payment, an impingement payment, and a management and monitoring payment. On June 3, 2019, during the public comment period for the 2017-2018 Interim Mitigation Period Draft Determinations, the State Water Board received a letter from LADWP stating that it had no comments or recommendations at the time on the draft determinations for its Harbor, Haynes, or Scattergood Generating Stations.

The interim mitigation payment for Harbor Generating Station for the operating period of October 1, 2017, through September 30, 2018, is \$96,149.22.

LADWP has 60 days from receipt of this letter to make this payment to the Natural Resources Agency's Ocean Protection Council. When submitting this payment, include a cover letter that identifies the National Pollution Discharge Elimination System number for Harbor Generating Station and copy Karen Mogus, Director of the Division of Water Quality at the State Water Board. Please make the check payable to the Natural Resources Agency and send to:

California Natural Resources Agency  
Attn: Jenn Eckerle  
1416 9<sup>th</sup> Street, Suite 1311  
Sacramento, CA 95814  
Reference Account: Ocean Protection Trust Fund

If you have questions regarding this invoice letter, please contact Julie Johnson at (916) 341-5687 ([Julie.Johnson@waterboards.ca.gov](mailto:Julie.Johnson@waterboards.ca.gov)), or Katherine Walsh at (916) 445-2317 ([Katherine.Walsh@waterboards.ca.gov](mailto:Katherine.Walsh@waterboards.ca.gov)).

Sincerely,



Eileen Sobeck  
Executive Director

Enclosure:  
Attachment A - Final Determination for Harbor Generating Station

cc: Mr. Mark Gold  
Executive Director  
Ocean Protection Council  
1416 9<sup>th</sup> Street, Suite 1311  
Sacramento, CA 95814

Ms. Jenn Eckerle  
Deputy Director  
Ocean Protection Council  
1416 9<sup>th</sup> Street, Suite 1311  
Sacramento, CA 95814

cc via email:

Ms. Katherine Rubin, [katherine.rubin@ladwp.com](mailto:katherine.rubin@ladwp.com)  
Mr. Jonathan Bishop, [Johnathan.Bishop@waterboards.ca.gov](mailto:Johnathan.Bishop@waterboards.ca.gov)  
Ms. Karen Mogus, [Karen.Mogus@waterboards.ca.gov](mailto:Karen.Mogus@waterboards.ca.gov)  
Mr. Michael Lauffer, [Michael.Lauffer@waterboards.ca.gov](mailto:Michael.Lauffer@waterboards.ca.gov)  
Ms. Marleigh Wood, [Marleigh.Wood@waterboards.ca.gov](mailto:Marleigh.Wood@waterboards.ca.gov)  
Mr. Phillip Crader, [Phillip.Crader@waterboards.ca.gov](mailto:Phillip.Crader@waterboards.ca.gov)  
Ms. Rebecca Fitzgerald, [Rebecca.Fitzgerald@waterboards.ca.gov](mailto:Rebecca.Fitzgerald@waterboards.ca.gov)  
Ms. Renee Purdy, [Renee.Purdy@waterboards.ca.gov](mailto:Renee.Purdy@waterboards.ca.gov)

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<sup>1</sup> 2015-2016 Final Determination for Harbor Generating Station:  
[https://www.waterboards.ca.gov/water\\_issues/programs/ocean/cwa316/docs/harbor\\_1516mitigation\\_letter.pdf](https://www.waterboards.ca.gov/water_issues/programs/ocean/cwa316/docs/harbor_1516mitigation_letter.pdf)

<sup>2</sup> LADWP's December 11, 2018 Information Response Letter:  
[https://www.waterboards.ca.gov/water\\_issues/programs/ocean/cwa316/docs/cwa\\_april/har\\_im1718.pdf](https://www.waterboards.ca.gov/water_issues/programs/ocean/cwa316/docs/cwa_april/har_im1718.pdf)

<sup>3</sup> LADWP's February 25, 2019 Follow-up Information Response Letter:  
[https://www.waterboards.ca.gov/water\\_issues/programs/ocean/cwa316/docs/cwa\\_april/har2\\_im1718.pdf](https://www.waterboards.ca.gov/water_issues/programs/ocean/cwa316/docs/cwa_april/har2_im1718.pdf)

## **Attachment A – Final Determination for Harbor Generating Station**

E. JOAQUIN ESQUIVEL, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

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1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

**FINAL DETERMINATION TO APPROVE MITIGATION MEASURES  
FOR THE WATER QUALITY CONTROL POLICY ON THE USE OF  
COASTAL AND ESTUARINE WATERS FOR POWER PLANT COOLING:**

**HARBOR GENERATING STATION  
OCTOBER 1, 2017 THROUGH SEPTEMBER 30, 2018**

Interim Mitigation Requirements and Determinations

The State Water Resources Control Board's (State Water Board) Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (also known as the Once-Through Cooling or OTC Policy) requires owners or operators of existing power plants to implement measures to mitigate interim impingement and entrainment impacts resulting from their cooling water intake structures. The interim mitigation period commenced on October 1, 2015, and continues up to and until owners or operators achieve final compliance with the OTC Policy.

The State Water Board approved Harbor Generating Station's continued request to comply with the interim mitigation measures described in Section 2.C(3)(b) and Section 2.C(3)(e) of the OTC Policy in the Final Determination<sup>1</sup> for the October 1, 2016 to September 30, 2017 interim mitigation period (2016-2017 Final Determination). Consistent with Resolution No. 2015-0057<sup>2</sup> and the recommendations in the Expert Review Panel's Final Report<sup>3</sup>, the interim mitigation payment is comprised of an entrainment payment, an impingement payment, and a management and monitoring payment.

In the sections below, the State Water Board has calculated Harbor Generating Station's interim mitigation payment for October 1, 2017, through September 30, 2018 (also known as the 2017-2018 determination period). This calculation is consistent with the methods and calculations applied in the 2016-2017 Final Determination.

Interim Mitigation Payment Calculation for Harbor Generation Station

*Entrainment Payment Calculation*

To calculate the portion of the interim mitigation payment to offset entrainment impacts, the State Water Board used the default average cost of entrainment determined in the Expert Review Panel's Final Report. Consistent with Resolution No. 2015-0057 and the Expert Review Panel's Final Report, the State Water Board used a three percent escalator to update the average cost of entrainment from the 2016-2017 Final Determination to 2018 dollars to account for inflation. The resulting average default entrainment cost for October 1, 2017, through September 30, 2018, increased from \$4.87 per million gallons (MG) to \$5.02/MG:

$$(\$4.87/\text{MG} \times 0.03) + \$4.87/\text{MG} = \$5.02/\text{MG}$$

In its December 11, 2018 letter<sup>4</sup>, Los Angeles Department of Water and Power (LADWP) provided the intake volume for Harbor Generating Station for the 2017-2018 determination period of 15,961 MG. The State Water Board verified the intake volume with the data submitted in the National Pollution Discharge Elimination System permit monitoring reports for Harbor Generating Station.

To calculate the entrainment payment, the State Water Board multiplied the intake volume by the updated average default cost of entrainment:

$$\$5.02/\text{MG} \times 15,961 \text{ MG} = \$80,124.22$$

#### *Impingement Payment Calculation*

In its December 11, 2018 letter, LADWP provided the total fish impingement biomass for Harbor Generating Station for the 2017-2018 determination period, excluding the month of December 2017, totaling 0.159 pounds. LADWP submitted a follow-up letter on February 25, 2019<sup>5</sup>, stating that Harbor Generating Station experienced an outage for most of December, and impingement data was not collected. Therefore, the total fish impingement biomass for Harbor Generating Station for the 2017-2018 determination period is 0.159 pounds. The State Water Board calculated the impingement payment using the estimated total pounds of fish impinged multiplied by the average indirect economic value of the fisheries as determined in the Expert Review Panel's Final Report of \$0.80 per pound:

$$\$0.80/\text{pound} \times 0.159 \text{ pounds} = \$0.13$$

#### *Management and Monitoring Payment Calculation*

The State Water Board calculated the management and monitoring payment by taking twenty percent of the sum of the entrainment and impingement payments:

$$0.20 \times (\$80,124.22 + \$0.13) = \$16,024.87$$

#### State Water Board's Final Determination for Harbor Generating Station

Based on the sum of the entrainment, impingement, and management and monitoring payment calculations, the total payment to fulfill the interim mitigation obligation for LADWP's Harbor Generating Station for the interim mitigation period of October 1, 2017, to September 30, 2018, is \$96,149.22.

$$\$80,124.22 + \$0.13 + \$16,024.87 = \$96,149.22$$

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<sup>1</sup> State Water Board 2016-2017 Final Determination for Harbor Generating Station.  
<[https://www.waterboards.ca.gov/water\\_issues/programs/ocean/cwa316/docs/interim\\_mitigation/fdi1617\\_harbor.pdf](https://www.waterboards.ca.gov/water_issues/programs/ocean/cwa316/docs/interim_mitigation/fdi1617_harbor.pdf)>

<sup>2</sup> State Water Board Resolution No. 2015-0057.  
<[https://www.waterboards.ca.gov/board\\_decisions/adopted\\_orders/resolutions/2015/rs2015\\_0057.pdf](https://www.waterboards.ca.gov/board_decisions/adopted_orders/resolutions/2015/rs2015_0057.pdf)>

<sup>3</sup> Final Report from the Expert Review Panel.  
<[https://www.waterboards.ca.gov/water\\_issues/programs/ocean/desalination/docs/erp\\_intake052512.pdf](https://www.waterboards.ca.gov/water_issues/programs/ocean/desalination/docs/erp_intake052512.pdf)>

<sup>4</sup> Letter from Katherine Rubin, LADWP, to Eileen Sobeck, State Water Board on December 11, 2018.  
<[https://www.waterboards.ca.gov/water\\_issues/programs/ocean/cwa316/docs/cwa\\_april/har\\_im1718.pdf](https://www.waterboards.ca.gov/water_issues/programs/ocean/cwa316/docs/cwa_april/har_im1718.pdf)>

<sup>5</sup> Letter from Katherine Rubin, LADWP, to Eileen Sobeck, State Water Board on February 25, 2019.  
<[https://www.waterboards.ca.gov/water\\_issues/programs/ocean/cwa316/docs/cwa\\_april/har2\\_im1718.pdf](https://www.waterboards.ca.gov/water_issues/programs/ocean/cwa316/docs/cwa_april/har2_im1718.pdf)>