

Fact Sheet

Proposed 2023 Amendment to the Once-Through Cooling Policy

What is the role of the Water Boards?

The State Water Resources Control Board (State Water Board) and the nine Regional Water Quality Control Boards (Regional Water Boards), collectively known as the California Water Boards (Water Boards), are dedicated to a single vision: abundant clean water for human uses and environmental protection to sustain California's future. The State Water Board protects water quality through water quality control plans and polices.

What is the OTC Policy?

On May 4, 2010, the State Water Resources Control Board (State Water Board) adopted a policy regulating the use of coastal and estuarine waters for cooling purposes at power plants in California. The Statewide Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (Once-Through Cooling or OTC Policy) establishes clear standards to implement the Clean Water Act in a consistent manner to reduce the harmful effects on marine life in the ocean and estuaries associated with the cooling water intakes.

What is the Proposed Amendment?

On January 31, 2023, the State Water Board released a draft staff report and proposed amendment to the OTC Policy. The proposed amendment would revise the OTC Policy to extend the compliance dates for **Alamitos**, **Huntington Beach**, **and Ormond Beach** by three years, from December 31, 2023, to December 31, 2026.

The proposed amendment would also extend the compliance date for **Scattergood Generating Station** by five years, from December 31, 2024, to December 31, 2029.

Finally, the proposed amendment includes an administrative change to revise the compliance date for **Diablo Canyon Nuclear Power Plant** to October 31, 2030. This is a change without regulatory effect to ensure the OTC Policy is consistent with the compliance date extension that Governor Newsom approved on September 2, 2023, through Senate Bill 846.

Additional information on these changes can be found in the proposed amendment's draft staff report.







Why was the Amendment Proposed?

The amendment is proposed to support statewide and local grid reliability while California transitions to a cleaner energy future. The California Public Utilities Commission, which makes decisions on new energy resource procurement, has ordered unprecedented quantities of new resources to come online through 2026 to meet growing electricity demand statewide and to address the effects of climate change on energy demand and supply. However, procurement of new resources is a time and resource intensive process, and some resources have been delayed.

On June 30, 2022, Governor Gavin Newsom signed Assembly Bill 205 into law, which established the Electricity Supply Strategic Reliability Reserve Program (Strategic Reserve). The Strategic Reserve was created to support statewide grid reliability in the interim until new resources are online. The Statewide Advisory Committee on Cooling Water Intake Structures, which advises the State Water Board on OTC Policy implementation, recommended the extension of Alamitos, Huntington Beach, and Ormond Beach generating stations' compliance dates to allow these facilities to provide capacity to the Strategic Reserve.

The Los Angeles Department of Water and Power (LADWP), which oversees Los Angeles' electrical grid, requested Scattergood Generating Station's extension to support local reliability. In February 2019, Los Angeles Mayor Eric Garcetti announced the Green New Deal, requiring a 100-percent zero-carbon grid by 2045. This plan changed the LADWP's plans to repower Scattergood with non-OTC, fossil-fueled units, which contribute to climate change. At the same time, energy demand is growing in Los Angeles, and local energy sources are needed to maintain grid reliability while new zero-carbon resources and transmission infrastructure are constructed to meet demand. The LADWP is planning to construct a new hydrogen-fueled power plant at the Scattergood site to replace existing OTC units and upgrade transmission infrastructure. Until these resources are in-place by 2029, Scattergood Generating Station's capacity is important in supporting the local grid.

On September 2, 2022, Governor Newsom signed Senate Bill 846 into law, which extended the OTC Policy compliance date for Diablo Canyon Nuclear Power Plant through October 31, 2030. The proposed amendment includes an administrative, non-regulatory change to the compliance dates listed in the OTC Policy for Diablo Canyon Units 1 and 2. This change will ensure the OTC Policy is consistent with the compliance date that was already extended by SB 846, providing the reader with an accurate accounting of OTC Policy compliance dates. No regulatory effects will occur as a result of this change.



Which Areas are Impacted?

The facilities affected by the proposed amendment are located in the following areas:

Facility Name	Location
Alamitos Generating Station	City of Long Beach, Los Angeles County
Huntington Beach Generating Station	City of Huntington Beach, Orange County
Ormond Beach Generating Station	City of Oxnard, Ventura County
Scattergood Generating Station	City of El Segundo, Los Angeles County
Diablo Canyon Nuclear Power Plant	Avila Beach community, San Luis Obispo County

How Could the Proposed Amendment Impact Me?

The proposed amendment would help ensure residents of the state have access to reliable electricity. Rolling blackouts or brownouts may be more likely to occur without the capacity provided by the four power plants.

If approved, the proposed amendment could result in continued water quality impacts, including the impingement and entrainment of marine life and the discharge of pollutants and warm water. These impacts are at or below the background levels that occurred prior to the OTC Policy's original adoption in 2010. The State Water Board and the Regional Water Quality Control Boards manage water quality impacts through permits, plans, and policies, including the OTC Policy's requirement for OTC power plants to offset marine life impacts. The proposed amendment could also result in other continued environmental impacts, such as air quality and land use. Air quality impacts are managed by the California Air Resources Board and Air Quality Management Districts. The California Coastal Commission and State Lands Commission manages land use impacts for the affected power plants.

What are the Environmental Justice Considerations?

In accordance with Assembly Bill 2108, the State Water Board will conduct outreach with disadvantaged communities to describe and facilitate opportunities to participate in the public amendment process, and to identify ways to reduce or eliminate the water quality impacts of the proposed amendment. Ormond Beach Generating Station is located in the disadvantaged communities of Port Hueneme and Oxnard.

How can California Native American Tribes Engage?

The power plants are located on or near the unceded ancestral territories of several California Native American tribes. In alignment with the Water Boards Tribal Consultation Policy and in accordance with Assembly Bill 2108 and Executive Order B-10-11, California Native American tribes can request consultations on the proposed amendment via hard copy letters or via email. Additionally, the State Water Board is participating in tribal consultations coordinated by the California Natural Resources Agency regarding the continued operation of Diablo Canyon Nuclear Power Plant.



Opportunities to Engage on the Proposed Amendment

Attend Public Hearing on the Proposed Amendment

The hearing is an opportunity to learn more about the proposed amendment to the OTC Policy and provide oral comments to the State Water Board.

Tuesday, March 7, 2023, at 9:30 am
Coastal Hearing Room
Joe Serna Jr. – CalEPA Headquarters Building
1001 I Street, Second Floor
Sacramento, CA 95814
and via video and teleconference

Submit Written Comments

Written comments on the proposed amendment or draft staff report must be submitted by noon on March 17, 2023. To submit a written comment:

- Email <u>commentletters@waterboards.ca.gov</u> with the subject line "Comment Letter OTC Policy Amendment"; or
- Hand deliver or mail to: Courtney Tyler, Acting Clerk to the Board, State Water Resources Control Board; Post Office Box 100, Sacramento, CA 95812-2000 (Mail); or 1001 I Street, 24th Floor, Sacramento, CA 95814

For More Information:

Once Through Cooling Policy Webpage: bit.ly/OTC webpage

Public Notice and More Information: bit.ly/OTC PublicNotice

Draft Amendment to Once Through Cooling Policy: bit.ly/OTC DraftAmendment

Draft Staff Report: bit.ly/OTC DraftStaffReport

Current Once Through Cooling Policy: bit.ly/OTC CurrentPolicy

Point of Contact: Jonathan.Dolan@waterboards.ca.gov

(This Fact Sheet was last updated on February 3, 2023)



General Information

Once-Through Cooling: The Law Requires It

The State Water Board is required by law to comply with federal Clean Water Act Section 316(b), which states that the location, design, construction, and capacity of cooling water intake structures must reflect the best technology available to protect aquatic life. The power plants operate under National Pollutant Discharge Elimination System (NPDES) permits adopted by Regional Water Quality Control Boards. The public is invited to participate in the permitting process.

Once-Through Cooling: Dangerous to Marine Life

The 19 power plants regulated by the OTC Policy collectively withdraw billions of gallons of water every day to cool steam for generating electricity. In the process, millions of larvae and eggs, as well as some fish, seals, sea lions, turtles, and other creatures, are killed each year because they are either trapped against screens or drawn into the cooling system and exposed to pressure and high heat. The marine life that is killed is mainly at the base of the food chain, which can adversely affect the future of certain species and impact recreational and commercial fishing.

Mitigation Measures

In addition to regulation under NPDES permits, OTC power plants are required to offset interim impingement and entrainment impacts resulting from their operation until full compliance with the OTC Policy is achieved. Most OTC power plant owners and operators comply with this provision by providing funding to the Ocean Protection Council or State Coastal Conservancy to use on marine enhancement and conservation projects. The State Water Board calculates interim mitigation payments for each owner and operator annually.

Power Plants Have Choices Regarding Compliance

Power plant owners and operators can choose how to comply with the OTC Policy's required 93 percent reduction in their use of seawater. Eleven of the original 19 plants have already complied with the OTC Policy; 10 complied by retiring units that used once-through cooling and one upgraded its facilities to reduce flow rates. Remaining owners and operators have informed the State Water Board that they intend to comply by retiring their existing OTC units by their compliance date.

A Reliable Electric Grid Is Essential

State Water Board staff meet regularly with representatives from the agencies and entities that oversee the power plants, including the California Energy Commission, California Public Utilities Commission, and the California Independent System Operator. These agencies are members of the Statewide Advisory Committee on Cooling Water Intake Structures, which advises the Board on the implementation of the OTC Policy to ensure that plans and schedules submitted by the electrical generators are realistic and will not cause disruption to the state's electrical power supply.