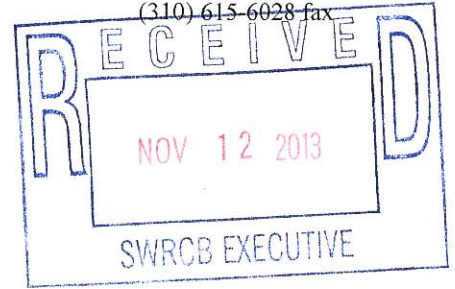


El Segundo Power LLC  
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DWQ



November 7, 2013

Mr. Thomas Howard  
Executive Director  
State Water Resources Board  
Division of Water Quality, 15<sup>th</sup> Floor  
1001 I Street  
Sacramento, CA 95814

**Re: Once-Through Cooling Policy Implementation Plan Update for El Segundo  
Generating Station, NPDES CA0001147; Letter dated September 9, 2013**

Dear Mr. Howard,

El Segundo Power, LLC (El Segundo), owner of the El Segundo Generation Station (ESGS), submits its response to the State Water Resources Control Board's (SWRCB) September 9, 2013 letter (letter) in which the SWRCB requested the most current information for ESGS pursuant to the Use of Coastal and Estuarine Water for Power Plant Cooling (Policy) and California Water Code §13383. El Segundo reported the future compliance mechanisms and electrical generation goals to the SWRCB in the letter submitted January 30, 2013. El Segundo respectfully re-states its position to the questions below which were posed by the SWRCB.

*1. What mechanism is being used to bring this unit into compliance?*

El Segundo has already achieved Track 1 compliance for Unit 1, 2, and 3 with the completion of the air-cooled, El Segundo Energy Center (ESEC) that consists of two 1x1 combined cycled trains identified as Units 5-8 which have a capacity of 550 megawatts (MW). As stated in the SWRCB letter, NRG has filed a Petition to Amend (PTA) the California Energy Commission (CEC) license for ESEC on April 28, 2013 (Docket # 00-AFC-14C) to replace Unit 4 – the remaining operating steam boiler at ESGS. An approved PTA would result in the retirement of steam boiler Unit 4, demolition of Units 3 and 4, and the construction of 435 MW of new generation. The PTA proposes to install another fast-start combined cycle (Units 9 and 10) which would generate 325 MW, and two 55 MW simple cycle gas turbines (Units 11 and 12).

*2. What actions have been taken to obtain permits, obtain contracts or meet other regulatory obligations to implement the compliance mechanism identified above?*

As stated, NRG has filed a PTA with the CEC, and intends to complete the repowering of the ESGS facility with air cooled electrical generation which will eliminate the need for Once-through-Cooling (OTC) at the ESGS site. NRG anticipates a Decision on the ESEC PTA as soon as 4<sup>th</sup> quarter of 2014.. Demolition of Units 3 and 4 and construction of Units 9 through 12 would follow the retirement of Unit 4 by its OTC compliance deadline of 12/31/2015.

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Executive Director, SWRCB  
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3. *Are retirements covered by the CPUC authorized procurements?*

The SWRCB statement in the September 9, 2013 letter for ESGS is correct in that CPUC's 2012 Long-Term Procurement Plan Track 1 Decision (D.) 13-02-015 authorized the procurement of between 1,400 and 1,800 MW of electrical capacity in the Los Angeles Basin to meet reliability needs after the retirement of all once-through cooling generation in the local area, including El Segundo Generating Station Units 3 and 4. Since then, the CPUC has established Track 4 in the Long-Term Procurement Planning proceeding (R.12-03-014) to authorize procurement needed to maintain reliability in the Los Angeles Basin and San Diego local areas following the retirement of San Onofre Nuclear Generating Station Units 2 and 3. A decision on Track 4 procurement is expected in early 2014.

I anticipate the above information has addressed the SWRCB's questions regarding El Segundo's Implementation Plan. If you have any questions, comments, or concerns, please do not hesitate to contact me at [george.piantka@nrgenergy.com](mailto:george.piantka@nrgenergy.com) or (760) 710-2156, or plant manager Kenneth Riesz, Sr. at [kenneth.riesz@nrgenergy.com](mailto:kenneth.riesz@nrgenergy.com) or (310) 615-6030.

Sincerely,  
El Segundo Power, LLC



George L. Piantka, PE  
Director, Environmental  
NRG Energy, West Region

cc: Ken Riesz, El Segundo Power, LLC  
Alex Sanchez, El Segundo Power, LLC  
Peter Landreth, NRG West Region  
Tim Sisk, NRG West Region