



EDMUND G. BROWN JR.
GOVERNOR



MATTHEW RODRIGUEZ
SECRETARY FOR
ENVIRONMENTAL PROTECTION

State Water Resources Control Board

May 18, 2012

John Chillemi
GenOn West, LP
P.O. Box 192
Pittsburg, CA 94565

Dear Mr. Chillemi:

GENON WEST, LP ORMOND BEACH GENERATING STATION AND MANDALAY GENERATING STATION IMPLEMENTATION PLANS FOR THE STATEWIDE WATER QUALITY CONTROL POLICY ON THE USE OF COASTAL AND ESTUARINE WATERS FOR POWER PLANT COOLING (OTC POLICY)

Thank you for your letter of May 14, 2012, informing the State Water Resources Control Board (State Water Board) of GenOn West, LP's (GenOn's) intention to amend its OTC Policy implementation plans for the Ormond Beach Generating Station (OBGS) and Mandalay Generating Station (MGS). According to your May 14 letter, GenOn intends to rely on a replacement strategy that will eliminate the use of once-through cooling water intakes at the OBGS and MGS facilities.

By April 1, 2011, the OTC Policy required owners or operators of existing power plants to submit implementation plans identifying how they intended to comply with the policy. The OTC Policy provides two compliance tracks. The preferred track, Track 1, requires an intake flow rate reduction commensurate with or greater than that which can be attained through closed-cycle wet cooling. If an owner or operator of an existing plant demonstrates to the satisfaction of the State Water Board that compliance with Track 1 is not feasible, then it may pursue Track 2. Track 2 requires a reduction in impingement mortality and entrainment to a level comparable with Track 1. Track 2 requires extensive study, as well as operational or structural controls, and involves greater uncertainty because modeled impingement and entrainment reductions, and therefore compliance, cannot be verified until near the end of the implementation timeline. In contrast, retrofitting to a new cooling technology under Track 1 provides certainty.

Subject to receiving additional details regarding the replacement strategy, the State Water Board staff supports GenOn's intended amendment of its implementation plans for OBGS and MGS. GenOn's proposed replacement of the once-through cooled units at the two facilities is consistent with the OTC Policy. Further, the elimination of once-through cooled units, which is what the amended implementation plans would achieve, is the preferred approach to achieving the intent of the OTC Policy. The replacement of the once-through cooled units better protects the beneficial uses of the State's coastal and estuarine waters. Finally, staff shares GenOn's

concerns regarding the uncertainty of the Track 2 compliance measures described in GenOn's original implementation plans. The amendment proposed in GenOn's May 14 letter will avoid waiting three years as study data are gathered to determine the compliance path that GenOn will follow.

We look forward to receiving GenOn's amended implementation plans.

Sincerely,



Jonathan Bishop
Chief Deputy

cc: Peter Landreth
GenOn West, LP
P.O. Box 192
Pittsburg, CA 94565

bc: Marleigh Wood, OCC **[via email only]**
Michael Lauffer, OCC **[via email only]**
Dominic Gregorio, DWQ

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