

**NRG Delta, LLC**  
Pittsburg Generating Station  
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PO Box 192 (mailing)  
Pittsburg, CA 94565

February 12, 2016

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 Pittsburg Generating Station;  
Letter dated December 16, 2015**

Dear Mr. Howard,

NRG Delta, LLC ( NRG Delta), owner of the Pittsburg Generating Station (PGS), submits its response to the State Water Resources Control Board's (SWRCB) December 16, 2015 letter in which the SWRCB requested the most current information for PGS pursuant to the Use of Coastal and Estuarine Water for Power Plant Cooling (Policy) and California Water Code §13383. NRG Delta reported the future compliance mechanisms and electrical generation goals to the SWRCB in letters submitted on November 7, 2013 and April 23, 2015. NRG Delta respectfully re-states and clarifies its position on the questions, which were posed by the SWRCB in the December 16, 2015 letter.

*1. Have there been changes to this implementation plan? If so, please provide details.*

NRG Delta has no changes to its Implementation Plan to report at this time. NRG Delta continues to pursue Track 1 compliance for once-through-cooling (OTC) Units 5 and 6 by retrofitting the Unit 7 closed-cycle cooling system to provide compliant cooling flow for Units 5 and 6, and subsequently retire Unit 7. While the retrofit project remains feasible from a technical, logistical, environmental, and permitting perspective, NRG currently does not have a contract with a load serving entity from which the retrofitting of Unit 5 and 6 to close-cycle cooling would be possible. In the absence of such a contract, Pittsburg would likely retire by December 31, 2017 to meet its Policy compliance obligation.

*2. If financing and revenue streams as detailed in the prior plan are not secured, what is the plan to obtain compliance? What is the plan for Pittsburg Unit 7?*

NRG Delta has communicated that it intends to achieve Track 1 compliance through the retrofitting of the Unit 7 closed-cycle cooling system to provide compliant cooling flow for Units 5 and 6. If financing and revenue streams are not secured in advance of the December 31, 2017 OTC compliance deadline to enable permitting and construction of the Unit 5 and 6 retrofit to close-cycle cooling, then NRG Delta will cease OTC flow by December 31, 2017 in compliance with the Policy.

NRG Delta does not currently intend to extend the operational life of Unit 7, and would retire this unit by the December 31, 2017 OTC compliance deadline. As stated in the NRG Delta Implementation Plan

(IP) which was submitted to the SWRCB on April 1, 2011, "Delta does not anticipate that PGS Unit 7 will continue to be needed for electrical reliability in the long term. Additionally, Unit 7 is relatively inefficient and its air pollutant emissions per megawatt are higher than PGS Units 5 and 6. Accordingly, converting Units 5 and 6 to use the Unit 7 cooling towers provides a long-term solution for achieving Compliance with the Policy for once-through cooled Units 5 & 6, while retiring an aging and inefficient unit, thereby reducing air pollution."

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

NRG Delta has had discussions with Pacific Gas & Electric Company regarding a potential contract that would enable the retrofit project to go forward, but no contract is in place at this time. Therefore, NRG Delta has not filed permit applications at this time with regulatory or permitting agencies to retrofit PGS. Since the retrofit project would utilize existing infrastructure and involve minimal new construction, NRG Delta expects permitting to be relatively straightforward. NRG Delta anticipates that permitting would take approximately 6-12 months, primarily related to various approvals required from the City of Pittsburg and the BAAQMD. NRG Delta anticipates that the existing PGS NPDES permit, as well as existing permits authorizing the incidental take of listed species under the federal Endangered Species Act and California Endangered Species Act, could be modified or amended to continue to authorize discharges under its NPDES permit and enable any potential aquatic impacts associated with the operation of the converted Units 5 and 6, which would be significantly less than the potential impacts associated with current once-through cooling operations.

Although a formal process to acquire these permits is not currently in place, NRG Delta believes the necessary permits can still be acquired to allow for compliance by the December 31, 2017 Policy deadline; however, we will need to get started by mid-2016.

*4. Please describe the plan to install interim mitigation measures, including timing and status of required permits?*

The SWRCB confirmed that NRG Delta had met the measures described in OTC Policy Section 2.C(3)(a) and that no additional interim mitigation is necessary in the SETTLEMENT AGREEMENT AND RELEASE REGARDING WATER QUALITY CONTROL POLICY ON THE USE OF COASTAL AND ESTUARINE WATERS FOR POWER PLANT COOLING BETWEEN STATE WATER RESOURCES CONTROL BOARD AND NRG, which was fully executed on October 9, 2014. The agreement provides that NRG Delta shall continue to employ interim mitigation measures, including but not limited to: the use of variable frequency drives ("VFDs"), fee payments to the Department of Fish and Wildlife, and measures consistent with federal and state species permits as they may be amended.

*5. What is the capacity of the repowered/replaced/retrofitted facility?*

The existing capacity of Units 5 and 6 is 660 megawatts gross (MWg). As previously stated the capacity of the planned retrofit project has not been finalized. NRG Delta does not expect the planned retrofit to decrease or exceed 660 megawatts gross (MWg) capacity.


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6. *Are retirements covered by the California Public Utilities Commission's authorized procurements?*

It is understood that the CPUC has assumed the retirement of Pittsburg by 2017 as part of the long term procurement process, but these processes are updated biannually and are subject to change either due to changes in generation coming on or off California's electricity grid or transmission projects that may affect local reliability. We continue to follow and participate in the respective processes.

I anticipate the above information has addressed the SWRCB's questions regarding Pittsburg's Implementation Plan. If you have any questions, comments, or concerns, please do not hesitate to contact me at [george.piantka@nrg.com](mailto:george.piantka@nrg.com) or (760) 710-2156, or Peter Landreth at [peter.landreth@nrg.com](mailto:peter.landreth@nrg.com) or (415) 627-1641.

Sincerely,  
NRG Delta, LLC/Pittsburg Generating Station



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

cc: Lawrence Penn, Pittsburg Generating Station  
Sean Beatty, NRG West Region  
Peter Landreth, NRG West Region  
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