

Development Services
Ashley Golden, Director

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November 13, 2015

Mr. Charles Stringer, Esq., Chair
c/o Cassandra D. Owens, Chief, Industrial Permitting Unit
Los Angeles Regional Water Quality Control Board
320 West 4th Street
Los Angeles, CA 90013

**RE: Comments on Tentative Schedule Order for NRG California South LP
Mandalay Generating Station, Oxnard, CA (NPDES No. CA0001180, CI NO. 2093)**

Dear Chair Stringer and Board Members:

This letter serves as a response from the City Manager of the City of Oxnard to the October 15, 2015 LARWQCB letter to NRG California South LP (NRG) regarding NRG's request for a Time Schedule Order (TSO) to come into compliance with the discharge limitations of NPDES permit Order No. R4-2015-0201. It is the City's understanding from the letter that the NRG Mandalay Generating Station (MGS) cannot meet effluent limitations for pH for discharges from the retention basins and boiler blowdown, and that NRG is requesting additional time to bring the MGS into compliance with the pH limitations. The tentative TSO would give NRG until July 2016 to seek approval of a work plan, complete the work, and come into compliance.

Without information as to the specific equipment and its location NRG will propose, the City asks that the LARWQCB consider the following comments and request in review of the TSO request:

- 1) On July 1, 2014, the City Council adopted interim urgency ordinance O-2882 prohibiting the expansion of existing, or development of new, energy generation facilities within the Oxnard Coastal Zone pending studies and changes in the Local Coastal Program (LCP), implementing coastal zoning ordinance, and other applicable regulations. On July 29, 2014, the 45-day emergency ordinance was extended for an additional 10 1/2 months by ordinance O-2884. On May 19, 2015, the emergency ordinance was extended for an additional 12 months by ordinance O-2891. With this extension, the ordinance is in force until June 30, 2016.

The necessary modification to comply with the pH limitations may be subject to the City's moratorium ordinance and, if so, the City could not issue a building permit until the ordinance expires or the City Council rescinded the ordinance.

- 2) NRG is currently seeking an Application for Certification (AFC) from the California Energy Commission (CEC) for the Puente Power Project (P3) that will replace the two aging gas-fired steam-generating units (Units 1 and 2) at the existing MGS with a new state-of-the-art General

Electric (GE) Frame 7HA.01 single-fuel combustion turbine generator (CTG) and associated auxiliaries. P3 will be developed on approximately 3 acres of previously disturbed vacant brownfield land located within the existing boundaries of MGS.

The LARWQCB should have adequate information from NRG as to how the construction of the P3 project, if the AFC is approved by the CEC, does not interfere with the continued operation of the MGS during construction of the P3. Will the addition of infrastructure required for the existing MGS to comply with its NPDES permit interfere with the proposed P3?

- 3) The new P3 proposes to continue to use the existing ocean outfall structure referenced as Discharge Point 001. The proposed operating period for the P3 is 30 years, from 2021 to 2050. The City has completed extensive coastal hazard analysis that includes estimates of sea level rise consistent with the Coastal Commission's recently adopted Sea Level Rise Policy Guidance. The City's coastal hazard research and mapping indicate that Discharge Point 001 is currently, consistently, and increasingly at risk from coastal flooding, erosion, and storm surge inundation. The maps, analysis, and methodology are all on file with the California Public Utilities Commission under Docket A14-11-016.

Discharge Point 001 is also likely to become State property at some point in the next 30 years as the mean high tide line moves inland, defining State Tide Lands. This could put the State in a position of maintenance and/or liability for the aging structure.

The Coastal Commission has notified NRG that NRG must apply for a five-year best practices sand management coastal permit that would regulate when and how NRG may use bulldozers to break through naturally-occurring beach sand berms so that the MGS discharge does not pond and back up into the outflow structure.

Finally, the beach over which the discharge water travels is a public beach. The discharge, moving at a visible current when the MGS is fully operating, presents an attractive nuisance and safety hazard to the public and inhibits horizontal coastal access in possible violation of the Coastal Act. Photographs are included that show the discharge ponding, condition of the structure, and people and pets wading in the discharge. The proposed P3 facility application indicates NRG will continue to use the beach outfall discharge even though the greatly reduced amount of discharge (NRG's CEC application states total sanitary and wastewater discharge at 19 AFY) could be redirected either to the adjoining Edison Canal or into the City's sanitary sewer system, assuming appropriate water quality requirements and permits are obtained. Discharge into the Edison Canal may actually benefit the canal's water quality by introducing in-flow at what could otherwise be a stagnant 'dead end' that is 1.7 miles from the Channel Islands harbor.

The City requests that the LARWQCB add a condition on the TSO that Discharge Point 001 be discontinued and demolished when the MGS ceases operation and is decommissioned after December 31, 2020 when the MGS must comply with the Once-Through-Cooling policy. NRG has already indicated in the AFC application that the MGS will be decommissioned.

Please feel free to contact Chris Williamson, Principal Planner, for additional information or clarification at (805) 385-8156 or Chris.Williamson@ci.oxnard.ca.us.

Sincerely:

 PRINCIPAL
PLANNER

 Ashley Golden
Development Services Director

Attachments: Aerial photo of MGS beach discharge
Photo of condition of discharge facility
Two Photos of public access to MGS beach discharge



