



NRG California South LP
Ormond Beach Generating Station
6635 S. Edison Drive
Oxnard, CA 93033

February 12, 2016

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

**Re: Once-Through Cooling Policy Implementation Plan Update for Ormond Generating Station;
Letter dated December 16, 2015**

Dear Mr. Howard,

NRG California South LP ("NRG"), owner of the Ormond Beach Generating Station (OBGS), 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 MGS pursuant to the Use of Coastal and Estuarine Water for Power Plant Cooling (Policy) and California Water Code §13383. NRG reported the future compliance mechanisms and electrical generation goals to the SWRCB in a letter submitted on November 7, 2013. NRG respectfully re-states, updates, and clarifies its position to the questions, which were posed by the SWRCB in the December 16, 2015 letter.

- 1. In its 2012 Long-Term Procurement Planning Process, the California Public Utilities Commission authorized procurement of between 215 and 290 MW in the Big Creek/Ventura area to meet Local Capacity Requirements (LCR). Since these LCR needs are proposed to be met by NRG's 262 MW Puente Power Project located at the Mandalay Bay Generating Station site, do current plans still include replacement generation at Ormond? Please*

NRG does not currently have any formal plans for replacement generation at OBGS.

- 2. If replacement generation is being pursued at Ormond, what is the planned capacity of the project and what types of generating units are being considered? If natural gas-fired turbine generation is being considered, what type of cooling system will be used?*

NRG does not currently have any formal plans for replacement generation at OBGS. NRG continues to evaluate Track 2 compliance with the Policy. Entrainment studies are planned during 2016-2018.

- 3. If replacement generation is being pursued at Ormond, does NRG expect any issues securing the required air pollutant emission reduction credits? Please explain.*

NRG does not currently have any formal plans for replacement generation at OBGS.

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4. *If Ormond Units 1 and 2 will be retired in stages, please describe the planned retirement schedule, by unit, for such activities.*

NRG continues to evaluate Track 2 compliance with the Policy. NRG submitted the Impingement and Entrainment Sampling Plan to the SWRCB on December 5, 2014. The 36-month entrainment sampling study will be conducted to establish the Best Technology Available (BTA) to achieve compliance with Track 2 requirements. At this time, NRG does not intend to retire either Unit 1 or Unit 2 by the December 31, 2020 compliance date, but rather intends to comply by satisfying Track 2 of the Policy.

5. *In May 2015, the City of Oxnard extended its ordinance placing a moratorium on new or expanded generation in the Coastal Zone until June 20, 2016, while the Oxnard Local Coastal Program plan is being updated to address sea level rise and other issues. Is NRG evaluating any other alternative sites to replace retired generation at Ormond? If so, please provide any details regarding the capacity and type of generating units and schedule for these projects.*

NRG has not evaluated replacement of OBGS generation as we are not intending, at this time, to retire OBGS as means to comply with the Policy and the associated OBGS compliance date. NRG did evaluate alternative locations for the Mandalay Generating Station (MGS) capacity and the proposed Puente Power Project (P3) as part of the CEC license application (CEC Application for Certification (15-AFC-01)) and docketed the Alternative Analysis (TN207096_20151221T153018_Applicants_Aalternatives_Sites_Summary) on December 21, 2015. As part of the Alternatives Analysis exercise, the OBGS site was analyzed for potential future electrical generation redevelopment, and was determined to be feasible; although the proposed P3 and MGS site was determined to be superior.

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

Sincerely,
NRG California South LP



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

cc: Tom Di Ciolli, Ormond
Peter Landreth, NRG West Region
Timothy Sisk, NRG West Region
Julie Babcock, NRG West Region