



State Water Resources Control Board

FEB 2 4 2015

Mr. George L. Piantka Director, Environmental NRG Energy, West Region 5790 Fleet Street Carlsbad, CA 92008

Dear Mr. Piantka:

INFORMATION REQUIREMENTS FOR PITTSBURG GENERATING STATION

On November 30, 2010, the State Water Resources Control Board (State Water Board) Executive Director issued a letter requiring the submittal of an Implementation Plan (Plan) by April 1, 2011. The letter outlined the required information to include in the Plan, including information on planned actions for compliance with the Statewide Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (Policy). If final compliance is not scheduled by October 1, 2015, interim mitigation measures must be identified in the Plan.

Due to the current uncertainty as to conditions identified in implementation plans previously submitted from the once-through cooling (OTC) power plants with near-term compliance deadlines, further information and data input is necessary to conduct grid reliability analyses to determine the impact on local and system reliability.

Pursuant to the Policy and California Water Code section 13383, the State Water Board requires NRG Energy (NRG) to provide the most current information for the Pittsburg Generating Station if the following content is not up-to-date:

1. The following is the State Water Board's current understanding of the mechanism being used to bring these units into compliance:

NRG previously stated that it intends to comply by the prescribed deadline of December 31, 2017 through retrofitting OTC Units 5 and 6 to utilize the existing Unit 7 closed-cycle cooling system in conjunction with the retirement of Unit 7 itself. NRG has concluded that this retrofit project would be feasible from a technical, logistical, environmental, and permitting perspective.

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

FELICIA MARCUS, CHAIR | THOMAS HOWARD, EXECUTIVE DIRECTOR

1001 | Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, Ca 95812-0100 | www.waterboards.ca.gov

- 2. What actions have been taken to obtain permits, obtain contracts, or meet other regulatory obligations to implement the compliance plan identified above?
- 3. Please describe the timing and status of required permits.
- 4. What is the capacity of the repowered/replaced/retrofitted facility?

The following is the State Water Board's current understanding: If retrofits are completed, the remaining capacity of Units 5 and 6 would likely be less than 660 Megawatts.

5. Are retirements covered by California Public Utilities Commission's authorized procurements?

The following is the State Water Board's current understanding: The Pittsburg Generating Station is contracted through a tolling agreement with the Pacific Gas & Electric Company through 2013, with an option to extend through 2015. The California Independent System Operator's 2017 local capacity analysis, performed as part of the 2012-2013 transmission planning process, shows that the Pittsburg subarea no longer exists as a result of the assumed completion of four transmission system upgrades.¹ These upgrades should eliminate the local capacity needs that the Pittsburg units may help satisfy.

Submission of the above information is required no later than 60 days after the date of this letter.

Should you have any questions on this matter please feel free to contact Mr. Jonathan Bishop, Chief Deputy Director, at (916) 341-5820 (<u>ionathan.bishop@waterboards.ca.gov</u>) or Dr. Maria de la Paz Carpio-Obeso, Chief of the Ocean Unit, at (916) 341-5858 (<u>marielapaz.carpioobeso@waterboards.ca.gov</u>).

Sincerely,

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Executive Director

¹ The ISO's 2017 local capacity study states that the Pittsburg subarea disappears with the completion of the Moraga #1 230/115 kV transformer replacement (expected to be completed by 2016), Tesla-Pittsburg 230 kV lines reconductoring (expected to be in service by 2015), Contra Costa-Moraga 230 kV reconductoring (expected in service by 2015), and the Vaca Dixon – Lakeville 230 kV reconductoring project (expected to be in service by 2018).