Overview of the 2018 Report by the Statewide Advisory Committee on Cooling Water Intake Structures

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OTC Progress and Reliability Assessment

- No changes are recommended for the OTC Policy compliance schedule at this time
- Resource, infrastructure, and reliability needs to be continually assessed by:
 - California Public Utilities Commission (CPUC)
 - California Independent System Operators (CAISO)
 - California Energy Commission (CEC)

Status of OTC Plants

- 9 plants have achieved compliance some early
- 6 plants are on track to achieve compliance
- 3 replacement plant projects are under construction
- 1 plant has announced plans to retire



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OTC Compliance Achieved

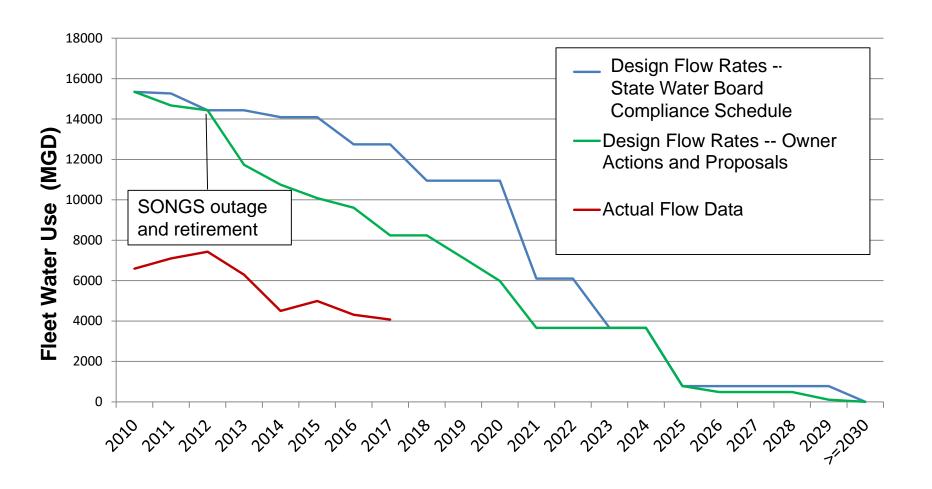
Facility & Units	Net Qualifying Capacity (NQC, in MW)	Compliance Date	Retirement Date
Humboldt Bay 1, 2	135	Dec. 31, 2010	Retired Sept. 30, 2010
South Bay	296	Dec. 31, 2011	Retired Dec. 31, 2010
Potrero 3	206	Oct. 1, 2011	Retired Feb. 28, 2011
Huntington Beach 3, 4	452	Dec. 31, 2020	Retired Nov. 1, 2012
Contra Costa 6, 7	674	Dec. 31, 2017	Retired April 30, 2013
El Segundo 3	335	Dec. 31, 2015	Retired July 27, 2013
Haynes 5, 6	318	Dec. 31, 2013	Retired June 13, 2013
San Onofre 2, 3	2,246	Dec. 31, 2022	Retired June 7, 2013
Morro Bay 3, 4	650	Dec. 31, 2015	Retired Feb. 5, 2014
El Segundo 4	335	Dec. 31, 2015	Retired Dec. 31, 2015
Scattergood 3	497	Dec. 31, 2015	Retired Dec. 31, 2015
Pittsburg	1,159	Dec. 31, 2017	Operations ceased Dec. 31, 2016
Moss Landing 6, 7	1,509	Dec. 31, 2020	Retired Jan. 1, 2017
Encina 1	106	Dec. 31, 2017	Retired March 1, 2017
Mandalay 1, 2	430	Dec. 31, 2020	Retired Feb. 6, 2018

OTC Remaining Compliance

Facility & Units	NQC	Compliance Date	Owner proposed Compliance Method
Alamitos 1, 2, 6	848	Dec. 31, 2020	Plans to retire on Dec. 31, 2019 to allow Alamitos to be repowered
Alamitos 3, 4, 5	1,163	Dec. 31, 2020	Retire units
Encina Units 2-5	844	Dec. 31, 2018	Retire units by compliance date
Harbor 5	229	Dec. 31, 2029	Plans to repower on Dec. 31, 2029
Haynes 1, 2	444	Dec. 31, 2029	Plans to repower on Dec. 31, 2025
Haynes 8	575	Dec. 31, 2029	Plans to repower on Dec. 31, 2028
Huntington Beach 1	215	Dec. 31, 2020	Plans to retire on Dec. 31, 2019
Huntington Beach 2	215	Dec. 31, 2020	Retire unit
Moss Landing 1, 2	1,020	Dec. 31, 2020	Track 2*
Ormond Beach 1, 2	1,516	Dec. 31, 2020	Retire Units
Redondo Beach 7	493	Dec. 31, 2020	Plans to retire on Oct. 1, 2019 to allow Huntington Beach to repower
Redondo Beach 5, 6, 8	848	Dec. 31, 2020	Retire units
Scattergood 1, 2	367	Dec. 31, 2024	Plans to repower by Dec. 31, 2024

^{*} Track 2 of the OTC Policy requires actions to reduce impingement and

OTC Fleet Water Use



Source: Figure 1, pg. 9, 2018 SACCWIS Report

Resources to Replace OTC

Planned resources to replace SONGS and implement OTC:

- Preferred resources*
 - Energy efficiency
 - Demand response
 - Distributed generation
 - Energy storage
- Transmission solutions
 - Reactive support (e.g., synchronous generators)
 - Transmission lines and grid upgrades
- Conventional generation

*Preferred resources are those used for efficiency, demand response, renewable resources, and distributed generation

CEC: Important Actions

CEC Actions:

- Alamitos:
 - Application for Certification (AFC) approved by the CEC on April 12, 2017
- Huntington Beach:
 - AFC approved by the CEC on April 12, 2017
- Redondo Beach:
 - AFC currently suspended
- NRG Puente
 - AFC suspended until May 1, 2018

CPUC: Pending Actions

CPUC Actions:

- Approved contracts for a total of 2,087 MW of capacity in Southern California Edison (SCE) territory
- Approved 500 MW re-power of Encina Power Station in San Diego Gas & Electric (SDG&E) territory
- Operational 300 MW from Pio Pico in SDG&E territory

CAISO: Pending Actions

CAISO Actions:

- Continued facilitation of Board-approved transmission projects
- Draft 2017-2018 Transmission Plan (TPP) indicates that authorized resources and previously approved transmission projects are working together to meet the reliability needs in the LA Basin and San Diego areas
- Draft 2017-2018 TPP recommends approval of an alternate solution in the Moorpark and Santa Clara subareas to allow Ormond Beach to retire
- 2018 Local Capacity Technical Analysis posted on May 1, 2017, and submitted to the State Water Board

Moss Landing (2017, 2020)

- Moss Landing is single largest power generating facility in California:
 - Units 6 & 7 retired December 31, 2017
 - Units 1-2 new combined cycle generating turbines, 510 MW each
 - Variable speed drive controls on Units 1-2 completed December 16, 2016
 - Units 1 & 2 are scheduled for Track 2 compliance by December 31, 2020
 - All construction expected to occur during scheduled maintenance outages (no dual unit outages anticipated)
 - Track 2 compliance not expected to impact operating range in MW of units or maximum achievable capacity factor
- SACCWIS does not recommend a change in compliance dates

Ormond Beach (2020)

- Consists of 2 steam boiler units with total combined capacity of 1,486 MW
- CPUC authorized 215-290 MW in the area where Ormond Beach located (i.e., Moorpark subarea)
- Settlement with the State Water Board in October 2014 determined Track 1 compliance infeasible
- January 19, 2018, NRG confirmed intent to retire facility by its compliance date with no further operations
- SACCWIS does not recommend a change in compliance date

Local Capacity Areas

Los Angeles Basin and San Diego Local Capacity Areas



Encina (2018)

- 5 Steam Boiler OTC units for 950 MW aggregated capacity
- Notable Dates:
 - November 2015 CEC approved 600 MW Carlsbad Energy Center Project (CECP)
 - February 23, 2017 SACCWIS recommended deferral of Encina's OTC compliance date for Units 2-5 from December 31, 2017, to December 31, 2018
 - August 15, 2017 State Water Board adopted the SACCWIS amendment to the OTC Policy to extend the compliance date by one year to Dec. 31, 2018
 - November 30, 2017 OAL approved OTC Policy amendment
 - NRG on track to complete CECP by Q4 2018
 - Enables retirement of the remaining Encina OTC units by December 31, 2018

Redondo Beach (2020)

- 4 units with total capacity of approximately 1,300 MW
- Proposed repowering project is natural-gas fired, combined-cycle, air-cooled, electrical generating facility with net generating capacity of 496 MW
- Notable Dates:
 - AFC suspended until November 2015
 - Unit 7 scheduled to shut down October 31, 2019, in advance of the OTC Policy compliance date
 - Units 5, 6, and 8 scheduled to shutdown December 31, 2020, on the OTC Policy compliance date
- SACCWIS does not recommend a change in compliance dates

Alamitos (2020)

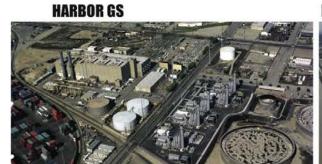
- 6 units with a total capacity of approximately 2,000 MW
- OTC Policy compliance date: December 31, 2020
- Notable Dates:
 - Units 1, 2, and 6 expected to retire early on December 31, 2019
 - Units 3, 4, and 5 expected to retire by the OTC Policy compliance date
 - April 12, 2017 AFC approved by the CEC
 - Construction underway and on track to be online April 2020
- SACCWIS does not recommend a change in compliance date

Huntington Beach (2020)

- Units 1 and 2 with a total capacity of 452 MW
- OTC Policy compliance date of December 31, 2020
 - Resource adequacy contract executed that will extend the operation of Huntington Beach units 1 and 2 through December 31, 2019 and December 31, 2020 respectively
 - To be permanently retired at those contract end dates
- Repowering project:
 - PPA awarded for 644 MW capacity with planned initial delivery date of May 1, 2020
- SACCWIS does not recommend a change in compliance date

LADWP OTC Compliance Schedule Status

- Findings in the 2017 Grid Reliability Report mirror those reported in previous reports and continue to underscore that LADWP's OTC compliance schedule is the most aggressive that is also feasible
- Harbor, Haynes, and Scattergood are on track for compliance with the OTC Policy
- Scattergood units 1 & 2 are the next units in the repowering schedule







Conclusions

- No recommendations for changes to compliance dates are proposed at this time
- CAISO and CPUC have authorized resources to ensure grid reliability
- CAISO, CEC, and CPUC will continue to monitor developments and perform additional analyses with most recent data available to ensure reliability
- The State Water Board should recognize that it may be necessary to modify final compliance dates for some generating units