KIM

## State of California State Water Resources Control Board

## **DIVISION OF WATER RIGHTS**

P.O. Box 2000, Sacramento, CA 95812-2000

Info: (916) 341-5300, FAX: (916) 341-5400, Web: http://www.waterrights.ca.gov

## PETITION FOR CHANGE

For owners of waste water treatment plants (WATER CODE 1211)

□ Po	int of Discharge	R Place of Use	Purpose of Use		
CITY OF TURLOCK		( 209	) 668 _ 5	590	
(Name o	f petitioner)		(Telephone - l	between 8 a.m. and 5 p.m.	_
156 S. BROADWAY, SUITE	270	TURLOCK	C	CA 95380	
(Mailing address)		(City or town)	(Stat	te) (Zip code)	_
I (we)hereby petition for change(s) not	ed above and shown on	the accompanying map a	and described as	s follows:	
Point of Discharge (Give coordinate of in which the present & proposed points Present SE 1/4 of SW 1	slie)		•	715, and the 40-acre subdivisio	n
Proposed					
Present SE 1/4 of SW	1/4 of Section	25, T5S,R10E, MD	B&M ´		
Proposed SE 1/4 of NW	1/4 of Section	<u>20, T5S, R10E, M</u>	DB&M		
Purpose of Use Present Discharge to Proposed Industrial	Harding Drain,	tributary to Sa	n Joaquin	River	
GIVE REASON FOR PROPOSEI     industrial purposes as	CHANGE: To ad	d the use of tre purpose of use	ated waste	water for	
I(we) have access to the proposed poin	t of diversion or contro	the proposed place of us	e by virtue of?	N/A	
If by lease or agreement, state the name			(own	ership, lease verba,l or written agreeme	nt)
Give name and address of any person(s point(s) of rediversion, as well as any one NONE	s) taking water from the ther person(s) known t	stream between the prese you who may be affecte	ent point(s) of d	ischarge and the proposed sed change.	
Will this change involve water provide	ed by a water service co	ntract which prohibits yo	ur exclusive rig	ht to this treated water? NO (yes/no)	
Will any legal user of the discharge tre	ated waste water be affe	ected? NO (yes/no)		(yes/no)	
I (we) declare under penalty of perju	ry that the above is tr	ue and correct to the bes	st of my (our) l	knowledge and belief.	
Dated: $3-23$	<b>xx</b> 2007 at	TURLOCK		, California	

**NOTE:** A \$1,000 filing fee made payable to the State Water Resources Control Board and an \$850 fee made payable to the Department of Fish and Game must accompany this petition for change.



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## ENVIRONMENTAL INFORMATION FOR PETITIONS

(THIS IS NOT A CEQA DOCUMENT)

The following information will aid in the environmental review of your change petition as required by the California Environmental Quality Act (CEQA). IN ORDER FOR YOUR CHANGE PETITION TO BE ACCEPTED AS COMPLETED, ANSWERS TO THE QUESTIONS LISTED BELOW MUST BE COMPLETED TO THE BEST OF YOUR ABILITY. Failure to answer all questions may result in your change petition being returned to you, causing delays in processing. If you need more space, attach additional sheets. Additional information may be required from you to amplify further or clarify the information requested in this form.

#### **DISCRIPTION OF CHANGES TO PROJECT**

1.	Provide a description of the proposed changes to your project, including but not limited to, type of construction activity, structures existing or to be built, area to be graded or excavated, changes in land use, and project operational changes, including changes in how the water will be used.
	SEE ATTACHED

"The energy challenge facing California is real. Every Californian needs to take immediate action to reduce energy consumption. For a list of simple ways you can reduce demand and cut your energy costs, see our Web-site at http://www.swrcb.ca.gov." Additional copies of this form and water right information can be obtained at www.waterrights.ca.gov.

#### **GOVERNMENTAL REQUIREMENTS**

Before a final decision can be made on your change petition, we must consider the information contained in an environmental document prepared in compliance with the requirements of CEQA. If an environmental document has been prepared for your proposed changes by another agency, we must consider it. If one has not been prepared, a determination must be made as to who is responsible for the preparation of the environmental document for your change petition. The following questions are designed to aid us in that determination.

2.	Cor a.	ntact your county planning or public work Person contacted				
		Department	Telephone ( )			
	b.	Assessor's Parcel No.				
	c.	County Zoning Designation				
	d. Are any county permits required for your proposed changes? NO (SEE ATTACHED)  If yes, check appropriate space below:					
		Grading Permit,Obstruction Permit,	Change of Zoning	Watercourse		
		Other (explain):	Change of Zonnig,	General Flan Change		
	e.	Have you obtained any of the required partial If yes, provide a complete copy of each				
3.	Ene Dep	any additional state or federal permits rec ergy Regulatory Commission, U.S. Forest partment of Water Resources (Division of ads Commission, etc.) For each agency from	Service, Bureau of Land Management, S Safety of Dams), Reclamation Board, C	Soil Conservation Service, Coastal Commission, State		
	Per	mit type				
		son (s) contacted				
	Dat	e of contact	Telephone ( )			

4.	Has any public agency prepared an environmental document for any aspect of your proposed changes?  YES
	If so, please submit a copy of the latest environmental document (s) prepared, including a copy of the notice of determination adopted by the public agency. If not, explain below whether you expect that a public agency other than the State Water Resources Control Board will be preparing an environmental document for your change petition or whether the applicant, if it is a California public agency, will be preparing the environmental document for your change petition:
	SEE ATTACHED
	Note: When completed, please submit a copy of the final environmental document (including notice of determination) or notice of exemption to the State Water Resources Control Board. Processing of your change petition cannot proceed until such documents are submitted.
5.	Will your proposed changes, during construction or operation, generate waste or wastewater containing such things as sewage, industrial chemicals, metals, or agricultural chemicals, or
	Cause erosion, turbidity or sedimentation? YES If so, explain: SEE ATTACHED
	If yes or you are unsure of your answer, contact your local Regional Water Quality Control Board for the following information (See attachment for address and telephone number):
	Will a waste discharge permit be required for your petition?NO
	Person contacted Date of contact
	What method of treatment and disposal will be used?
6.	Have any archeological reports been prepared on this project, or will you be preparing an archeological report to satisfy another public agency? YES
	Do you know of any archeological or historic sites located within the general project area?
	NO If so, explain: SEE ATTACHED

#### **ENVIRONMENTAL SETTING**

- 7. Attach <u>THREE COMPLETE SETS</u> of color photographs, clearly dated and labeled, showing the vegetation currently existing at the following locations:
  - a. Along the stream channel immediately downstream from the proposed point(s) of diversion.
  - b. Along the stream channel immediately upstream from the proposed point(s) of diversion.
  - c. At the place(s) where the water is to be used.

<u>Note</u>: It is very important that you submit no less than <u>three complete sets of photographs</u> as required above. If less than three sets are submitted, processing of your change petition will be delayed until you furnish the remaining sets!

8. From the list given below, mark or circle the general plant community types which best describe those which occur within you project area (Note: See footnote denoted by \* under Question 11 below):

**Tree Dominated Communities** 

Subalpine Conifer

Red Fir

Lodgepole Pine Mixed Conifer

Sierran Mixed Conifer

White Fir

Klamath Mixed Conifer

Douglas-Fir

Jeffrey Pine

Ponderosa Pine

Eastside Pine

Redwood

Pinyon-Juniper

Juniper

Aspen

Closed-Cone Pine-Cypress

Montane Hardwood-Conifer

Montane Hardwood

Valley Foothill Hardwood

Blue Oak Woodland

Valley Oak Woodland

Coastal Oak Woodland

Valley Foothill Hardwood-Conifer

Blue Oak-Digger Pine

Eucalyptus

Montane Riparian

Valley Foothill Riparian

Desert Riparian

Palm Oasis

Joshua Tree

**Shrub Dominated Communities** 

Alpine Dwarf-Shrub

Low Sage

Bitterbrush

Sagebrush

Montane Chaparral

Mixed Chaparral

Chamise-Redshank Chaparral

Coastal Scrub

Desert Succulent Shrub

Desert Wash

Desert Scrub

Alkali Desert Scrub

**Herbaceous Dominated Communities** 

Annual Grassland

Perennial Grassland

Wet Meadow

Fresh Emergent Wetland

Saline Emergent Wetland

Pasture

**Aquatic Communities** 

Riverine

Lacustrine

Estuarine

Marine

**Developed Communities** 

(Cropland)

Orchard-Vineyard

(Urban)

Literature source: Mayer, K.E., and W.F. Laudenslayer, Jr., (eds). 1988. A Guide to Wildlife Habitats of California. California Department of Forestry and Fire Protection, Sacramento. 166 pp. (Note: You may view a copy of this document qt our public counter at the address given at the top of this form or you may purchase a copy by calling the California Department of Fish and Game, Wildlife Habitat Relationships (WHR) Program at (916) 653-7203).

9.	Provide below an estimate of the type, number, and size (trunk/stem diameter at chest height) of trees and large shrubs that are planned to be removed or destroyed due to implementation of the proposed changes. Consider all aspects of your change petition, including changes in diversion structures, water distribution and use facilities, and changes in the place of use due to additional water development.
	N/A
<b></b>	
FIS	SH AND WILDLIFE CONCERNS
10.	Identify the typical species of fish which occur in the source(s) from which you propose to divert water and discuss whether or not any of these fish species or their habitat has been or would be affected by your proposed changes. (Note: See footnote denoted by * under Question 11 below):
	SEE ATTACHED

.11.	Identify the typical species of riparian and terrestrial wildlife in the area and discuss whether or not any of these species and/or their habitat has been or would be affected by your proposed changes through construction of additional water diversion and distribution works and/or changes in land use in the place of water use. (Note: See footnote denoted by * below):
	SEE ATTACHED
	and animal species in the area and whether these species might be affected by your proposed changes. Detailed site surveys to quantify populations of specific species or determine the presence of rare or endangered species may be required at a later date. It is very important that you answer these questions accurately. If you are unable to obtain appropriate answers from your local California Department of Fish and Game biologists (See attachment for address and telephone number) or you do not have adequate information or expertise to complete your answers you should hire a fishery consultant and/or a wildlife consultant to review your project and prepare suitable answers for you. For information on available qualified fishery or wildlife consultants near you, consult your local telephone directory yellow pages under Environmental and Ecological Services, or call the California Environmental Protection Agency, Registered Environmental Assessor (REA) Program, at (916) 324-6881 or the University of California, Cooperative Extension Service (See your local telephone directory white pages).  Do your proposed changes involve any construction or grading-related activity which has significantly altered or would significantly alter the bed or bank of any stream or lake?  NO  NO
	If so, explain:
<u>CEI</u>	RTIFICATION
	reby certify that the statements I have furnished above and in the attached exhibits are complete to the best of my ity, and that the facts, statements, and information presented are true and correct to the best of my knowledge.
Date	e 3-22-07 Signature Ma

# SUPPLEMENT TO CITY OF TURLOCK WASTEWATER CHANGE PETITION ENVIRONMENTAL INFORMATION

#### DESCRIPTION OF CHANGES TO THE PROJECT

1. The City of Turlock (City) owns and operates its Water Quality Control Facility (WQCF). The City is currently authorized under its NPDES Permit No. CA0078948 to discharge up to 20 million gallons per day (mgd) (31 cubic feet per second [cfs]), average dry weather flow, of treated wastewater into Harding Drain at a point 5½ miles east of the San Joaquin River in the SE ¼ of the SW ¼ of Section 25, T5S, R10E, MDB&M within Stanislaus County as shown on the map accompanying the change petition. The City currently discharges 12.9 mgd (20 cfs) of treated wastewater into Harding Drain.

The City has completed the upgrade of the WQCF from secondary to tertiary treatment standards.

Water Code section 1211(a) requires the owner of a wastewater treatment facility to receive approval from the State Water Resources Control Board of any change in the purpose of use, place of use, and point of discharge of treated wastewater. The City has petitioned to add the use of treated wastewater for industrial purposes as an authorized purpose of use. Water will be piped at a maximum rate of 2.0 mgd (3.1 cfs) with a maximum annual quantity of 1,800 acre-feet using an approximately 1.3 mile long, 12-inch diameter recycled water pipeline from the wastewater treatment facility to the Walnut Energy Center (WEC). At the power plant, water will be used for cooling purposes. The discharge of process wastewater will be avoided through the operation of a Zero Liquid Discharge (ZLD) system. The City will continue discharging treated wastewater into Harding Drain until permitting and construction of a new outfall located on the San Joaquin River is completed.

The new place of use is located within the SE ¼ of the NW ¼ of Section 20, T5S, R10E, MDB&M within Stanislaus County as shown on the map accompanying the change petition.

The Walnut Energy Center Authority operates the WEC, located in Turlock, Stanislaus County, California. The WEC is a gas-fired, combined-cycle power plant which generates a nominal 250 megawatts (MW). The project occupies 18 acres in an industrially-zoned area, about 4 miles west of downtown Turlock.

The WEC consists of two General Electric Frame 7EA combustion turbine generators (CTGs), two heat recovery steam generators (HRSGs), one condensing steam turbine generator (STG), and associated equipment. Each CTG generates approximately 84 MW at baseload under ambient conditions. The CTG exhaust gas is used to generate steam in the HRSGs, which then enters a steam turbine producing approximately 100 MW at baseload. The WEC is expected to have an overall annual availability of 92 to 98 percent.

The WEC will use up to 1,800 acre-feet of recycled water per year for cooling tower and steam cycle water make-up. This recycled water will be provided by the City of Turlock.

The WEC commenced commercial operation in March 2006 using non-potable groundwater to meet water demands until the recycled water is available. Once recycled water is available, non-potable groundwater will be used only as a backup supply. Potable water for drinking, safety showers, fire protection, and sanitary uses is supplied from the City's municipal water system.

## **GOVERNMENTAL REGULATIONS**

- 2 and 3. The WEC was certified by the California Energy Commission (CEC) on February 18, 2004. The CEC is the only state agency empowered to license such facilities, and "the issuance of a certificate by the commission shall be in lieu of any permit, certificate, or similar document required by any state, local or regional agency, or federal agency to the extent permitted by federal law…" (Public Resources Code § 25500.) The WEC currently operates under permits issued by the CEC and by the San Joaquin Valley Air Pollution Control District.
- 4. Licensing of the Walnut Energy Center is within the exclusive jurisdiction of the California Energy Commission (CEC). (Public Resources Code § 25500.) The CEC's process is functionally equivalent to the preparation of an Environmental Impact Report under the California Environmental Quality Act (CEQA). (Public Resources Code § 21080.5; 14 Cal. Code Regs. § 15251(k).) When issuing a license, the CEC is the lead agency for purposes of CEQA. (Public Resources Code § 25519(c).) The State Water Resources Control Board as a responsible agency under CEQA is required to use the CEC's functionally-equivalent document in granting approval for the same project. (14 Cal. Code Regs. § 15253(a).)

The CEC's environmental review process for power plants like the Walnut Energy Center project must comply with the substantive requirements of CEQA. (Pub. Resources Code § 21080.5; see also Cal. Code Regs., tit. 14, §§ 15250 and 15251, subd. (k) (the "Guidelines"). Public Resources Code 21002.1(a) requires the lead agency under CEQA, in this case the California Energy Commission, "to identify the significant effects on the environment of a project, to identify alternatives to the project, and to indicate the manner in which those significant effects can be mitigated or avoided." Section 21002.1(b) also requires that "[e]ach public agency shall mitigate or avoid the significant effects on the environment of projects that it carries out or approves whenever it is feasible to do so."

On January 15, 2004, the CEC issued the Presiding Member's Proposed Decision on the Walnut Energy Center Application for Certification pursuant to the Public Resources Code. On February 18, 2004, the CEC issued a Final Commission Decision. These and other documents concerning the Walnut Energy Center are available to the public at the CEC, 1516 Ninth Street, Sacramento, CA 95814. The final decision and other

information are also available at the CEC's website (<u>www.energy.ca.gov</u>). The final decision included the following findings:

- Implementation of the Conditions of Certification contained in the accompanying text will ensure protection of environmental quality and assure reasonably safe and reliable operation of the facility. The Conditions of Certification also assure that the project will neither result in, nor contribute substantially to, any significant direct, indirect, or cumulative adverse environmental impacts.
- Construction and operation of the project, as mitigated, will not create any significant adverse environmental impacts. Therefore, the evidence of record also establishes that no feasible alternatives to the project, as described during these proceedings, exist which would reduce or eliminate any significant environmental impacts of the mitigated project.
- 5. Approximately 50 cubic yards of items such as rags, turbine air filters, machine parts, electrical materials, and empty containers are typical nonhazardous wastes created during each year of project operation. These will be recycled or appropriately disposed.

The Zero Liquid Discharge (ZLD) system will process wastewater, returning a relatively high quality distillate stream for reuse in the plant, and producing a solid waste stream. Since the distillate stream will be concentrated, contained, and reused in a closed system, it does not require hazardous waste testing. ZLD operations will create about eight tons of salt cake waste daily. While it is not expected that this waste will be hazardous, testing is required by conditions of certification to ensure its proper classification and disposal.

Hazardous operational waste includes waste lubricating oil, used oil filters, spent SCR catalyst, and chemical cleaning wastes. All hazardous wastes generated during operation will be managed in accordance with federal and state laws and regulations. The wastes will be properly characterized and recycled or transported off-site to an approved treatment, storage, or disposal facilities by licensed hazardous waste haulers. To help ensure the proper handling and use of appropriate hazardous waste disposal facilities, conditions of certification require the project owner to obtain a construction hazardous waste generator identification number and to notify the CEC Compliance Project Manager of any known enforcement actions against hazardous waste facilities or companies used for project waste disposal.

While the WEC's operation wastes will add to the total quantity of waste generated in the state, the evidence establishes that recycling and available capacity in appropriate landfills will ensure that no significant waste management impacts will result. Finally, waste impacts from project closure will be adequately treated by the required closure plan.

See CEC, Final Decision on the Walnut Energy Center, Part V.D. Waste Management, p. 148-151, available at <a href="http://www.energy.ca.gov/sitingcases/turlock/documents/2004-02-20">http://www.energy.ca.gov/sitingcases/turlock/documents/2004-02-20</a> COMISN DECISION.PDF

6. The CEC found that no known cultural resources exist in the project area. See CEC, Final Decision on the Walnut Energy Center, Part VI.B. Cultural Resources, p. 174-184, available at <a href="http://www.energy.ca.gov/sitingcases/turlock/documents/2004-02-20 COMISN DECISION.PDF">http://www.energy.ca.gov/sitingcases/turlock/documents/2004-02-20 COMISN DECISION.PDF</a>. Moreover, during the construction of the facility, which was completed in March of 2006, the project owner employed a Cultural Resources Monitor with, among other authorities, the authority to halt construction if unknown resources are discovered. The project owner also retained the services of a Native American monitor to observe ground disturbance activities.

### FISH AND WILDLIFE CONCERNS

10. The CEC found that the project will not create significant adverse effects to any protected species and that the measures specified in the conditions of certification will adequately mitigate potential direct, indirect, and cumulative impacts on biological resources to less than significant. See CEC, Final Decision on the Walnut Energy Center, Part VI.A. Biological Resources, p. 159-173, available at <a href="http://www.energy.ca.gov/sitingcases/turlock/documents/2004-02-20">http://www.energy.ca.gov/sitingcases/turlock/documents/2004-02-20</a> COMISN DECISION.PDF

The source of water for the WEC is treated wastewater from the City of Turlock's WQCF. The source of supply for the City of Turlock is groundwater. The use of recycled water from the WQCF will reduce the salt load to the San Joaquin River and would benefit species in the San Joaquin River.

The WQCF currently discharges to the Harding Drain. Agricultural irrigation and drainage water in the area flows to the San Joaquin River through the Harding Drain. Harding Drain empties into the San Joaquin River approximately 5½ miles west of the project area. Water drains to the river by gravity flow through flap gates. Although Harding Drain is not considered habitat for spawning fish, fish can enter through the flap gates. Fish that enter the drain most likely do not thrive due to unfavorable water temperatures and lack of spawning substrate in the drain. (AFC, p. 8.2-9.)

The Application for Certification (AFC), prepared by the applicant and filed with the CEC, found that the use of recycled water for the WEC will have a net positive impact on water resources by reducing the amount of wastewater discharged to the San Joaquin River and is consistent with the CEC objective for reusing water to the greatest extent practicable. (AFC, p. 8.14-19.) In addition, the project's use of recycled water will have a net positive benefit on water resources by reducing the amount of water discharged into the San Joaquin River by the City. (*Id.*) The AFC concluded that "No adverse impact to beneficial use of surface water will result from water supply to the project, and no mitigation is required." (AFC, p. 8.14-20.)

The project was evaluated for its impact on fish and wildlife species, including special-status species. Critical habitat designations for the Central Valley steelhead (*Oncorhynchus mykiss*) evolutionarily significant unit and the Central Valley fall chinook salmon (*Oncorhynchus tshawytscha*) are in the San Joaquin River and its tributaries—

chiefly, the Merced, Stanislaus, and Tuolumne rivers. Approximately 5½ miles to the west, the San Joaquin River is the closest of these water bodies to the project.

The CEC staff concluded that "There will be no impacts to fish species from water use since the WEC will use reclaimed water for cooling ... and the WEC is ZLDF [Zero Liquid Discharge Facility]....Staff has not identified any impacts to sensitive fish species from the operation of the WEC." (Final Staff Assessment, p. 4.2-12.)

11. Habitat types in the project vicinity include agricultural fields, irrigation canals and drainages, ruderal roadside, and urban and industrial.

The wildlife species that commonly use agricultural fields are generally wide-ranging species that are highly adaptable. American crows, Brewer's blackbirds, mourning dove, Northern mockingbird, house finch, and house sparrows are common in the area. Large, soaring raptors (e.g., red tail hawks and Swainson's hawks) often forage in alfalfa, hay, and row-crop fields. California hare, coyote, and striped skunks are also relatively common. Mallard ducks, American coot, and pied-billed grebes use tailwater ponds and slow-moving irrigation ditches. This habitat type is regionally abundant and the species that occur there are generally widely distributed and common.

Wildlife that may use vegetated portions of irrigation ditches/canals include giant garter snake, egrets, herons, song birds, raccoon, opossum, and coyotes that feed on crayfish, tadpoles, and mosquito fish. Mallard ducks and other migratory waterfowl may use ditches that have some remaining cover, and red-winged blackbirds could use patches of cattails in the ditches as nest sites. None of the canals in the project impact areas contain suitable vegetation for significant wildlife use.

Habitat along the railroad tracks and county road rights-of-way typically contain ruderal vegetation communities. Ground squirrels, hares, and other small mammals often construct underground burrows in the friable soils of the railroad berms and adjacent road ditches. These burrows can subsequently provide shelter habitat for other wildlife, including lizards, snakes, amphibians, or burrowing owls.

Dominant wildlife in these urban and industrial areas includes common species (e.g., house sparrow, house finch, Northern mockingbird, yellow-billed magpie, western meadowlark, mourning dove, American crow, and American robin). There are mammal species (e.g., raccoon, opossum, house mice, Norway rats, California ground squirrels, and domestic or feral cats and dogs). These species tend to be those that are highly adaptable, widespread, and common.

The residential farms primarily support pasture for livestock (e.g., cows, goats, and poultry). Several cattle dairies are located in the project area. Pastures contain suitable habitat to support prey species (e.g., lizards, field mice, rats, gophers, ground squirrels, and black-tailed hare for predators). Predators that could occur in the project area include raptors, coyote, and domestic dogs and cats. Special-status raptors (e.g., Swainson's hawk and burrowing owl) are found in the area and pasture habitats could provide suitable forage habitat for them.







March 22, 2007

Ms. Victoria Whitney, Chief Division of Water Rights State Water Resources Control Board 1001 I Street P. O. Box 2000 Sacramento, CA 95812-2000

RE: City of Turlock Petition for Change for Owners of Waste Water Treatment Plants (Water Code § 1211)

Dear Ms. Whitney:

On behalf of the City of Turlock, enclosed are the following:

- 1. Petition for Change for Owners of Waste Water Treatment Plants (original and two copies) together with a map (3 copies);
- 2. Environmental Information Form (original and two copies);
- 3. A CD containing the California Energy Commission's Final Commission Decision and related documents:
- 4. A check in the amount of \$1,000 to cover the petition fee; and
- 5. A check in the amount of \$850 to cover the Department of Fish and Game review fee.

The purpose of this petition is to add the use of treated wastewater for industrial purposes as an authorized purpose of use. Water will be piped at a maximum rate of 2.0 mgd (3.1 cfs) with a maximum annual quantity of 1,800 acre-feet using an approximately 1.3 mile long, 12-inch diameter recycled water pipeline from the City of Turlock's Regional Water Quality Control Facility to the Walnut Energy Center (WEC). At the power plant, water will be used for cooling purposes. The discharge of process wastewater will be avoided through the operation of a Zero Liquid Discharge (ZLD) system. The City will continue discharging treated wastewater into Harding Drain until permitting and construction of a new outfall located on the San Joaquin River is completed.

Ms. Victoria Whitney, Chief March 22, 2007 Page 2

As explained in the accompanying petition, the WEC commenced commercial operation in March 2006 using non-potable groundwater to meet water demands until the recycled water can be supplied. Once recycled water is available, non-potable groundwater will be used only as a backup supply. Potable water for drinking, safety showers, fire protection, and sanitary uses is supplied from the City's municipal water system.

Please call if you have any questions or require additional information.

Dan Madden

Municipal Services Director

City of Turlock

Randy C. Baysinger

Assistant General Manager Power Services Administration

Turlock Irrigation District