



Fact Sheet

Updating Once-Through Cooling Interim Mitigation

What is the Role of the Water Boards?

The State Water Resources Control Board (State Water Board) and the nine Regional Water Quality Control Boards (Regional Water Boards), collectively known as the California Water Boards (Water Boards), are dedicated to a single vision: a sustainable California made possible by clean water and water availability for both human uses and environmental resource protection. The State Water Board protects water quality through development and implementation of water quality control plans and polices.

What is the OTC Policy?

On May 4, 2010, the State Water Board adopted the statewide Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (Once-Through Cooling or OTC Policy) that regulates the use of coastal and estuarine waters for cooling purposes at power plants in California. The OTC Policy establishes standards to implement the Clean Water Act in a consistent manner to reduce the harmful effects on marine life in the ocean and estuaries associated with the cooling water intakes, while ensuring the state's electrical needs and grid reliability. The OTC Policy originally applied to 19 coastal power plants. The eight remaining are listed below:

- Alamitos Generating Station (in Long Beach, CA)
- Diablo Canyon Nuclear Power Plant (in Avila Beach, CA)
- Harbor Generating Station (in Wilmington, CA)
- Haynes Generating Station (in Long Beach, CA)
- Huntington Beach Generating Station (in Huntington Beach, CA)
- Ormond Beach Generating Station (in Oxnard, CA)
- Redondo Beach Generating Station (in Redondo Beach, CA)
- Scattergood Generating Station (in El Segundo, CA)

What are the Interim Mitigation Measures?

Marine life is harmed by power plants that withdraw ocean and estuarine waters to cool steam for generating electricity. Aquatic organisms, including larvae and eggs, are harmed because they are either trapped against screens (impingement) or drawn into the cooling system (entrainment) and are exposed to pressure and high heat. The



marine life that is killed is mainly at the base of the food chain, which can adversely affect the future of certain species and impact recreational and commercial fishing.

Section 2.C(3) of the OTC Policy requires owners and operators of OTC power plants to implement mitigation measures that offset adverse impacts to marine life caused by power plant operations between October 1, 2015, and when final compliance with the OTC Policy is achieved. The OTC Policy provides options for complying with the interim mitigation requirement. Most owners and operators comply by providing funding to the Ocean Protection Council and the Coastal Conservancy for mitigation projects.

How are Interim Mitigation Payments Calculated?

In 2015, the State Water Board adopted [Resolution No. 2015-0057](#), which describes the procedures for calculating the annual mitigation payment. The calculation is comprised of three components described below:

- **Entrainment Payment**: The entrainment payment is calculated using a default or site-specific cost of entrainment multiplied by the volume of water used for once-through cooling purposes. The default or site-specific entrainment costing multiplier increases annually by three percent to account for inflation.
- **Impingement Payment**: The impingement payment is calculated using a default cost of impingement multiplied by the total pounds of fish impinged.
- **Management and Monitoring Payment**: The management and monitoring payment is calculated as twenty percent of the sum of the entrainment and impingement payments.

The State Water Board calculates interim mitigation payments annually based on data and information provided by the power plant owners and operators. The total amounts vary each year as the payments are based on the volume of intake and pounds of fish impinged within the interim mitigation cycle. The total amount from the most recently received interim mitigation payments (2020-2021 interim mitigation determinations) was over 7.1 million dollars.

How Might the Interim Mitigation Calculation be Revised?

The State Water Board will consider adopting a resolution in early 2024 to revise the interim mitigation payment calculation. The revisions will likely be based on the recommendations from a recent expert review (2023 Expert Review Report). A summary of the proposed changes is listed below.

- **Entrainment Payment**: Revise the default cost of entrainment, which is used for most OTC power plants, and the site-specific cost of entrainment for Diablo Canyon Nuclear Power Plant, to be consistent with current costs of mitigation projects.

- **Impingement Payment:** Revise the default cost of impingement for most OTC power plants, and set a site-specific cost of impingement for Diablo Canyon Nuclear Power Plant, based on the cost to restore the primary habitat in the geographic location of the power plant.
- **Inflation Escalator:** Revise the annual inflation escalator to reflect the actual annual changes in inflation and also apply an inflation escalator to the impingement payment calculation.

The draft resolution, accompanying information sheet, and 2023 Expert Review Report will be available on the [OTC webpage](#) on or before September 15, 2023.

If adopted, the new resolution will supersede Resolution No. 2015-0057 and the revised calculation will be used to determine the next interim mitigation payments for the period of October 1, 2022, to September 30, 2023.

How are Interim Mitigation Funds Used?

The Ocean Protection Council and the State Coastal Conservancy collect and use the interim mitigation payments to fund mitigation projects that restore marine life in the geographic region of the power plants. The OTC Policy defines mitigation projects as projects that restore or enhance coastal marine and estuarine habitat, such as coastal wetland restoration, and projects that protect marine life in existing habitat, such as funding the management of Marine Protected Areas.

The Ocean Protection Council and the State Coastal Conservancy consult with the State Water Board on the use of interim mitigation funds and project selection. Additionally, the Ocean Protection Council and the Coastal Conservancy provide the annual reports to the State Water Board on the use of interim mitigation payments, which are available on the [OTC Policy webpage](#) under Interim Mitigation Measures.

Guidelines on the use of interim mitigation funds and coordination for project selection and approval are described in a 2016 Memorandum of Understanding between the State Water Board, the Ocean Protection Council, and State Coastal Conservancy.

How Might the Use of Mitigation Funds Change?

The State Water Board, Ocean Protection Council, and State Coastal Conservancy are working together to update the guidance contained in the Memorandum of Understanding on the use of interim mitigation funds for mitigation projects, as defined in the OTC Policy. This might include expanding opportunities for outreach and engagement on how funds are used and projects are selected, and revising the amount of funds allocated to the Ocean Protection Council and the State Coastal Conservancy.

What are the Environmental Justice Considerations and Opportunities to Engage?

Several OTC power plants required to comply with interim mitigation measures are located in or near several disadvantaged communities and unceded ancestral territories of California Native American Tribes. The staff of the State Water Board is hosting two virtual public listening sessions with the Ocean Protection Council and the State Coastal Conservancy.

These public listening sessions are an opportunity to hear about, ask questions, and provide input on the proposed revisions to the interim mitigation payment calculation, as well as current and potential future uses of the interim mitigation funds.

Monday, October 2, 2023 at 5 P.M. to 7 P.M. (Pacific Time, PT) and
Thursday, October 5, 2023, at 2 P.M. to 4 P.M. PT
Remote participation only.

Instructions to access the virtual meeting via the Zoom online platform is available in the public notice on the program webpage.

The State Water Board will also offer government-to-government consultations with representatives of the California Native American Tribes to discuss the proposed changes. In alignment with the Water Board's Tribal Consultation Policy and Executive Order B-10-11, California Native American tribes can request consultations on the proposed amendment via hard copy letters or via email, contact information below.

For More Information:

Once Through Cooling Policy Webpage: <https://bit.ly/OTCWebpage>

Interim Mitigation Program Webpage: https://bit.ly/IM_Measures

Resolution No. 2015-0057: <https://bit.ly/Res2015-0057>

Point of Contact: Jonathan.Dolan@waterboards.ca.gov

Mailing Address: State Water Resources Control Board, 1001 I Street, 24th floor,
Sacramento, CA, 95814

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