



EDMUND G. BROWN JR.  
GOVERNOR

MATTHEW RODRIGUEZ  
SECRETARY FOR  
ENVIRONMENTAL PROTECTION

## State Water Resources Control Board

NOV 20 2017

Ms. Jennifer Didlo  
President  
AES-Southland  
690 North Studebaker Road  
Long Beach, CA 90803

Dear Ms. Didlo:

**SUBJECT: GRID RELIABILITY INFORMATION REQUESTS FOR HUNTINGTON BEACH  
GENERATING STATION**

On May 4, 2010, the State Water Resources Control Board (State Water Board) adopted the Water Quality Control Policy on the Use of Coastal and Estuarine Waters for Power Plant Cooling (Once-Through Cooling [OTC] Policy). To prevent disruption with the state's electrical power supply, section 1.1 of the OTC Policy provides that the State Water Board will convene a Statewide Advisory Committee on Cooling Water Intake Structures (SACCWIS) to advise the State Water Board on grid reliability and the impact of OTC Policy implementation on local area and system reliability. In order to perform an updated grid reliability analysis, the State Water Board requires updates to the previously submitted implementation plans submitted pursuant to section 3.A of the OTC Policy.

Pursuant to the OTC Policy and California Water Code section 13383, the State Water Board requests that AES-Southland (AES-SL) provide the most current information for Huntington Beach Generating Station (Huntington Beach) updated from the previously-submitted plan and respond to the questions in the attached document. Submission of the requested information is required no later than 60 days from the date of this letter.

Please note that a compliance date extension request requires an amendment to the OTC Policy, which takes a minimum of one year to process. Should circumstances that require an extension occur, AES-SL must submit a formal request for State Water Board consideration of an amendment to the compliance date set forth in the OTC Policy, along with supporting documentation. Please allow adequate time for the State Water Board to process a request.

FELICIA MARCUS, CHAIR | EILEEN SOBECK, EXECUTIVE DIRECTOR

1001 I Street, Sacramento, CA 95814 | Mailing Address: P.O. Box 100, Sacramento, CA 95812-0100 | [www.waterboards.ca.gov](http://www.waterboards.ca.gov)

Ms. Jennifer Didlo

- 2 -

Should you have any questions on this matter please feel free to contact Rebecca Fitzgerald, Chief of the Water Quality Standards and Assessment Section, at (916) 341-5775 [Rebecca.Fitzgerald@waterboards.ca.gov](mailto:Rebecca.Fitzgerald@waterboards.ca.gov) or Maria de la Paz Carpio-Obeso, Chief of the Ocean Standards Unit, at (916) 341-5858 [MarialaPaz.Carpio-Obeso@waterboards.ca.gov](mailto:MarialaPaz.Carpio-Obeso@waterboards.ca.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "Eileen Sobeck". The signature is fluid and cursive, with a prominent loop at the end.

Eileen Sobeck  
Executive Director

Attachment

Attachment:

## HUNTINGTON BEACH GENERATING STATION

- The following is the State Water Board's current understanding of the proposed mechanism to bring each unit into compliance:

AES-SL sent a letter to the State Water Board on January 6, 2017, stating its plan to comply with Track 1 of the OTC Policy for Huntington Beach. AES-SL proposes to repower Huntington Beach with a new 644 megawatts (MW) Combined Cycle Gas Turbine and two 100 MW Simple Cycle Gas Turbine peakers. AES-SL was awarded a Power Purchase Agreement with Southern California Edison. First fire and testing of the 644 MW Combined Cycle Gas Turbine is scheduled for October 1, 2019, with a May 1, 2020 commercial operation date.

AES-SL proposes to provide emission offsets for the new Huntington Beach Energy Project by retiring the existing Huntington Beach Unit 1 and Redondo Beach Unit 7 on October 31, 2019, and the existing Huntington Beach Unit 2 on December 31, 2020.

AES-SL expects that Huntington Beach will be in compliance with the OTC Policy by December 31, 2020.

- The following is the State Water Board's current understanding of the actions taken to obtain permits and contracts, or meet other regulatory obligations to implement Track 1 compliance:

On September 14, 2015, the California Energy Commission received a Petition to Amend (PTA), to change the technology for the Huntington Beach Energy Project to the currently proposed 844 MW power plant. On April 12, 2017, the California Energy Commission approved the Huntington Beach PTA.

According to the PTA submitted by AES-SL, they plan to utilize Rule 1304(a)(2) of the South Coast Air Quality Management District offset exemption by retiring Huntington Beach Unit 1 (215 MW) and Redondo Beach Unit 7 (505 MW). The PTA states that existing Huntington Beach Unit 1 will be retired in the fourth quarter of 2019, to provide interconnection capacity for the new Combined Cycle Gas Turbine units. Huntington Beach Unit 2 will be retired either after commercial operation of the Huntington Beach Energy Project Simple Cycle Gas Turbine or by the December 31, 2020 OTC Policy compliance date, after which demolition of Huntington Beach Units 1 and 2 will commence.

- Please respond to the following questions and requests for information:
  1. Has any of the information above changed? If yes, please provide corrected information.
  2. Is AES-SL on track to complete construction of the new Huntington Beach Energy Project to meet its commercial operation date or Power Purchase Agreement date for the new facility? If not, please explain.
  3. Are there any contingencies that would prevent AES-SL from meeting its OTC Policy compliance date of December 31, 2020? If yes, please explain.

4. In the event of an OTC Policy compliance date extension, are there electrical configurations, permit constraints, or any other reasons that would make some units preferred for extension over others? If yes, please explain.
5. Please identify any period that may experience a disruption in service between the shutdown of the existing Huntington Beach Units and the commercial operation date of the new Huntington Beach Energy Project facility.
6. Is there any other information that the State Water Board should be made aware of?