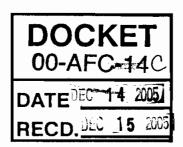
CALIFORNIA ENERGY COMMISSION

1516 NINTH STREET SACRAMENTO, CA 95814-5512

December 14, 2005

Mr. Jesus Arredondo NRG Energy, Inc./El Segundo Power II, LLC 3741 Gresham Lane Sacramento, CA 95835



Subject: El Segundo Power Redvelopment Project (00-AFC-14C)

Request for Information Pertaining to Cooling Water Interconnections

Between Units 1 & 2, and Units 3 & 4

Dear Mr. Arredondo:

El Segundo Power Redevelopment Project filed an Application for Certification (AFC) with the California Energy Commission on December 21, 2000. The Energy Commission issued a decision approving the construction and operation of the project, based in large part on the information provided in the AFC.

In their responses to your September 30, 2005 petition to delay payment required by Condition of Certification BIO-1, both California Coastal Commission staff and Santa Monica Baykeeper expressed concerns about inconsistencies between the project described in the AFC process, and descriptions in subsequent applications described below. Specifically, there appears to be one or more cooling water, or cooling water-related connections between Units 1 & 2, and Units 3 & 4 not specified in the AFC, data requests and responses, and hearing transcripts, but referenced in the following:

- In your Application for Renewal of Right-of-Way Lease PRC 858.1, August 2002, it appears as though there is a 66" diameter, reinforced concrete piping connection between Units 1 & 2 and Units 3 & 4. (Ex. D.2, Dwgs. 565541-9 and Intake Structure Plan View for Units 1 & 2.)
- 2. In your National Pollutant Discharge Elimination System (NPDES) permit renewal application of September 24, 2004, the Schematic of Water Flow diagram shows an intermittent flow of 75 Million Gallons per Day (MGD) of water from the Unit 1 & 2 circulating water condensers to the Unit 3 & 4 bearing cooling water heat exchangers. (Section 3, EPA Form 2C and Attachment 1, labeled Drawing Number 1009724001-A4.) The sizing and material of the piping is not provided.
- 3. In your November 1, 2005 "Reply to Comments on its Petition to Amend, Attachment 1," the project owner states that the "...only 'connectivity' of these two systems is where auxiliary cooling water from Intake #1 can be pumped through a 21 inch pipe to heat exchangers that are used to cool various rotating equipment bearings throughout the Unit 3 & 4 power plant."

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AFC Figure 5.5-2, "Water Flow Schematic-El Segundo Generating Station, 2000," omits the information shown in the NPDES application's Schematic of Water Flow diagram referenced above.

To determine whether the Energy Commission possessed and relied upon a complete and accurate project description when it approved the El Segundo Power Redevelopment Project AFC on February 2, 2005, staff requests that you provide the following information.

Requests for Information

For Outfall 001, you assume using the current maximum NPDES permitted intake for Units 1 & 2, 207 MGD, as the intake for the future Units 5, 6 & 7. (The Commission Decision does not specify cooling water flows for Units 5, 6 & 7, and defers this matter to the Los Angeles Regional Water Quality Control Board (LARWQCB) NPDES permit.)

- Please provide detailed, legible and to-scale as-built engineering, design, and construction plans or drawings for all connections currently in place serving Units 1 & 2 (and that will serve Units 5, 6 & 7) and Units 3 & 4. Include construction descriptions and details of the valves, gates and any other control features.
- 2. Clearly show the interconnection structure(s) on these plans/drawings.
- 3. Provide a description of how the intakes/outfalls are operated with and without the interconnection(s) in operation.
- 4. Describe under what operating conditions the interconnection(s) is/are in operation. If there is more than one condition under which the interconnection(s) is/are in operation, describe all that apply.
- 5. Describe the direction of flow and the volumes of flow under all conditions the interconnection(s) is/are in operation.
- 6. Discuss whether the operation of the interconnection(s) under any operating condition results in the intake and discharge of more than the NPDES regulated volume of 207 MGD of ocean cooling water for the intake and outfall serving Units 1 & 2 (and 5, 6 & 7), or of more than 398 MGD for the intake and outfall serving Units 3 & 4.
- 7. Discuss whether the operation of the interconnect under any operating condition causes the combined cooling water flows of Units 1 & 2 (and 5, 6 & 7) and of Units 3 & 4 to exceed the NPDES regulated volume of 605 MGD.

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We request the information be provided no later than January 20, 2006. If you have any questions or comments, please contact Marc Pryor, Compliance Project Manager, either by telephone at (916) 653-0159, or by e-mail at mpryor@energy.state.ca.us.

Sincerely,

TERRENCE O'BRIEN, Deputy Director Systems Assessment & Facilities Siting

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Enclosure

cc: John McKenzie, Counsel to El Segundo Power II, LLC Tom Luster, California Coastal Commission Tracy J. Egoscue, Santa Monica Baykeeper Heather Hoecherl, Santa Monica Baykeeper