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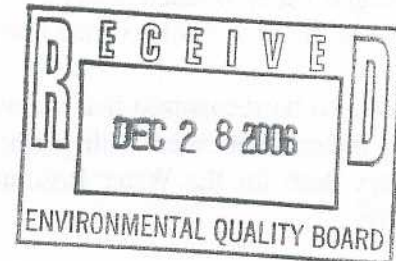
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INDEPENDENT REGULATORY
REVIEW COMMISSION

December 27, 2006

Federal Express

Environmental Quality Board
Rachel Carson State Office Building
16th Floor
400 Market Street
Harrisburg, PA 17101-2301



Re: Comments on Proposed Water Resources Planning Water Withdrawal and Use Registration, Monitoring and Reporting Regulations

With this letter, Reliant Energy, Inc. (Reliant) respectfully submits comments on the proposed water withdrawal and use regulations (25 Pa. Code Chapters 109 and 110), as published at 36 PA. Bulletin 7260 (December 2, 2006). Reliant owns and/ or operates eleven (11) Pennsylvania facilities required by the Water Resources Planning Act (Act 220 of 2002) to register and report annual water use.

As the Department is aware the power generation industry is one of, if not the largest water using industry in the state of Pennsylvania, and was actively involved in the development of Act 220. We recognize that a critical part of the water resources planning process is the collection of reasonably reliable information regarding the nature, location and amount of significant water withdrawals and uses across the state. This data will provide an evaluation of present use and future needs.

We also agree that a sound Water Resources Plan is useful for evaluating future expansion projects and availability/ accessibility to source water, while ensuring enough capacity exists for continued operations at power plants which have been in existence for many years. Providing reliable generation to meet both present and future electricity demands while complying with all environmental regulations is essential to Pennsylvania's economic development.

1. Registration and reporting by users without direct withdrawals

Section 110.201(3) of the proposed rules would require registration and reporting by not only those who make direct withdrawals of water from surface or ground water sources in amounts greater than 10,000 gpd, but also by any entity that is connected to a public water supply system who engages in a consumptive use (such as evaporative air conditioning) where the average consumptive amount is more than 100,000 gpd. This proposal deviates significantly from the initial registration program, where those exclusively connected to public water systems were exempted, and not required to register.

Reliant questions this modification and the usefulness of the information which would be submitted by hundreds of additional registrants which seems to be redundant. The most essential (and accurate) data on water withdrawals and return flows will come from water supply agencies and associated sewage system operators.

Expanding upon this redundancy, it seems like the current practice of including public water interconnections as a source at facilities which have multiple sources including wells and/ or surface water withdrawals, would also appear to "double-count" this withdrawal because it would already be captured in the public water supply report and consumptive use would be the difference between withdrawal and that discharged via associated sewage systems. This would be most applicable to facilities which discharge potable water to publicly owned treatment works (POTW).

It must also be recognized that we as registrants do not own and are not responsible for the accuracy of the billing meters associated with public water interconnections. It is the obligation of the POTW to ensure accuracy both for the Water Resources Inventory and to ensure us as customers that we are being billed correctly.

2. Termination of registration

Section 110.206 (d) identifies that when a registered withdrawal or use over seven consecutive 12-month periods is zero, based upon submitted annual water use reports, the Department will terminate the registration and notify the registrant. It is unclear the necessity of such a requirement. Sources/ interconnections may not be used for long periods of time, or used minimally for a variety of reasons, however by the agency terminating the registration; the owner faces the burden of re-registering, which seems quite inefficient. Perhaps rather than terminating the registration, it would be simpler to just include an area on the annual report where the registrant can just check that the source was not used during that reporting year, but that it may be used in the future. When a source is actually terminated/ abandoned, it is the option of the registrant to notify the agency as identified in Section 110.206(c).

3. User-Specific Contents of Annual Reports

Section 110.305 (2)(iv) Storage information: This section is extremely vague and can mislead registrants as to what type of data is being requested. Power plants include multiple storage tanks for fuel oil and other substances in addition to wastewater treatment systems associated with NPDES permits. Clarification should be incorporated identifying that this is specific to large water storage facilities (reservoirs and tanks) designed to supply the plants with raw or treated water during low flow or other unusual conditions. We note that the current PADEP instructions associated with the forms for the 2004/ 2005 reporting years do not specify that "Storage" relates specifically to water.

4. Monitoring and Measuring Requirements

Section 110.501 can mislead industrial users that they would be required to measure or calculate **both** their withdrawals, **and** their consumptive and non-consumptive uses, via a continuous-recording device or flow meter or other method, **accurate to within $\pm 5\%$ of actual flow**. Clarification should be provided that the accuracy requirement is applicable exclusively to most withdrawals (except those that would be covered by Section 110.501(d)). The measurement or calculation of withdrawal volumes is usually a more direct and straightforward method, where data can be collected by meters or **calculated by alternative methods (such as pump curves and runtimes)**. However quantification of consumptive use presents a much greater challenge where there are multiple complicated processes involving water use, most of which are not conducive to metering or direct measurement. Given the complexity of power plant systems, it would be excessively expensive if not infeasible to meter all points of consumptive use. Most consumptive use evaluations are based on water balance calculations that incorporate estimated factors and engineering judgment/ design

specifications. This data is the best that is reasonably available and adequate for other department programs so it should suffice here as well.

Alternative Methods

Reliant appreciates the inclusion of Section 110.501(d) recognizing that the Department "may grant exceptions to the 5% performance standard, if maintenance of the 5% performance standard "is not technically feasible or economically practicable".

The electric power generation industry has discussed with representatives of PADEP numerous times the process of steam condensing and the significant volumes of water pumped through condensers and returned to the waterway as non-contact cooling water or consumed via evaporation in closed-cycle cooling towers. Pump curves historically have been used and accepted as a means to calculate the volumes associated with the massive circulating water pumps. Various types of costly meters have been tested unsuccessfully over the years. Reliant understands that the 5% performance standard is a target, but there may be circumstances where verification of the 5% accuracy may be infeasible and not economically practicable, in which case granting of the exceptions identified above will be requested.

5. Recording Frequencies

Section 110.502 specifies that both withdrawals and uses subject to § 110.501(c) shall be recorded on a weekly basis. As mentioned above, due to the complexity of determining/ calculating consumptive uses, we believe monthly estimates to be more than adequate.

In Conclusion

Reliant Energy appreciates the opportunity to comment on the proposed Water Withdrawal and Use regulations pertaining to registration, monitoring and reporting.

Please contact me at the number above or via email at nrozic@reliant.com should need additional information.

Sincerely,



Nathan J. Rozic
Environmental Specialist
Reliant Energy, Inc.

