Delaware River Basin Commission

Overview of the recently adopted Power Consumptive Use Policy

Resolution No. 2018-5

Chad Pindar, P.E. Manager, Water Resource Planning Section

June 21, 2018 Water Management Advisory Committee





Agenda

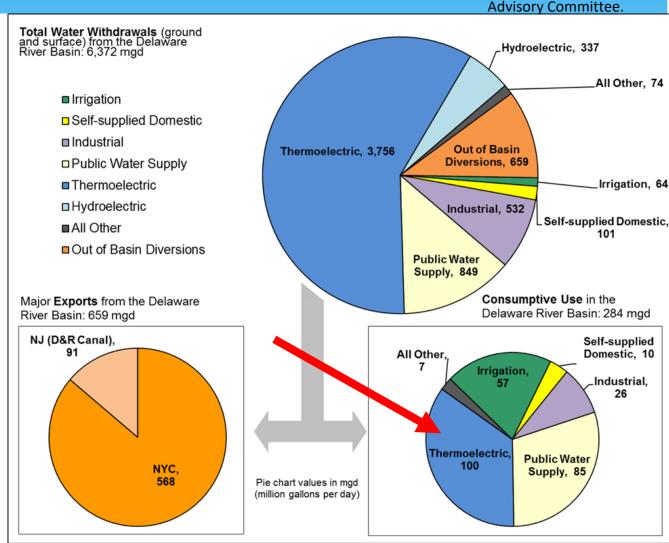
- * Brief recap of issues
- * Policy Adoption Timeline
- * Review major elements of the resolution and policy
- * Implementation





Power Consumptive Use Policy

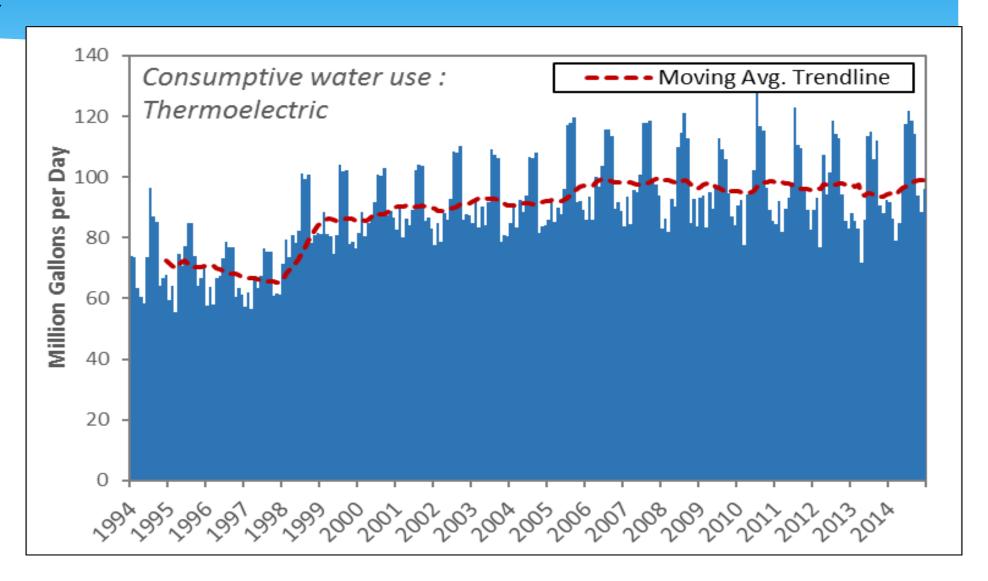
- Power is the DRB's largest consumptive use (~35% of in-basin use, ~100 mgd).
- Section 3.8 Review: Electric generating or cogenerating facilities designed to consumptively use in excess of 100,000 gallons per day of water during any thirty-day period.
- Most power generating dockets require the replacement of consumptive use during low flows.



Power Consumptive Use Policy

- Consumptive
 Use from
 Power is
 increasing.
- ~20 mgd increase since
 2000.





Power Consumptive Use Policy – Issues

- Most "power" dockets issued 1984 2010 include a specific condition for consumptive use replacement.
 - condition had changed over time
 - needed "tweaking" to clarify a few items
- Disconnect between wording in some dockets and MCOG operating plan.
- Several new power dockets don't have the specific condition.
 - instead required the development of a "Drought Management & Contingency Plan" (DMCP)
 - DMCPs are confused with non-power drought responsibilities
- Some of the new power docket holders have secured make-up storage, some have not.
- Fall 2016 Section 10.4 Water Supply Emergency Declaration highlighted the confusion with those not covered by MCOG releases.

Power Consumptive Use Policy – Old Condition

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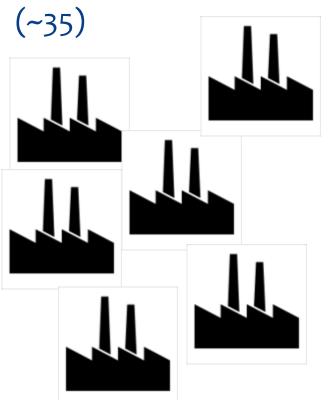
Whenever the Commission's Drought Management Plan (present or future) indicates that storage levels in the Delaware River Basin have fallen below normal conditions for five consecutive days, and the daily mean "Equivalent Flow" (as measured at the Trenton U.S.G.S. gage, minus the previous day's release from Merrill Creek Reservoir, and including appropriate adjustments for directed releases from Blue Marsh Reservoir) is below 3,000 cfs and is forecast to remain below 3,000 cfs for the next day, or whenever the salt front (250 isochlor) is above River Mile 92.5, the applicant shall operate the project at a level corresponding to the equivalent consumptive use that the applicant can replace on a daily basis, or as otherwise approved by the Executive Director of the DRBC. The applicant shall apply its modified Operating Plan to ensure compliance with all stream flow objectives and use limitations, and shall submit, and obtain approval of any revision to this plan by the Executive Director.

Power Consumptive Use Policy - Implementation

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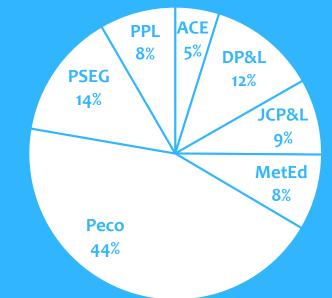
Individual docket condition for each DRBC approval



D-1977-110 CP-18 - Merrill Creek Ownership Group Docket. Operating Plan & Designated Units.

Reservoir in Warren County, NJ (pump from Delaware River)

MERRILL CREEK OWNERSHIP GROUP





Power Consumptive Use Policy – Merrill Creek

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Merrill Creek Docket

- D-1977-110 CP (October 24, 1984)
- D-1977-110 CP Amendment 1 (May 23, 1990)
 - Clarified Designated Units
 - Formalized Trenton Equivalent Flow use (BMR in the SCH)
- 15 modifications by Resolution mostly adding/subtracting Designated Units
- D-1977-110 CP-18 (March 10, 2015; Expires 3/10/2024)

•Condition C.II.s. Compensation releases, in lieu of curtailment, shall be made for all Designated Units in **EXHIBIT III** of **ATTACHMENT 2** (See DECISION Condition II.m.) whenever the Commission's Drought Management Plan (DMP) causes the flow objective at the Trenton gage to drop below 3,000 cfs and the Equivalent Flow at Trenton drops below 3,000 cfs. In addition, Compensation Releases will be required if and when the Equivalent Flow at Trenton drops below 3,000 cfs for five consecutive days due to reasons beyond the control of the DRBC.

Designated Units Total

~176 CFS of FECU

~114 MGD

EXHIBIT III: Designated Units

Plan of Operation for the MCR Exhibit III, List of Designated Units [Note 1] Sheet 1 of 3

Consumntive

FECU

Designated Unit	1 st Year of Operation	Use (cfs) [Notes 2,3]	Relative Effect Factor	(cfs) [Notes 3,4]	Method of Calculation [Note 5]	Reservoir Ownership (%)
Served by Atlantic Cit	y Electric Co	. share of MCR				4.834
Pedricktown	1995	0.83	0.68	0.57	В	
(PCLP) Cogen						
Served by Delmarva P	ower & Ligh	t Company shar	e of MCR			11.909
Bethlehem	2003	6.62	1.00	6.62	В	
Deepwater #1	1958	1.03	0.51	0.52	A	
Deepwater #6	1954	0.96	0.51	0.49	A	
Edge Moor #3	1954	0.90	0.59	0.53	A	
Edge Moor #4	1966	1.76	0.59	1.04	A	
Edge Moor #5	1973	4.31	0.59	2.54	A	
Hay Road #4	1993	4.86	0.59	2.87	В	
Hay Road #8	2001	3.15	0.59	1.86	В	
Liberty Electric	2001	4.49	1.00	4.49	В	
Served by Jersey Cent FPL Energy	ral Power and	l Light Co. shar	e of MCR			8.370
Marcus Hook, LP	2002	5.10	0.72	3.67	В	
Gilbert #3	1949	1.18	1.00	1.18	A	
Gilbert #8	1976	2.26	1.00	2.26	A	
Gilbert #9	1995	0.30	1.00	0.30	Α	
Keystone/Logan Cogen	1995	5.27	0.71	3.74	В	
Northampton Cogen	1995	1.90	1.00	1.90	В	



Power Consumptive Use Policy – Merrill

Creek

Calculation Ownership [Note 5] (%) Presented to an advisory committee of the DRBC. Contents should not be

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EXHIBIT III: Designated Units (Continued)

Plan of Operation for the MCR Exhibit III, List of Designated Units [Note 1] Sheet 2 of 3

Designated Unit	1 st Year of Operation	Consumptive Use (cfs) [Notes 2,3]	Relative Effect Factor
Served by Metropolita	an Edison C	o. share of MCR	
Portland #1	1958	1.48	1.00
Portland #2	1962	2.36	1.00
Portland #5	1995	0.72	1.00
Titus #1	1951	1.28	1.00
Titus #2	1951	1.28	1.00
Titus #3	1953	1.28	1.00
Served by PECO Ene Eddystone #3 Eddystone #4 Fairless Hills Grays Ferry Cogen Units Limerick #1 [Note 6] Limerick #2 [Note 6] Salem #1 (42.59%) Salem #2 (42.59%)	rgy share of 1974 1977 1997 1998 1986 1990 1977	FMCR 4.97 4.97 1.32 1.24 32.57 32.57 8.09 8.09	0.84 0.84 1.00 1.00 1.00 1.00 0.18

EXHIBIT III: Designated Units (Continued)

Plan of Operation for the MCR Exhibit III, List of Designated Units [Note 1] Sheet 3 of 3

Sheet 3 of 3						
Designated Unit	1 st Year of Operation	Consumptive Use (cfs) [Notes 2,3]	Relative Effect Factor	FECU (cfs) [Notes 3,4]	Method of Calculation [Note 5]	Reservoir Ownership (%)
Served by PSEG Power, LLC share of MCR						13.906
Hope Creek #1	1986	27.88	0.18	5.02	A	
Mercer #1	1960	4.43	1.00	4.43	Α	
Mercer #2	1961	4.43	1.00	4.43	A	
Salem #1 (57.41%)	1977	10.91	0.18	1.96	Α	
Salem #2 (57.41%)	1981	10.91	0.18	1.96	A	
Served by Realty C [Note 7]	ompany of	Pennsylvania (I	PPL) share	of MCR		8.370
Lower Mount Bethel Energy	2003	4.95	1.00	4.95	В	
Martins Creek #3	1975	15.14	1.00	15.14	A	
Martins Creek #4	1977	15.14	1.00	15.14	Α	
PPL Ironwood, LLC	2001	1.67	1.00	1.67	В	

Power Consumptive Use Policy Goals

- Formalize a policy that has been in-practice for decades.
 - Update "standard condition" in dockets over time.
 - Update the MCOG docket's operating plan.
 - Define "Critical hydrological condition"
 - Clarify / Guidance
 - Applicability
 - Relative Effect Factor
 - Replacement Sources
 - Exemptions
 - Notifications
 - Replace Drought Management and Contingency Plan (DMCP) with Consumptive Use Replacement Plan (CURP). Establish criteria for CURP.



Power Consumptive Use Policy Timeline

- 1. January 31, 2018 web posting of draft resolution
- 2. February 14, 2018 Public Hearing item
- 3. February 28, 2018 End of extended comment period (2 oral commenters & 6 written commenters)
- 4. March 14, 2018 Commissioner's postponed action (staff meet with docket holders, address comments)
- 5. May 3, 2018 web posting of revised draft resolution
- 6. May 16, 2018 Second Public Hearing item (no comments received)
- 7. June 13, 2018 Commissioners approved Resolution No. 2018-5.



Goal: Update Consumptive Use Replacement Condition

For the duration of a critical hydrologic condition as announced by the Commission, on a daily basis the docket holder shall cause to be released from a replacement water source approved by the Commission an amount of water equal to the amount consumptively used by the docketed facility, multiplied by the applicable relative effect factor, if assigned. For the duration of such critical hydrologic condition, the docket holder shall operate its facility only at a level commensurate with the amount of replacement water it is capable of causing to be released.

Goal: Define Critical Hydrologic Condition

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<u>Critical hydrologic condition</u> – A critical hydrologic condition is deemed to exist whenever the following conditions are satisfied:

- 1. the Flow Objective at the USGS Trenton gage is reduced to a level below 3,000 cfs in accordance with the Delaware River Basin Water Code; and
- 2. the sum of the following flows and releases remains below 3,000 cfs:
 - a) the flow measured at the USGS Trenton gage at approximately 8:00 am; plus
 - b) average daily releases from Blue Marsh Reservoir in excess of the minimum conservation release rate; plus
 - c) an amount of water as determined by the Commission to account for flows withdrawn above and returned below the USGS Trenton gage; less
 - d) the average daily release of Compensation releases from Merrill Creek Reservoir for the previous day.

Goal: Define Critical hydrologic condition

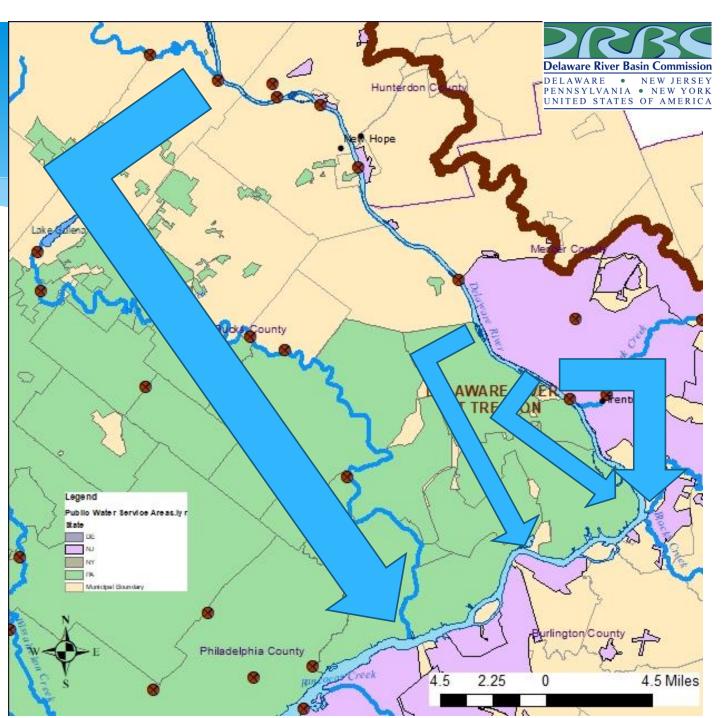
Q: What are the "Estimated by-pass flows around Trenton USGS gage"?

A: These flows are not recorded by the gage but contribute to the Trenton flow objective of repelling salinity in estuary.

Docket	Docket Holder	2015 MGD	2016 MGD	2015 Volume Returned Below Trenton Gage (90%)	2016 Volume Returned Below Trenton Gage (90%)
D-1965-076 CP-8	Forest Park Water Company	24.4	25.0	22.0	22.5
D-1995-053 CP	PA American Water - Yardley	2.5	2.6	2.3	2.3
D-1998-009 CP-2 D-1974-072 CP	Trenton Water Works Morrisville Borough	28.1	26.5 2.8	25.3 2.5	23.9

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~52 MGD = ~ 80 CFS



Goal: Consumptive Use Replacement Plan (CURP)



CURP – describes how a facility will implement its consumptive use replacement

- Description of replacement water source
- Volume of water secured
- Terms of use of replacement source
- Duration of use agreement
- Primary point of contact

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If no water is secured, the CURP is to include:

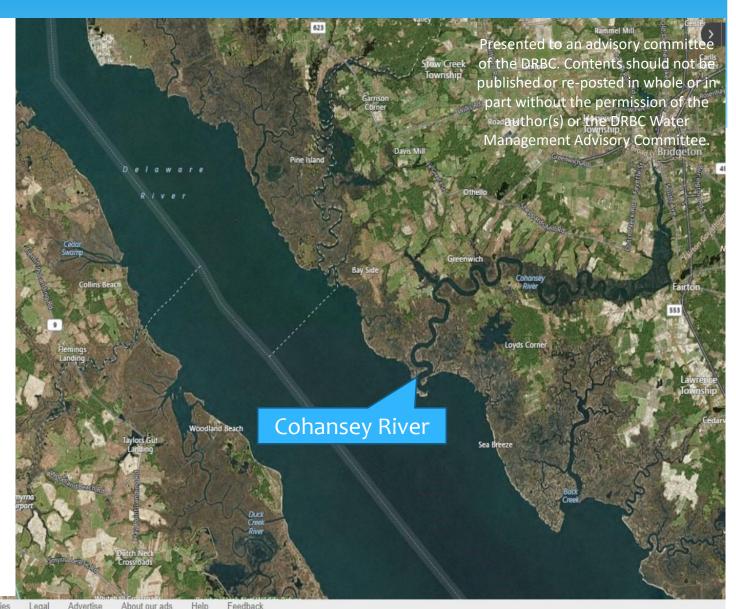
- a commitment that the facility will cease the consumptive use of water within 24 hours notice
- a letter from the docket holder to the grid operator (e.g. PJM) disclosing it's choice not to secure water

Goal: Address geographic applicability



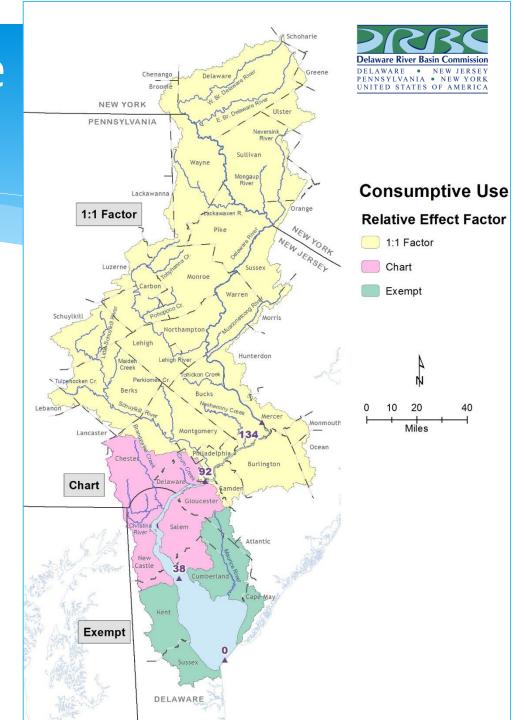
The Consumptive Use Replacement Requirement applies to electric generating or cogenerating facilities designed to consumptively use in excess of 100,000 gallons per day of water during any 30-day period; and

- i. obtain their water from surface water above R.M. 38, or
- ii. obtain their water from wastewater effluent that would otherwise be discharged to surface water above R.M. 38.



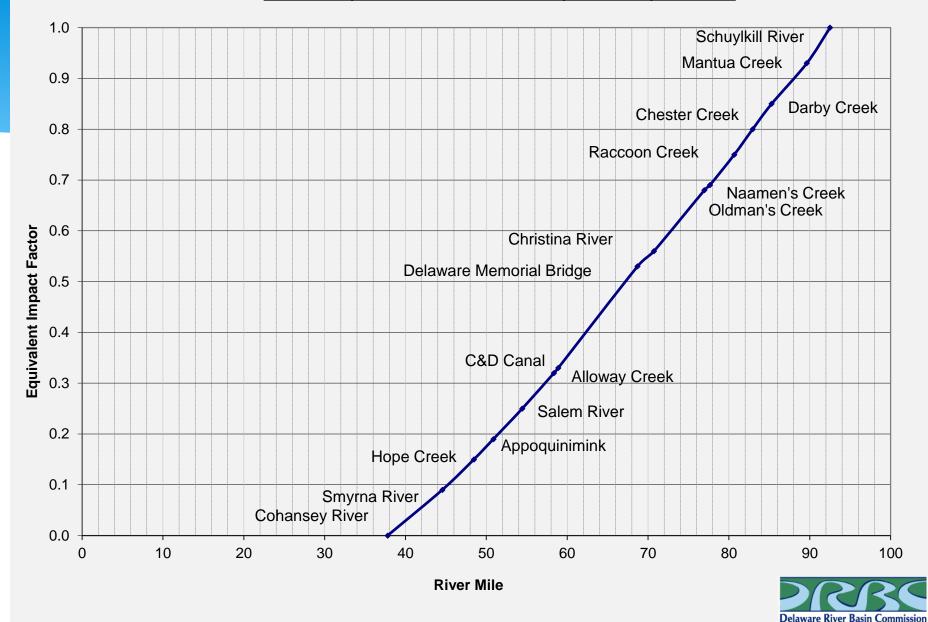
Goal – Clarify Relative Effect Factor

For facilities located in the drainage areas of the Delaware River Basin above river mile 38 and below river mile 92.4, the amount of consumptive use make-up water required will be based on their individual Relative Effect Factor (REF).



Goal – Clarify Relative Effect Factor

Relationship between River Mile and Equivalent Impact Factor



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Goal – Guidance on Replacement Sources



Acceptable Replacement Sources:

- * groundwater that is not under direct influence of surface water
- * imported water
- * reservoir storage other than Beltzville and Blue Marsh

Rio Dam & Bypass Flow Unit: http://www.eaglecreekre.com/media/gallery/mongaup-river-ny

Goal – Guidance on Replacement Sources

The Commission recommends that each docket holder secure an amount sufficient to supply the docket holder's projected consumptive use (multiplied by the Relative Effect Factor) experienced over a period of 120 days.

Recognizes the differences between baseload generators vs. peaking facilities.

120 days = normal dry season (June – September)



Goal – Address Exemptions



Exemptions from the Consumptive Use Replacement Requirement if facility:

- obtains their water from groundwater that is not under direct influence of surface water, and/or
- obtains their water from an importation, and/or
- is located in the <u>drainage area</u> of the Basin below R.M. 38.



Comments Received on First Draft Resolution/Policy

2 oral commenters: Jim Mershon (MCOG), Anthony Bonasera

6 written commenters: MCOG, Talen Energy, Eagle Point Power, WRA-DRB, Chambers CoGen, Matt Ford

Technical

- * 120 Days Worth of Storage
- * Temporary Excursion & 5 day requirement
- * All consumptive use be mitigated not just power

Administrative

- Extend comment period on resolution/policy
- Docket Expirations (proposed 12/31/2018 with renewal application due 10/1/2018)
 - * Operating without a docket if not renewed by expiration date
 - * Time to submit a renewal application is too short
 - * DRBC authority to impose expiration date
 - * Costs for application unexpected/budget constraints
- * Application Extension to 3/31/2019
- * Re-advertise amended policy/resolution after meeting with WRA

<u>Other</u>

- Meeting Requests WRA facilitation, Chambers CoGen, Talen Energy (pre-app)
- Citizen supportive of pure water



Comments Received on First Draft Resolution/Policy

Technical

- 120 Days Worth of Storage removed reference (baseload generators vs. peaking)
- Temporary Excursion & 5 day requirement removed (MCOG current docket doesn't reference it)
- * All consumptive use be mitigated -- not just power not recommended at this time

Administrative

- * Extend comment period on resolution/policy extended from Feb 20 Feb 28, 2018
- Docket Expirations (proposed 12/31/2018 with renewal application due 10/1/2018)
 - * Operating without a docket if not renewed by expiration date– clarified that if renewal application received then "administratively continued"
 - * Time to submit a renewal application is too short- changed to "prior to expiration"
 - * DRBC authority to impose expiration date standard condition which the "Commission reserves the right to amend, alter or rescind actions... for water resource management"
 - * Costs for application unexpected/budget constraints extended expiration date
- Application Extension to 3/31/2019 extended application date
- * Re-advertise amended policy/resolution after meeting with WRA review concerns with docket holders, re-advertising of policy/resolution

Other

- Meeting Requests WRA facilitation, Chambers CoGen, Talen Energy (pre-app) met with docket holders
- * Citizen supportive of pure water agree, no change necessary



Power Consumptive Use Policy – Impacts

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~ 44 Power Generating Facilities in the DRB 42 Power
Generating
Facilities in
the DRB have
>100,000 gpd
of C.U.

2 Hydropower

36 Subject to C.U. Replacement

6 Exempt

25 covered by Merrill Creek

2 Alternate Source – Import SRB

1 Other storage – Lake Ontelaunee

1 Other storage – Mongaup system

3 Have not secured C.U. makeup

1 Without DRBC approval

3 Exempted by dockets – Mine pools

4 Groundwater

2 Location / Groundwater

Power Consumptive Use Policy - Implementation



Resolution implements the "condition" in several ways:

- A. Future modifications to the MCOG Docket and Operations Plan
- B. Individual dockets will be updated upon renewal.
- C. Dockets <u>without expiration dates</u> requested to submit renewal applications prior to newly established expiration date of March 31, 2019

* In MCOG: Martins Creek, LLC (Units 3 & 4) – Talen Energy D-1970-025 CP

* Not in MCOG: Wheelabrator Gloucester Company D-1987-038

* Not in MCOG: Chambers Cogeneration L.P. – Carneys Point D-1991-019

D. Commission directs Wheelabrator Falls Inc. (Bucks County, PA) to submit their project for Section 3.8 Review (uses >100,000 gpd of consumptive use / 30 days)

Power Consumptive Use Policy - Notifications

DRBC will provide notices to docket holders and update DRBC website.

36 Subject to C.U. Replacement

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25 covered by Merrill Creek

2 Alternate Source – Import SRB

1 Other storage – Lake Ontelaunee

1 Other storage

3 Have not secured C.U. makeup

1 Without DRBC approval

Exempted by dockets – Mine pools

DRBC notice to MCOG to begin releases

DRBC notice to Kimberly Clark & FPL Energy MH50 to switch to Chester Water Authority

No DRBC notice required

DRBC notice to Eagle Point

DRBC notice to cease consumptive use

TBD

No DRBC notice required

Questions / Discussion





