



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 1
5 POST OFFICE SQUARE, SUITE 100
BOSTON, MA 02109-3912

CERTIFIED MAIL - RETURN RECEIPT REQUESTED

June 1, 2010

Linda T. Landis, Senior Counsel
Public Service Company of New Hampshire
P.O. Box 330
Manchester, NH 03305-0330

Re: Information Request for NPDES Permit Re-issuance, NPDES Permit No: NH0001473

Dear Ms. Landis:

This letter replies to your May 20, 2010, letter sent on behalf of the Public Service Company of New Hampshire ("PSNH") to the New England Regional office of the United States Environmental Protection Agency ("EPA" or "Agency"). Your May 20, 2010, letter was a preliminary response to EPA's May 4, 2010, letter to PSNH seeking information with regard to the Schiller Station power plant pursuant to Section 308(a) of the Clean Water Act ("CWA") (the "Information Request").

In the May 20, 2010, letter, PSNH requests that the 45-day response time frame set by the Information Request for Schiller Station not begin until after June 24, 2010, in order to allow PSNH and its consultants to complete preparation of a response to a separate request for information by EPA under Section 308 of the CWA concerning PSNH's Merrimack Station power plant. PSNH also requests that the time frame for items related to Schiller Station's cooling water intake structure ("CWIS") be extended to 120 days "to allow for [PSNH's] retention of an economics firm reasonably able to complete the cost-benefit analysis requested [by EPA] as well as to allow [PSNH's] consultants the necessary time to collect and compile the wedgewire screen site-specific information...."

With regards to the information requested by EPA in the Information Request under the header, "*Application for renewal of NPDES Permit No. NH0001473*," EPA agrees to extend the deadline for PSNH's response to a date 45 days from the due date of PSNH's response to EPA's information request regarding Merrimack Station. Therefore, PSNH must submit all information identified in this section of the Information Request letter by August 9, 2010, (i.e., the first business day within 45 days of June 24, 2010). Given the competing demands of the information request letter related to Merrimack Station, EPA concludes that PSNH's request in this regard is reasonable.

With regards to the information requested by EPA under the *Thermal Discharge* header, EPA is revising the response timeframes and actions as follows:

1. Beginning August 15, 2010, and ending November 15, 2010, please collect continuous temperature data using a series of thermistors in the Piscataqua River as described in the May 4, 2010 Information Request. Beginning September 30, 2010 and continuing monthly thereafter, until November 30, 2010, please provide a report to EPA that summarizes the data collected for the previous month, as outlined in the May 04, 2010, Information Request.

2. EPA is also granting an extension of the time frame to “characterize the thermal component of all internal waste streams to which heat is or may be added from facility operations (e.g. boiler blowdown and equipment cooling).” Please submit all information identified in this section of the Information Request letter within 45 days from June 24, 2010 (i.e., August 9, 2010), or alternatively, if new, actual measurements are necessary in order to gather this information, collect data beginning July 15, 2010, and provide the information based on this data in monthly reports, as outlined in the May 4, 2010, Information Request, beginning August 31, 2010
3. EPA is extending the time frame to “characterize the thermal component of once-through cooling water to which heat is or may be added from the condenser operation of Units 4, 5, and 6 and that is discharged to the Piscataqua River”. Please submit all information identified in this section of the Information Request letter within 45 days from June 24, 2010 (i.e., August 9, 2010).

With regards to the information requested by EPA under the header, “*Cooling Water Intake Structure*,” EPA is not agreeing to extend the 45-day time period for PSNH to submit its response. As explained below, EPA concludes that the original schedule for PSNH’s response is reasonable in light of the information that EPA actually requested.

First, PSNH’s May 20, 2010, letter states that additional time is needed to compile “technical information regarding the performance of wedgewire screens at other comparable sites..., [along] with additional site-specific information...” Yet, this is not what EPA requested. EPA’s Information Request letter merely directed PSNH to “report on any progress made since the October 2008 submittal regarding Schiller’s site specific wedgewire screen pilot study to determine screen material and slot size.” PSNH should reasonably be able to respond to this request within 45 days. Of course, if PSNH develops additional information that it wishes EPA to consider, it should submit that information as expeditiously as possible.

Second, PSNH’s May 20, 2010, letter states that additional time is needed to “to allow for [PSNH’s] retention of an economics firm reasonably able to complete the cost-benefit analysis requested” Yet, EPA did not request submission of a cost-benefit analysis. EPA requested only that PSNH “explain [its] rationale for stating that the initial and ongoing capital costs of installing closed-cycle cooling are wholly disproportionate to the benefits.” PSNH ought to be able to explain the basis of its prior stated conclusion within the 45 days provided. Once again, if PSNH develops additional information that it wishes EPA to consider related to this subject, it should submit that information as expeditiously as possible.

Finally, EPA does not agree with all of your statements regarding the former Phase II Rule. Suffice to say, that Rule is not in effect and, as you noted, EPA is reconsidering the issue of regulations for existing facilities under CWA § 316(b). Therefore, at present CWA § 316(b) continues to be applied to NPDES permits on a case-by-case, Best Professional Judgment basis.

If you have any technical questions regarding this information request, please contact Damien Houlihan (617) 918-1586. If you have any legal questions, please direct them to Mark Stein at (617) 918-1077.

Sincerely,

A handwritten signature in black ink, appearing to read "S. Perkins", written in a cursive style.

Stephen S. Perkins, Director
Office of Ecosystem Protection

cc: Permit File
Stergios Spanos, New Hampshire Department of Environmental Services, Water Division
Elise N. Zoli, Esq., Goodwin Proctor
William Smagula, PSNH Generation
Allan Palmer, PSNH Generation