



DATE: January 22, 2015

TO: RMP Steering Committee

FROM: Philip Trowbridge, RMP Manager

RE: RMP Fees for Once Through Cooling (OTC) Water Dischargers

Once Through Cooling (OTC) dischargers pay 4% of the total RMP fees. There is only one discharger in this category currently, the Pittsburg Power Plant (PPP). The representative from PPP has requested that the plant's contribution be reduced from 4% to 1% of the total RMP fees because the plant has reduced the use of OTC significantly and is required to abandon OTC discharges by 2017. For 2015, the PPP fee was \$137k. PPP is requesting a refund of \$103k.

Recommendation

The 2015 fees for PPP should not be changed. However, the Steering Committee should discuss reducing the fees for PPP for the remaining years that it will be in RMP (2016 and 2017). A decision will need to be made by July 2015 when invoices for the 2016 fees will be mailed.

Explanation

The OTC sector is not the only sector with reduced loadings to the Bay. The discharge of metals and other pollutants by wastewater agencies and in-Bay disposal of dredged material have also declined considerably. Refineries have reduced loads of selenium.

The 2015 fees have already been collected and budgeted. The 2015 budget was developed based on revenue that was already in-hand from PPP and other participants. Work began on some tasks starting in October 2014. Reversing decisions made on the collection and use of these funds would be disruptive and problematic.

However, the OTC sector is unique in that it will cease to be a discharger to the Bay after 2017 as mandated by the State Water Resources Control Board. Therefore, it would be appropriate for

the the Steering Committee to discuss changing the allocation of fees for 2016 and 2017. These discussions need to consider many important issues such as ongoing efforts to update the dredgers' fee algorithm, RMP fee increases of 3% per year for 2016-2018, and governance processes being outlined in the draft RMP Charter.