

GSP MERRIMACK LLC

September 26, 2024

VIA EMAIL

Ken Moraff, Director

Water Division

U.S. Environmental Protection Agency - Region 1

5 Post Office Square, Suite 100 Boston, Massachusetts 02109-3912

Re: Transfer Notice of Planned Participation for Units 1 & 2 of Merrimack Station (NPDES Permit No. NH0001465)

Dear Mr. Moraff:

In accordance with 40 C.F.R. § 423.13(o)(1)(ii)(E), § 423.19(I), and Part I.A.4B.(4) of the March 20, 2024 modified National Pollutant Discharge Elimination Permit No. NH0001465 ("Permit"), this serves as GSP Merrimack LLC's ("GSP" or the "Company") "Notice of Planned Participation" for automatically transferring from the low utilization electric generating unit compliance subcategory to the permanent cessation of coal combustion by December 31, 2028 ("PCCC 2028") compliance subcategory for bottom ash transport wastewater discharges ("BATW") generated by Units 1 & 2 of Merrimack Station (hereinafter the affected units and facility may collectively be referred to as "Merrimack Station").

In addition to listing the affected units and specific permit provision(s) under which this transfer will occur, 40 C.F.R. Part 423 and the Permit require the following:

- (i) The reason such a transfer is warranted;
- (ii) A narrative discussion demonstrating that each electric generating unit will be able to maintain compliance with the relevant permit provisions;
- (iii) The expected date that each electric generating unit is projected to achieve permanent cessation of coal combustion;
- (iv) Whether each date represents a retirement or a fuel conversion and whether each retirement or fuel conversion has been approved by a regulatory body;
- (v) A copy of the most recent integrated resource plan for which the applicable state agency approved the retirement or repowering of the unit subject to this permit, certification of electric generating unit cessation under 40 CFR § 257.103(b), or other documentation supporting that the electric generating unit will permanently cease the combustion of coal by December 31, 2028; and

(vi) A timeline for achieving the permanent cessation of coal combustion by December 31, 2028. Each timeline shall include interim milestones and the projected dates of completion.

These requirements are discussed below.

I. Reason the Transfer is Warranted

The automatic transfer is warranted because it is explicitly authorized by 40 C.F.R. § 423.13(o)(1)(ii)(E)/Part I.A.4B.(4) of the Permit and because GSP plans to permanently cease Merrimack Station Unit 1 and 2 coal-fired operations prior to December 31, 2028. The Environmental Protection Agency ("EPA") established the PCCC 2028 compliance subcategory to provide operational flexibilities to units that would cease coal-fired operations in the near term. These flexibilities were principally promulgated: (1) in recognition that the cost-to-relative benefits of additional effluent requirements could not be justified for units that would cease coal operations within six years after otherwise required treatment infrastructure was installed; and (2) to hopefully avoid the premature cessation of coal-fired unit operations before sufficient, replacement electric generating capacity was developed and operational. This reasoning applies to Merrimack Station and further justifies the automatic transfer.

II. Ability to Maintain Compliance with the Relevant Permit Provisions

GSP must continue to comply with the Permit's Part I.A.4. (Outfall 003A) effluent limits, as well as continue to implement, review, update, and annually recertify the facility's best management practices plan ("BMP Plan") (see 40 C.F.R. § 423.13(k)(3) and Permit Part I.A.4A.(3) & (5)). GSP has complied with the applicable Outfall 003A effluent limits for decades and the BMP Plan for months. The company will continue to comply with those applicable requirements and does not anticipate any issue with that continued compliance.

III. Expected Date(s) Each Unit is Projected to Permanently Cease Coal Combustion

GSP currently plans to permanently cease Merrimack Station Units 1 and 2 coal-fired operations no later than June 1, 2028.

IV. Retirement or Fuel Conversion/Approval by Regulatory Body

GSP currently plans to retire Merrimack Station's coal-fired units, Units 1 and 2, on or before June 1, 2028. GSP is an independent power producer and is not required to obtain any approvals from any regulatory bodies to retire in 2028.

V. Documentation Supporting that the Units will Permanently Cease Coal Combustion

GSP does not generate integrated resource plans; nor has the Company executed any certification of electric generating unit cessation under 40 CFR § 257.103(b). The March 27, 2024 Settlement Agreement executed by EPA, GSP Merrimack LLC, GSP Schiller LLC, Granite Shore Power LLC, Sierra Club, Inc., and Conservation Law Foundation, Inc. supports that Merrimack Station will permanently cease the combustion of coal by June 1, 2028.

VI. Timeline for Achieving Permanent Cessation of Coal Combustion

There are no interim milestones or other specific events GSP must complete to achieve the permanent cessation of coal combustion of Merrimack Station by June 1, 2028. GSP intends to timely file the required annual BMP Plan certification statements and PCCC 2028 progress reports until the Station permanently ceases coal combustion. GSP will also timely submit the appropriate retirement- or repowering-related filing with ISO-New England.

Should you or the agency need any additional information regarding this automatic transfer, or if GSP can assist in any other manner, please do not hesitate to contact us at your convenience.

Sincerely,

Elizabeth H. Tillotson, GSP Merrimack LLC

cc: Mark A. Stein, Senior Assistant Regional Counsel, Region 1 (stein.mark@epa.gov)
Thomas G. DeLawrence, Attorney, Balch & Bingham LLP (tdelawrence@balch.com)

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