



COMMONWEALTH of VIRGINIA

DEPARTMENT OF ENVIRONMENTAL QUALITY

NORTHERN REGIONAL OFFICE

13901 Crown Court, Woodbridge, Virginia 22193

(703) 583-3800 Fax (703) 583-3821

www.deq.virginia.gov

Douglas W. Domenech
Secretary of Natural Resources

David K. Paylor
Director

Thomas A. Fahs
Regional Director

April 2, 2013

Mr. Mark G. Nitz, NRG
Genon Energy
1400 North Royal Street
Alexandria, Virginia 22314

RE: **CONFIRMED PETROLEUM RELEASE**

Genon Potomac River Generating Station at 1400 North Royal Street, Alexandria 22314
DEQ Pollution Complaint (PC) tracking #2013-3154

Dear Mr. Nitz:

On March 21, 2013, Mike Myers of URS reported a **release of heating oil from underground storage tank (USTs)**. The Department of Environmental Quality (the "Department") will track this discharge as **PC #2013-3154**.

State Water Control Law prohibits the discharge of oil which enters, or may reasonably be expected to enter into or upon state waters, lands, or storm drain systems within the Commonwealth and imposes liability for damages and cleanup costs upon (1) the person discharging or causing or permitting a discharge or a substantial threat of discharge and (2) the operator of any facility from which a discharge has occurred or from which there is a substantial threat of discharge.¹

Based on the information provided to the Department, it appears that you are the operator of a facility from which there has been a discharge of oil into or upon state waters, lands, or storm drain systems within the Commonwealth. Code § 62.1-44.34:18(B) requires you to take any such action as may be deemed necessary in the judgment of the State Water Control Board (the "Board") to contain and clean up the discharge.

¹ Code § 62.1-44.34:18.

If you perform the containment and cleanup actions required by Virginia law, it will not be necessary for the Board to initiate an administrative or judicial proceeding to render a final determination of liability. The first steps required for containment and cleanup include:

- ◆ Submitting a Site Characterization Report for Category 3 sites to this office **no later than June 3, 2013**.

Please refer to the enclosed fact sheet(s) for a list of the recommended elements of the required report(s). Additional information is available in the Storage Tank Program Technical Manual, which may be downloaded from the "download library" at the Department's petroleum program website, www.deq.virginia.gov/tanks. If your discussion of these elements in your report does not adequately describe your site conditions and cleanup rationale, please include any additional information necessary to clarify and complete the report.

The Virginia Petroleum Storage Tank Fund (VPSTF or the "Fund"), also administered by the Department on behalf of the Board, may be available to reimburse you for costs to investigate and clean up the release (fact sheet enclosed). Please note that prior approval of site work is required if you plan to seek reimbursement from the Fund. You may request prior approval by submitting an Activity Authorization Form (AAF) to this office before you start investigation and clean up activities. You are not required to obtain pre-approval for conducting activities needed to abate immediate hazards; however, it is highly recommended that you contact this office as soon as possible should an emergency situation occur. Any activities performed more than 24 hours before the date a discharge was reported are ineligible for reimbursement.

The Department recommends that persons who are not familiar with Virginia's environmental corrective action procedures consider hiring an environmental consultant. The consultant should: (1) demonstrate knowledge of Virginia's technical and administrative requirements under this program; (2) have experience with situations similar to yours; and (3) provide justification of work to be performed and their proposed costs.

If you choose not to perform the required corrective action, the Board may elect to initiate either administrative or judicial enforcement proceedings against you. In any administrative proceeding your rights under Code § 2.2-4019 include notice and a chance to appear in person or by a representative to present factual data, argument, and proof in connection with this matter. During this proceeding you may dispute the Department's allegation that you are the operator of a facility from which a discharge has occurred.

Please advise us if you dispute any of the observations recited herein or if there is other information of which DEQ should be aware. In the event that discussions with staff do not lead to a satisfactory conclusion concerning the contents of this letter, you may elect to participate in DEQ's Process for Early Dispute Resolution. If you complete the Process for Early Dispute Resolution and are not satisfied with the resolution, you may request in writing that DEQ take all necessary steps to issue a case decision where appropriate. For further information on the Process for Early Dispute Resolution, please ask the DEQ contact listed below or visit the

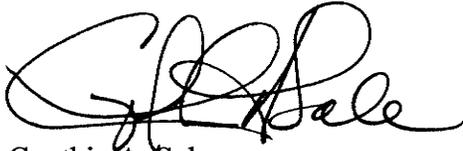
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Genon Potomac River Generating Station at 1400 North Royal Street, Alexandria 22314
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Department's website under "Laws & Regulations" and "DEQ regulations" at:
http://townhall.virginia.gov/L/GetFile.cfm?File=E:\townhall\docroot\GuidanceDocs\440\GDoc_DEQ_2672_v1.pdf.

This letter is intended to provide information to assist you in evaluating your compliance obligations and is not intended to be a case decision under the Administrative Process Act. **Alex Wardle has been assigned as the case manager for this PC#** and will assist you in completing a rapid and effective release investigation. If you have any questions or would like to discuss the information contained in this letter, please contact Alex Wardle at (703) 583-3822 or at Alexander.Wardle@deq.virginia.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "C. A. Sale". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Cynthia A. Sale
Environmental Manager, Remediation

Encl: Program Fact Sheets
AAF

cc: Email to mike.myers@urs.com
File