



PRESS RELEASE

**Attorney General Frosh Announces Settlement on Behalf of MDE
with NRG and GenOn for Nitrogen Exceedances**
*NRG to Pay State \$1 Million in Penalties, Install Membrane Ultra-Filtration in
Wastewater Treatment Plants*

BALTIMORE, MD (August 29, 2016) -Maryland Attorney General Brian Frosh announced today that Maryland has entered into a Consent Decree on behalf of the Maryland Department of Environment with NRG Chalk Point LLC ("NRG") and related entities for nitrogen exceedances at the Chalk Point and Dickerson electric generating stations. As part of the consent decree, NRG will pay a \$1 million penalty and take steps to protect and restore the environment under the agreement filed in federal court.

"The Office of the Attorney General is determined to protect our citizens and our waterways from pollution," said Attorney General Frosh. "This consent decree will improve the health of the Chesapeake Bay and should serve as a reminder that we all play a role in protecting our environment, including our corporate citizens."

NRG Energy, which operates the Chalk Point and Dickerson power plants, also will perform \$1 million in environmental projects and upgrade wastewater treatment plant technologies at the coal-burning facilities under the agreement. Maryland, NRG and other parties to the case filed a joint motion in federal court to enter a consent decree that contains the agreed settlement of alleged violations of the plants' water discharge permits.

"Power plants have a responsibility to keep Maryland's rivers, skies, and lands clean for all," said Secretary of the Environment Ben Grumbles. "This strong enforcement action includes a stiff penalty, improved technology at the plants to prevent nitrogen pollution, and significant investments in projects to protect the health of our priceless Potomac and Patuxent rivers."

On June 11, 2013, the Attorney General filed a complaint in the United States District Court for the District of Mafenitryland on behalf of the State, seeking civil penalties and injunctive relief to bring the plants into compliance. The Consent Decree resolves the litigation. As part of the settlement, both plants will install and operate state-of-the-art Membrane Ultra-filtration Technology at their wastewater treatment plants by October 1, 2016. In addition, the plants will pay the State a penalty of \$1 million, and will implement \$1 million dollars' worth of supplemental environmental projects designed to produce lasting nitrogen load reductions to the Patuxent and Potomac River sheds.

The Chalk Point Electric Generating Station, located on the shores of the Patuxent River in Prince George's County, and the Dickerson Electric Generating Station, located on the shores of the Potomac River in Montgomery County, are two of the state's largest coal-burning power plants. Following installation of new air pollution control technology at the plants, the State issued new discharge permits requiring each plant to limit their nitrogen and phosphorus discharges to certain annual maximum loads. The new wastewater treatment systems designed and installed at the plants were unable to achieve the level of nitrogen reductions required to meet their permit limits.

As part of the settlement, NRG and GenOn have agreed to the following:

- **TECHNOLOGY UPGRADE:** Membrane ultra-filtration technology will be installed at the wastewater treatment systems at both Chalk Point and Dickerson by October 1, 2016. The upgrade will cost a total of approximately \$5 million at each plant, for a total of \$10 million and is currently under construction (as part of a consent order executed in exchange for extending a stay). NRG will be required to achieve certain specific optimization requirements to ensure the wastewater treatment plant is operated to maximize the treatment of nitrogen consistent with the limit of technology. NRG will also add additional monitoring systems on the wastewater treatment plant.
- **PENALTY:** NRG will pay a cash penalty to MDE of \$1 million to resolve past violations. NRG will also pay \$75,000 in attorney's fees. The agreement also provides for stipulated penalties in the event NRG's obligations are not timely performed or interim nitrogen loading limits are exceeded.
- **SUPPLEMENTAL ENVIRONMENTAL PROJECT:** NRG will perform supplemental environmental projects (SEPs) to benefit the Potomac and Patuxent watersheds valued at a total of \$1 million. The Consent Decree requires NRG to submit project proposals to MDE for its review and approval in consultation with the environmental intervenors. NRG will guarantee timely completion of any approved project consistent with approved specifications and construction schedules. If the parties cannot agree on project approvals, NRG is obligated to pay any unexpended portion of the SEP monies to MDE.
- **PERMIT REISSUANCE:** MDE will propose renewal permits for the plants pursuant to the public participation process. The proposed permits will include specific nitrogen limits agreed to by the parties based on historic loading information and the limit of membrane bioreactor technology.

Attorney General Frosh would like to thank Assistant Attorney General Michael Strande for his work on this case.