CenterPoint Energy

P.O. Box 209
Evansville, IN 47702-0209

February 21, 2023

VIA E-MAIL

Lydia Anderson
United States Environmental Protection Agency
Office of Land and Emergency Management
Office of Resource Conservation and Recovery
Anderson.Lydia@epa.gov

Re: F.B. Culley Generating Station – CCR Part A Demonstration, Update on Alternative Capacity Schedule

Dear Ms. Anderson,

Southern Indiana Gas and Electric Company ("SIGECO") is writing to follow up on its March 1, 2022, letter to the U.S. Environmental Protection Agency ("EPA") regarding the F.B. Culley Generating Station ("F.B. Culley") CCR Part A demonstration. Specifically, SIGECO is providing EPA with an update on its projected cease waste receipt date for the East Ash Pond.

SIGECO submitted a timely CCR Part A demonstration to EPA on November 24, 2020, requesting a "cease receipt of waste" deadline of March 1, 2023, for the East Ash Pond to enable development and construction of alternative capacity. The identified "fastest technically feasible alternative" for the East Ash Pond in the November 2020 demonstration included design and construction of a new lined CCR Pond to be located immediately north of the existing lined Contact Stormwater Pond. EPA subsequently determined that the F.B. Culley Part A demonstration was complete, but as of the date of this letter has not proposed to approve or deny the Part A demonstration.

In response to a February 14, 2022, e-mail from EPA, SIGECO on March 1, 2022, provided EPA with an update on the alternative capacity project. The March 2022 letter summarized three changes to the original alternative capacity approach, which collectively eliminated the need to construct a new lined CCR Pond:

(1) Accelerated construction of a wastewater spray dryer evaporator ("SDE") to manage FGD wastewater;

(2) Use of geotextile tubes ("GTs") to manage bottom ash flows by capturing and isolating CCR solids, such the GTs would be managed in a newly constructed GT containment area, and filtrate (effluent liquid) would be managed in the new lined non-CCR pond; and

(3) Construction of a new lined non-CCR pond to manage filtrate from GTs and contact stormwater, rather than (as previously contemplated) bottom ash and FGD wastewater.

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As of March 2022, SIGECO stated that barring any unforeseen delays, the company expected to be able to complete construction of the SDE, the GT containment area, and the new lined pond by March 1, 2023, and cease waste receipt in the East Ash Pond by that same date.

As a result of unforeseen winter weather and an equipment issue, SIGECO has experienced a slight delay in completing the SDE project, new pond construction, and GT containment area. Specifically, Newburgh, Indiana experienced much higher than normal rainfall for December 2022 (11 rain days and 3 inches of rain) and January 2023 (15 rain days and 4.5 inches of rain). Normal conditions in Newburgh this time of year typically would include only 5-6 days of rain per month and 0.6 inches total. As a result, there have been 21 non-workdays this winter due to weather.

In addition, global and U.S. supply chain operation disruptions have been ongoing from 2021 through the present. The typical duration to procure, manufacture, and deliver the construction geosynthetics necessary for the alternative capacity project (HDPE membrane, non-woven geotextiles, and fabric-formed revetment materials) is 4-6 weeks, but supply chain issues have delayed the procurement time for these components to approximately 12 weeks.

Accordingly, SIGECO now anticipates that all three elements of the alternative capacity project will be completed by May 1, 2023, rather than March 1, 2023. This limited two-month delay is attributable to the following:

- **New lined non-CCR pond and GT containment area:** Both the ongoing supply chain issues and the recent wet winter weather in Indiana discussed above have delayed construction of the GT containment area and installation of the liner material for the new lined pond. In addition to the extended time needed to obtain component parts for both areas, rain impacts the conditions of the subgrade surface on which the geomembrane is installed in the pond. The liner installation cannot proceed while there is excessive moisture in the compacted surface of the subgrade. Further, cold weather has also contributed to construction delays because geomembrane liner installation and associated quality assurance testing (testing of welding seams) cannot be reliably performed in frozen conditions. SIGECO is working with the contractor to expedite liner installation to the maximum extent possible, and the contractor has been working every day that the weather permits, and expects to be able to complete construction of both elements on or before May 1.

- **SDE project:** In late June 2022, the F.B. Culley Unit 3 Boiler Feed Pump Turbine experienced a catastrophic failure. The unit is still offline, but is expected to be back online in March. The commissioning of the SDE requires Unit 3 to be online. The current projected schedule for the SDE project is as follows:

    - 3/4 – SDE input/output check out and control loop checks completed

    - 3/4 to 3/13 – F.B. Culley Unit 3 Boiler Feed Pump Turbine check out and commissioning

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- 3/14 to 5/1 – SDE process commissioning and check out

Based on the above, SIGECO now anticipates ceasing waste receipt in the East Ash Pond on or before May 1, 2023. Should you have any questions, please feel free to contact me.

Sincerely,

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cc: Richard Huggins, Jr.