Mr. Robert Stevens, P.E.
Plant Manager
Coleto Creek Power, LP
P.O. Box 8
Fannin, TX 77960

RE: Coleto Creek Power – Certification of Ash Ponds Liner System in Accordance with 40 CFR Part 257.71 (4)(b)

Dear Mr. Stevens:

Bullock, Bennett, & Associates, LLC (BBA) has reviewed the report Design and Construction Summary for Coal Pile and Wastewater Pond Facilities, Coleto Creek Power Station-Unit 1, Report SL-3689 (hereafter referred to as the “Summary Report”) dated December 1, 1978. The report was prepared by Sargent & Lundy Engineers (S&L) of Chicago, Illinois, and summarizes the design and construction of the Primary and Secondary Ash Ponds (hereafter collectively referred to as the “Ash Ponds”), the Evaporation Pond and Coal Pile Runoff Ponds. Our report review and certification only addresses the Ash Ponds, as the other ponds reportedly do not contain coal combustion residuals (CCR) and therefore are not subject to 40 CFR Part 257 rules.

40 CFR Part 257.71 addresses liner design criteria for existing CCR surface impoundments and indicates the liner system of an existing CCR impoundment must meet one of the following criteria:

(a)(1)(i) A liner consisting of a minimum of two feet of compacted soil with a hydraulic conductivity of no more than 1x10^{-7} cm/sec; or, (a)(1)(ii) and (a)(1)(iii), a composite or alternate composite liner system, respectively, meeting applicable design criteria.

The Ash Ponds were not constructed with a composite or alternate composite liner system. They were constructed with an in-situ, low permeability bottom liner and a constructed low permeability perimeter dike system. The S&L report demonstrated that the Ash Ponds’ liner system was constructed in accordance with technical guidelines and requirements of the Texas Department of Water Resources and the Coleto Creek Power Station Permit No. 02159. Using a combination of average liner thickness and median hydraulic conductivity data, S&L certified the Ash Ponds’ in-situ liner as having a thickness of 9 feet and hydraulic conductivity of 4x10^{-8} cm/sec.

The Summary Report indicated the Ash Ponds’ liner provided groundwater protection equivalent to the CCR rule which requires a two-foot-thick compacted soil liner with a hydraulic conductivity of 1x10^{-7} cm/sec. Acceptance of a demonstrated equivalence standard that meets the intent of the CCR rule is cause for further exploration with the EPA. The Ash Ponds’ liner system does not meet the stated criteria of 40 CFR 257.71(a)(1) as currently in effect, and therefore would be classified as an unlined CCR surface impoundment.

BBA appreciates the opportunity to assist Coleto Creek Power with this project. If you have any
questions regarding this certification, or if we can be of further assistance, please call us at (512) 355-9198.

Sincerely,

Bullock, Bennett & Associates, LLC

[Signature]

Dan Bullock, P.E.

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Texas Firm Registrations:
Engineering: F-8542, Geoscience: 50127