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Luminant
1500 Eastport Plaza Drive
Collinsville, IL 62234

June 21, 2023

Illinois Environmental Protection Agency
DWPC – Permits MC #15
Attn: Part 845 Coal Combustion Residual Rule Submittal
1021 North Grand Avenue, East
Springfield, IL 62794-9276

Re: Annual Cost Estimate Adjustment for Inflation for Closure, Post-Closure, and Preliminary Corrective Action at the Coffeen Power Plant Ash Pond 1 (W1350150004-01); Ash Pond 2 (W1350150004-02); and GMF Pond System (W1350150004-03/04)

Pursuant to 35 I.A.C. 845.940, Illinois Power Generating Company (“IPGC”) submits this annual adjustment for inflation to the expected remaining costs for (1) closure and post-closure care and (2) the preliminary corrective action costs for the Ash Pond 1 and GMF Pond System at the Coffeen Power Plant. IPGC is providing the estimated “total cost for closure and post-closure care” that remain to be incurred under Part 845 along with a preliminary corrective cost estimate “that is equal to 25% of the costs” that remain to be incurred for closure and post-closure care. 35 I.A.C. 845.930(b), (c). This cost estimate takes into account the proposed closure method as reflected in the construction permit application submitted to IEPA on July 28, 2022. The inflation adjustment was derived by “by using an inflation factor derived from the annual Implicit Price Deflator for Gross National Product (Deflator) as published by the U.S. Department of Commerce in its Survey of Current Business (Table 1.1.9).” 35 I.A.C. 845.940(a).

Taking into account the requirements of 35 I.A.C. 845.930(b)—including the use of “prevailing wages” (845.930(b)(3)); the exclusion of any zero costs for CCR that might have an economic value (845.930(b)(5)); and the exclusion of any salvage value of the facility, structures, or equipment (845.930(b)(4))—IPGC estimates that the remaining closure and post-closure care costs at its existing CCR surface impoundments at Coffeen are \$15,770,529 for Ash Pond 1 and \$32,375,772 for the GMF Pond System. The requirements of Part 845 result in the cost estimates overstating the actual expected future costs. Thus, this is not a reasonably probable cost that is reasonably estimable at this time.

In accordance with 35 I.A.C. 845.930(c)(1), IPGC’s preliminary corrective action cost estimate is \$8,093,943 for the GMF Pond System. Ash Pond 1 does not have a release that has caused an exceedance of the groundwater protection standard in Section 845.600 or groundwater quality standard in 35 Ill. Adm. Code 620. For the closed inactive CCR surface impoundment at Coffeen, IPGC’s preliminary corrective action cost estimate is \$904,979 for Ash Pond 2.

The closure and post-closure estimates for existing CCR surface impoundments were developed to comply with Part 845 and derived based on the construction process and items detailed below.

A professional engineering firm has been retained to complete the Ash Pond 1 and GMF Pond System closure design and preparation of the construction bid documents, and those designs are reflected in the construction permit application submitted to IEPA on July 28, 2022. A contractor will be selected to complete the closure and final cover construction. Construction management (“CM”) and construction quality assurance (“CQA”) will be performed during Ash Pond 1 and GMF Pond System closure by qualified CM and CQA companies/engineering firms.

Free liquids will be eliminated by removing the liquid waste from Ash Pond 1 and the GMF Pond System to facilitate closure by leaving the coal combustion residuals (“CCR”) in place. The Secondary cell of the GMF Pond System will be dewatered as necessary to facilitate closure by removing the CCR. Water removed from both the Ash Pond 1 and GMF Pond System will be discharged through the NPDES-permitted outfalls. The removal of free liquids from Ash Pond 1 and the Primary cell of the GMF Pond System will result in the stabilization of the remaining CCR to provide a stable subgrade base for the final cover system. Dewatering for the Secondary cell of the GMF Pond System will be performed to the extent needed to allow CCR to be removed.

The CCR in Ash Pond 1 and the Primary cell of the GMF Pond System will be consolidated, shaped, and graded to the design subgrade limits and elevations. The soils for the final cover systems will be placed on top of a low permeability geomembrane layer which will overlay the subgrade layer to achieve final cover design grades.

Ash Pond 1 and the Primary cell of the GMF Pond System final cover system construction will be initiated upon the mobilization of the construction contractor to the ponds. The existing Ash Pond 1 and Primary cell of the GMF Pond System and necessary surrounding areas will be cleared of vegetation and structures (removal or abandonment) to allow for the construction of the CCR subgrade.

The GMF Pond System closure construction will be initiated upon the mobilization of the construction contractor. CCR will be removed from the Secondary cell of the GMF Pond System. The existing liner system in the Secondary cell of the GMF Pond System will be removed, and necessary structures will be removed or abandoned. The former Secondary cell area of the GMF Pond System will be restored by regrading and the placement of soil fill materials as needed.

In accordance with 40 C.F.R. Part 257 and the process in 35 I.A.C. 845.750(c) that allows IEPA to approve an alternative cover, the Ash Pond 1 and Primary cell of the GMF Pond System final cover will include:

- A low permeability layer consisting of a linear low-density polyethylene (LLDPE) geomembrane that is at least 40-mil in thickness, placed on a smooth CCR subgrade;
- A drainage layer; and
- A final protective layer consisting of 18 inches of protective cover soil with a 6-inch layer of topsoil capable of supporting vegetation.

The final cover surfaces of the Primary and Secondary cells of the GMF Pond System and Ash Pond 1 will be seeded and vegetated and will also include necessary storm water management system components to promote positive drainage and to minimize erosion. Technical information supporting the alternative cover demonstration is included in the construction permit application documents. Access roads will be constructed as part of the Ash Pond 1 and Primary cell of the GMF Pond System final cover systems to provide access to the closed Ash Pond 1 and GMF Pond System. Upon completion of the closure construction, the contractor will demobilize from the project site.

Post-closure care for the Ash Pond 1 and GMF Pond System will be performed for the duration of the specified post-closure care timeframe. Groundwater monitoring will be performed at the required frequency, and the groundwater monitoring system will be inspected and maintained on a routine basis. Throughout the post-closure care period, periodic visual observations of the Ash Pond 1 and Primary cell of the GMF Pond System final cover systems and stormwater management systems will be performed. If repairs are required, the repair activities may include, but are not limited to, replacing and

compacting soil cover, repairing eroded drainage channels, filling in depressions with soil, regrading, and reseeding repaired and existing vegetated areas as necessary.

The scope of any groundwater corrective action is not known at this time, and therefore the preliminary corrective action cost estimate for the existing CCR surface impoundments is based on 25% of the closure and post-closure care cost. For the closed inactive CCR surface impoundments, the preliminary corrective action cost estimate is based on 25% of the post-closure care cost.

If you have any questions regarding this submittal, please contact Phil Morris at 618-343-7794 or phil.morris@vistracorp.com.

Sincerely,

A handwritten signature in blue ink that reads "Dianna Tickner".

Dianna Tickner
Senior Director, Decommissioning & Demolition