ASH POND NEWSLETTER

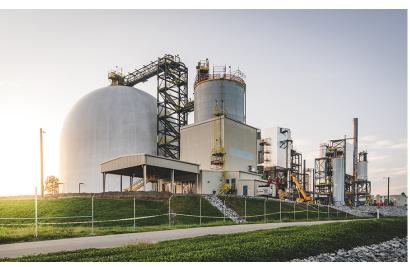


February 2021

The following is a collection of ash pond news from the month of February 2021. The intent of the newsletter is to summarize news regarding ash pond closure activities, lawsuits filed against utilities relating to their ash ponds, as well as regulatory changes impacting ash pond operations or closures. This newsletter is distributed on a monthly basis.

BENEFICIAL REUSE

Duke Energy is installing new coal ash recycling facilities, called STAR units, at the former Buck Steam Station in Salisbury, North Carolina, at the H.F. Lee Plant in Goldsboro, and the third later this year at Cape Fear Plant in Moncure. The STAR process changes the chemical composition of ash from ponds so that it can be used for concrete-based construction materials; the resulting carbon level in the ash is below 1%, well under necessary concrete specifications. The SEFA Group developed the process and the Buck facility will be the second in the world to utilize it. Duke Energy's facilities will be the first to process 100% ponded ash rather than a mix of dry and wet ash. https://illumination.dukeenergy.com/articles



Buck Steam Station Plant in Rowan County, NC.

COAL POWER PLANT ASH POND CLOSURE AND MODIFICATIONS

Charah Solutions, Inc., a Kentucky-based utility provider, has announced that it has been awarded two long-term ash pond closure contracts by a **Southeastern Utility**. Both projects will include the excavation of millions of cubic yards of ash from the ponds, the construction of new onsite coal combustion residual (CCR) lined landfills, landfill operation and maintenance of production ash through station retirement, and subsequent closure of the landfills. https://www.streetinsider.com

The **NiSource** subsidiary **Northern Indiana Public Service Company (NIPSCO)** will retire two units at the R.M. Schahfer coal plant in Jasper County, Indiana, followed by the Michigan City coal plant in LaPorte County, Indiana within 10 years. This marks the end of remaining coal capacity for **NIPSCO**. <u>https://www.spglobal.com/platts/</u>

Duke Energy announced it will be retiring its 270-MW Allen Plant Unit 3 in North Carolina by the end of this March. The remainder of units at the Allen Plant will be retired by 2024, following a 2016 settlement with environmentalists over **Duke's** violations of the Clean Air Act. Due to its age and condition, **Duke** has determined that Allen Plant Unit 3 is no longer providing economic or reliable service for customers. <u>https://www.utilitydive.com/news/</u>

The Colstrip Power Plant in Montana is owned by six utilities: Puget Sound, NorthWestern. Talen. Portland General Electric, Avista. and PacifiCorp. The ash ponds associated with the plant are contaminating local groundwater, and operations of the plant may cease before the end of the decade. A senate bill recently drafted indicates that Montana does not believe the energy consumers should bear the burden of cost. The Colstrip owners pushed back hard against this bill, and no executive action has been taken thus far. https://montanafreepress.org/



Colstrip Power Plant in Rosebud County, Montana.

The South Carolina Public Service Commission (PSC) has asked **Dominion Energy South Carolina** to model an early retirement scenario for its coal fleet. Their preferred plan retires its entire fleet by 2030 and converts its Cope Station coal plant to natural gas. This move will take 1,709-MW of coal offline, adding solar and battery storage resources in its place.

https://www.utilitydive.com/news

Evergy, a Kansas City utility, is backing legislative bills in both Kansas and Missouri which would help finance an early retirement for coal plants across both states. **Evergy** serves 1.6 million customers in eastern Kansas and western Missouri and has previously opposed this bill. The pressure to change course comes from Elliot Management Corporation, one of **Evergy's** largest shareholders, which wants investments focused on infrastructure rather than repurchasing shares in the company. <u>https://energynews.us/2021/02/18/</u>

In East Alton, Illinois, the main building of the Wood River Power Station was demolished, temporarily leaving three retired smokestacks still standing on the property. **Commercial Liability Partners** owns the Wood River Power Station. which went offline in 2016 after operation by Dynegy. Environmental groups, as well as the local community, were concerned over the potential toxins released during the demolition, as well as the affect the demolition might have on the stability of nearby unlined coal ash ponds. The Site is currently being remediated by Liability Partners of St. Louis for possible new development.



Wood River Power Station in East Alton, IL.

https://www.kbia.org/post/

https://www.myjournalcourier.com/news/



RENEWABLE ENERGY

Dallas energy company **New Alternative Green Energy (New AGE)** is making Marlin, Texas its headquarters. Marlin is located centrally in Texas and is close to the coal-fired Sandy Creek Power Plant near Riesel, owned by LS Power Development LLC. This is ideal for **New AGE** who wants to "remove toxins from coal and valuable metals from coal ash while producing hydrogen to produce cleaner energy" and can utilize the coal ash from Sandy Creek Power Plant. **New AGE** intends to work with Baylor University and Texas A&M University for local leadership, training, and job opportunities.

https://wacotrib.com/business/local/

Alliant Energy is the majority owner and operator of 1,100-MW Columbia Energy Center near Portage, Wisconsin. Columbia Energy Center is the state's second largest coal plant with a closure date of 2025. Alliant estimates the closure will save them \$250 million in maintenance and upgrade costs, which they will instead invest in solar energy. The plans would make Alliant the largest solar energy generator in Wisconsin and would help Wisconsin meet or exceed its goal of cutting half of its carbon emissions by 2030. There are still three coal plants remaining in Wisconsin without planned retirement dates.



Columbia Energy Center in Portage, Wisconsin.

https://madison.com/wsj/news/local/environment/

LEGAL AND REGULATORY

New Mexico's largest electric provider, **Public Service New Mexico**, has issued a plan to abandon the Four Corners Power Plant in Waterflow, near the San Juan River. Environmentalists of New Energy Economy and Citizens for Fair Rates and the Environment argue that the plan violates New Mexico's landmark energy law. The legislation, known as the Energy Transition Act, was signed by Governor Michelle Lujan Grisham in March 2019. It sets New Mexico's renewable energy standards, transitioning away from coal while providing workforce training where applicable to account for lost jobs in the coal sector. As part of the abandonment plan, **Public Service New Mexico**. also seeks to recover the \$300 million that it has invested in the Four Corners Power Plant using low-cost bonds, to be paid off by utility customers.

https://apnews.com/article/ https://www.governor.state.nm.us/

In Posey County, Indiana, the A.B. Brown coal plant awaits a bill which would reduce the cost of its retirement for customers of **CenterPoint Energy**. Currently the retirement is planned to occur in 2023. The Indiana State Senate bill will attempt to mitigate the high short-term energy bills that come with a long-term savings associated with the transition to renewable energy. <u>https://indianapublicmedia.org/news/</u>



The United States Environmental Protection Agency (USEPA) announced that it will not appeal a district court's December approval of a private settlement requiring the retirement of three Detroit-based **DTE Energy** coal-fired plants. The settlement is between the Sierra Club and **DTE Energy** over how the utility violated the Clean Air Act. The Trump Administration had previously tried to stop this agreement.

https://www.detroitnews.com/story/news/local/

https://news.bloomberglaw.com/environment-and-energy/

Unlike other states, such as Virginia and North Carolina, Indiana is not requiring utility companies to remove coal ash from their unlined ponds. The groundwater around 15 plants across Indiana is no longer safe enough for drinking water. Indiana has started to approve plans to let utilities close their ash ponds in place, but this leaves ponds located in flood zones at continuing risk of contaminating ground water. **Duke Energy, CenterPoint Energy**, and **Indianapolis Power & Light** are among the utility generators who discharge to ash ponds in Indiana.

https://www.indystar.com/story/news/environment/

Georgia Power and the Georgia Environmental Protection Division (EPD) provided an update regarding coal ash pond closures. **Georgia Power** has requested a coal ash closure in place permit for Plant Scherer in Monroe County, a pond associated with groundwater contamination, but a permit has not yet been granted. This type of closure would require 30 years of groundwater monitoring. Nineteen of the other 29 ponds in Georgia have permits requesting to remove the ash instead of closing in place. According to the EPD, both closure by removal and closure in place are equally effective.

https://newschannel9.com/news/local/

In 2018, the D.C. Circuit Court ordered the USEPA to clean up unlined coal ash ponds across the country, citing evidence that unlined ponds pose a significant risk to environmental and human health. However, the Trump Administration's USEPA issued two new rules which allowed utilities to avoid that court-ordered closure. Earth Justice and the Environmental Integrity Project are taking action to fight these attempts of utilities to circumvent the court closures. Under the Biden Administration, these loopholes will be reviewed.

https://www.courthousenews.com/



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