

BIG RIVERS ELECTRIC CORPORATION  
REGULAR BOARD OF DIRECTORS MEETING  
JUNE 18, 2010

The regular meeting of the Board of Directors of Big Rivers Electric Corporation was called to order at 8 a.m., CDT, on Friday, June 18, 2010, at the Coleman Station, 4982 River Road; Highway 334, Hawesville, KY 42348.

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

[REDACTED]

Tom Shaw, manager Environmental Services, made a presentation on the proposed EPA ash pond regulations.

[REDACTED]

[REDACTED]



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**Board Meeting**

**June 18, 2010**

**Management's Report**

**Item 5 – Proposed EPA Coal  
Ash Rules**

# EPA Proposes Coal Ash Rules

# TVA

- In 2008 the TVA Kingston facility's ash pond failed
- Spill covered more than 300 acres of land and flowed into the Emory and Clinch rivers
- Ash stacked above the original dam and when saturated with rain water was too heavy for the dam to contain resulting in the failure
- The outcome of the "tragedy" was disrupted power, ruptured gas line, one house knocked off its foundation, a few others damaged, and ash in rivers

## 2 Option Approach

- Option 1: Regulate as RCRA (Resource Conservation and Recovery Act) subtitle C (Hazardous Waste)
- Option 2: Regulate as RCRA subtitle D (Non-Hazardous Waste)
- Option 3: Regulate as RCRA subtitle D prime (New)

# Areas Impacted by Proposed Regulation

Plant Location	Ash Ponds	Landfills
Wilson	No	Yes - 1
Reid/Green/HMP&L Station II	Yes - 2	Yes - 1
Coleman	Yes - 3	No

# Wilson Station

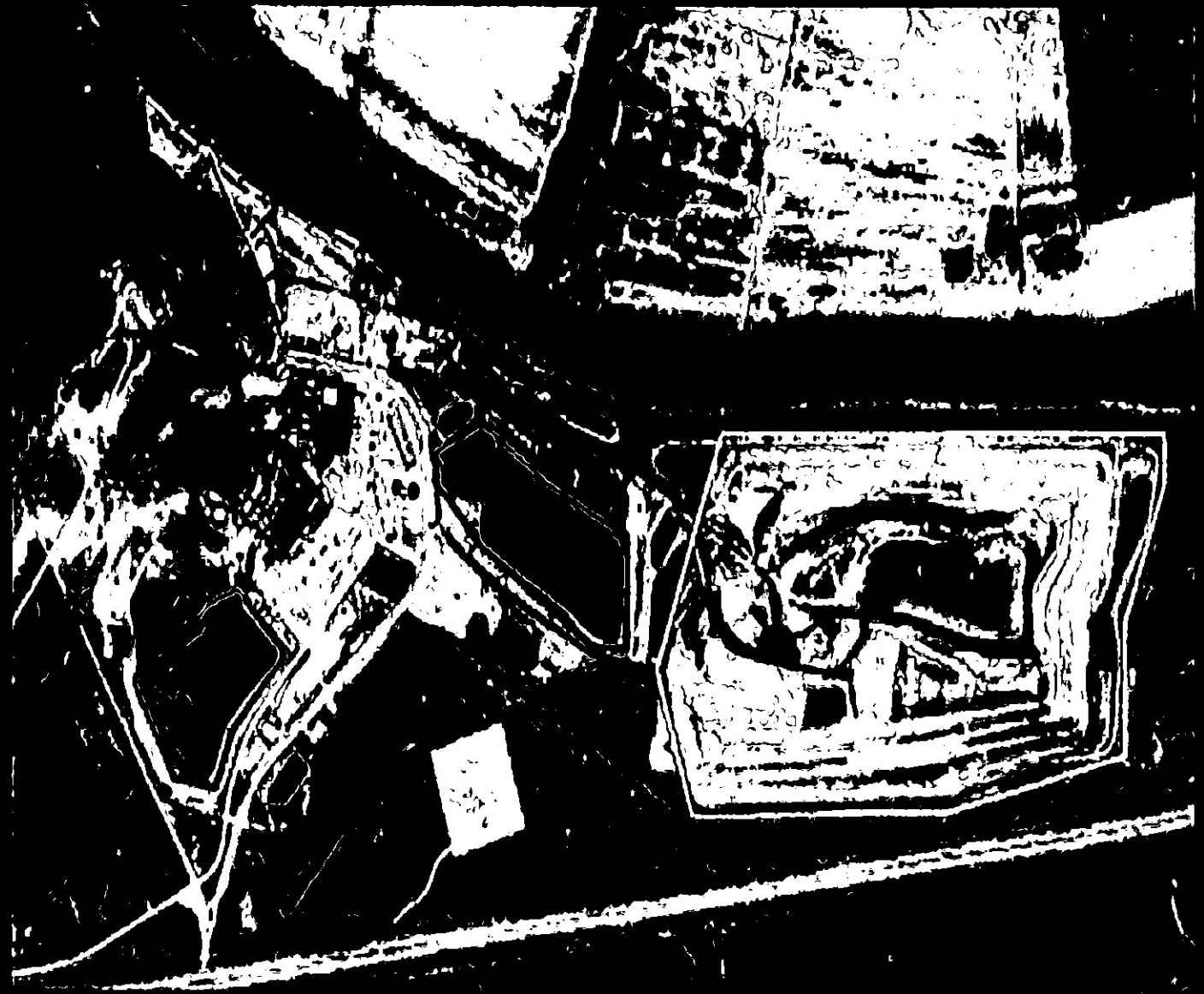
— Landfill





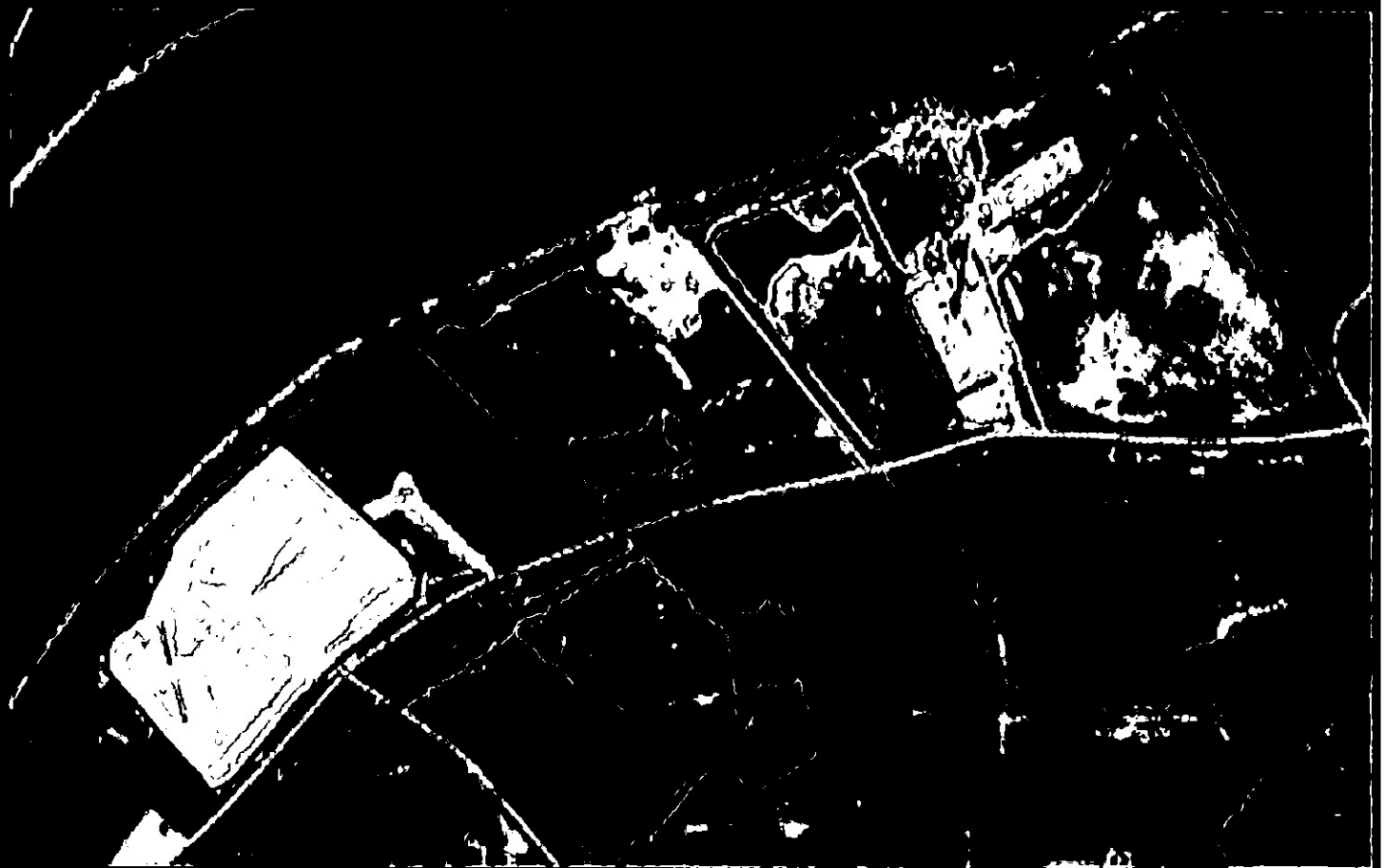
Reid/  
Green/  
HMP&L  
Station  
II

— Landfill  
Ash



# Coleman Station

Ash Pond



# RCRA C Hazardous Waste Option 1

- Would be listed as a Special Waste
- Applies to both landfills and impoundments
- Federal over-site of permits
- Effective date of compliance no more than 2 years
- Ponds and landfills not closed by the effective date must comply with the requirements

# RCRA C continued

- Those that generate, transport, treat, store or disposed of Coal Combustion Residuals (CCR) would be subject to all of the requirements of subtitle C

# RCRA C Requirements

## Option 1

- Surface Impoundments built prior to effective date
  - ❖ Remove all the ash
  - ❖ Dispose of in a landfill meeting requirements
  - ❖ Retrofit with a liner within 5 years
- Surface Impoundments built after effective date
  - ❖ Meet land disposal requirements
  - ❖ Liner requirements

# RCRA C Requirements continued

- Landfill built prior to the effective date
  - ❖ Groundwater monitoring
- Landfill built after the effective date
  - ❖ Liner requirements
  - ❖ Groundwater monitoring

# RCRA D Non-Hazardous Option 2

- Establish National Criteria for disposal
- Continue the Bevill determination (non-hazardous)
- Applies to both landfills and surface impoundments
- Effective date 6 months after final rule for most provisions
- Administered by States

# RCRA D Requirements

## Option 2

- Surface Impoundments constructed prior to the finalized rule
  - ❖ Remove all ash and retrofit with a composite liner or cease operations within 5 years
- Surface Impoundments constructed after the finalized rule
  - ❖ Install a composite liner
  - ❖ No Land Disposal Restrictions



# RCRA D Requirements continued

- Landfills built prior to the finalized rule
  - ❖ No liner requirements
  - ❖ Groundwater monitoring
- Landfills built after the finalized rule
  - ❖ Liner requirements
  - ❖ Groundwater monitoring

# RCRA D Prime Option 3

- Existing Ash Impoundments
  - ❖ Not required to close
  - ❖ No liners
  - ❖ Continue to operate for their useful life
  - ❖ The other requirements in RCRA D would apply

# Impact to BREC for RCRA C or D Options 1 and 2

- Green, Coleman, and HMP&L Station II ash ponds will require liners or closed and the generating units converted to dry ash systems
- No cost estimate yet to install liners while operating the ash ponds. BREC has requested a proposal from Burns and McDonnell to develop a cost estimate
- New Green Station landfill will likely require a liner
- Removal of ash from existing ash ponds and transported to either Wilson or a new Green landfill
- Will likely require engineering studies to develop a cost and implementation plan for compliance

# Impact to BREC D prime Option 3

- New ash ponds will require liners
- May impact the final construction of the newest ash pond at Coleman
- May impact the construction of the new Green Station landfill

# Conclusion

- Litigation may prevent or significantly stall implementation of the proposed regulation
- Proposed Rule has not been published in the Federal Register as of June 15, 2010
- Will need to add \$ to the budget for Engineering and Implementation