PUBLIC NOTICE
NOTICE OF INTENT TO ISSUE VARIANCE

This notice is issued to inform the public that the Georgia Environmental Protection Division ("EPD") intends to issue a variance, pursuant to its authority under the Georgia Comprehensive Solid Waste Management Act, O.C.G.A. § 12-8-20 *et seq.* ("CSWMA") and Ga. Comp. R. and Regs. r. 391-3-4-.10(11)(b) to Georgia Power Company for Plant Scherer. The facility is located in Juliette, Monroe County. Based on the information submitted, EPD believes the proposed variance complies with the CSWMA and related rules. The variance will extend the time frame during which the facility may continue to use existing surface impoundments to treat non-CCR waste streams until October 31, 2020.

The application for this variance is included at the end of this public notice. It also is available for review during regular business hours at the following EPD office:

Georgia Environmental Protection Division
Land Protection Branch
Solid Waste Management Program
4244 International Parkway
Suite 104
Atlanta, Georgia 30354

The contact person for questions regarding this variance or the public participation process is:

William Cook, Program Manager, 404-362-4500

Before EPD makes its final decision whether to grant or deny the variance request, comments on the proposed variance are welcome. Comments must be received prior to October 24, 2018. EPD invites comments during the public comment period to be made by email at EPDComments@dnr.state.ga.us. If you choose to email your comments, please be sure to include the words "Plant Scherer Proposed Variance" somewhere in the subject line to help ensure that your comments will be forwarded to the correct staff.

Written comments submitted by regular mail should be sent to the following address:

Attn: William Cook, Program Manager
Land Protection Branch
Solid Waste Management Program
4244 International Parkway
Suite 104
Atlanta, Georgia 30354

All comments received on or before October 24, 2018 will be considered when the final decision to issue or deny the variance is made.

Georgia Power

Environmental &
Natural Resources
241 Ralph McGill Boulevard NE
Atlanta, GA 30308-3374

September 19, 2018

Richard E. Dunn, Director
Georgia Department of Natural Resources
Environmental Protection Division
2 Martin Luther King, Jr. Drive
Suite 1456, East Tower
Atlanta, GA 30334

Re: Georgia Power Plant Scherer -- 10986 Highway 87 Juliette, GA 31046
Request for Variance under Ga. Comp. R. & Regs. 391-3-4-.10(11)(b)

Dear Mr. Dunn:

In accordance with the Georgia Comprehensive Solid Waste Management Act, O.C.G.A. § 12-8-20 *et seq*. ("Solid Waste Management Act"), Georgia Power Company ("Georgia Power") requests a variance for the Plant Scherer Coal Combustion Residuals ("CCR") surface impoundment under Ga. Comp. R. & Regs. 391-3-4-.10(11)(b) of the Georgia Solid Waste Management Regulations to allow for continued use of the existing surface impoundment for the treatment of certain non-CCR wastewater streams until April 2020 at the earliest and potentially until October 31, 2020. This variance provision is part of the Georgia Environmental Protection Division's ("EPD") CCR rules at Ga. Comp. R. & Regs. 391-3-4-.10 ("State CCR Rule"). As described below, the variance is warranted under the State CCR Rule and permitted by the Federal CCR Rule for several reasons.

## I. Background on Plant Scherer

Plant Scherer is one of the nation's largest power plants and is located in Juliette, Georgia, just north of Macon and approximately 70 miles south of Atlanta. The plant, located next to Lake Juliette on 3,500 acres, began commercial operation in 1982. The four units at Plant Scherer are capable of producing approximately 3,600 megawatts of electricity and can supply enough energy to power over 2 million homes annually.

## II. Recent Federal CCR Rule Amendments

The Environmental Protection Agency ("EPA") promulgated the Hazardous and Solid Waste Management System; Disposal of Coal Combustion Residuals from Electric Utilities, 80 Fed. Reg. 21,302 (April 17, 2015) ("Federal CCR Rule"). On July 30, 2018, the EPA issued a final rule extending certain deadlines under the Federal CCR Rule at 40 C.F.R. § 257.101. 83 Fed. Reg. 36,435 (July 30, 2018). Known as Phase One, Part One of the Federal CCR Rule, this rule became effective on August 29, 2018. *Id.* In Phase One, Part One, EPA requires an owner or operator of an existing surface impoundment that does not meet certain criteria to cease placing CCR and non-CCR waste streams into the CCR unit no later than October 31, 2020. Prior to the Phase One, Part One rule, the Federal CCR Rule required an owner or operator that does not meet certain criteria to cease sending CCR and non-CCR waste streams to an existing CCR surface impoundment by approximately April 17, 2019.

III. Variance Request

In accordance with applicable rules, Georgia Power is requesting that the EPD Director exercise authority under Ga. Comp. R. & Regs. r 391-3-4-.10(11)(b) to grant a variance to allow Georgia Power to continue to place non-CCR wastewater streams into the Plant Scherer existing surface impoundment until April 2020 at the earliest and potentially until October 31, 2020 and close the surface impoundment in accordance with 40 C.F.R. § 257.102. Consistent with the Federal CCR Rule, the variance sought by Georgia Power is contingent upon certain criteria in 40 C.F.R. § 257.101 and is not less stringent than the Federal CCR Rule.

IV. Explanations for Variance Request

Currently, the State CCR Rule requires an owner or operator to cease sending CCR and non-CCR waste streams to an existing surface impoundment by April 17, 2019 if certain criteria are not met. Whether or not these criteria are met, Georgia Power is scheduled to cease sending CCR waste streams including ash transport water for fly ash and bottom ash to the existing surface impoundment at Plant Scherer with the completion of dry ash conversion projects by April 17, 2019. While design, procurement, and construction are underway for new wastewater control systems at Plant Scherer, it is not physically possible to cease sending the non-CCR wastewater streams to the existing surface impoundment by April 17, 2019. Specifically, the infrastructure and treatment equipment necessary to move these waste streams off the existing surface impoundment at Plant Scherer are still under construction and not yet installed and operational. The infrastructure and treatment system will handle water related to non-CCR waste streams including certain process waste streams.

A. Projects are ongoing to replace the surface impoundment with a different treatment system at Plant Scherer

Projects at Plant Scherer to allow fly ash and bottom ash to be handled dry are scheduled to be completed by April 2019. After April 17, 2019, CCR waste streams including ash transport water for fly ash and bottom ash will no longer go to the surface impoundment.

Because Plant Scherer is a large four-unit coal plant, construction and implementation of the necessary non-CCR wastewater treatment system to replace the existing surface impoundment is a complicated project, requiring multiple and intricate changes throughout the plant and coordination with outages among the four units and associated equipment. According to the current water balance, the non-CCR wastewater streams from numerous individual plant processes (directly or through commingling) are routed to the Plant Scherer surface impoundment; these non-CCR wastewater streams include coal pile runoff, low volume wastewater, equipment washdown, and auxiliary cooling water. Some waste streams, such as coal pile runoff water, require treatment even if the plant is not operating due to the accumulation of storm water.

The water treatment technology selected to treat these non-CCR waste streams will utilize clarifiers, settling tanks, and associated equipment to remove suspended solids from the incoming water. Coagulant, polymer, and pH adjustment chemicals will be added as needed to the treatment system to assure National Pollutant Discharge Elimination System ("NPDES") permit discharge limits are met and instream water quality is protected. In addition to the water treatment equipment procurement, fabrication, and assembly, substantial construction efforts at the plant are required to route the waste streams to the new wastewater treatment facility. In fact, the large and complicated project will cost hundreds of millions of dollars.

B. Complexities and need for additional time to install and operate the new wastewater treatment system

Georgia Power evaluated temporary alternatives to remove non-CCR wastewater streams from going to the surface impoundment for treatment by April 2019. Georgia Power did not identify a feasible non-CCR temporary wastewater treatment system that could be reliably operational by April 2019. The specific equipment needed on this scale is not readily available and much of it would have to be fabricated with long lead times. Additionally, a temporary system would be less reliable, would be extremely costly, and would only be in place for a limited amount of time before the permanent system is ready to start and reliably operate at Plant Scherer.

The complexity of the wastewater treatment system redesign at Plant Scherer is significant given the number of wastewater streams to re-route, its baseload operation (and scheduled outages), and the nature of several of the non-CCR waste streams. In addition, the large number of wastewater streams, some of which only flow intermittently, further complicates the design for the treatment system. The new treatment system is designed to treat up to 6,500 gallons per minute with a large variability in the solids loading due primarily to storm events. Beginning in 2016, Georgia Power conducted an extensive conceptual design phase to address scenarios when the existing surface impoundment would not be available. While a final design and construction scheduled was developed, the duration for this project is lengthy due to the extensive equipment installation and construction scope. The water treatment process equipment alone requires more than a year to procure, fabricate, and deliver to the plant site. In addition, construction projects of this scale can be delayed or disrupted due to numerous factors beyond the reasonable control of Georgia Power. The construction schedule is contingent upon supply and demand market forces, equipment, commodity and labor availability, and weather. These factors, among others, may cause construction delays or disruptions that could ultimately impact the final in-service date of the treatment system. When these efforts are properly stacked and staggered consistent with accepted engineering and project management practice, the overall duration of the project until completion is expected to be approximately 48 months. A current summary schedule is included in Attachment 1.

Given the challenges and overall scope of the project, significant time and resources have been invested and are needed for proper start-up and commissioning of the wastewater system at Plant Scherer, as is typically required for any significant operational control or modification. For these reasons, Georgia Power needs additional time at Plant Scherer beyond April 17, 2019, until April 2020 at the earliest and potentially until October 31, 2020, to adequately construct and properly calibrate a complex wastewater

treatment plant to steady state operation, accounting for quantity and quality variations in non-CCR waste streams, and ensuring compliance with the limitations in Plant Scherer's NPDES permit.

V. Conclusion

In September 2015, Georgia Power first announced its intention to permanently close all of its ash ponds, and this variance will not disrupt the overall closure plan and timeline to complete closure of the Plant Scherer surface impoundment. As explained above, Plant Scherer will complete its dry ash conversions for fly ash and bottom ash by April 17, 2019 and will no longer send CCR waste streams including ash transport water for fly ash and bottom ash to the surface impoundment at Plant Scherer after that date. Plant Scherer remains in compliance with its NPDES permit for the surface impoundment and will continue to comply with the Federal and State CCR Rules.

For the above reasons, Georgia Power is requesting a variance from the EPD Director pursuant to Ga. Comp. R. & Regs. 391-3-4-.10(11)(b) in the State CCR Rule. This variance is limited to Plant Scherer and limited to non-CCR wastewater streams only. The variance would require Georgia Power Plant Scherer to cease sending non-CCR waste streams to the existing surface impoundment no later than October 31, 2020 if certain criteria are not met under 40 C.F.R. § 257.101 in the Phase One, Part One Federal CCR Rule. The requested variance is not inconsistent with or less stringent than the requirements found in the Federal CCR Rule.

We appreciate EPD's consideration of this matter, and if I we can answer any questions or provide additional information, please call me at 404-506-7757.

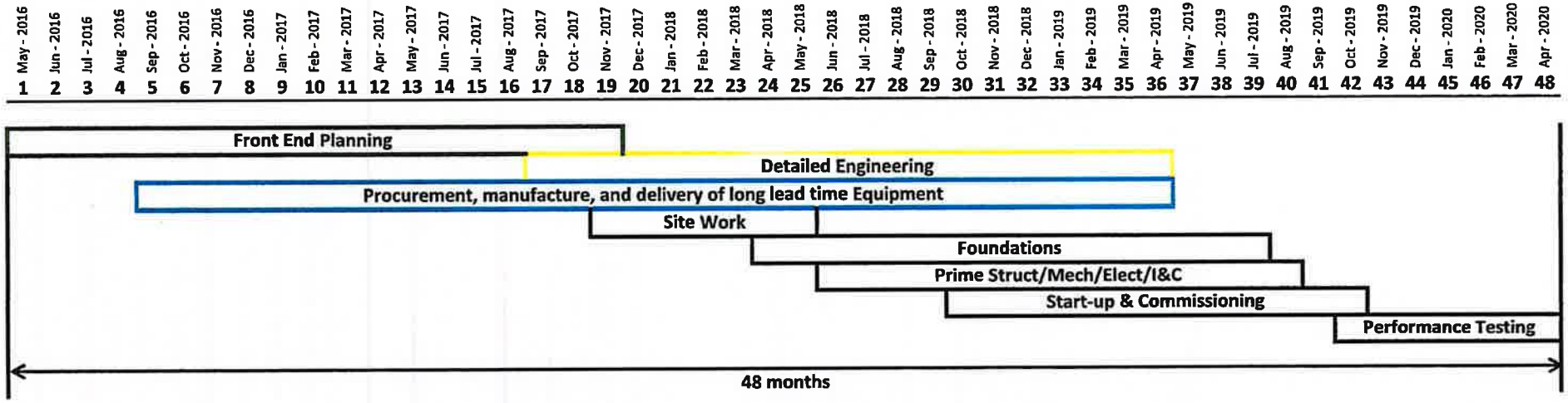
Sincerely,

Aaron Mitchell
General Manager Environmental Affairs

Cc: Lauren Curry, Georgia Environmental Protection Division
Jeff Cown. Georgia Environmental Protection Division
Chuck Mueller, Georgia Environmental Protection Division

Attachment

## ATTACHMENT 1




Note:
- The construction schedule is contingent upon supply and demand market forces, equipment, commodity and labor availability, and weather. These factors, among others, may cause construction delays or disruptions that could ultimately impact the final in-service date of the treatment system.
- The current summary schedule above is based on milestones from the Project Schedule.