



April 23, 2021

Project No. 20368079

Joseph E. Kutch, Team Leader Environmental Compliance

Northern Indiana Public Service Company LLC
2755 Raystone Drive
Valparaiso, IN 46383

**RE: NORTHERN INDIANA PUBLIC SERVICE COMPANY LLC, R.M. SCHAHFER GENERATING STATION
WHEATFIELD, INDIANA
CCR SURFACE IMPOUNDMENT NO ALTERNATIVE DISPOSAL CAPACITY DOCUMENTATION –
2021 ANNUAL UPDATE
PURSUANT TO INDIANA ADMINISTRATIVE CODE 329 IAC 10-9-1**

Dear Mr. Kutch:

In February 2019 on behalf of Northern Indiana Public Service Company LLC (NIPSCO LLC), Golder Associates Inc. (Golder) prepared the coal combustion residuals (CCR) Surface Impoundment No Alternative Disposal Capacity Documentation (Documentation) pursuant to 40 CFR §257.103(b)(1) for the NIPSCO LLC R.M. Schahfer Generating Station (RMSGs) in Wheatfield, Indiana. The 2019 Documentation was prepared for active surface impoundments referred to as the Waste Disposal Area (WDA), Metal Cleaning Waste Basin (MCWB), and Material Storage Runoff Basin (MSRB). Each of these unlined impoundments failed to successfully demonstrate the groundwater separation (location restriction) standard of 40 CFR §257.60 and as a result, must close. As stated in the Demonstration, in accordance with 40 CFR §257.103(b), NIPSCO intended to continue using the WDA, MCWB and MSRB to manage CCR waste streams until a planned shutdown of all coal-fired units in 2023. As part of the 2019 Documentation, Golder evaluated potential disposal options and found that there is no existing alternative disposal capacity on- or off-Site that could accept the flow being impounded in the RMSGs MSRB, MCWB, and WDA. In February 2020 on behalf of NIPSCO LLC and pursuant to the requirements of 40 CFR §257.103(b)(1), Golder prepared and certified an annual update on progress toward achieving alternative capacity on- or off-Site.

On September 28, 2020, the U.S. Environmental Protection Agency (EPA) enacted new regulations affecting the 40 CFR §257.103 Alternative Closure Requirements, replacing the 40 CFR §257.103(b)(1) option NIPSCO LLC had been pursuing with like, but more substantial, requirements outlined in 40 CFR §257.103(f)(2). The new regulations applicable to NIPSCO LLC's impoundment closure strategy required a similar, yet more rigorous, evaluation of the availability of alternative on- or off-Site disposal capacity as options to the continued use of surface impoundments. In accordance with the new regulatory requirements, NIPSCO LLC submitted a Demonstration of Permanent Cessation of a Coal-Fired Boiler(s) by a Date Certain on October 30, 2020, followed by an Addendum on November 30, 2020, both of which are under review by EPA. Although EPA enacted new regulations which superseded and replaced 40 CFR §257.103(b)(1), Indiana Department of Environmental Management (IDEM), which previously adopted the 257.103(b)(1) regulatory language within Indiana

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Administrative Code (IAC) 10-9-1, has yet to do so. Therefore, on behalf of NIPSCO LLC, Golder has prepared and is certifying this 2021 annual progress report in accordance with IAC 10-9-1 requirements, as applicable.

This correspondence prepared pursuant to 329 IAC 10-9-1 presents an updated annual report documenting the continued lack of alternative capacity and to report progress toward closure of the coal-fired units and, by extension, the MSRB, MCWB, and WDA CCR surface impoundments. In addition to submittal of its new (i.e., 2020) Demonstration, NIPSCO has made operational changes at RMSGS since the submittal of the 2019 Documentation and subsequent February 2020 update. These operational changes have been made in preparation for the permanent cessation of all coal-fired units in 2023 and have reduced both influent into and reliance on two of the CCR impoundments for management of waste streams. The operational changes made, and related activities being performed since the last update include shutdown of two of RMSGS' four coal-fired boilers; completion of a wastewater piping re-direct project and thus cessation of discharge of CCR waste streams into the MCWB and MSRB (along with a former surface impoundment known as the Drying Area, collectively referred to as the MCU) in October 2020; and submittal of the MCU Closure Application to IDEM, where it is currently under review. The WDA is the only remaining operational, CCR Rule regulated surface impoundment currently accepting CCR waste streams. Nevertheless, and as documented in the 2020 Demonstration, given the volume of remaining waste streams being generated and managed by RMSGS coal-fired generation activities there is still no existing alternative disposal capacity on- or off-Site that could accept the volume of flow being impounded daily in the WDA. The WDA will continue to operate as a CCR surface impoundment through the cessation of all RMSGS coal-fired boilers in 2023 and will complete closure activities no later than October 17, 2028.

Golder has prepared this report to provide documentation pursuant to 329 IAC 10-9-1, as applicable, that provides an annual update to the existing alternative disposal capacity on- or off-Site, without consideration of increase in costs or inconvenience to NIPSCO. A Statement of Certification is included in Exhibit A as an attachment. It is Golder's opinion that the information contained herein is true, accurate and has been prepared in accordance with good engineering practices and that the documentation provided, in accordance with 329 IAC 10-9-1, supports that there is no existing alternative disposal capacity on- or off-Site that could accept the flow currently being impounded in the WDA at RMSGS.

Sincerely,

Golder Associates Inc.



Megan Melendy
Senior Consultant



Richard Wesenberg
Principal and Group Leader

MCM/RAW/jma

Attachments: Exhibit A – Statement of Certification

[https://golderassociates.sharepoint.com/sites/134674/project/files/6/deliverables/april 2021 - iac no alt update/no alternative annual update - apr21 iac update.docx](https://golderassociates.sharepoint.com/sites/134674/project/files/6/deliverables/april%202021-iac%20no%20alt%20update/no%20alternative%20annual%20update-apr21iacupdate.docx)

Northern Indiana Public Service Company LLC (NIPSCO LLC) R.M. Schahfer Generating Station(RMSGGS)
Wheatfield, Jasper County, Indiana
Waste Disposal Area

STATEMENT OF CERTIFICATION

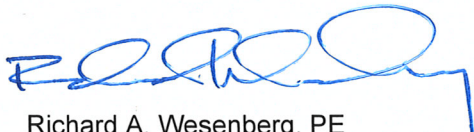
NIPSCO LLC RMSGGS WASTE DISPOSAL AREA

**DOCUMENTATION FOR NO ALTERNATIVE DISPOSAL CAPACITY FOR EXISTING CCR SURFACE
IMPOUNDMENTS – 2021 ANNUAL UPDATE**

Indiana Administrative Code, 329 IAC 10-9-1

Golder understands that NIPSCO LLC intends to continue using coal-fired Units 17 and 18 at RMSGGS for a limited remaining period, with a planned shutdown of all coal-fired boilers announced for 2023. Until then, Units 17 and 18's coal-fired boilers will continue to generate CCR waste streams that, in compliance with the conditions of 329 IAC 10-9-1, can be managed in existing on-Site CCR impoundments. The MSRB and MCWB impoundments, previously addressed in a 2019 Documentation and a 2020 annual update, are no longer in active service, ceased receipt of CCR waste streams in October 2020, and NIPSCO LLC has submitted a Closure Application to IDEM, which is under review. The WDA is the only remaining surface impoundment at RMSGGS that is regulated as a CCR surface impoundment and continues to accept CCR waste streams. The WDA will continue to operate as a CCR surface impoundment through the cessation of all RMSGGS coal-fired boilers in 2023 and will complete closure activities no later than October 17, 2028.

I, Richard Wesenberg, certify that I have personally examined and am familiar with the applicable provisions of Indiana Administrative Code, 329 IAC 10-9-1 and with the information submitted in the NIPSCO LLC RMSGGS CCR Surface Impoundment No Alternative Disposal Capacity Documentation – 2021 Annual Update, prepared by Golder Associates Inc., dated April 2021. I believe that the information contained therein is true, accurate and has been prepared in accordance with good engineering practices and that the documentation provided in accordance with 329 IAC 10-9-1 supports that there continues to be no existing alternative disposal capacity on- or off-Site that could accept the flow currently being impounded in the WDA at RMSGGS.



Richard A. Wesenberg, PE
Principal and Group Leader
Registered Professional Engineer
State of Indiana No.: PE11500584



04-26-2021