



UNITED STATES ENVIRONMENTAL PROTECTION AGENCY

REGION 5 77 WEST JACKSON BOULEVARD CHICAGO, IL 60604-3590

March 15, 2013 Via Email

Dan Sullivan Northern Indiana Public Service Company NIPSCO Bailly Generating Station 246 Bailly Station Road Chesterton, Indiana

RE: NIPSCO Bailly Generating Station EPA Area C BERA Comments EPA ID: IND 000718114

Dear Mr. Sullivan:

US EPA has completed its review of NIPSCO's Area C Baseline Ecological Risk Assessment (BERA). EPA conferred with the National Park Service (NPS) during our review. The attached comments present concerns and conclusions from both Agencies.

In general, we do not concur with NIPSCO's conclusions in the BERA. NIPSCO concluded that there are no unacceptable risks to any receptors in any area of study. We believe, and have outlined in our comments, that through a "multiple lines of evidence" approach there exists an abundance of uncertainty associated with the potential ecological risks in Area C. We have also identified specific areas within the BERA's methodologies where potential risk was likely underestimated.

In addition to our BERA comments, attached you will find a recent report on a study of the vegetation found in the Cowles Bog complex (*Potential Impact of Fly-ash Groundwater Contamination on Vegetation of Cowles Bog, Indiana Dunes National Lakeshore, 2011*). The study presents findings that suggest boron, specifically, is causing adverse effects to the affected area of Cowles Bog. In combination with other lines of evidence, this report suggests that damages have occurred within the National Park and to the National Natural Landmark as a result of on-site sources. EPA and NPS believe there is enough evidence and uncertainty to demonstrate that there is unacceptable ecological risk within Area C.

EPA looks forward to discussing these comments with you; however, we will not be requesting a revised BERA. In order to mitigate risks, control sources, and proceed with the corrective action process, we believe the appropriate next step is to collaborate on a risk management decision.

An acceptable risk management decision would include source control, limited off-site remediation, and long-term monitoring. EPA and NPS anticipate working closely with you to achieve these goals. We believe the 2009 Eastern Landfill Pre-Design Investigation prepared by NIPSCO is a good starting point.

We recognize there are potential technical challenges to implement a remediation of this kind and look forward to working with you to find an acceptable solution. In an effort to keep the corrective action process moving forward, please propose a date to discuss these comments and the path forward.

Please feel free to contact me with any questions.

Thank you,

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Michelle Kaysen US EPA LCD RRB CAS2 (312) 886-4253

> cc: Jennifer Dodds, US EPA Reginald Pallesen, US EPA Charles Morris, National Park Service Robert Daum, National Park Service Gia Wagner, National Park Service Dan Mason, National Park Service Dan Sparks, US Fish and Wildlife Service Liz McCloskey, US Fish and Wildlife Service Dale Helmers, NiSource Russ Johnson, AMEC

Attachments: NIPSCO Area C BERA Comments, EPA and NPS

EPA review of recent vegetation study as it applies to the BERA

Potential Impact of Fly-ash Groundwater Contamination on Vegetation of Cowles Bog, Indiana Dunes National Lakeshore, Paul E. Rothrock, Ph.D. and George C. Manning, August 2011