

US EPA ARCHIVE DOCUMENT



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May 17, 2011

Mr. Stephen Hoffman
US Environmental Protection Agency (5304P)
1200 Pennsylvania Avenue, NW
Washington, DC 20460

Certified Mail Receipt: No. 7007 1490 0002 4539 5693

RE: Coletto Creek Power, LP
USEPA demand letter dated 4-19-2011

Greetings:

In response to the above referenced correspondence Coletto Creek Power, LP appreciates USEPA considering input from the plant in preparing the final surface impoundment assessment report for the site. Coletto Creek Power, LP maintains these impoundments in full compliance with their associated state and federal regulations and has not recorded a breach or release since commissioning of the plant in 1980. Following guidance from your office attached is a summary of actions taken and actions planned by the site in response to findings identified by CDM Engineering and subsequent inspection by independent contractor URS.

Should you have any questions, please contact Mr. Ross Crysyp at (361) 788-5145 or by email at rcrysyp@ipr-us.com.

Sincerely,

A handwritten signature in black ink, appearing to read "Robert L. Stevens".

Robert L. Stevens
Plant Manager
Coletto Power Plant, LP

Enclosure

Response plan for CDM recommendations

Item 1: Section 4.3 Maintaining and Controlling Vegetation growth

Following the CDM site visit a vegetation control plan was developed and implemented by the site to control vegetation consistent with the report recommendation. In addition to daily operational inspections each embankment receives a documented inspection at least semi-annually. Removal of live and dead mesquite trees up to 12 inches in diameter was conducted during February, 2011 by site staff. An assessment was conducted in March of 2011 by a professional engineer (P.E.) from URS experienced in earthen dam design and a final report is expected in May 2011. The site will evaluate the findings from the third party inspection and implement the consultant's recommendations as necessary where additional measures are required.

Item 2: Section 4.4 Erosion Protection and Repair

The minor rills and loss of cover from runoff occur in the extreme lower section of the impoundment toe. Seeding with native grasses has been conducted and minor grading will be conducted. Humane measures have been implemented to discourage damage to the embankment by local wildlife. The burrows observed on past inspections have been backfilled with soil and compacted. Erosion effects and wildlife impacts will be closely monitored on a semi-annually basis and addressed as a maintenance issue.

Item 3 Section 4.5 Impoundment Hydraulic and Stability Analysis.

A third party consultant has been retained to assist Coletto Creek Power in evaluating the hydraulic stability of the impoundment per CDM's recommendations. The suggested approach will be dependent upon the consultant's recommendations. A validation of CDM's preliminary evaluation will be conducted to confirm the impoundments will safely store precipitation from the full PMF. An analysis will also be conducted to determine and evaluate the most critical embankment cross-sections relative to slope stability. The stability of a cross section through the divider embankment will be included in the review. Loading conditions for existing operations, flood conditions, rapid drawdown, seismic and steady-state seepage loading conditions, and liquefaction potential will be incorporated into the review for necessary impoundment components. All work will be conducted by a P.E. registered in the state of Texas and familiar with earthen dam design. Funding for this project is substantial and will be provided by future plant budgets to address the recommended analysis noted in the CDM report.

Item 4: Section 4.6 Instrumentation

Coletto Creek Power, LP agrees with the CDM recommendation and will incorporate monitoring on a semi-annual basis of those monitoring wells suitable of functioning as leading indicators of impoundment instability.

Item 5: Section 4.7 Seepage Control

Monitoring of the seepage areas by the site is on-going informally recorded on a daily basis and formally recorded on a semi-annual basis. An assessment was conducted in March 2011 by a third party consultant noted in Item 1. The site is awaiting a final report; however, exit interviews with the P.E. indicated that the seepage locations did not present a safety hazard to the embankment. The subsurface drain seepage issue at the recirculation pump station was investigated following the CDM inspection and abated through repairs to a malfunctioning sump pump. Corrective actions will be evaluated based on the consultant's final report and budgeting will be conducted following selection of the best evaluated remedy.

Item 6: Section 4.8 Inspection Recommendations

Coletto Creek has implemented a procedure to manage future formal and informal inspections of the impoundments. Necessary control measures will be communicated to site management when noted and remedial steps will be managed in the plant's work maintenance system. Documentation of formal annual inspections are conducted using a standardized inspection form and includes a topographical figure for any necessary sketching. Procedures regarding piezometers and monitoring wells are contained in the Groundwater Monitoring Plan submitted to TCEQ and include annual groundwater elevation maps which indicate changing conditions. An evaluation of static well levels is conducted during each formal dam inspection and the site procedure includes guidance for inspecting the impoundments following heavy rainfall events. These records are retained for at least three years.

Item 7. Section 4.9 Operations

Stop logs for the Primary Ash pond will be staged in a location allowing rapid response to events and a life preserver has been staged at the inlet structure. Detailed operation and maintenance procedures for the ash lagoons have been included in the vegetative control plan while detailed and impoundment-specific emergency procedures have been incorporated into the site Emergency Action Plan and include joint response efforts with GBRA.

Item 8: Section 4.10

Ash management and hydraulic systems proposed for the new power unit will operate independently of existing impoundments excepting some very minor contributions. Those minor contributions will be thoroughly vetted during the detail design phase of the new unit.