HOOSIER ENERGY
RURAL ELECTRIC COOPERATIVE, INC.
A Touchstone Energy® Cooperative

March 28, 2009

Mr. Richard Kinch
US Environmental Protection Agency (5306P)
1200 Pennsylvania Avenue, NW
Washington, DC 20460

RE: Request for Information under CERCLA Section 104(e), 42 U.S.C. 9604(e)
Hoosier Energy REC, Inc.

Dear Mr. Kinch:

This letter is in response to the Information Request received by Hoosier Energy on March 17, 2009. The letter requested information above and beyond the individual request received by our Frank E. Ratts Generating Station on the same day.

Hoosier Energy is a generation and transmission (G&T) cooperative providing electric power to 17 member electric distribution cooperatives in central and southern Indiana and one member cooperative in Illinois. Hoosier Energy has two coal fired power plants: the Frank E. Ratts Station located near Petersburg Indiana in Pike County (which received an individual letter) and the Merom Generating Station near Sullivan Indiana, in Sullivan County. The response provided in the attachment to this letter will serve to delineate our dry ash handling facilities at the Merom Station.

If you have any questions, or need any further information, our direct contact person in this matter is Michalene Reilly, Manager of Environmental Services. Her direct phone number is (812) 876-0360.

Sincerely,

Robert C Hochstetler

Robert C. Hochstetler
Vice President, Power Production

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CERTIFICATION

I certify that the information contained in this response to EPA's request for information and accompanying documents is true, accurate, and complete. As to the identified portions of this response that I cannot personally verify their accuracy, I certify under penalty of law that this response and all its attachments were prepared in accordance with a system designed to assure that qualified personnel properly gather and evaluate the information submitted.

Based on my inquiry of the person or persons who manage the system, those persons directly responsible for gathering the information, the information submitted is, to the best of my knowledge, true, accurate and complete. I am aware that there are significant penalties for submitting false information, including the possibility of fines and imprisonment for knowing violations.

Signature Robert C Hochstetler

Name Robert C. Hochstetler

Title Vice President, Power Production

In accordance with your information request letter, Hoosier Energy is providing the following information. Hoosier Energy received a request specific to our Frank E. Ratts generating station and will be submitting that response separately. Hoosier Energy does however have one other coal fired power plant, the Merom Generating Station in Sullivan County, Indiana. The Merom Generating Station was constructed during the late 1970's and early 1980's with unit two commissioned in 1982 and unit one in 1983. Both fly ash and bottom ash[1] are handled dry at Merom and deposited in an on-site landfill. In addition, other coal combustion products deposited in the landfill are dewatered prior to sending to the landfill.

Given the definition of "impoundment" provided to the industry by the Environmental Protection Agency, Hoosier Energy will provide information on wastewater treatment facilities and stormwater retention ponds at the Merom Generating Station that contain ash, although none of these basins are ash ponds/impoundments as defined by the electric utility industry. These basins are all in-ground and do not have berms or dikes that could result in a structural failure. All of the basins listed are regulated under the Merom Station's State of Indiana National Pollution Discharge Elimination System (NPDES) permit (IN0050296). Included with this submittal is a drawing which shows the location of the basins listed below:

Main Coal Combustion By-Product Receiving Basins

Wastewater Treatment Plant Basin 4 – an in-ground synthetically lined basin that received water from (among other things) the decanting of bottom ash to be taken to the landfill. Some carryover of bottom ash goes to the basin. Annually, the ash is removed and taken to the landfill. This is done by filling geotextile dewatering bags on a temporarily lined section adjacent to Basin 4. When the liquids have decanted, the solids are hauled to the on-site landfill.

Wastewater Treatment Plant Basins 2 and 3 – in-ground synthetically lined basins that receive water from the power plant In addition, since basins 2, 3 and 4 are connected by overflow piping, waters pass back and forth between the three basins. Periodically, solids are removed and taken to the onsite landfill following dewatering as listed above.

Landfill Area 1 Sedimentation Basin – an in-ground basin that was clay lined during construction. This basin takes stormwater from the closed area of the Merom station landfill. It also collects stormwater from the pozotec stacking pad which will result in the pond having to be dredged every 3 to 5 years. The dredged materials are placed in geotextile dewatering tubes and allowed to dry. When dry the material is placed in the on-site landfill. This pond is an NPDES outfall because it also takes process water (mainly potable seal water) from the sludge dewatering facility.

[1] Bottom ash is sluiced at the boiler, but mechanically dewatered before placement in the landfill and is never in earthen impoundments.

Landfill Area 2 Sedimentation Basin – clay lined during construction (1994). This basin takes stormwater from the open portion of the Merom landfill. Two intermediate basins, constructed in 2007 capture most of the ash from the haul road of the landfill. That ash is cleaned out annually during the dry season and placed in the landfill. The actual Area 2 landfill basin has been dredged once. The dredged materials are placed in geotextile dewatering tubes and allowed to dry. When dry the material is placed in the on-site landfill.

Emergency pond for the scrubber stabilization building – During upset conditions at the scrubber stabilization building, it is possible that excess solids and liquids can result in an overflow condition. When this happens, the emergency pond adjacent to the stabilization building is used to hold the overflow until it can be pumped back into the building for re-use. The pond was recently lined (summer, 2008) with a synthetic liner, and only had a clay liner prior to that time.

Minor Coal Combustion By-product Receiving Basins

Emergency Basin 0 - In 2007, a concrete basin was constructed to handle the dewatering of solids. Meant specifically to handle a scrubber emergency when both units would have to be shut down and excess water and scrubber solids would need emergency holding (this type of emergency has only happened once in the history of the facility) it is designed to hold up to 3 million gallons of liquids and solids until they can be sent back to the scrubber. As an ancillary use, it is used to dewater solids that are to be placed in the Merom landfill. These would be coal combustions products usually vacuumed out of hoppers and other locations during unit outages.

Wastewater Treatment Basins 1 and 1A – These synthetically lined basins normally only take coal pile runoff. However Emergency Basin 0 is adjacent to this basin and water from dewatered solids is pumped from this basin to basin 1 or 1A so that it can be treated in the wastewater treatment plant.

East Basin at Scrubber Solids Stabilization Building – This basin received seal water from the scrubber solids stabilization building. However, some stormwater runoff from the pozotec stacking pad also reaches this basin. The liquids from this basin through the Landfill Area 1 stabilization basin (an NPDES outfall) prior to leaving the facility.

Construction Basin – The construction basin handled stormwater runoff during the construction of the Merom Generating Station. It is still active and captures small amounts of ash from stormwater runoff. The construction basin has an NPDES stormwater outfall.

Intake Basin - The stormwater basin at the intake captures small amounts of ash from stormwater runoff. The intake basin has an NPDES stormwater outfall.

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[i] Pozotec is a coal combustion product made by combining dewatered scrubber solids, fly ash, and a lime product. The mixture is conveyed to a pad where it is loaded on trucks and taken to the on-site landfill for placement and compaction. When compacted, reactions occur which allow the product to solidify into a nearly impermeable product.