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

March 30, 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 for 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 Frank E. Ratts 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
Vice President, Power Production

CERTIFIED MAIL NO. 7008 1140 0004 9418 5912

CC: S. Smith
C. Goffinet
Central File
M. Reilly
File M1.41

P.O. Box 908 • Bloomington, Indiana 47402-0908 • Phone: 812-876-2021 • FAX: 812-876-3476

## 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 is submitting this information through the following transmittal. The Frank E. Ratts Generation Station is composed of two 125MW coal burning units. The facility is located in Southern Indiana in Pike County near the town of Petersburg. The Ratts facility was built in the late 1960's and the units began commercial operation in 1970. Ash disposal is accomplished through a series of ash impoundments. For the purposes of this submittal, we will refer to them as the Bottom Ash pond, and Fly Ash ponds 1-3 (with Pond 1 being the oldest).

The fly ash ponds have been developed with an external and an internal dike system. The external dikes were built from clay with the construction of the facilities. The outer clay dike is about 10 feet wide at the crest with a tip elevation of about 432 feet. The height of the dike (crest to toe) is about 10 to 15 feet, dependent on the location. The sides of the outer clay dike are sloped at approximate 2H:1V with some areas being slightly steeper or flatter.

Question Responses

1. The state of Indiana does not rate or inspect surface impoundments. No federal agency has ever rated the Frank E. Ratts ash pond dikes.

2. Year each management unit was commissioned and expanded. Please note that although the 3 fly ash ponds are all connected, they do have internal clay berms between them.
    a. Bottom Ash Pond – 1970
    b. Ash Pond 1 – 1975
    c. Ash Pond 2 – 1982
    d. Ash Pond 3 – 1985

3. Contained in each pond
    a. Bottom Ash Pond – 6 acre pond which contains mostly bottom ash, but may contain some residue from fly ash disposal in the pond between 1970 and 1977 when the ponds were separated into fly and bottom ash separate disposal[1].
    b. Ash Pond 1 – approximately 10 acres, filled to capacity with fly ash only.
    c. Ash Pond 2 – approximately 16 acres, filled to capacity with fly ash only.
    d. Ash Pond 3 – approximately 25 acres, active pond containing fly ash only. In addition, there is a small (~8 acre) polishing pond which takes water from the active area for final solids removal prior to discharge under the plants NPDES permit (IN0004391)

       The active ash ponds have also always received wastes from floor drains and periodically generated metal cleaning wastes.

[1] Ash has been dredged from the bottom ash throughout the years which results in the statement that the vast majority of the ash in this pond is bottom ash.

4. Although Hoosier Energy cannot find direct evidence, we believe all ponds were designed by professional engineers. The original pond and 1984 pond do have some direct evidence of engineering design. There is no evidence that the construction was under the supervision of professional engineers.

   Regular quarterly inspections and monitoring of the safety of the waste management units are under the supervision of Hoosier Energy personnel experienced with the ash ponds and their operation. In the event of any type of structural issue, Professional engineers are hired to do more comprehensive examinations and to provide quality control whenever repair work has been needed.

5. A full inspection of the ash pond dikes was conducted by an outside engineering firm with results presented to Hoosier Energy on January 31, 2007. In addition, in response to some erosion issues and a minor earthquake in 2008, a subsequent inspection that resulted in a written summary report of actions taken in 2007 and 2008 was completed in 2009. All actions taken were in accordance with the recommendations and under the supervision of the engineers who made the recommendations.

   The work was performed by professional engineers from the Fuller, Mossbarger, Scott and May Engineers, Inc (now Stantec). All corrective action was done by local earth moving contractors under the QA/QC supervision of Fuller, Mossbarger, Scott and May Engineering. The two lead engineers have both bachelors' and Masters' degrees in Civil engineering from the University of Louisville. The engineers in question have 22 and 12 yrs (respectively) experience in geotechnical engineering for various types of infrastructure, including geotechnical assessment of ash disposal ponds. They are currently helping to assess disposal facilities for TVA. Both have PE licenses in Indiana and Kentucky.

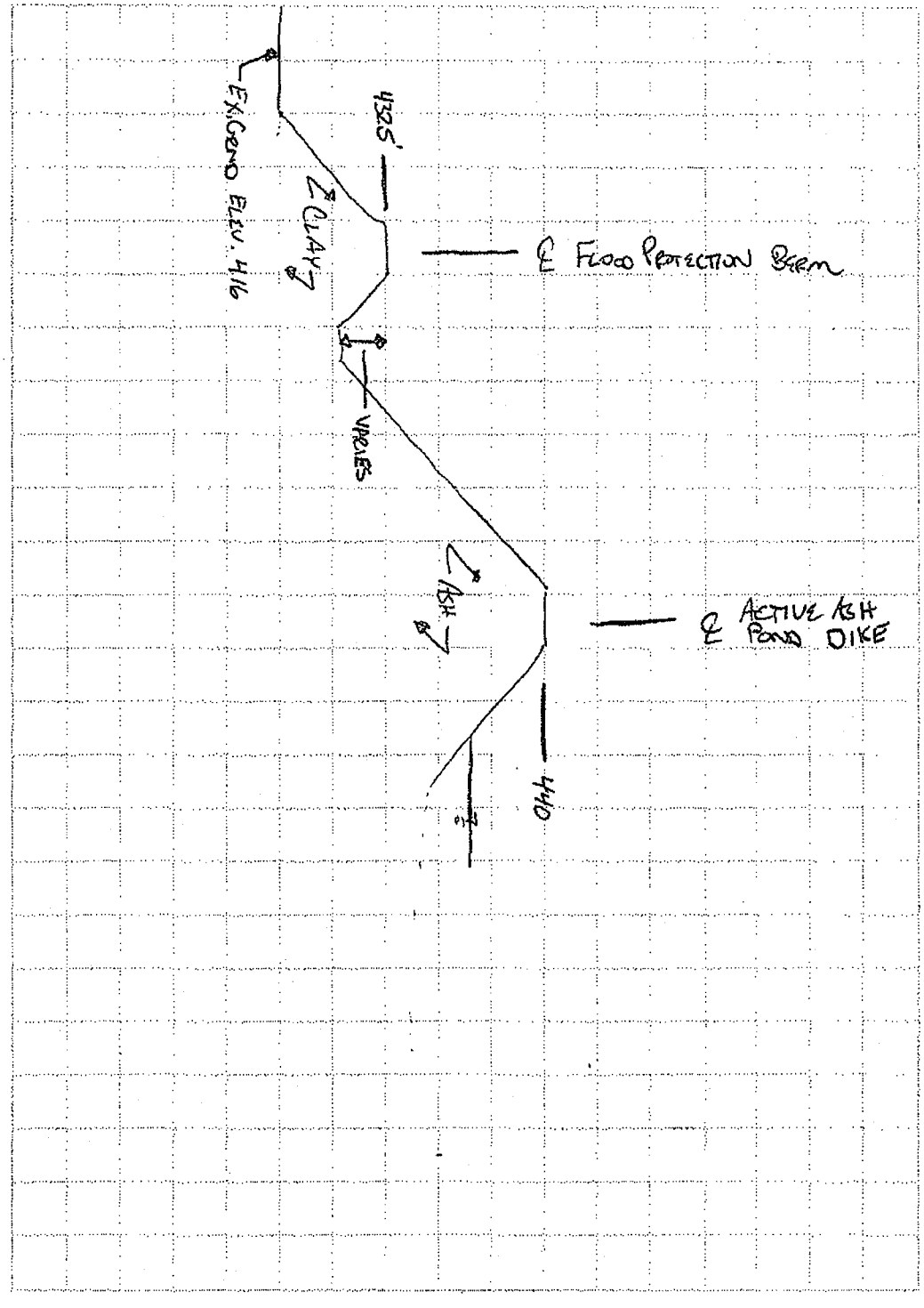
   Hoosier Energy will be continuing with quarterly inspections of its ash ponds and outside engineers will be contracted whenever there is any reason to address structural issues.

6. Neither the State of Indiana Department of Natural Resources nor any Federal authorities have ever inspected our ash ponds. However, we have had engineering firms examine the ash ponds periodically.

7. Neither the State of Indiana Department of Natural Resources nor any Federal authorities have ever inspected our ash ponds. However, we have had engineering firms examine the ash ponds periodically. Copies of the inspections will be provided as requested.

Stantec

# RATTS HOOSIER ENERGY
## -ACTIVE ASH POND SECTION-
N.T.S.

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