



April 20, 2011

OFFICE OF SOLID WASTE AND EMERGENCY RESPONSE

VIA E-MAIL AND FEDERAL EXPRESS

Mr. R. M. Singletary, Senior Vice President Santee Cooper One Riverwood Drive Moncks Corner, South Carolina 29461-2901

Dear Mr. Singletary:

On June 24, 2010 the United States Environmental Protection Agency ("EPA") and its engineering contractors conducted a coal combustion residual (CCR) site assessment at the D.M. Grainger facility. The purpose of this visit was to assess the structural stability of the impoundments or other similar management units that contain "wet" handled CCRs. We thank you and your staff for your cooperation during the site visit. Subsequent to the site visit, EPA sent you a copy of the draft report evaluating the structural stability of the units at the D.M. Grainger facility and requested that you submit comments on the factual accuracy of the draft report to EPA. Your comments were considered in the preparation of the final report.

The final report for the D.M. Grainger facility is enclosed. This report includes a specific rating for each CCR management unit and recommendations and actions that our engineering contractors believe should be undertaken to ensure the stability of the CCR impoundment(s) located at the D.M. Grainger facility. These recommendations are listed in Enclosure 2.

Since these recommendations relate to actions which could affect the structural stability of the CCR management units and, therefore, protection of human health and the environment, EPA believes their implementation should receive the highest priority. Therefore, we request that you inform us on how you intend to address each of the recommendations found in the final report. Your response should include specific plans and schedules for implementing each of the recommendations. If you will not implement a recommendation, please explain why. Please provide a response to this request by May 20, 2011. Please send your response to:

Mr. Stephen Hoffman US Environmental Protection Agency (5304P) 1200 Pennsylvania Avenue, NW Washington, DC 20460 If you are using overnight of hand delivery mail, please use the following address:

Mr. Stephen Hoffman US Environmental Protection Agency Two Potomac Yard 2733 S. Crystal Drive 5th Floor, N-237 Arlington, VA 22202-2733

You may also provide a response by e-mail to hoffman.stephen@epa.gov

This request has been approved by the Office of Management and Budget under EPA ICR Number 2350.01.

You may assert a business confidentiality claim covering all or part of the information requested, in the manner described by 40 C. F. R. Part 2, Subpart B. Information covered by such a claim will be disclosed by EPA only to the extent and only by means of the procedures set forth in 40 C.F.R. Part 2, Subpart B. If no such claim accompanies the information when EPA receives it, the information may be made available to the public by EPA without further notice to you. If you wish EPA to treat any of your response as "confidential" you must so advise EPA when you submit your response.

EPA will be closely monitoring your progress in implementing the recommendations from these reports and could decide to take additional action if the circumstances warrant.

You should be aware that EPA will be posting the report for this facility on the Agency website shortly.

Given that the site visit related solely to structural stability of the management units, this report and its conclusions in no way relate to compliance with RCRA, CWA, or any other environmental law and are not intended to convey any position related to statutory or regulatory compliance.

If you have any questions concerning this matter, please contact Mr. Hoffman in the Office of Resource Conservation and Recovery at (703) 308-8413. Thank you for your continued ongoing efforts to ensure protection of human health and the environment.

Sincerely, /Suzanne Rudzinski/, Director Office of Resource Conservation and Recovery

Enclosures

12.1 Corrective Measures and Analyses for the Structures

We recommend that a preliminary evaluation of site seismicity, seismic slope stability and liquefaction potential of the Ash Pond #2 dike be completed and documented to determine whether more detailed seismic studies are necessary. Although State and Federal regulatory agencies do not mandate that seismic evaluations be performed for embankments classified as small and low hazard, it would be prudent engineering to check whether seismic loads could affect the safety of the embankment.

12.2 Corrective Measures Required for Instrumentation and Monitoring Procedures

No corrective measures are required. We suggest that water level readings recorded in the groundwater quality wells at the toe of Ash Pond #2 be reviewed to monitor any changes in the piezometric surface, and that they be used to estimate the piezometric surface in future stability studies.

12.3 Corrective Measures Required for Maintenance and Surveillance Procedures

None.

12.4 Corrective Measures Required for the Methods of Operation of the Project Works

None.