



October 14, 2016

Subject: Hazard Potential Classification Assessment for Existing CCR Surface Impoundments
Calaveras Power Station
San Antonio, Texas

To File:

The purpose of this memorandum is to document the hazard potential classification of the existing Coal Combustion Residual (CCR) surface impoundments at the CPS Energy Calaveras Power Station and to comply with Title 40, Code of Federal Regulations, Part 257 (40 CFR §257), Subpart D CCR Rules.

The Calaveras Power Station has five CCR surface impoundments: the North and South Sludge Recycle Holding (SRH) Ponds, the North and South Bottom Ash Ponds (BAPs), and the Evaporation Pond (EP). All ponds were constructed as diked impoundments. The SRH Ponds were constructed as a single impoundment with a divider wall that separates the impoundment into the North and South Ponds. A gate present in the divider wall is closed during normal operating procedures, but can be opened. The North and South BAPs share a common embankment that separates the BAPs, and are immediately east of the SRH Ponds. Only one BAP is typically in operation at one time. These four ponds are located east of the main plant. The EP is approximately a mile north of the main plant, and receives boiler chemical cleaning wastes via vacuum truck. While this material is not considered CCR under the regulation, the EP was originally constructed as a fly ash landfill in 1990, and then converted to a fly ash impoundment in 1996. It currently contains solids that are six inches to two feet below the top of the impoundment.

40 CFR §257.73 requires that the owner and or operator of an existing CCR impoundment conduct an initial and periodic hazard potential classification assessment. The initial assessment must be performed prior to October 17, 2016 and performed again every five years thereafter. A hazard potential assessment summary for each impoundment is described in the remainder of this document. The assessments are based on reports prepared for the USEPA by CDM Smith in June 2014.

The North and South SRH Ponds have an approximate storage capacity of 28 acre-feet, which results in the embankments not qualifying as a dam according to the US Army Corps of Engineers (USACE) Guidelines for Safety Inspections of Dams (1979) (ER110-2-106). The recommended Hazard Ranking was determined to be "Significant Hazard" due to possible failure damaging the power plant infrastructure, operations and utilities. As pointed out in the CDM Smith report, "loss of human life is not anticipated".

The North and South BAPs have an approximate storage capacity of 72 and 84 acre-feet respectively, which results in the embankments being classified as "small" dams according to the USACE Guidelines for Safety Inspections of Dams. As with the SRH Ponds, the recommended Hazard Ranking was determined to be "Significant Hazard" due to possible failure damaging the power plant infrastructure, operations and utilities. As pointed out in the CDM Smith report, "loss of human life is not anticipated".

The EP Pond has an approximate storage capacity of 99 acre-feet, which results in the embankment being classified as a "small" dam according to the USACE Guidelines for Safety Inspections of Dams. Unlike the SRH Ponds and the BAP Ponds, the recommended Hazard Ranking was a "Low Hazard" due to low economic and/or environmental losses. The EP is located approximately one mile north of the Deely and

Spruce Power Plants, therefore damage of the power plant infrastructure, operations and utilities is not anticipated. As pointed out in the CDM Smith report, "loss of human life is not anticipated".

Based on the review of CDM Smith reports and field observations, CPS Energy designates both the SRH Ponds and the BAP Ponds as "Significant Hazards" and the EP as a "Low Hazard" with respect to the units Hazard Potential Classification.

Sincerely,



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