

BEFORE THE PUBLIC UTILITIES COMMISSION OF OHIO

In the Matter of the Application of)
The Dayton Power and Light Company)
For Authority to Transfer or Sell)
Its Generation Assets)

Case No. 13-2420-EL-UNC

**CITY OF MIAMISBURG’S COMMENTS ON
THE DAYTON POWER & LIGHT COMPANY’S
AMENDED SUPPLEMENTAL APPLICATION**

As stated in its Motion to Intervene, the City of Miamisburg’s interest in these proceedings is ensure that DP&L retains financial assets and legal authority sufficient to decommission the O.H. Hutchings Generating Station¹ to an end state that is environmentally safe, nuisance-free, and socially and economically productive. Unfortunately, DP&L has provided inconsistent information about the current operational status of Hutchings Station and its plans to decomission and clean up that facility. Furthermore, DP&L has not provided sufficient information to demonstrate that it, or the party to whom it proposes to transfer Hutchings, will have the legal and financial wherewithal to undertake and complete all necessary and appropriate decommissioning activities at that facility. For these reasons, and as discussed more fully below, DP&L’s application is not in the public interest. Miamisburg requests that the Commission either deny DP&L’s application, or deny Motion for Waiver and schedule a hearing in this matter.

¹ O.H. Hitchings Generating Station, also referred to in these comments as “Hutchings” and “Hutchings Station,” is located at 9200 Chautauqua Road in Miamisburg.

A. DP&L has made inconsistent representations regarding the operational status of Hutchings Station.

In its Fourth Supplemental Response to OCC's Interrogatory 92, DP&L represented that it has not developed a plan for cleanup or closure of Hutchings and that "DP&L still has operating generation, transmission and distribution assets at Hutchings Station." Furthermore, DP&L denies that it has undertaken any remediation efforts with respect to any real property or generating assets to be transferred or sold. DP&L's Fourth Supplemental Response to OCC Interrogatory 78 (June 25, 2014). Yet earlier this year, DP&L and its environmental consultant, CH2M Hill, made a presentation to Ohio EPA in which they represented that Hutchings was closed in 2012. *See* Exhibit A. The purpose of that meeting was to discuss plans to clean up an ash pit at that facility. *Id.* Unfortunately, therefore, there exists conflicting information regarding even the most basic questions of the operational status of Hutchings Station and the liabilities and costs associated with its decommissioning.

B. DP&L's Amended Supplemental Application does not identify known environmental liabilities at Hutchings, nor does it demonstrate how known or contingent environmental liabilities at that facility will be addressed after divestiture.

Despite meeting with Ohio EPA earlier this year to discuss the cleanup of an ash pit at Hutchings, DP&L states in its discovery responses that any environmental liabilities are "pending future liabilities," the identity and cost of which is unknown at this time. DP&L's Fourth Supplemental Responses to OCC Interrogatory 11, 13, 16 (June 25, 2014). Therefore, the record contains no identification or quantification of those liabilities.

DP&L reports that its total debt is \$876.9 million. DP&L's Supplemental Reply Comments at 5 (April 7, 2014). That debt attaches to "substantially all" of its generating assets. DP&L's Fourth Supplemental Response to OCC Interrogatory 130 (June 25, 2014). DP&L has

not provided any information regarding price at which the generating assets must be purchased in order for DP&L to maintain its financial integrity. *Id.*, Fourth Supplemental Response to OCC Interrogatory 118. DP&L does not identify the proposed purchase price for the assets to be divested, nor does it identify the transferee or buyer of the generating units or even the fair market value of those units. *Id.*, Fourth Supplemental Responses to Interrogatories 61, 64, 66, 72.

As best Miamisburg can determine at this time, DP&L proposes to address potential future environmental liabilities at its generating facilities by retaining those liabilities and deferring the associated costs to its customers. Miamisburg takes no position at this time on question whether the Commission may grant the authority to defer environmental costs. But even assuming for sake of argument that such authority exists, DP&L's proposal is not in the public interest for the following reasons:

First, DP&L has not adequately defined what constitutes "future environmental liabilities," the costs of which DP&L proposes to defer. *See* Amended Supplemental Application at 11. As evidence of the ambiguity of this term, DP&L has not disclosed in discovery the planned remediation of the Hutchings ash pit, despite its being discussed with Ohio EPA in 2014. Furthermore, it is not clear whether the term "environmental liabilities" would include other necessary and appropriate decommissioning activities at Hutchings, such as demolition and equipment removal, necessary to convert Hutchings to an appropriate and safe long-term end state.

Second, although DP&L seeks the *authority* to retain environmental liabilities and to defer the associated costs, it is not clear that DP&L's current proposal would *prohibit* DP&L from transferring those liabilities to a purchaser if DP&L should find it advantageous to do so.

Without identifying the purchasing party or the terms of the transaction, the Commission has insufficient information to determine whether a third party's assets would be sufficient to cover DP&L's environmental liabilities.

C. Conclusion: For all of the above reasons, DP&L's Amended Supplemental Application is not in the public interest. Miamisburg requests that the Commission either deny DP&L's application, or deny its Motion for Waiver and schedule a hearing in this matter.

Respectfully submitted

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CERTIFICATE OF SERVICE

I hereby certify that, on June 30, 2014, a copy of the foregoing Comments on Amended Supplemental Application was served by electronic mail on the following:

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/s/ Christopher A. Walker
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EXHIBIT A

A blue-toned world map serves as the background for the top half of the slide. The map is centered on the Atlantic Ocean, showing the continents of North America, South America, Europe, and Africa. The text and logos are overlaid on this map.

DP&L®

CH2MHILL®

DP&L

O.H. Hutchings Facility

Conceptual Ash Pond Closure Plan

Agency Meeting
April 9, 2014

Introduction of Project Team by DP&L

❖ Why we are here today

❖ DP&L internal team

- Phil Mauney, Senior Project Manager and Primary Point of Contact
- Scott Arentsen, Senior Environmental Specialist
- John Hendrix, Project Manager

❖ DP&L consulting team – CH2M HILL

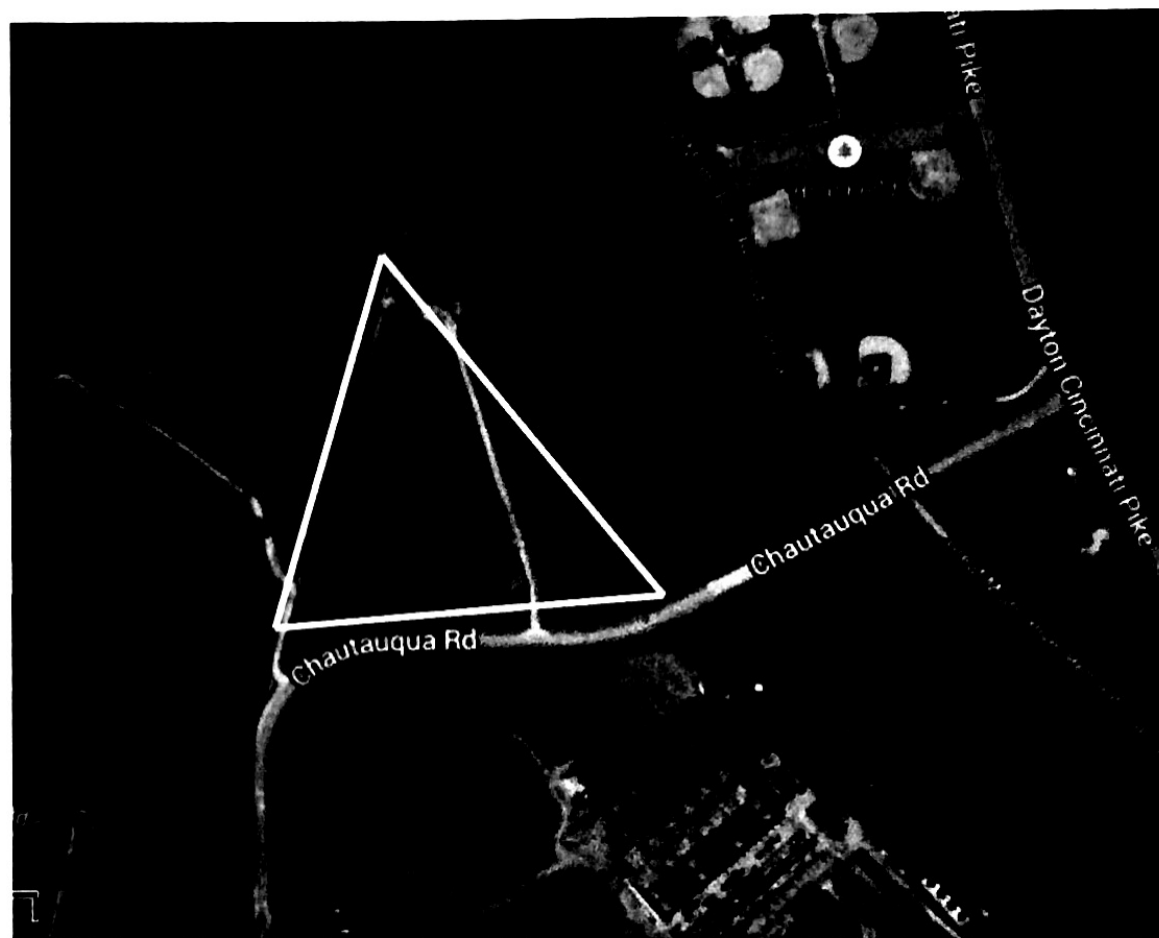
- Chris Hardin, P.E., Project Director and Senior Geotechnical Engineer
- Julie Schucker, P.G., Project Manager and Groundwater Specialist
- Nick Perrotta, P.E., Senior Engineer and Civil Site Designer
- Jake Keegan, P.E., Geotechnical/Civil Engineer

Agenda

- ❖ Existing Conditions Overview
- ❖ Meeting purpose and goals
- ❖ Basis of conceptual design
 - Stormwater and drainage
 - Cap design and closure cross section
 - Dams and embankments
 - Geotechnical approach
 - Building and foundation demolition
 - Long term operation and maintenance groundwater discussion
 - Table of contents and list of drawings
- ❖ Schedule implementation of the closure
- ❖ Comments, questions, and clarifications

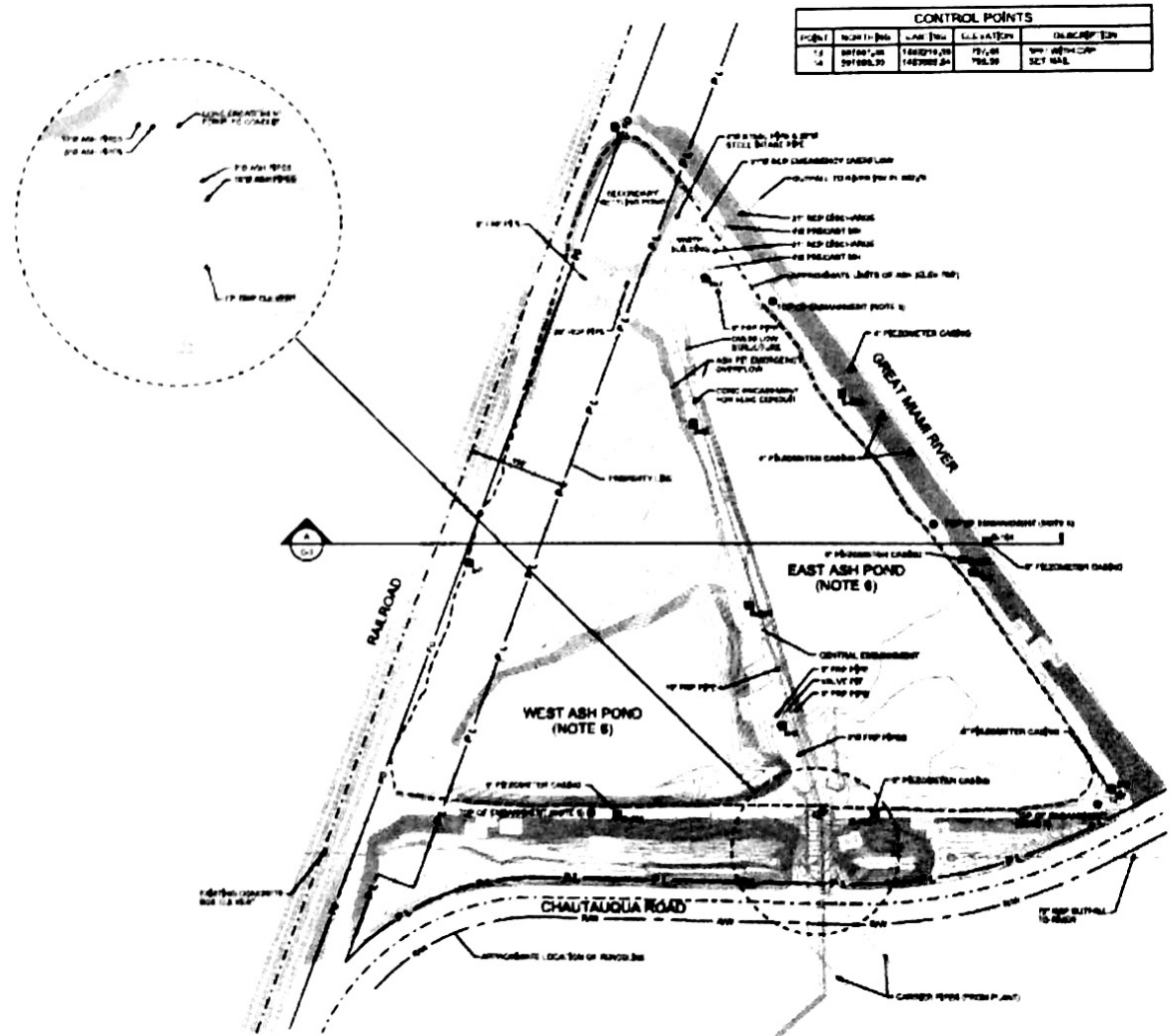
Existing Conditions Overview

- ❖ O.H. Hutchings Generating Station in Miamisburg, OH
- ❖ Ash pond constructed in 1964 along Great Miami River
- ❖ Very small site, less than 20 acres
- ❖ DP&L needs support for closure design and permitting of the ash pond
- ❖ Project involves OEPA and ODNR review and permitting



Existing Conditions Overview (cont.)

- ❖ Dam embankment lowering and/or stabilization grading for maintenance 3:1 slope preferred, 2 1/2:1 maximum
- ❖ Ash pond closure
- ❖ Develop design for closure (PTI process)
- ❖ Slope stability analysis
- ❖ Demolition plan for building
- ❖ Cover design for ash pond closure
- ❖ Stormwater management design
- ❖ Groundwater monitoring & maintenance plan



Meeting Purpose and Goals

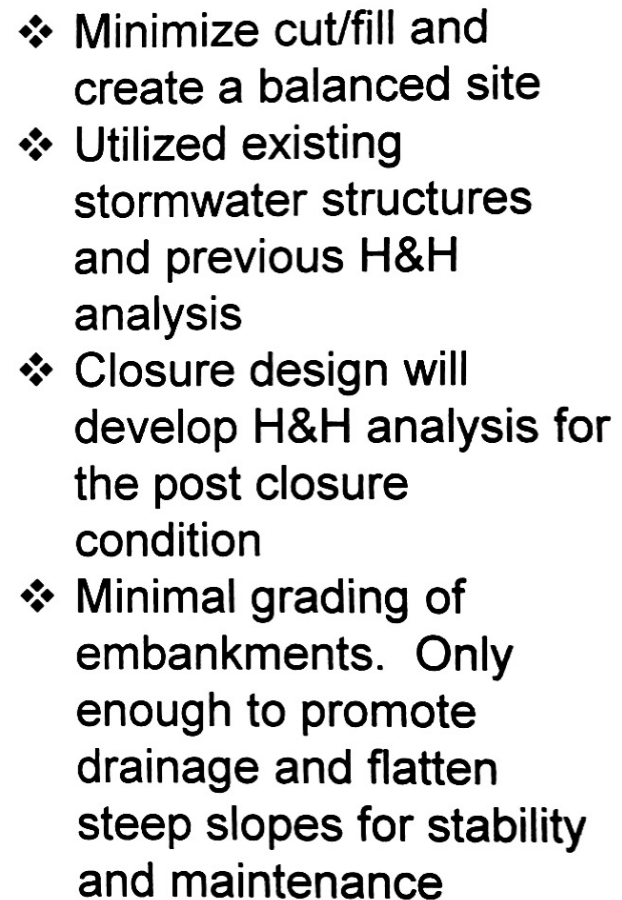
- ❖ **Explain** the site features that influence ash pond closure
- ❖ **Discuss** and understand the ODNR and OEPA regulatory guidelines
- ❖ **Present** DP&L's ash pond closure approach and success factors
- ❖ **Present** the Basis of the Concept Design
- ❖ **Review** the proposed schedule – is it reasonable?
- ❖ **Align goals** with regulatory requirements to minimize hurdles

DP&L's Approach and Long term Goals

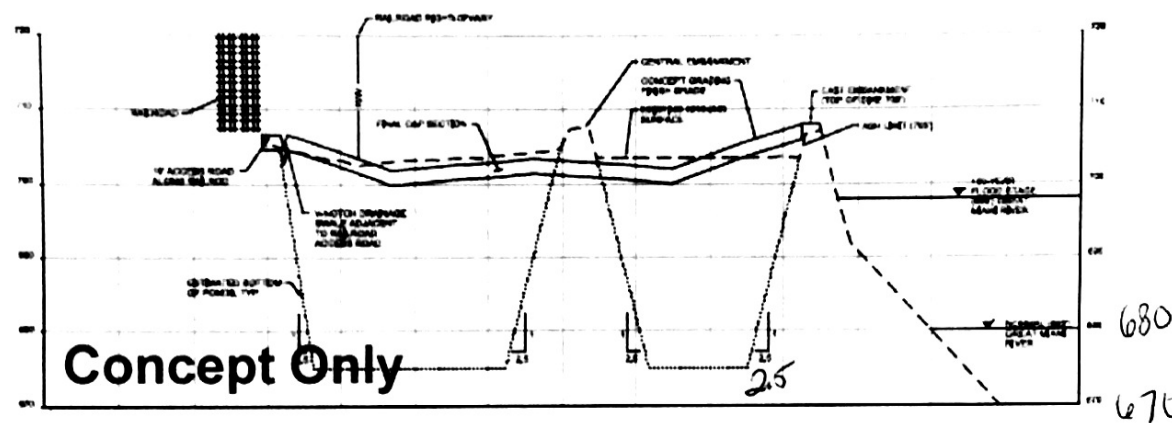
- ❖ **Plant shutdown August 2012**
 - Ash pond been in place/stable since 1960
 - Switchyard, substation, and gas turbine remain
- ❖ **Ash pond closure in place**
 - Economical approach
 - Conceptual design status
 - Permit in 2014
- ❖ **Construction closure in 2015**
- ❖ **Long term maintenance**
- ❖ **Plant decommission**

Basis of Design - Conceptual

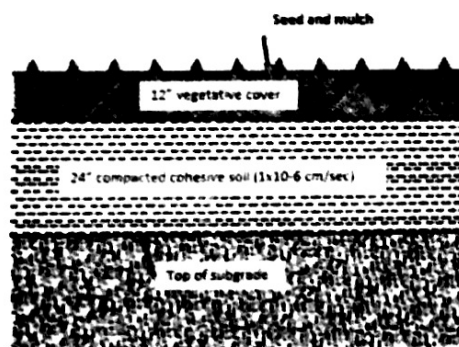
- ❖ Regulatory Criteria for Design
 - Ohio EPA Surface Water Ash Pond Closure requirements
 - Ohio DNR Dam Safety requirements
 - Geotechnical stability design – GeoRG Manual
 - Construction CQA
 - Groundwater monitoring and post-closure care
- ❖ Technical Evaluation for Design
 - Stormwater and grading
 - Slope stability and geotechnical evaluation
 - Cover slopes and perimeter embankment
 - Ash stability and static liquefaction
 - Groundwater flow – direction and hydraulic conductivity
 - Final cover – geosynthetic, soil, and CQA
- ❖ Demolition of filter building at the outfall



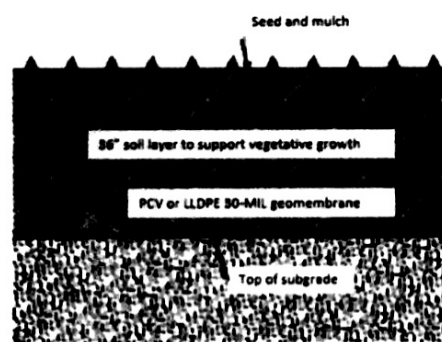
Final Cover Cross Section and Cap Design



(A) EAST-WEST SITE CROSS-SECTION



Option 1



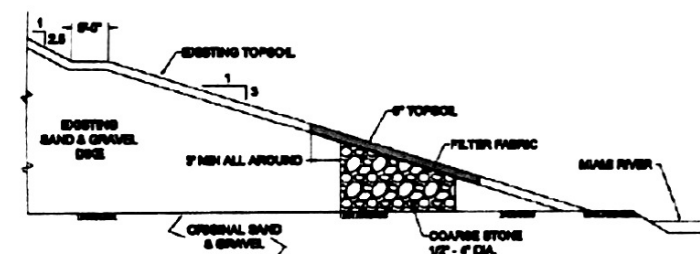
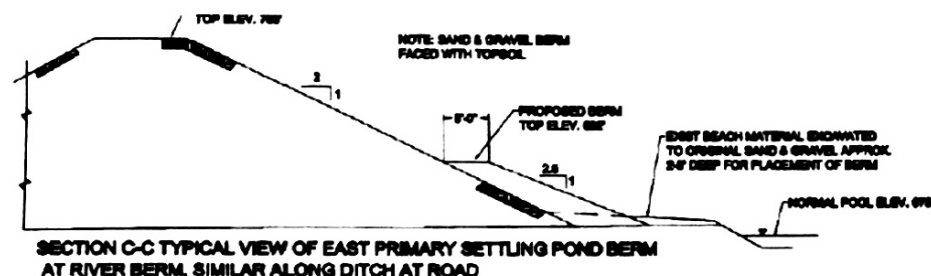
Option 2



(1) FINAL COVER

- ❖ Minimum 2% slope to minimize infiltration
- ❖ Two options:
 - Geomembrane - Low perm soil
 - Borrow study to confirm presence of nearby soils

Dams and Embankments

- ❖ Closure Plan will utilize information in existing reports from AMEC and S&ME.
- ❖ Closure Report will re-evaluate dams and embankments with final cover system and revised grading plan.
- ❖ Minimal grading to maintain current Factor of Safety for static and pseudo static stability



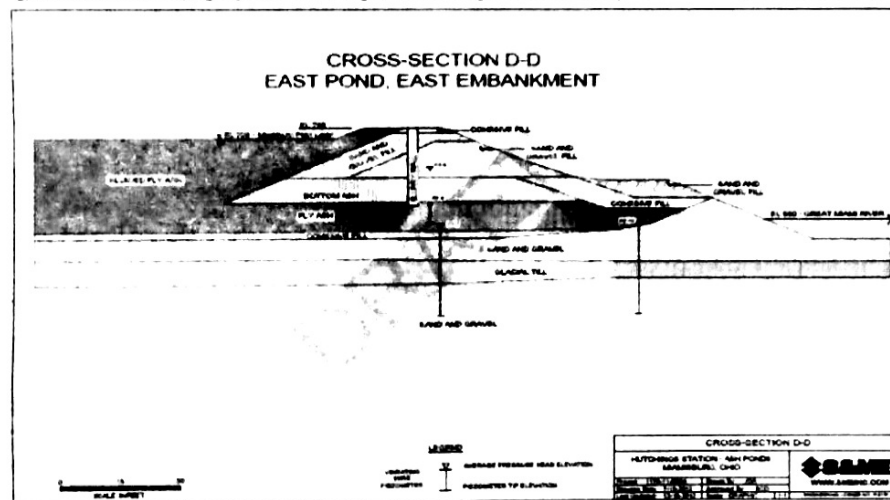
	<p>UNITED STATES ENVIRONMENTAL PROTECTION AGENCY</p> <p>AMEC Earth & Environmental</p> <p>600 Commonwealth Center 11000 Ruppess Parkway Lawrence, KY 40302 (502) 337-0900</p>		<p>PROJECT: ASSESSMENT OF DAM SAFETY OF COAL COMBUSTION SURFACE IMPOUNDMENTS</p> <p>CLIENT: DAYTON POWER AND LIGHT COMPANY</p> <p>LOCATION: O.H. HUTCHINGS STATION, MIAMISBURG, OH</p> <p>DATE: EAST AND WEST PRIMARY SETTLING POND CROSS SECTIONS</p>
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AMEC Earth & Environmental. Report of Dam Assessment of Coal Combustion Surface Impoundments, Dayton Power and Light Company, O.H. Hutchings Electric Generating Station, Miamisburg, OH. April 2011.

Geotechnical Approach

Table 8: Stability Analysis Summary – East Ash Pond

Analysis Case	Required Minimum Factor of Safety*	Computed FS			
		Section B-B**		Section D-D	
		Inboard	Outboard	Inboard	Outboard
Static (Steady-State Seepage)	1.5	6.67	1.83	5.01	1.54
Maximum Surcharge Pool	1.4	N/A	1.83	N/A	1.54
Pseudo-Static	1.0	4.38	1.68	2.93	1.34
Rapid Drawdown***	1.1	1.13	N/A	1.48	N/A

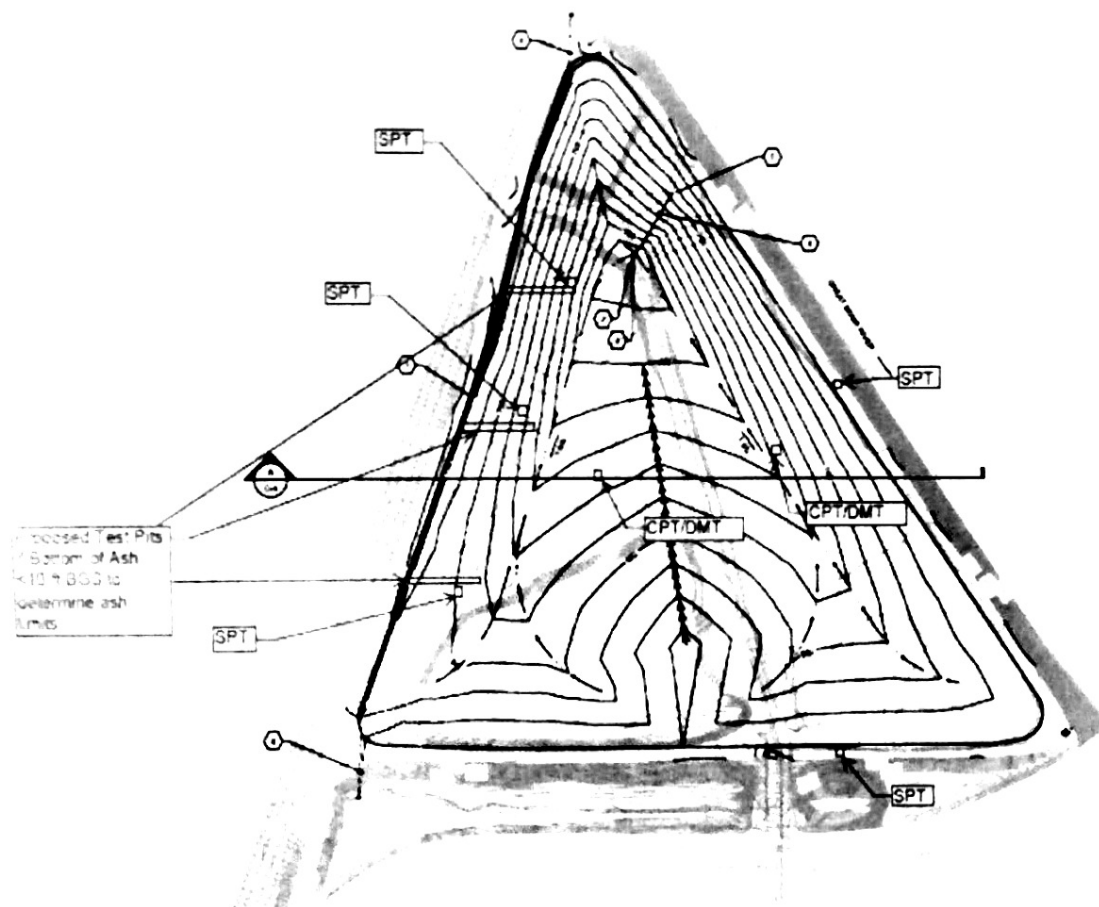


S&ME. Ash Pond Evaluation, Embankment Stability and Hydraulics/Hydrology Investigation, Hutchings Station, Miamisburg, OH. December 2012.

Geotechnical Evaluation

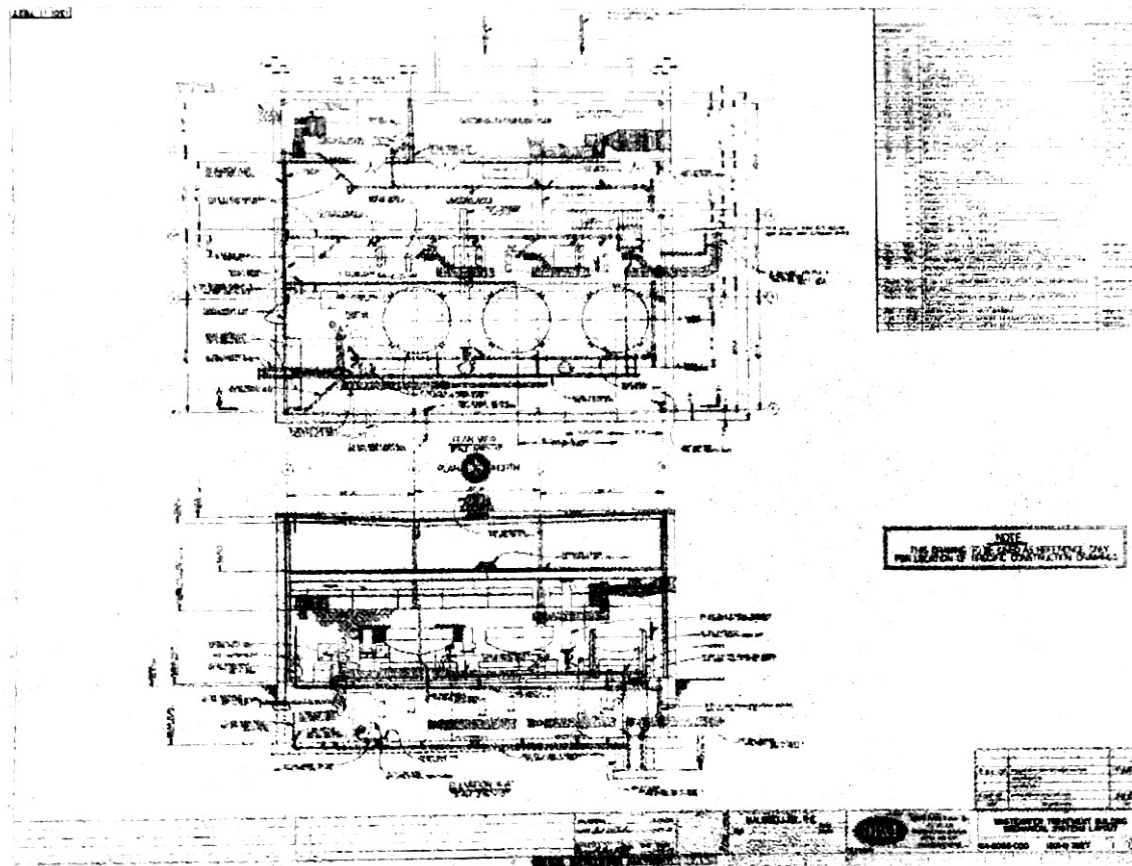
- ❖ Using S&ME lab test values and stability analysis for pre-closure condition
- ❖ Supplemental field investigation to evaluate ash stability, liquefaction potential and stability of embankments in a post closure condition
- ❖ Methods used are similar to that used for AEP's Ohio sites
- ❖ CPT for seismic
- ❖ DMT for settlement
- ❖ Ohio State to provide cyclic triaxial shear for seismic and liquefaction potential evaluation.

Upcoming Geotechnical Field Investigation



- ❖ 3 to 5 additional SPT borings
- ❖ CPT and dilatometer probes in coal ash in ash ponds
- ❖ Test pits for bulk samples and to check depth of ash near perimeter of the site

Filter Building and Foundation Demolition



- ❖ Environmental evaluation of building already complete
- ❖ Demolition debris will be handled according to OEPA guidelines
- ❖ Building demolition would be completed prior to pond closure

Long-Term Operation and Maintenance

❖ Groundwater monitoring

- Groundwater wells installed at completion of closure construction
- Monitoring frequency to be determined
- Ponds will not receive additional ash (plant closed Aug 2012)
- Synthetic or low permeability soil cap to minimize infiltration and leaching of precipitation through ash

❖ General site maintenance

- Regular cap inspections
- Dam safety inspections
- Interior berm and stormwater channel inspections

❖ Post closure maintenance plan

Ash Pond Closure Permit

- ❖ Basis of Design Report and Engineering Calculations
- ❖ Table of contents – Handout from CH2M HILL
- ❖ List of Drawings – Handout from CH2M HILL
- ❖ Closure Permit to address applicable requirements of OEPA Solid Waste Permit to Install (PTI)

Section II - Multimedia Information

Attachment A1



DIVISION OF SOLID AND INFECTIOUS
WASTE MANAGEMENT
Municipal, Industrial, and Residual Solid Waste Landfills

The information requested in this attachment is not required by rule, however it is useful to permit reviewers and the general public

Multimedia Information: check all that apply

Division of Surface Water

Current NPDES Permit

Permit Number _____

Date Issued _____

Leachate discharge to public sewer

Current ☐

Proposed ☐

On-Site Leachate Treatment

Current ☐

Proposed ☐

On-Site Secondary Treatment

Current ☐

Proposed ☐

Section V - Attachment to General Application

Attachment B1c

**ATTACHMENT B1c
(RESIDUAL SOLID WASTE LANDFILL)**

INFORMATION TO BE SHOWN ON PLANS AND/OR SUBMITTED WITH PLANS

OAC 3745-38-05 PARAGRAPH	CONTENT	Plan Drawing No.	Section No.
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DETAIL ENGINEERING PLAN COVER SHEET

(B)(1)(a)	Name of the unitary landfill facility		
(B)(1)(b)	Precise geographic location, boundaries, etc.		
(B)(1)(c)	Name and address of the applicant		
(B)(1)(d)	Name and address of the owner and of the operator		
(B)(1)(e)	Name and address of the person who prepared the plans		
(B)(1)(f)	Index of plan sheets		

Schedule

- ❖ Prepare conceptual design
- ❖ Agency meeting – April 2014
- ❖ Finalize plans and submit PTI to agency – July 2014
- ❖ Agency review completed – October 2014
- ❖ DP&L bid project and award – November/December 2014
- ❖ Construct closure - 2015

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6/30/2014 4:23:32 PM

in

Case No(s). 13-2420-EL-UNC

Summary: Comments of City of Miamisburg regarding DP&L's Amended Supplemental Application electronically filed by Mr. Christopher A Walker on behalf of City of Miamisburg, Ohio