



August 08, 2023

VIA E-MAIL

Lydia Anderson
United States Environmental
Protection Agency Office of Land and
Emergency Management Office of
Resource Conservation and Recovery
Anderson.Lydia@epa.gov

Re: CPS Energy Calaveras Power Station – CCR Part A Alternative Capacity Infeasibility
Demonstration
Update on Alternative Capacity Schedule

Dear Ms. Anderson,

CPS Energy is writing to follow up on its March 1, 2022 and September 23, 2022 letters to the U.S. Environmental Protection Agency (“EPA”) regarding the Calaveras Power Station CCR Part A Alternative Capacity Infeasibility Demonstration (“ACID”). Specifically, CPS Energy is providing EPA with an update on its projected cease waste receipt date for the Sludge Recycle Holding (“SRH”) Pond.

CPS Energy submitted an ACID to EPA on November 30, 2020, requesting a “cease receipt of waste” deadline of September 1, 2023, for the SRH Pond to enable development and construction of alternative capacity. The identified “fastest technically feasible alternative” for the SRH Pond in the November 2020 ACID included design and construction of a new lined surface impoundment. In a letter dated January 11, 2022, EPA determined that the SRH Pond ACID was complete.

In response to a February 14, 2022 communication from EPA, CPS Energy provided EPA with additional information in a letter dated March 1, 2022. In the March 2022 letter, CPS Energy confirmed that no delays had occurred up to that point in time and therefore, there would be no change in the original requested cease waste receipt date of September 1, 2023.

In a subsequent communication from EPA dated July 12, 2022, EPA released its Proposed Decision which conditionally approved the extension request for the SRH Pond until September 1, 2023. In a response to the Proposed Decision (letter dated September 23, 2022), CPS Energy supported EPA’s proposed approval of its extension request for the SRH Pond.

As a result of recent unforeseen supply chain delays, CPS Energy has experienced a slight delay in



completing the new lined surface impoundment. Specifically, CPS Energy has encountered approximately three weeks in delays due to the duration to procure, manufacture, and deliver the Clarifiers, Power Distribution Centers, and Structural Steel associated with the construction of the new lined surface impoundment.

Prior to these delays, CPS Energy anticipated completing construction of the new lined surface impoundment by August 1, 2023, which would allow for a month to ensure that the new lined surface impoundment was fully integrated and operational prior to the anticipated September 1, 2023, cease placement date for the SRH Pond. CPS Energy still anticipates completing construction soon despite these supply delays but completing construction and then ensuring that the new pond is fully operational may take up to several weeks longer than anticipated.

Accordingly, CPS Energy now anticipates that the new lined surface impoundment and its associated systems may not be completed by September 1, 2023 but will be completed prior to October 15, 2023.

Based on the above, CPS Energy expects that the SRH Pond may need to remain operational up to a few weeks longer than projected, but still anticipates ceasing waste receipt in the SRH Pond no later than October 15, 2023. Should you have any questions, please feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Michael M. Malone", written over a horizontal line.

Michael M. Malone, Sr. Manager

cc: Richard Huggins, Jr.