



North Carolina Department of Environment and Natural Resources

Pat McCrory
Governor

John E. Skvarla, III
Secretary

August 13, 2014

CERTIFIED MAIL 7004 2510 0000 3651 1168
RETURN RECEIPT REQUESTED

Paul Newton
Duke Energy
526 South Church Street
Charlotte, NC 28202

Subject: Notice of Regulatory Requirements
Title 15A North Carolina Administrative Code (NCAC) 02L .0106
14 Coal Ash Facilities in North Carolina

Dear Mr. Newton:

Chapter 143, North Carolina General Statutes, authorizes and directs the Environmental Management Commission of the Department of Environment and Natural Resources to protect and preserve the water and air resources of the State. The Division of Water Resources (DWR) has the delegated authority to enforce adopted pollution control rules.

Rule 15A NCAC 02L .0103(d) states that no person shall conduct or cause to be conducted any activity which causes the concentration of any substance to exceed that specified in 15A NCAC 02L .0202. As of the date of this letter, exceedances of the groundwater quality standards at 15A NCAC 02L .0200 Classifications and Water Quality Standards Applicable to the Groundwaters of North Carolina have been reported at each of the subject coal ash facilities owned and operated by Duke Energy (herein referred to as Duke).

Groundwater Assessment Plans

No later than September 26, 2014 Duke Energy shall submit to the Division of Water Resources plans establishing proposed site assessment activities and schedules for the implementation, completion, and submission of a comprehensive site assessment (CSA) report for each of the following facilities in accordance with 15A NCAC 02L .0106(g):

Asheville Steam Electric Generating Plant
Belews Creek Steam Station
Buck Steam Station
Cape Fear Steam Electric Generating Plant
Cliffside Steam Station

Dan River Combined Cycle Station
H.F. Lee Steam Electric Plant
Marshall Steam Station
Mayo Steam Electric Generating Plant
Plant Allen Steam Station
Riverbend Steam Station
Roxboro Steam Electric Generating Plant
L.V. Sutton Electric Plant
Weatherspoon Steam Electric Plant

The site assessment plans shall include a description of the activities proposed to be completed by Duke that are necessary to meet the requirements of 15A NCAC 02L .0106(g) and to provide information concerning the following:

- (1) the source and cause of contamination;
- (2) any imminent hazards to public health and safety and actions taken to mitigate them in accordance to 15A NCAC 02L .0106(f);
- (3) all receptors and significant exposure pathways;
- (4) the horizontal and vertical extent of soil and groundwater contamination and all significant factors affecting contaminant transport; and
- (5) geological and hydrogeological features influencing the movement, chemical, and physical character of the contaminants.

For your convenience, we have attached guidelines detailing the information necessary for the preparation of a CSA report. The DWR will review the plans and provide Duke with review comments, either approving the plans or noting any deficiencies to be corrected, and a date by which a corrected plan is to be submitted for further review and comment or approval. For those facilities for which Duke has already submitted groundwater assessment plans, please update your submittals to ensure they meet the requirements stated in this letter and referenced attachments and submit them with the others.

Receptor Survey

No later than October 14th, 2014 as authorized pursuant to 15A NCAC 02L .0106(g), the DWR is requesting that Duke perform a receptor survey at each of the subject facilities and submitted to the DWR. The receptor survey is required by 15A NCAC 02L .0106(g) and shall include identification of all receptors within a radius of 2,640 feet (one-half mile) from the established compliance boundary identified in the respective National Pollutant Discharge Elimination System (NPDES) permits. Receptors shall include, but shall not be limited to, public and private water supply wells (including irrigation wells and unused or abandoned wells) and surface water features within one-half mile of the facility compliance boundary. For those facilities for which Duke has already submitted a receptor survey, please update your submittals to ensure they meet the requirements stated in this letter and referenced attachments and submit them with the others. If they do not meet these requirements, you must modify and resubmit the plans.


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The results of the receptor survey shall be presented on a sufficiently scaled map. The map shall show the coal ash facility location, the facility property boundary, the waste and compliance boundaries, and all monitoring wells listed in the respective NPDES permits. Any identified water supply wells shall be located on the map and shall have the well owner's name and location address listed on a separate table that can be matched to its location on the map.

Failure to comply with the State's rules in the manner and time specified may result in the assessment of civil penalties and/or the use of other enforcement mechanisms available to the State.

We appreciate your attention and prompt response in this matter. If you have any questions, please feel free to contact S. Jay Zimmerman, Water Quality Regional Operations Section Chief, at (919) 807-6351.

Sincerely,

A handwritten signature in black ink, appearing to read "John E. Skvarla, III". The signature is fluid and cursive, with a horizontal line at the end.

John E. Skvarla, III

Attachment enclosed

cc: Thomas A. Reeder, Director, Division of Water Resources
Regional Offices – WQROS
File Copy