



NCDEQ Coal Ash Impoundment Closure Plan Decision

H.F. Lee Energy Complex

Attachment 1: Hearing Officer's Report and Public Comments

August 14, 2020



Hearing Officer's Report – Proposed Closure Plan for the Coal Ash Impoundment at H.F. Lee Energy Complex

Date: August 14, 2020

Facility: H. F. Lee Energy Complex
County: Wayne
Owner & Operator: Duke Energy Progress, LLC

Purpose

The purpose of this document is to provide an administrative record of the public input process on the proposed Closure Plan for the subject facility as required by G.S. 130A-309.214(b) of Session Law 2016-95 House Bill 630 (referred to as the Coal Ash Management Act or CAMA).

Regulatory Background Summary

CAMA, enacted in 2014, required that the North Carolina Department of Environmental Quality (NCDEQ) develop proposed classifications for all coal combustion residuals (CCR) surface impoundments, including active and retired sites, for the purpose of closure and remediation based on these sites' risks to public health and the environment.

In July 2016, the North Carolina General Assembly enacted House Bill 630, which added N.C.G.S. § 130A-309.216 requiring the impoundment owner to identify three sites in North Carolina at which to install and operate Ash Beneficiation projects capable of processing Coal Combustion Residuals (CCR) to specifications appropriate for cementitious products. The statute requires the impoundment owner to use commercially reasonable efforts to produce 300,000 tons of usable CCR at each site annually. On December 13, 2016, Duke Energy Progress, LLC selected H.F. Lee as one of the three Ash Beneficiation sites. Pursuant to subsection (c) of N.C.G.S. § 130A-309.216, CCR surface impoundments located at a site at which an Ash Beneficiation project is installed and operating shall be closed no later than December 31, 2029.

On November 13, 2018, NCDEQ issued a final intermediate-risk classification for the H. F. Lee Energy Complex based on the determination that Duke Energy Progress, LLC met the requirements of 130A-309.213(d)(1).

On December 31, 2019, NCDEQ received the proposed Closure Plan for the H. F. Lee Energy Complex per the CAMA deadline. Staff from the NCDEQ's Division of Waste Management; Division of Energy, Mineral, and Land Resources; and Division of Water Resources have reviewed the Closure Plan for completeness and the requirements of 130A-309.214(a)(4). NCDEQ also received the proposed Corrective Action Plan for groundwater remediation for the H. F. Lee Energy Complex. The Division of Water Resources staff also reviewed the Corrective Action Plan as several of its components are part of the Closure Plan.

Site History/Background Summary

The H. F. Lee Energy Complex is owned and operated by Duke Energy (Duke Energy Progress, LLC). The approximately 2,200-acre site is located at 1677 Old Smithfield Road, Wayne County, approximately 4 miles west of Goldsboro, North Carolina. Commercial operations of the station

began in 1951. The three coal-fired units were retired in September 2012 followed by the retirement of four oil-fueled combustion turbine units in October 2012. A natural gas-fired combined cycle plant started operations in December 2012. Demolition of the plant was completed in 2017. There are no coal-fired units currently in operation at the H. F. Lee Energy Complex and CCR disposal operations ceased in 2012.

Closure Plan Summary

The closure plan indicates that the coal ash will be excavated. Duke Energy Progress, LLC has developed plans for on-site recovery and reclamation/recycling of a significant portion of the CCR at H. F. Lee Energy Complex, in accordance with the rate established by N.C.G.S. § 130A-309.216. The remaining excavated CCR will be transported to an approved landfill facility in order to meet the end date of December 31, 2029 for complete removal. The beneficial use activities consist of removing and transporting CCR from the Basins for processing at a STAR® facility to be constructed on-site west of the combined cycle plant. The STAR® facility will process the reclaimed CCR to a level of quality and condition suitable for future reuse in the concrete industry.

Public Input Summary

In accordance with the requirements of 130A-309.214(b)(1), the Closure Plan was made available to the public for review and input on January 12, 2020. A copy of the proposed closure plan was available to be reviewed at the Wayne County Health Department, Wayne County Public Library, and at the NCDEQ Washington Regional Office. The Closure Plan was also made available online at:

<https://DEQ.nc.gov/news/key-issues/coal-ash-excavation/2020-coal-ash-closure-plans-buck-cape-fear-hf-lee-and#h.f.-lee-coal-ash-closure-plan>

Per 130A-309.214(b)(2)(a), a notice and summary of the proposed Closure Plan was published in the Goldsboro Daily News and the News Argus for three consecutive weeks beginning on January 14, 2020. Copies of the Notice were provided as required by 130A-309.214(b)(2)(b) and (c). Per 130A-309.214(b)(4), the 60-day comment period began on January 2, 2020 and ended on March 3, 2020. Comments could be sent to the NCDEQ via email, mail, and oral and/or written comments submitted during the public hearing.

Public Hearing and Oral Comments Summary

In accordance with the requirements of 130A-309.214(b)(3), a Public Hearing was held on February 11, 2020 at 6:00 pm in the auditorium at Wayne Community College located at 3000 Wayne Memorial Drive, Goldsboro, North Carolina. The purpose of the public hearing was to allow the public to comment on the H. F. Lee Energy Complex Closure Plan. Interested parties were able to submit oral or written statements regarding the proposed Closure Plan. Persons wishing to speak registered at the hearing. Speaking times were allotted per speaker as time allowed.

Approximately half a dozen members of the public attended the public hearing, which was supported by nine staff members from the Division of Waste Management; Division of Energy, Mineral, and Land Resources; Division of Water Resources, and Division of Air Quality, as well as a Public Information Officer and the Hearing Officer. A total of 22 individuals signed the

attendance sheets at the hearing. The Hearing Officer provided opening comments and Ben Jackson of the Division of Waste Management gave a brief overview of the Closure Plan. One individual registered in advance of the hearing to make comments and no additional individuals made comments after the registered speaker. The one speaker was provided as much time as he needed to provide comments, and he spoke for less than 5 minutes.

Response to Comments

NCDEQ received one comment via email in addition to the one oral hearing comment. The main concerns were requests for mitigation of harms to the surrounding community; for clear information on who will be monitoring air and water releases from the operation; for parties other than Duke to do the monitoring; for alerts to the community when spills or other unintended releases occur; for efforts to prevent any further spills, and for financial health-related benefits to be provided to surrounding residents.

Comment: A commenter who attended the February 11, 2020 public hearing at Wayne Community College requested that NCDEQ continue to do everything possible to mitigate harm to his community. The commenter suggested that this should include continuous monitoring by a third party, as the community no longer trusts Duke Energy. The commenter also cited an historic lack of communication with affected residents living near the plant when incidents occur and requested increased alerts and additional community involvement throughout the closure process.

Response: NCDEQ understands these concerns and has determined that all coal ash stored in CCR surface impoundments at H.F. Lee must be excavated and used for approved beneficial reuse activities. Because the coal ash will be excavated, there will not be any primary contaminant source remaining that can continue to leach contaminant into groundwater. A STAR® facility to recycle the coal ash at the H.F. Lee site, has been permitted by the Division of Air Quality. In addition, the STAR facility must comply with all applicable environmental regulations and permit conditions regarding monitoring and air and water quality. Duke Energy is required to comply with all applicable state and federal regulations during the cleanup process, including any notification requirements. All monitoring, compliance and inspection reports are public records available upon request..

Comment: One commenter expressed environmental justice concerns for residents living close to the facility and requested additional information on what would be done to prevent future spills and additional health-related benefits and financial assistance for residents living close to the plant.

Response: NCDEQ has determined that excavation, followed by transportation to an approved landfill or utilization for beneficial reuse, is the best closure plan for communities and the environment affected by coal ash currently stored in the CCR impoundments at H.F. Lee.

Hearing Officer Recommendations

Based on my review of the record and in consultation with subject matter experts in NCDEQ, I recommend approval of the submitted Closure Plan for the coal ash impoundments at Duke Energy Progress, LLC's H.F. Lee Energy Complex located in Wayne County. I conclude that the Closure Plan is protective of public health, safety and welfare, the environment and natural resources and otherwise complies with the requirements of CAMA.

Richard W. Gannon

Rich Gannon, Hearing Officer

8/14/2020

Date

From: pjohnson@nc.rr.com
To: [leecomments](#)
Subject: [External] HF Lee Environmental Justice Impact Statement Aug 2018
Date: Monday, March 9, 2020 3:20:29 PM
Importance: High

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to report.spam@nc.gov

I would like a copy. I have been unable to find it on the NCDEC website. I am interested in the

1. Timetable of coal ash removal "benefication project" at the plant
 - 2.. Efforts that will be employed to prevent further spills , due to flooding or project issues, during the duration of project.
 3. ? Any financial , health benefits directed at residents in 1.5 mile radius of plant.
- Thank you in advance for your assistance.
Pamela Johnson