



**40 CFR 257.103(f)(2) Alternative Closure Requirements
Annual Alternative Capacity Update
and
Impoundment Closure Progress Report**

**CLECO Power LLC
Dolet Hills Power Station
Mansfield, LA**

December 1, 2020 - November 30, 2021

Background

Cleco Power's (Cleco) Dolet Hills Power Station (DHPS) is located in Mansfield, Louisiana. There is one generating unit at DHPS. The DHPS unit is a solid fuel boiler, which utilizes lignite to generate electricity.

Currently, DHPS utilizes Bottom Ash Basins 1 and 2 to manage CCR from Unit 1 and several other non-CCR wastestreams. Bottom ash is sent to the Bottom Ash Basins via bottom ash sumps and sluice piping. Non-CCR wastestreams consists of demineralizer and pretreatment drains, demineralizer regeneration waste, pretreatment clarifier blowdown, stormwater runoff, and previously monitored wastewater from the treated sanitary wastewater system and hydrostatic testing discharges.

On August 28, 2020, EPA revised the CCR rule to require all unlined surface impoundments to cease receipt of waste and initiate closure by April 11, 2021. However, the CCR rule also includes site-specific alternative deadlines for surface impoundments to cease receipt of waste and initiate closure. One of these alternative closure provisions, 40 CFR 257.103(f)(2), provides a closure extension if a coal-fired boiler(s) at a facility will cease coal-fired operation by a date certain, but a surface impoundment must continue to be used due the lack of on-site and off-site alternative disposal capacity for CCR and non-CCR wastestreams. Surface impoundments that qualify for this extension and are larger than 40 acres must complete closure by October 17, 2028. Qualifying surface impoundments that are 40 acres or smaller must complete closure by October 17, 2023.

Cleco has elected to close the DHPS Bottom Ash Basins under 40. CFR 257.103(f)(2). On November 30, 2020, Cleco submitted a demonstration to EPA (Part A Demonstration) requesting approval to close under this alternative closure provision. In the demonstration, Cleco proposed that DHPS will cease generating coal-fired electricity by October 17, 2023. In the interim, however, the Bottom Ash Basins must continue to receive bottom ash and the above-mentioned non-CCR wastestreams from DHPS given the lack of alternative on-site and off-site disposal capacity. Accordingly, Cleco requested a site-specific extension for the Bottom Ash Basins to cease receipt and initiate closure after April 11, 2021 and complete closure by no later than October 17, 2023. This demonstration has been deemed complete by the EPA and is pending final approval.

In accordance with 40 CFR 257.103(f)(2)(x), this progress report will provide an update on progress towards the closure of the CCR surface impoundments and outline the continued lack of alternative disposal capacity.

Purpose

As required by 40 CFR 257.103(f)(2)(x), this annual report will document the continued lack of alternative capacity and Cleco's progress towards the closure of the Bottom Ash Basins at DHPS. This progress report is considered complete once the report has been placed in DHPS's operating record as required by 40 CFR 257.105(i)(20).

This Progress report contains information covering the period from December 1, 2020 through November 30th 2021.

Alternative Capacity Update

The DHPS Bottom Ash Basins currently receive bottom ash, demineralizer and pretreatment wastewater drains, demineralizer regeneration waste, pretreatment clarifier blowdown, stormwater runoff, and previously monitored wastewater from the treated sanitary wastewater system and hydrostatic testing discharges.

Bottom ash is collected in the bottom ash sump under the boiler and pumped through a sluice piping network, which discharges into the Bottom Ash Basins. As stated in Cleco's Part A Demonstration, Cleco has considered several alternative disposal options for this CCR wastestream. However, as EPA recognized in the preamble of the Part A final rule, the alternative disposal options for sluiced or wet handled CCR are greatly limited, and Cleco determined that none of the alternatives were viable.

Cleco also considered other disposal options for the above-mentioned non-CCR wastestreams. However, Cleco was not able to identify a viable alternate for these wastestream. Similarities between the bottom ash transport system and the non-CCR wastestreams, such as piping networks, the lack of a dewatering system, and inadequate tank availability onsite, were key factors in Cleco's determination.

Cleco also stated in the Part A Demonstration that despite efforts to obtain on-site and/or off-site alternative disposal capacity for the CCR and non-CCR wastestreams that are currently placed in the Bottom Ash Basins, no other options are currently available. This statement is still accurate. As of November 30, 2021, there have been no modifications to the facility that would function as a viable alternative capacity option. Additionally, since DHPS will cease coal-fired energy generation by a date certain, the CCR rule does not require Cleco to create alternative disposal capacity for these wastestreams.

Progress

While alternative capacity for these wastestreams remains unviable, progress has been made towards Cleco's CCR compliance. In 2021, Cleco committed to ceasing coal-fired operation at DHPS by December 31, 2021. In addition, alignment was reached with Joint Owners on a closure-by-removal strategy. Cleco has since engaged engineering consultants to begin designing closure plans, which will be the basis for a Notice of Intent to Close (NOI). Cleco expects to have the closure plans and a NOI in their operating record and on the website in the first quarter 2022, pending approval by the Louisiana Department of Environmental Quality (LDEQ).

In accordance with state regulations, a notice of intent to close the solid waste units at DHPS was submitted to LDEQ on October 27, 2021. This document is a broad document that provided LDEQ a high-level overview of the steps Cleco intends to take going forward. Individual CCR NOIs will be filed and uploaded as closure plans are developed and approved.

Throughout the history of DHPS, Cleco has transferred bottom ash from the Bottom Ash Basins to the on-site CCR landfill, as permitted by the LDEQ Solid Waste Permits for the facility. In 2021, Cleco was able to continue this activity and reduce the amount of bottom ash in the Bottom Ash Basins, which will make closure milestones easily attainable.

Summary

Overall, Cleco continues to make progress towards the cessation of coal-fired operation at DHPS Unit 1 and the closure of the Bottom Ash Basins by October 17, 2023. There are currently no indications that all milestones included in Cleco's Part A Demonstration will not be achieved. Cleco continues to ensure compliance with all applicable requirements of 40 CFR 257 Subpart D.