September 5, 2018

Ms. Shelia Holman
Assistant Secretary for Environment
North Carolina Department of Environmental Quality
1636 Mail Service Center
Raleigh, North Carolina 27699-1636

Subject: Rogers Energy Complex (Cliffside Steam Station) HB 630 Completion

Dear Ms. Holman:

Duke Energy has been diligently working to fulfill the requirements of North Carolina House Bill 630 (HB 630) since it was ratified July 1, 2016. As provided in G.S. § 130A-309.213(d)(1):

The Department shall classify an impoundment as low-risk if the impoundment owner satisfies both of the following criteria:

a. Has established permanent water supplies as required for the impoundment pursuant to G.S. 130A-309.211(c1).

b. Has rectified any deficiencies identified by, and otherwise complied with the requirements of, any dam safety order issued by the Environmental Management Commission for the impoundment pursuant to G.S. 143-215.32.

Completion of Provision of Permanent Water

On December 7, 2016, Duke Energy submitted the Permanent Water Supply Plan to NCDEQ for the Rogers Energy Complex (Cliffside Steam Station), located in Rutherford and Cleveland Counties. The initial plan identified 66 households as being eligible under the requirements of HB 630, although a recount of the eligible addresses in the table included in the plan showed that 70 locations were originally eligible.


On July 3, 2018, the Department requested certain information in order to confirm that Duke Energy had fulfilled the obligations of the Provision of Permanent Water under HB 630, including:

- A signed statement from the public water supplier that households who selected public water supply as their solution have been connected and are receiving public water;

- A signed statement from the public water supplier confirming connections to those households within the one-half mile radius from the established compliance boundary who were already connected to the public water system at the time that the HB 630 was passed;
• A signed statement from the filtration system vendor that households who selected a filtration system as their solution are now receiving filtered/treated water;

• A copy of the returned selection card from households that opted out of a permanent water solution; and

• A statement of the timeline of events and submittals that were received/not received for non-responsive households.

Enclosed is a spreadsheet showing the Rogers Energy Complex (Cliffside Steam Station) properties initially identified in the Proposed Plans submitted to the Department in December 2016 and approved by the Department in January 2017, with those properties identified as initially requiring a permanent water supply being noted by a “true” in the column labeled “Included in Original DEQ Submittal.”

If it was later determined that a property was not eligible under HB630, it is noted by the word “false” in the “Eligible for HB630” column. Properties were later determined not to be eligible because they were a business, a church, a school, already connected to the public water supplier, or an empty lot. Empty lots may contain buildings such as barns, sheds or garages, but do not contain a household structure.

If a household was connected to the public water supplier in the past, or if they were connected by Duke Energy as part of HB630 to the public water supplier, confirmation has been provided by the local public water supplier in Appendix A. Included in the confirmation are homes that may not currently have an account with the public water supplier due to delinquent payments, renovations, etc., but have had an account in the past.

If a household chose connection to a water filtration system under HB630, confirmation has been provided by the water treatment vendor in Appendix B.

Appendix C contains copies of the “opt out” selection cards.

The timeline of events for non-responsive households, previously provided in a May 30, 2018 submittal to the Department, have been included in Appendix D.

Appendix E contains tax records for properties originally identified as being eligible, but were later determined not to be eligible because the buildings identified on the properties were not household structures.

Appendix F contains a copy of the letters sent to homeowners who will be connected in the future as their household has been impacted by hurricanes, fire, or by being demolished by the homeowner after the date of the HB630. These future connections were approved in the Department’s May 8, 2018 letter and August 24, 2018 letter.

In summary:

- One connection was removed because the property was a business, church and/or school.
- Four connections were removed because a household was not present on the property, or a structure originally identified as a household was determined to be a barn or storage shed.
- Nine connections were removed because they were already connected to Grassy Pond Water Company.
- Fourteen connections were added.
- One household opted out of a permanent water solution.
- Two households were not responsive.
- Two homes will be receiving a connection in the future.
- Sixty-five households were connected to the public water supplier.

**Rectification of Deficiencies Identified by Dam Safety Order**

On August 22, 2016, the NCDEQ, Division of Energy, Mineral, and Land Resources (DEMLR) issued to Duke Energy, Dam Safety Order (DSO) 16-01. For the coal ash impoundments identified in the DSO, which included the Rogers Energy Complex, the specified repair plans have been completed, and completion reports submitted to DEMLR. DEMLR has conducted as-built inspections for each item and has issued Certificates of Final Approval indicating that the work had been completed as designed.

In addition, subsection (d)(1)(b) of G.S. § 130A-309.213 requires DEMLR to conduct the annual inspection of each dam associated with a coal combustion residuals surface impoundment required for that year, no later than July 1, 2018. The annual inspections for Rogers Energy Complex have been completed, and Duke Energy has received Notice of Inspection reports that document no deficiencies are present.

**Request for Confirmation**

In light of the foregoing, Duke Energy respectfully requests that NCDEQ confirm the requirements set out in G.S. § 130A-309.213(d)(1) have been satisfied and that the Department issue a low-risk ranking for the basins at Rogers Energy Complex (Cliffside Steam Station).

Sincerely,

[Signature]

Paul Draovitch
Senior Vice President
Environmental, Health & Safety

encl: Rogers Energy Complex (Cliffside Steam Station) HB 630 Provision of Permanent Water Supply Completion Documentation