

October 13, 2022

VIA E-MAIL

Mr. Scott Ramsey  
Industrial Section Chief  
Alabama Department of Environmental Management  
Water Division  
P.O. Box 301463  
Montgomery, AL 36130-1463

Re: **Annual Progress Report for Units 1-5 of the Ernest C. Gaston Electric  
Generating Plant (NPDES Permit No. AL0003140)**

Dear Mr. Ramsey:

In accordance with 40 C.F.R. § 423.19(f), this constitutes the “Annual Progress Report” of Alabama Power Company (“Alabama Power”) regarding the interim milestones listed in Alabama Power’s Notice of Planned Participation (“NOPP”) for Units 1-5 of the Ernest C. Gaston Electric Generating Plant (“Plant Gaston”), as submitted to the Alabama Department of Environmental Management on October 13, 2021. Alabama Power provides this progress report even though EPA’s 2020 *Steam Electric Reconsideration Rule*<sup>1</sup> (“2020 ELG Rule”) has not been incorporated into the Plant Gaston NPDES permit.

Alabama Power’s NOPP for Plant Gaston Units 1-5 indicated an intent to comply with EPA’s 2020 ELG Rule by complying with the Rule’s provisions relating to “unit[s] that will achieve permanent cessation of coal combustion by December 31, 2028.”<sup>2</sup> The 2020 ELG Rule requires any facility that submits a NOPP for the permanent cessation category to submit an Annual Progress Report on the interim milestones provided in the NOPP.<sup>3</sup> The “Annual Progress Report shall detail the completion of any interim milestones listed in the [NOPP] since

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<sup>1</sup> EPA, *Steam Electric Reconsideration Rule*, 85 Fed. Reg. 64,650 (Oct. 13, 2020) (codified at 40 C.F.R. Part 423).

<sup>2</sup> 40 C.F.R. § 423.19(f)(1).

<sup>3</sup> *Id.* § 423.19(f)(3).

the previous progress report, provide a narrative discussion of any completed, missed, or delayed milestones, and provide updated milestones.”<sup>4</sup>

The following discussion serves as Alabama Power’s Annual Progress Report on the interim milestones for Plant Gaston Units 1-5.

## **I. Units 1-4 Interim Milestones**

Alabama Power’s Plant Gaston NOPP listed the following interim milestones for Units 1-4.

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|--|---|
| 1 <sup>st</sup> Quarter 2022:                  | File Updated Georgia Power Company Integrated Resource Plan with the Georgia Public Service Commission  |
| 3 <sup>rd</sup> /4 <sup>th</sup> Quarter 2022: | Submit the latest (2022) Integrated Resource Plan information to the Alabama Public Service Commission, typically as part of a triennial submission |
| December 31, 2028:                             | Permanent cessation of coal combustion  |

The first interim milestone for Units 1-4 is completed. Georgia Power Company (GPC) filed its 2022 Integrated Resource Plan (“IRP”) with the Georgia Public Service Commission (“GPSC”) on January 31, 2022.<sup>5</sup> The IRP identifies the planned retirement of Gaston Units 1-4 by December 31, 2028.<sup>6</sup> The GPSC approved GPC’s 2022 IRP on July 21, 2022.<sup>7</sup>

Alabama Power submitted its 2022 IRP summary report to the Alabama Public Service Commission (“APSC”) on September 22, 2022.<sup>8</sup> The report likewise identifies the planned retirement of Gaston Units 1-4 by December 31, 2028.

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<sup>4</sup> *Id.* § 423.19(f)(4).

<sup>5</sup> See GPC, *2022 Integrated Resource Plan*, GPSC Docket No. 44160.

<sup>6</sup> *Id.* at 11-74.

<sup>7</sup> See GPSC, Order Adopting Stipulation, Docket Nos. 44160 and 44161 (July 29, 2022).

<sup>8</sup> APC’s 2022 IRP summary report is available here: <https://www.alabamapower.com/content/dam/alabama-power/pdfs-docs/company/compliance---regulation/IRP.pdf>. APC’s latest filing pursuant to the Securities Exchange Act of 1934 was also referenced in the October 13, 2021 Plant Gaston NOPP and is available here: <https://d18rn0p25nwr6d.cloudfront.net/CIK-0000092122/50f6cd27-714e-488e-8e0d-cb05252e273a.pdf> (see II-42 to -43).

## II. Unit 5 Interim Milestones

Alabama Power's Plant Gaston NOPP listed the following interim milestones for Unit 5.

- 3<sup>rd</sup>/4<sup>th</sup> Quarter 2022: Submit the latest (2022) IRP information to the APSC, typically as part of a triennial submission
- December 31, 2028: Permanent cessation of coal combustion

As noted above, Alabama Power has submitted its 2022 IRP summary report to the APSC.<sup>9</sup> The report identifies the transition of Gaston Unit 5 to operate solely on natural gas by December 31, 2028.

In connection with this transition to natural gas, Transcontinental Gas Pipe Line Company, LLC (Transco) filed on August 22, 2022 for a certificate of public convenience and necessity with the Federal Energy Regulatory Commission ("FERC") authorizing Transco to construct and operate its Southeast Energy Connector Project.<sup>10</sup> As explained in the application, the Southeast Energy Connector Project will enable Transco to provide an additional 150,000 dekatherms per day of firm transportation capacity to support power production at Gaston Unit 5 using only natural gas. Transco asked FERC to act on the application by no later than October 30, 2023, so that the project can be in service prior to the 2025-2026 winter season.

If you have any questions regarding this Annual Progress Report, please feel free to contact me.

Sincerely,



Mike Godfrey  
Environmental Affairs General Manager

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<sup>9</sup> See, *supra*, note 8.

<sup>10</sup> See *In re Transcontinental Gas Pipe Line Company, LLC*, FERC Docket No. CP22-501-000.