

Mike Godfrey General Manager Environmental Affairs

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July 6, 2020

VIA CERTIFIED MAIL

Mr. Gene Taylor Alawest, LLC P.O. Box 412 Northport, AL 35476

Re: Alabama Power Plant Gorgas Ash Pond Closure and Groundwater Investigations

Dear Mr. Taylor,

Alabama Power Company (APC) is in the process of closing all our ash ponds in Alabama, including the ash pond located at Plant Gorgas¹. As part of the closure and groundwater monitoring process, APC has installed approximately 300 groundwater monitoring wells statewide, including more than 40 at Plant Gorgas.

APC is in the process of characterizing the groundwater at Plant Gorgas pursuant to state and federal regulations.² As part of that process, with your permission, we installed three groundwater monitoring wells on your property. APC has completed installation, sampling, and laboratory analysis of the three wells and the results indicate that the concentration of lithium is above the groundwater protection standard (GWPS), which is set by state and federal regulations at 0.04 milligrams per liter (mg/L).³

The table below shows the concentrations observed at the monitoring wells located on your property.

Well	Sample Date	Analyte	Result	GWPS
GS-AP-MW-33HO	03-17-2020	Lithium (mg/L)	0.0516	0.04
GS-AP-MW-34HO	03-16-2020	Lithium (mg/L)	0.205	0.04
GS-AP-MW-35HO	03-17-2020	Lithium (mg/L)	0.074	0.04

State and federal regulations provide an opportunity to investigate whether a regulated constituent that is detected above the GWPS is naturally occurring.⁴ If investigations reveal that a constituent occurs

² ADEM Admin. Code r. 335-13-15-.06(6)(g)2. and 40 C.F.R. § 257.95(g)(1).

¹ <u>https://www.alabamapower.com/our-company/how-we-operate/ccr-rule-compliance-data-and-information.html</u>

 ³ 40 C.F.R. § 257.96(h)(2). APC received approval from the Alabama Department of Environmental Management in April 2019 to use the federal CCR Rule GWPS for lithium for purpose of complying with the State CCR rule.
⁴ ADEM Admin. Code r. 335-13-15-.06(6)(h)3. and 40 C.F.R. § 257.95(h)(3).

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naturally at concentrations that exceed the GWPS, the regulations allow for a site-specific GWPS that takes into account naturally occurring (or background) conditions at a particular location.

APC has multiple background monitoring wells located in the same geologic formation as the wells installed on your property. Background wells are sited in areas that are not influenced by the ash pond, which allows us to determine what levels are naturally occurring. The data APC has received from the background monitoring wells provide substantial evidence that lithium naturally occurs at concentrations that exceed the federally established GWPS for lithium. However, we have not yet collected enough information to draw a conclusion. After enough groundwater data has been collected, depending on what the science shows, the site-specific GWPS may be updated to reflect background conditions. This determination will be made in consultation with our geology experts and with the approval of the Alabama Department of Environmental Management. We will keep you updated on this process as events warrant.

Please know that we are committed to ensuring that our operations and ash pond closure meet all regulations. We value your input and would be happy to have any additional discussions to address any questions or concerns you may have. Please feel free to contact me at (205) 257-6131 or jgodfrey@southernco.com.

Sincerely,

Mike Arapuy

Mike Godfrey General Manager Environmental Affairs