



1101 Market Street, BR 2C, Chattanooga, Tennessee 37402

October 6, 2021

Mr. Vojin Janjić (Water.Permits@tn.gov)
Manager, Water-Based Systems
Tennessee Department of Environment
and Conservation (TDEC)
William R. Snodgrass Tennessee Tower
312 Rosa L. Parks Avenue, 11th Floor
Nashville, Tennessee 37243

Dear Mr. Janjić:

TENNESSEE VALLEY AUTHORITY (TVA) – KINGSTON FOSSIL PLANT (KIF) – NPDES PERMIT NO. TN0005452 – EFFLUENT LIMITATION GUIDELINES NOTICE OF PLANNED PARTICIPATION (NOPP)

On October 13, 2020, the United States Environmental Protection Agency (EPA) published revisions to the Steam Electric Effluent Limitation Guidelines (ELGs) in 40 CFR Part 423. The revised rule modifies technology-based effluent limitations for Flue Gas Desulfurization (FGD) wastewater and Bottom Ash Transport Water (BATW). In setting stringent new effluent limitations, EPA recognized the need to provide compliance flexibility by establishing new subcategories that provide different compliance pathways based on unit operation and asset operating plans and by allowing transfers between subcategories.

The EPA established a new subcategory for facilities planning to cease coal combustion by December 31, 2028, (“retirement subcategory”). Best available technology (BAT) effluent limitations for FGD wastewater and BATW discharges in the retirement subcategory are equivalent to the limits for total suspended solids (TSS) in § 423.12(b)(11) and § 423.12(b)(4), respectively. In 40 CFR 423.19(f), the ELG Rule lists the requirements for the retirement subcategory which include submission of an NOPP with specified contents as well as an annual progress report that provides updates on the NOPP contents.

On May 6, 2021, the TVA Board of Directors held its quarterly meeting during which TVA’s Chief Executive Officer discussed planning assumptions for the retirement of TVA’s coal fleet by 2035 and announced TVA’s intent to prepare an Environmental Impact Statement (EIS) to assess the impacts associated with the proposed retirement of KIF and the replacement generation alternatives. On June 15, 2021, TVA published a Notice of Intent (NOI) for the EIS in the Federal Register. Regulations promulgated by the Council on Environmental Quality at 40 CFR parts 1500 to 1508 (84 FR 43304, July 16, 2020) and TVA’s procedures implementing the National Environmental Policy Act (NEPA) at 18 CFR part 1318 require TVA to provide a detailed statement on proposals for major federal actions significantly affecting the quality of the

human environment. The KIF planning assumptions in the NOI call for the retirement of three KIF units as early as 2026 and the remaining six units as early as 2027. TVA expects to release the draft EIS in summer of 2022 and anticipates issuing the final EIS in spring of 2023. Following evaluation of the effects of the proposed retirement of KIF and the potential replacement generation, as well as consideration of the comments received during the EIS process, the TVA Board of Directors will then be able to make a decision on either the continued operation of KIF, or its retirement with replacement generation.

To preserve the option of participating in the retirement subcategory by ceasing coal combustion by 2028 pending the TVA Board of Directors' decision, this letter serves as TVA's NOPP in the retirement subcategory for FGD wastewater and BATW for the nine coal combustion units at KIF. TVA is not regulated by a public service commission; therefore, approval of this regulatory body is not applicable. TVA's 2019 Integrated Resource Plan includes the recommendation to evaluate retirements of additional coal capacity which will be completed for KIF in the aforementioned EIS. Milestones that either have been completed or would need to be completed to achieve retirement are listed in the table below:

Milestone	Activity	Date
Integrated Resource Plan	TVA posted the final Record of Decision for the 2019 IRP.	September 17, 2019
National Environmental Policy Act (NEPA) Review	TVA will publish an Environmental Impact Statement (EIS) to assess the impacts associated with the proposed retirement of KIF and the replacement generation alternatives	Final EIS anticipated Spring 2023
Decision to Retire KIF	TVA Board of Directors vote to make decision on KIF retirement.	To be determined – may proceed after publication of the Final EIS (decision currently scheduled to be made during the August 2023 TVA Board meeting)
Cessation of Coal Combustion Activities	If approved, TVA would cease coal combustion at KIF	To be determined – must be on or before December 31, 2028

Annual progress reports detailing KIF's progress toward completing the milestones will be submitted to TDEC as long as TVA chooses to remain in the retirement subcategory. Per Part 423.19(i)(1) of the ELG Rule, TVA may elect to transfer between applicable limitations at a later date via a subsequent NOPP.

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If you have questions or need additional information, please contact Crystal Bishop at (423) 314-3820 or by email at clbishop0@tva.gov.

Sincerely,

A handwritten signature in cursive script that reads "Paul Pearman".

Paul Pearman
Senior Manager
Water Permits, Compliance, and Monitoring

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Enclosures

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