



1800 Larimer St., Suite 1300 ♦ Denver, CO 80202-1414

July 14, 2022

Pueblo CS, LLC
c/o Mr. Don Banner
Banner & Bower, PC
115 E Riverwalk #400
Pueblo, CO 81003

RE: Notification of Groundwater Monitoring Results for Comanche Station Bottom Ash Pond and Pueblo CS, LLC Property

Dear Mr. Banner,

This letter is to notify Pueblo CS, LLC of groundwater monitoring results at the Comanche Station bottom ash pond and from monitoring wells installed by Public Service Company of Colorado (PSCo), an Xcel Energy Company, on property owned by Pueblo CS, LLC, under the February 15, 2022 Property Access Agreement.

Protecting the environment by adhering to regulations and our ongoing stewardship is a priority for Xcel Energy, and this includes monitoring our operations to ensure they meet all clean air and water requirements. Under the EPA's Coal Combustion Residual Rule (CCR rule), utilities across the country that dispose or store coal ash on their properties must follow a prescriptive, phased process for monitoring groundwater, identifying and reporting any elevated constituents, and then addressing those issues through corrective measures. This rule applies to the ash landfill and bottom ash pond located at Comanche Station. One specific requirement of the CCR Rule is to notify adjacent landowners if elevated constituents from the landfill or bottom ash pond have migrated offsite. This letter serves as formal notification to Pueblo CS, LLC regarding results of groundwater monitoring which indicate that elevated concentrations of one or more constituents monitored in groundwater adjacent to the bottom ash pond has been detected in one of the monitoring wells installed on Pueblo CS, LLC's property.

We routinely perform groundwater monitoring at Comanche Station in accordance with state solid waste regulatory requirements. Groundwater is naturally occurring subsurface water present in the cracks and spaces in soil, sand and rock. Although groundwater can be used for drinking water, state records do not show any wells on the Pueblo CS, LLC property that are used for drinking water or agricultural/stock water supplies.

The bottom ash pond is located in the southeastern area of Comanche Station. We monitor groundwater around the pond through a system of wells located in the direction of groundwater flow away from the pond, including two wells (W-7 and W-9) located on the Comanche Station southeastern property boundary (see attached figure). Monitoring shows that one trace element cobalt is present at concentrations in excess of groundwater protection standards (GPS) in well W-7 located on Comanche Station property. Based upon this result, PSCo installed two monitoring wells, designated as W-15 and W-16, on property owned by Pueblo CS, LLC east of Comanche Station. Well W-15 has been dry but will continue to be checked for the presence of water. Well W-16 produced water and has been sampled twice, in April and May 2022. The April result showed that cobalt was present at a concentration of 0.0093 milligrams/liter (mg/l). The May result showed that cobalt was present at a concentration of 0.011 mg/l which is above the cobalt GPS of 0.0102 mg/l specific to the bottom ash pond. We will be sampling W-16 (and W-15 if water is present) again in July and August to further evaluate the cobalt concentration.

The basis for EPA's groundwater protection standards for a site can vary depending upon the substance being tested and the natural or 'background' quality of the groundwater in the area. The GPS for a substance could be based upon a drinking water standard, other EPA regulatory standard or the background water quality in the area. EPA conservatively sets these standards to protect human health and the environment. There is no drinking water standard for cobalt, but as part of the CCR Rule, EPA adopted a GPS for cobalt of 0.006 (mg/l). The term background refers to the concentration of a substance that would be considered naturally occurring without the impact of operations. The naturally occurring background concentration of a substance can sometimes be higher than EPA's standards. At locations where this exists, the background value becomes the EPA groundwater protection standard for that location. This is the case for cobalt at Comanche Station; the background concentration of cobalt used for the bottom ash pond is 0.0102 mg/l, which is higher than the EPA adopted GPS for cobalt. Therefore, the background value for cobalt (0.0102 mg/l) is the groundwater protection standard applicable to the Comanche bottom ash pond.

In addition to cobalt, your water was tested for some general water quality parameters including chloride and sulfate, which are dissolved minerals in the water. The secondary groundwater standard is 250 mg/l for each of these two minerals; secondary standards are based on aesthetic considerations such as the taste, color and odor of the water. High levels are found in water considered 'hard', which is sometimes treated with a water softener. The concentration of chloride in well W-16 was 250 mg/l in both the April and May samples, and the concentration of sulfate in W-16 was 13,000 mg/l in both the April and May samples. The levels of these substances can vary naturally in groundwater depending upon the type of rock that the groundwater moves through. Background monitoring for the bottom ash pond show that concentrations for both chloride and sulfate are naturally elevated. The concentration of sulfate in the background well for the bottom ash pond ranged from 47,000 mg/l in April to 80,000 mg/l in May and the concentration of chloride in the background well ranged from 880 mg/l in April to 960 mg/l in May.

Based on the single cobalt concentration exceedance of the GPS in well W-16 and the slow rate at which groundwater is known to move through the shale bedrock in this area, it is possible that the concentration exceedance of this small amount could be within the natural variability of background water quality. Currently, we have no reason to believe there are impacts to local surface or drinking water, or any public exposure. The additional samples that we will collect from well W-16 will help to evaluate whether the cobalt concentrations appear to be related to the bottom ash pond. If so, we will evaluate appropriate next steps in accordance with the CCR rule requirements. This could include installation of additional monitoring wells beyond the W-16 location, groundwater modeling, and evaluation of potential corrective actions to prevent cobalt from moving beyond our property boundary. Conducting our business in an environmentally responsible manner is a priority for us, and we are making every effort to complete this evaluation as soon as possible.

PSCo ceased using the bottom ash pond in 2021 and intends to complete closure of the pond by removing all ash and impacted soils within five years. Groundwater monitoring at the bottom ash pond will continue under both state and federal programs until results of groundwater samples from the monitoring wells meet the GPS. We are committed to addressing the groundwater condition and will keep Pueblo CS, LLC informed throughout the process. In the interim, if you have questions regarding the status of the groundwater monitoring related to Comanche bottom ash pond, you can contact me at 303-294-2165. You can find additional information about how we manage coal ash and the groundwater monitoring program at Comanche Station on our CCR Rule Compliance Data and Information website, [Xcel Energy Coal Ash Management](#).

Sincerely,

Quinn Kilty,
Environmental Services Manager
Xcel Energy

Attachments

Figure
Lab Results April 2022, Report J160467-5
Lab Results May 2022, Report J162040-3

cc: Linda Jacobson, EPA Region 8