

Winyah Generating Station Notice of Planned Participation 2024 Annual Progress Report

Water Environmental Services

PREPARED BY SOUTH CAROLINA PUBLIC SERVICE AUTHORITY (SANTEE COOPER)

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1 Introduction

Santee Cooper submitted a Notice of Planned Participation (NOPP) for the permanent cessation of coal combustion (retirement) subcategory in October 2021, including all the information required previously under 40 CFR 423.19(f) as established by the 2020 ELG Rule and now under 40 CFR 423.19(g) of the 2024 ELG update.

The 2020 ELG rule also required submittal of annual progress reports. Per the rule, the annual report should include the following:

- 40 CFR 423.19(g)(3) *Annual Progress Report* - Annually after submission of the Notice of Planned Participation in paragraph (f)(1) of this section, a progress report shall be filed with the permitting authority, or control authority in the case of an indirect discharger.
- 40 CFR 423.19(g)(4) *Contents* - An Annual Progress Report shall detail the completion of any interim milestones listed in the Notice of Planned Participation since the previous progress report, provide a narrative discussion of any completed, missed, or delayed milestones, and provide updated milestones.

2 Ongoing Plans for Winyah Retirement

The 2023 NOPP update was filed on October 5, 2023, and several events that affect the retirement of Winyah have since occurred. Early portfolio analysis was focused on a 2028 Winyah retirement date. Santee Cooper's approach used the portfolio analysis coupled with other relevant information and risk mitigation strategies to inform the development of a Portfolio which would be presented to the Public Service Commission in its IRP. Santee Cooper filed its 2023 IRP on May 15, 2023¹, with the recommendation to extend the retirement date of Winyah Generating Station to 2030. In the IRP Preferred Portfolio 2024 Update (September 16, 2024), Santee Cooper has revised the retirement date of Winyah to operate through 2031, if replacement generation is available. The benefits described for this decision included the addition of near-term flexibility and reliability to effectively manage higher load cases, and opportunities to collaborate with Dominion Energy South Carolina to achieve greater economies of scale.

Since the annual October 2023 NOPP report, Santee Cooper has obtained SCDES approval to construct and install a physical-chemical and biological treatment system consistent with the 2020 Rule's generally applicable BAT category.

3 Ongoing Planning and Coordination Efforts

Santee Cooper is moving forward with ELG plans for flexibility to support system demands and mitigate schedule risk with the implementation of replacement generation. As a result, as noted previously Santee Cooper is currently pursuing implementation of

¹ Santee Cooper Integrated Resource Plan 2024 Update, September 16, 2024. <https://www.santeecooper.com/Integrated-Resource-Plan-Santee-Cooper/>, Review the 2024 Update.

2020 BAT technology by the end of 2025 as its preferred compliance pathway but requested that both the retirement and VIP subcategories remain as alternative, parallel processes in the NPDES permit that was drafted in late 2023. Currently we understand that SCDES is likely to require final notification of technology selection by December 31, 2024.

Winyah was issued a new NPDES permit on May 1, 2024, and effective date starting on June 1, 2024. The new permit included a compliance schedule which included actions required to meet 2020 ELG limits options by physical-chemical and biological treatment (BAT), cessation of coal combustion, or VIP. Santee Cooper must submit an interim report to SCDES by December 31, 2024, describing which measures Winyah has chosen for compliance beginning on December 31, 2028. On May 16, 2024, and before the new permit became effective, SCDES issued a stay on the issued permit due to a request for a hearing contesting the issuance of the permit. Proceeding pertaining to the stayed permit are ongoing.

EPA published a Final Rule on Clean Water Act 40 CFR Part 423 in the Federal Register on May 9, 2024, revising the effluent limitations guidelines of the steam electric power generating point source category for flue gas desulfurization wastewater, bottom ash transport water, combustion residual leachate and legacy wastewater. The 2024 ELG rule retains the 2020 ELG requirements and adds to the 40 CFR 423 Steam Electric Effluent Limitation Guidelines.

On September 15, 2023, Santee Cooper submitted a Wastewater Construction Permit Application and final Engineering Report for a BAT FGD wastewater treatment system at Winyah Generating Station. SCDES issued a wastewater construction permit granting permission to construct a new FGD wastewater treatment system on January 10, 2024. Even though in 2024 Santee Cooper retained the VIP alternative in the stayed in Winyah's NPDES Permit, Santee Cooper began the construction of the BAT system and the option to meet VIP limits is no longer a viable option.

4 Timeline for Winyah Retirement or Installation of New Technology

Progress toward the milestones Santee Cooper suggested in its 2021 NOPP submittal is below. Comments on milestone initiation and completion are italicized. New milestones since 2023 are shaded.

Table 1. Updated Milestones.

Milestone	Estimated Completion Date
Select site, initiate project to allow for Winyah replacement	12/31/2021 <i>Completed 1/11/2022; however, efforts had to be redirected to a new non-shared resource on 4/28/2022 given Central's decision to opt-out.</i> Siting efforts continue into 2024.
Procure consultants, select technology for Winyah replacement	6/30/2022 <i>This effort moved forward on schedule but was reinitiated given Central's decision to opt-out on 4/28/2022. Stantec Consulting Services was selected to provide engineering design and construction support.</i>
Evaluate alternative technologies for ELG compliance, obtain bids, award contract	4/4/2023 <i>This effort concluded on 4/4/2023 when physical-chemical and biological treatment was selected to meet the requirements of the ELG rule for Winyah.</i>
Submit construction permit application for physical-chemical and biological treatment	12/31/2023 <i>Submitted to DHEC 9/15/2023. Permit issued 1/10/2024.</i> <i>Began construction on 1/11/2024</i>
Notify DHEC of desire to choose alternative parallel pathway (VIP or retirement) (or) obtain operating permit for physical-chemical and biological treatment and begin operating under generally applicable limits (or) if retirement alternative previously selected and determined infeasible, submit transfer NOPP to pursue VIP option as necessary.	December 31, 2024 (per new stayed issued permit) <i>2028 Retirement no longer an option</i> 12/31/2025 12/31/2025 <i>VIP no longer an option</i>

<p>Apply for and receive federal and state permits, initiate construction upon receipt, commission new asset.</p>	<p>12/31/2028</p> <p><i>Initiation of the permitting effort has been delayed given the new need for a non-shared resource and associated state approvals.</i></p>
<p>Permanently idle all Winyah units (or) operate under the VIP option</p>	<p>12/31/2028</p> <p><i>Permanently idle No longer an option, 2024 IRP preferred portfolio requires operating units through 2031. VIP no longer an option.</i></p> <p>12/31/2025</p> <p>Construct and Operate ELG BAT option before January 1, 2026.</p>

5 Additional Information

Santee Cooper provides some additional information related to the project and our previous correspondence as follows:

- October 2024 NOPP report will be the final Winyah Annual Progress Report for Permanent Cessation of Coal Combustion Subcategory Under 2020 ELG Rule.