Dynegy Midwest Generation, LLC
604 Pierce Boulevard
O'Fallon, IL 62269

DYNEGY

Via Overnight Delivery

April 15, 2013

United States Environmental Protection Agency
Two Potomac Yard
2733 South Crystal Drive
5th Floor, N-5838
Arlington, Virginia 22202-2733

Attn: Mr. Stephen Hoffman

RE: Dynegy Midwest Generation, LLC; Action Plan Regarding Hennepin Power Station Dam Assessment Final Report Recommendations

Mr. Hoffman:

This correspondence serves as Dynegy Midwest Generation, LLC's (DMG) formal response to USEPA's March 13, 2013 correspondence requesting an action plan regarding the recommendations in the dam assessment final report for Hennepin Power Station. As identified in the attached action plan, DMG, by its agent Dynegy Operating Company, intends to address each of the recommendations in the final report.

The action plan may change based on future developments, including the evaluations identified in the action plan. As a result, DMG will keep the Agency apprised of any material changes or updates to the action plan.

If you have any questions regarding our action plan, please contact Mr. Phil Morris, P.E., a member of my staff, directly at (618) 206-5934.

Sincerely,

Dynegy Midwest Generation, LLC
by its agent Dynegy Operating Company

Rick Diericx
Senior Director
Environmental Compliance
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Enclosures

bcc: A. Leskovsek – Houston Legal
T. Lindenbusch/J. Augspols – Hennepin Power Station
T. Davis/S. McVety/P. Morris – O'Fallon EC USEPA ICR File
Rick Diericx Reading File – O'Fallon Office

DYNEGY MIDWEST GENERATION, LLC - HENNEPIN POWER STATION – ACTION PLAN

(APRIL 2013)

I. WEST ASH POND SYSTEM (WAPS)

USEPA/GZA DAM ASSESSMENT FINAL REPORT RECOMMENDATIONS[1]	ACTION PLAN	TIMELINE
Studies and Analyses (§3.2): 1. Conduct an analysis of the hydraulic/hydrologic condition of the WAPS to establish the rise in water level that occurs during the 100-yr, 24-hr rain event to confirm that adequate freeboard is maintained and adequate decant and spillway capacity is available. The loading conditions established during the design storm event should be used in the evaluation of the seepage and stability evaluation of the embankments. 2. Perform a complete structural and seepage stability analysis of the WAPS impoundments, including static, seismic and liquefaction loading.	In January 2013, DMG began evaluating options to formally close the out-of-service west ash pond system, in accordance with the Illinois EPA formal pond closure protocol – 35 Il. Admin. Code Part 840. As per the September 2012 phone conference with USEPA, DMG understands that surface impoundments formally closed under a state program, such as 35 IAC 840, are outside the assessment scope. In the event closure is not pursued, the recommended analyses would be performed.	January 2013 – Started evaluating options to formally close the west ash pond system. Summer 2013 – Complete evaluation process Fall 2013: - Make decision whether to formally close the pond or pursue the recommended analyses. - Based on decision, DMG will submit to USEPA an updated action plan, including timeline, to implement the decision.
Recurrent Operation & Maintenance Recommendations (§3.3):		
1. Increased mowing of the grasses on the embankments to facilitate assessments and reduce the risk of burrowing animals.	As an ongoing maintenance item, mow as needed.	Start date: Spring 2011 Completion date: Ongoing maintenance
2. Repair wave action erosion on downstream slope of the WAPS.	- Backfill/compact with clay and reseed any erosion rills. - Evaluate need for additional repairs.	Start date: Summer 2013 Completion date: Fall 2013
3. Repair the potholes present in the gravel crest access roads. Grade the road to provide better drainage and reduce future potholing.	As an ongoing maintenance item, backfill potholes and re-grade the roads, as needed.	Start date: Summer 2013 Completion date: Ongoing maintenance
4. Clear trees and other deep rooted vegetation from the slopes and crests of the embankments.	In January 2013, DMG began evaluating options to formally close the out-of-service west ash pond system, in accordance with the Illinois EPA formal pond closure protocol – 35 Il. Admin. Code Part 840. As per the September 2012 phone conference with USEPA, DMG understands that surface impoundments formally closed under a state program, such as 35 IAC 840, are outside the assessment scope. In the event closure is not pursued, the recommended analyses would be performed.	January 2013 – Started evaluating options to formally close the west ash pond system. Summer2013 – Complete evaluation process Fall 2013: - Make decision whether to formally close the pond or pursue the recommended analyses. - Based on decision, DMG will submit an to USEPA an updated action plan, including timeline, to implement the decision.
Repair Recommendations (§3.4): 1. Pending the results of the hydraulic/hydrologic analysis, modify the design or operation of the WAPS to provide adequate capacity. 2. Pending the results of the complete seepage and stability analysis for the WAPS, modify the design or operation of the impoundments to provide conditions that result in embankments that meet the generally accepted factors of safety.	In January 2013, DMG began evaluating options to formally close the out-of-service west ash pond system, in accordance with the Illinois EPA formal pond closure protocol – 35 Il. Admin. Code Part 840. As per the September 2012 phone conference with USEPA, DMG understands that surface impoundments formally closed under a state program, such as 35 IAC 840, are outside the assessment scope. In the event closure is not pursued, the recommended analyses, detailed in Section 3.2 of the report, will be performed. The results of this analyses will determine if any design or operation modifications will be required.	January 2013 – Started evaluating options to formally close the west ash pond system. Summer 2013 – Complete evaluation process Fall 2013: - Make decision whether to formally close the pond or pursue the recommended analyses. - Based on decision, DMG will submit to USEPA an updated action plan, including timeline, to implement the decision.

[1] Numbering of Recommendations reflects the recommendations as numbered in sections 3.2, 3.3 and 3.4 of the dam assessment final report. Recommendations not applicable to the WAPS or EAPS/AEAPS are omitted in the respective tables.

II. EAST ASH POND SYSTEM (EAPS) AND ACTIVE EAST ASH POND SYSTEM (AEAPS)

USEPA/GZA DAM ASSESSMENT FINAL REPORT RECOMMENDATIONS[1]	ACTION PLAN	TIMELINE
Studies and Analyses (§3.2): 3. Generate a remedial design to address the inadequate factor of safety along the northern embankment of the EAPS and AEAPS adjacent to the Illinois River.	Prepare/submit permit application for General NPDES Permit for Storm Water Discharges from Construction Site Activities and associated stormwater pollution prevention plan (SWPPP).	Start date: December 2012 Completed: January 2013
	Conduct subsurface investigation on northern embankment (along the Illinois River) to delineate the limits of the ash and river deposits.	Start date: January 2013 Completed: January 2013
	Update topographic survey of northern berm system.	Start date: March 2013 Completed: March 2013
	Based upon the updated topographic survey, develop existing conditions base map for portions of the berm to be modified.	Start date: March 2013 Completed: March 2013
	Determine engineering properties; modify the existing slope stability analyses; and develop a proposed grading plan, to achieve a minimum factor of safety of 1.5. Due to the existing steep slopes, a proposed grading plan will also achieve the following: • Facilitate safe personnel and equipment access to the downstream slope, for long-term mowing and maintenance. • Protect the downstream slope from future erosion.	Start date: March 2013 Completion date: May 2013
	Prepare construction drawings and specifications, geotechnical and slope stability computations, and associated construction project schedule.	Start date: April 2013 Completion date: May 2013
Recurrent Operations & Maintenance Recommendations (§3.3):		
1. Increased mowing of the grasses on the embankments to facilitate assessments and reduce the risk of burrowing animals.	As an ongoing maintenance item, mow as needed.	Start date: Spring 2011 Completion date: Ongoing maintenance
3. Repair the potholes present in the gravel crest access roads. Grade the road to provide better drainage and reduce future potholing.	As an ongoing maintenance item, backfill potholes and re-grade the roads as needed.	Start date: Summer 2013 Completion date: Ongoing maintenance
4. Clear trees and other deep rooted vegetation from the slopes and crests of the embankments.	Remove trees, root balls, and brush growth.	Start and completion date is dependent on IDNR project approval and issuance of dam safety permit. (NOTE: *IDNR is requiring a dam safety permit because the proposed and significant re-sloping of the downstream slope is considered a major modification to the existing slope. The associated tree removal will be the 1st phase of this project. Because the existing slopes are steep, resloping will be required soon after tree removal, to prevent slope erosion.*)
Repair Recommendations (§3.4): 3. Based on the geotechnical results for the EAPS and AEAPS embankments, which produced inadequate minimum factors of safety, develop design modifications for those embankments along the Illinois River. These improvements are to result in the embankments meeting the generally accepted factors of safety and protect the slope from future erosion.	In accordance with 17 Ill Adm. Code 3702.20, prepare/submit IDNR General Dam Safety Permit application for proposed major modifications to northern berm.	Start date: February 2013 Completion date: May 2013
	Reslope the downstream slope to achieve a minimum factor of safety of 1.5. Due to the existing steep slopes, resloping will also achieve the following: • Facilitate safe personnel and equipment access to the downstream slope, for long-term mowing and maintenance. • Protect the downstream slope from future erosion.	Start and completion date is dependent on IDNR project approval and issuance of dam safety permit.

[1] Numbering of Recommendations reflects the recommendations as numbered in sections 3.2, 3.3 and 3.4 of the dam assessment final report. Recommendations not applicable to the WAPS or EAPS/AEAPS are omitted in the respective tables.