



N.C. Department of Environment and Natural Resources

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State regulators cite Duke Energy for dam deficiencies at Cape Fear plant

RALEIGH – State officials have cited Duke Energy for a crack in an earthen dam at the Cape Fear Steam Electric Plant in Chatham County.

The N.C. Department of Environment and Natural Resources issued the utility with a notice of deficiency Friday for the crack, which the company repaired after the state approved an emergency response plan last week. No water leaked from the ash impoundment through the crack, and state officials did not think it was in imminent danger of failing.

In Friday's notice, officials in the state's Dam Safety Program said the company's emergency repairs to the dam were sufficient to prevent a possible dam failure, but called on the company to continue maintenance work to ensure the dam's stability. The notice also requires Duke Energy to complete comprehensive engineering reports and plans and provide those to DENR by April 7 for state approval. The notice also requires Duke Energy to submit an emergency action plan, which establishes procedures for public notification if the dam were to fail.

The utility could face a fine if it does not meet the April 7 deadline or the dam fails and results in loss of life, property or environmental damage, the notice states. A copy of the notice of deficiency can be found on DENR's Dan River Spill web page, <http://portal.ncdenr.org/web/guest/dan-river-spill>, under the "Cape Fear Plant" section.

The dam is considered a high hazard dam because of the potential environmental damage if it were to fail. The dam is part of a coal ash impoundment, which was constructed in 1985 and is used to impound coal ash, which is waste generated when coal is turned into electricity.

The 1985 impoundment is one two from which the utility had been pumping out millions of gallons of water without regulatory approval. In the wake of the Feb. 2 coal ash spill in Eden, DENR conducted statewide inspections of all 33 North Carolina coal ash impoundments. On March 11, during the agency's inspection of the impoundments at the Cape Fear plant, DENR discovered the pumping activity when staff engineers observed substantially lowered water levels in the ponds, as well as nearby pumps and hoses. DENR issued Duke Energy with a notice of violation for the pumping activity on March 20. DENR's statewide investigation will be used to inform future decision-making regarding the coal ash impoundments.

By-product of burned coal found at Cliffside and Asheville facilities

As part of DENR's investigation, the state collected samples from pipes, other discharges or streams at or near coal ash impoundments. The state agency announced Friday that early test results of surface water samples collected this month at Duke Energy's Cliffside Steam Station in Rutherford County and the Asheville Steam Electric Power Plant in Buncombe County show the presence of thallium, a toxic metal often associated with the coal burning process.

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No downstream municipalities have reported problems meeting EPA drinking water standards.

One water sample DENR took at the toe drain of an inactive ash basin at the Cliffside facility exceeded the national recommended water quality criteria for thallium applicable to surface waters used for water supply. A second water sample collected closer to the Broad River and downstream of the same inactive basin was below that standard. Thallium was not detected in two additional water samples taken near coal ash basins in other parts of the Cliffside property.

At the Asheville Stream Electric Station, thallium was detected below national recommended water quality criteria for recreational waters in three water samples collected at discharge points and wetted areas. Thallium was not detected in 11 other samples collected in surface water closer to the French Broad River. A sample pulled directly from the coal ash waste stream showed a higher concentration of thallium.

This information and additional data collected at these sites will be used to develop an overall evaluation of the facilities and direct further actions by DENR and the EPA. As part of the ongoing investigation, DENR will make additional water quality testing results public as these results are processed.

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