July 15, 2019
Wood Reference No: 1420182068
APS WA FCC08902

Arizona Public Service
400 N. 5th Street
Phoenix, Arizona 85004

Attn: Michele Robertson, Byron Conrad and Pam Norris

Re: SEMI-ANNUAL REPORT DOCUMENTING PROGRESS IN REMEDY SELECTION FOR MULTIUNIT 1 AND THE UPPER RETENTION SUMP
Four Corners Power Plant - Fruitland, New Mexico

Pursuant to 40 Code of Federal Regulations (CFR) Section (§) 257.97(a) of the Coal Combustion Residuals (CCR) Rule, Arizona Public Service Company (APS) is required to prepare a semi-annual report describing progress selecting a remedy for CCR units that have been identified as potentially impacting groundwater based on a statistical assessment of groundwater data collected at the Four Corners Power Plant located in Fruitland, New Mexico (the Site). This letter serves as the first semi-annual report prepared after initiating corrective measures at Multiunit 1 (comprised of the Lined Ash Impoundment and the Lined Decant Water Pond) and the Upper Retention Sump (URS) on January 14, 2019.

1. Summary of Activities Completed to Date

Following a demonstration of need for a corrective measures assessment extension, dated April 15, 2019, Wood Environment & Infrastructure Solutions, Inc. (Wood) finalized a report presenting an Assessment of Corrective Measures for Multiunit 1 and the URS on June 14, 2019. The assessment documents the development and evaluation of various corrective measures for the two CCR units including:

- Operation of an existing intercept trench system downgradient of Multiunit 1 to extract impacted groundwater prior to migration off-site;
- Future dewatering of Multiunit 1 with subsequent closure;
- Demolition of the URS and replacement with a new concrete tank (the Upper Retention Tank [URT]) in the footprint of the former URS to perform the previous function of this process unit;
- Installation and operation of new containment wells to intercept impacted groundwater downgradient of the URS; and
- Monitored natural attenuation of CCR constituents.

2. Future Planned Activities

As identified in the Assessment of Corrective Measures for Multiunit 1 and the URS, additional site characterization is necessary prior to selection and design of the Multiunit 1 and URS remedies. Currently planned activities include:
- **Further Assessment of Groundwater Elevations in the Disposal Area.** Additional supplementary site wells will be monitored to further evaluate groundwater elevations in the region north of the identified extent of cobalt impacts to ensure that assessment of trench effectiveness includes groundwater that can reasonably be attributed to Multiunit 1.

- **Evaluation of Constituent of Concern (COC) Exceedances at MW-87.** Continued sampling of monitoring well MW-87, when water is present, with supplemental analysis of general water quality parameters will be conducted to determine the source of COC exceedances at MW-87.

- **Assessment of Logistical Constraints for a Potential URS Groundwater Containment System.** Given the congested area around the former URS and proximity to a controlled-access region of the plant, investigation of constraints and stakeholder engagement with plant operations personnel will be conducted to identify suitable locations for potential new containment wells and routing of discharge piping to the URT or a sump that discharges to the URT.

The next semi-annual report documenting progress in remedy selection at the Site will be prepared no later than January 15, 2020.

Respectfully submitted,

**Wood Environment & Infrastructure Solutions, Inc.**

Reviewed by:

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