



SERVING THE CITIES OF BRYAN, DENTON, GARLAND & GREENVILLE

September 24, 2009

Ms. Carolyn Berndt  
National League of Cities  
1301 Pennsylvania Avenue, NW, Suite 550  
Washington, D.C. 20004

Ms. Judy Sheahan  
U.S. Conference of Mayors  
1620 Eye Street, NW  
Washington, D.C. 20006

**Re: EPA Proposal to Classify Coal Ash as Hazardous Waste**

Dear Ms. Berndt and Ms. Sheahan:

The Texas Municipal Power Agency ("TMPA") was recently informed by the American Public Power Association that the EPA is considering the classification of coal ash (also known as Coal Combustion Products - CCP) as a hazardous waste, and that EPA was willing at this time to accept comments from municipalities, but only through your organizations. While TMPA is not a municipality, TMPA is on EPA's list of municipally owned utilities that would be affected. Further, TMPA is a municipal power agency that was created by, and now provides wholesale electricity to, the cities of Bryan, Denton, Greenville, and Garland, Texas (the "Member Cities"). For these reasons, TMPA is supplying the comments in this letter to you with the hope that you will forward these comments to EPA.

TMPA has serious concerns with the EPA proposal. TMPA owns and operates the Gibbons Creek Steam Electric Station, a 470 MW coal-fired electric generating facility in Grimes County, Texas. Gibbons Creek began commercial operations on October 1, 1983.

Coal ash from Gibbons Creek is managed in two ways. First, coal ash is sold to a private company that remarkets the ash to third parties that utilize the ash for road construction, the manufacture of cement, and other useful and beneficial purposes. Second, ash that is not sold is safely disposed of in TMPA's two ash landfills. Significant disruptions to both methods of managing ash will occur if ash is reclassified as a hazardous waste.

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First, the contract under which ash is sold will likely require cancellation, since the market for the ash will disappear. This will result in a significant loss of revenues to TMPA.

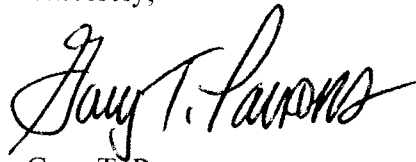
Second, the ash could no longer be disposed of in TMPA's landfills, since the landfills were not designed and constructed to serve as hazardous waste (also known as RCRA Subtitle C) landfills. This will result in TMPA having to incur significant costs to reconstruct the existing landfills, construct new landfills, and/or dispose of the ash at a hazardous waste disposal facility, the nearest of which is 210 rail miles from Gibbons Creek. However, in regard to the last option, given the low number of hazardous waste landfills in the United States (and the enormous increase in landfill capacity required to dispose of all coal ash from all coal-fired electric generating facilities), it is unlikely that disposal of ash at an off-site hazardous waste landfill will be feasible.

The disruption to TMPA's existing methods of managing ash, as described above, will translate into significantly higher rates for wholesale power to TMPA's Member Cities.

TMPA believes that the EPA would achieve a better result if ash were to continue to be classified and regulated as a non-hazardous industrial waste by states. This would enable regulatory authorities to impose management and disposal controls on ash that are fully protective of human health and the environment, without imposing substantial cost increases on the public.

TMPA appreciates your efforts to forward these comments on to the EPA, and appreciates your attention to this matter.

Sincerely,

A handwritten signature in black ink that reads "Gary T. Parsons". The signature is written in a cursive, flowing style.

Gary T. Parsons  
General Manager