



Michigan Department of Environment, Great Lakes, and Energy
Materials Management Division

SOLID WASTE DISPOSAL AREA OPERATING LICENSE

Effective April 22, 2019, the Michigan Department of Environmental Quality, by Executive Order Number 2019-06, became the Michigan Department of Environment, Great Lakes, and Energy (EGLE). Effective April 22, 2019, the Waste Management and Radiological Protection Division became the Materials Management Division (MMD).

This license is issued under the provisions of Part 115, Solid Waste Management, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended, MCL 324.11501 et seq., and authorizes the operation of this solid waste disposal area (Facility) in the state of Michigan. This license does not obviate the need to obtain other authorizations as may be required by state law.

FACILITY NAME: DE Karn Lined Coal Ash Impoundment

LICENSEE/OPERATOR: Consumers Energy Company

FACILITY OWNER: Consumers Energy Company

PROPERTY OWNER: Consumers Energy Company

FACILITY TYPE(S): Coal Ash Surface Impoundment

FACILITY ID NUMBER: 392503

COUNTY: Bay

LICENSE NUMBER: 9629

ISSUE DATE: December 10, 2020

EXPIRATION DATE: December 10, 2025

FACILITY DESCRIPTION: The DE Karn Lined Coal Ash Impoundment, a Coal Ash Surface Impoundment, consists of 2.3 acres located in Section 2, T14N, R5E, Hampton Charter Township, Bay County, Michigan, as identified in Attachment A and fully described in this license.

AREA AUTHORIZED FOR DISPOSAL OF SOLID WASTE: Identified in Item 2 of this license.

RESPONSIBLE PARTY: Mr. Caleb D. Batts, CCR Operations Lead
Consumers Energy Company
2742 North Weadock Highway
Essexville, Michigan 48732
989-891-3019

FIRST OPERATING LICENSE: This License Number 9629 is the first operating license issued for this Unit at this Facility to this licensee.

This license is subject to revocation by the Director of the Michigan Department of Environment, Great Lakes, and Energy, if the Director finds that this Facility is not being constructed or operated in accordance with the approved plans, the conditions of a permit or license, Part 115, or the rules promulgated under Part 115. Failure to comply with the terms and provisions of this license may result in legal action leading to civil and/or criminal penalties pursuant to Part 115. This license shall be available through the licensee during its term and remains the property of the Director.

THIS LICENSE IS NOT TRANSFERABLE.

Rhonda S. Oyer, Manager, Solid Waste Section
Materials Management Division

Licensee: Consumers Energy Company
Facility Name: DE Karn Lined Coal Ash Impoundment
Operating License Number: 9629
Issue Date: December 10, 2020

The licensee shall comply with all terms of this license and the provisions of Part 115 and the administrative rules implementing Part 115 (Part 115 Rules). This license includes the license application and any attachments to this license.

1. The licensee shall operate the Facility in a manner that will prevent violations of any state or federal law.
2. The following portions of the Facility are authorized to receive solid waste by this license:
OTHER DISPOSAL AREAS: 2.3-acre Lined Impoundment identified in Attachment A.
3. The following portions of the Facility **WILL BE** authorized to receive solid waste by this license following approval by EGLE of construction certification: None.
4. The following portions of the Facility are **NOT** authorized to receive solid waste by this license: N/A
5. The attached map (Attachment A) shows the Facility, the area permitted for construction, monitoring points, leachate storage units, site roads, other disposal areas, and related appurtenances.
6. Issuance of this license is conditioned on the accuracy of the information submitted by the Applicant in the Application for License to Operate a Solid Waste Disposal Area (Application) received by EGLE on September 3, 2020, and any subsequent amendments. Any material or intentional inaccuracies found in that information is grounds for the revocation or modification of this license and may be grounds for enforcement action. The licensee shall inform EGLE's MMD Bay City District Supervisor, of any inaccuracies in the information in the Application upon discovery.
7. This license is issued based on EGLE's review of the Application, submitted by Harold Register, Jr., for the Consumers Energy Company, DE Karn Lined Coal Ash Impoundment, dated September 3, 2020, and revised December 7, 2020. The Application consists of the following:
 - a. Application Form EQP 5508.
 - b. Application fee in the amount of \$13,000.00.
 - c. Certification of construction by N/A, dated N/A.
 - d. Waste Characterization: N/A.
 - e. Restrictive Covenant:

A restrictive covenant on 2.3 acres, signed by the Applicant on December 7, 2020, was included in the Application, and will be signed by EGLE and filed with the Bay County Register of Deeds.
 - f. Perpetual Care Fund Agreement, established as a standby trust account, signed by Heather L. Wilson, Director, Bank Relations, Consumers Energy on September 1, 2020, was executed by EGLE on December 9, 2020.
 - g. Financial Assurance.
 - i. Financial Assurance Required:

The amount of financial assurance required for this Facility was calculated based on the calculation worksheet form EQP 5508 entitled, "Form A (CCR Only), Financial Assurance Required," and includes a bond in the amount of \$20,000.00 per acre within the impoundment boundary and the Perpetual Care Fund requirement. The amount of financial assurance required for this Facility is \$46,000.00.

The Facility has provided financial assurance totaling \$46,000.00, based on the requirements of Section 11523 of Part 115, consisting of a combination of the Perpetual Care Fund established under Section 11525 of Part 115, bonds, and the financial capability of the Applicant as evidenced by a financial

test. The financial assurance mechanisms used by the Facility are summarized below in Items ii, iii, and iv, respectively.

ii. Financial Assurance Provided Via a Perpetual Care Fund:

As a result of this being the Facility's first license and no waste reported, the Facility's Perpetual Care Fund has a balance of \$0 as of December 9, 2020. The Facility's first deposit will be required by October 31, 2021.

iii. Financial Assurance Provided Via Bond:

The following financial assurance has been received from the Applicant to meet the amount of financial assurance required:

Irrevocable Letter of Credit	\$46,000.00
Total Amount Received:	\$46,000.00

iv. Financial Assurance Provided Via a Financial Test for a Type II Landfill: N/A.

v. Financial Assurance Updates Required: N/A.

vi. Other Required Financial Assurance: N/A.

8. The following documents approved with Construction Permit Number(s) N/A, are incorporated in this license by reference: None.

9. The following additional documents, approved since the issuance of the construction permit(s) referenced in Item 8, are incorporated in this license by reference:

- a. Karn Lined Impoundment Hazard Potential Classification Assessment Report, developed by Golder Associates, dated June 2018.
- b. Karn Lined Impoundment Inflow Design Flood Control System Plan, developed by Golder Associates, dated June 2018.
- c. Karn Lined Impoundment Closure Plan, developed by Golder Associates, dated June 2018
- d. Fugitive Dust Control Plan, developed by Consumers Energy, dated November 19, 2019.
- e. Karn Lined Impoundment Hydrogeological Monitoring Plan, developed by TRC, dated August 2020.

10. Consent Order/Judgment Number: N/A

11. The licensee shall repair any portion of the certified liner or leachate collection system that is found to be deficient or damaged during the term of this license unless determined otherwise by EGLE.

12. The licensee shall have repairs to any portion of the certified liner or leachate collection system recertified by a registered professional engineer in accordance with R 299.4921 of the Part 115 Rules and approved by EGLE before receiving waste in that portion of the certified liner or leachate collection system. The licensee shall submit the recertification to EGLE's MMD Bay City District Supervisor, for review and approval.

Licensee: Consumers Energy Company
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13. The licensee shall conduct hydrogeological monitoring in accordance with the approved hydrogeological monitoring plan, dated August 2020. The sampling analytical results shall be submitted to EGLE's MMD Bay City District office.
14. Modifications to the approved hydrogeological monitoring plan referenced in Item 13 may be approved, in writing, by EGLE's MMD Bay City District Supervisor. Proposed revisions must be submitted in a format specified by EGLE.
15. Leachate may be recirculated if a leachate recirculation plan has been approved, in writing, by EGLE's MMD Bay City District Supervisor.
16. Modifications to approved engineering plans that constitute an upgrading, as defined in R 299.4106a(l) of the Part 115 Rules, may be approved, in writing, by EGLE's MMD Bay City District Supervisor.
17. Requests for alternate daily cover may be approved, in writing, by EGLE's MMD Bay City District Supervisor.
18. Leakage Control Criteria: N/A.
19. **VARIANCES:** The licensee is granted the following variance(s) from Part 115 and/or the Part 115 Rules: None.
20. **SPECIAL CONDITIONS:** N/A.
21. **TERM:** This license shall remain in effect until its expiration date, unless revoked or continued in effect, as provided by, the Administrative Procedures Act, 1969 PA 306, as amended, or unless superseded by the issuance of a subsequent license.

END OF LICENSE

Attachment A



LEGEND

- DEK BOTTOM ASH POND MONITORING WELL
- DECOMMISSIONED WELL
- BOTTOM ASH POND & LINED IMPOUNDMENT MONITORING WELL
- DEK LINED IMPOUNDMENT MONITORING WELL
- MONITORING WELL
- EXTENT OF GEOSYNTHETICS

- NOTES**
1. BASE MAP IMAGERY FROM USDA – NATIONAL AGRICULTURE IMAGERY PROGRAM, 7/10/2016.
 2. WELL LOCATIONS SURVEYED BY ROWE PROFESSIONAL SERVICES COMPANY ON 11/4/2015.
 3. NOAA/NATIONAL OCEANIC SERVICE GREAT LAKES GAUGING STATION, ESSEXVILLE, MI (ID: 9075035).

PROJECT:		CONSUMERS ENERGY COMPANY DE KARN POWER PLANT ESSEXVILLE, MICHIGAN	
TITLE:		KARN LINED IMPOUNDMENT AREA	
DRAWN BY:	S. MAJOR	PROJ NO.:	290804-001
CHECKED BY:	D. LITZ	FIGURE 2	
APPROVED BY:	G. CROCKFORD		
DATE:	JUNE 2018		
		1540 Eisenhower Place Ann Arbor, MI 48108-3284 Phone: 734.971.7080 www.trcsolutions.com	
FILE NO.:		290804-001-001.mxd	