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January 24, 2012

<u>CERTIFIED MAIL</u> <u>RETURN RECEIPT REQUESTED</u>

Mr. John Kieling Acting Bureau Chief Hazardous Waste Bureau New Mexico Environment Department 2905 Rodeo Park Drive East, Building 1 Santa Fe, NM 87505-6303

RE: Public Service Company of New Mexico Person Generating Station (NMT360010342) - Draft Hazardous Waste Permit Comments

Dear Mr. Kieling:

Public Service Company of New Mexico (PNM) is submitting the following comments to the above-referenced draft hazardous waste permit dated November 2011 for the Person Generating Station. These comments were prepared based on discussions and e-mail correspondence with Mr. Brian Salem, New Mexico Environment Department Hazardous Waste Bureau (NMED).

As a general comment, the permit renewal application was initially submitted to NMED in June 2007, and at that time some of the monitor and extraction wells still exceeded the relevant standards for hazardous constituents of concern (COCs). As of December 2011, all the wells listed in Table 3-2 of the draft permit have been below the concentration limits of the COCs listed in Tables 3-4 and 3-5 for at least three years. Therefore, the Groundwater Treatment System (GWTS) already meets the graduated system shutdown standard as defined in Section 3.3.5 of the draft permit.

PNM requests that NMED include a description of the current groundwater quality conditions and that the GWTS is ready to commence the graduated shutdown process (as described in Section 3.3.5) in the final permit.

• 2.2.1.1 Records to be Maintained at the Facility

The number of documents that are required to be stored at the Facility under the draft permit conditions is quite voluminous. Currently, the only enclosed and secured area suitable for document storage is the GWTS building. This building was constructed to house the groundwater treatment system equipment, some

replacement parts, and maintenance equipment. Consequently, there is very limited storage space for documents.

PNM requests that due to the limited storage space, the permit conditions be revised to allow for storage of the documents listed below (as identified in the General Facility Conditions of the draft permit) at the PNM headquarter offices located at 414 Silver SW, Albuquerque, NM 87102.

- (6) well construction, maintenance, and replacement records;
- (12) all monitoring reports and records required by this Permit, including but not limited to:
- a. records of all monitoring data used to complete Permit Application(s);
- b. all data gathered or generated during the closure or post-closure period; and,
- c. all laboratory reports, drilling logs, bench-scale or pilot scale data.

Relative to (12) above, PNM proposes to maintain routine monitoring reports as required by the permit at the Facility, however, other records listed above would be kept at the headquarter offices.

• 2.6.5 Emergency Coordinator

PNM requests that the business address of the emergency coordinators listed in Table 2-3 be changed to the following:

John Hale Alvarado Square – 2104 Albuquerque, NM 87158

Rick Threet Alvarado Square – ER 16 Albuquerque, NM 87158

• 3.2 Duration

PNM requested clarification on the regulatory process to terminate corrective action if the groundwater protection standards have been met before the end of the post-closure care period.

NMED indicated that a Class III permit modification is required to terminate corrective action and post-closure care prior to the post-closure care period ending date of August 26, 2018.

• 3.3 Corrective Action

PNM requested clarification as to which groundwater standards are to be used in determining compliance with groundwater cleanup levels, i.e., COC concentration limits listed in Tables 3-4 and 3-5 or Section 4.3.1 requirements.

Although the draft permit references toxic pollutants in 20.6.2.7 WW NMAC as part of Section 4.3.1, NMED indicated that the applicable groundwater quality standards are the COCs and their respective concentration limits listed in Tables 3-4 and 3-5.

• 3.3.1 Groundwater Treatment System

Recovery wells (i.e., extraction wells) VEW, EW-1, EW-2, EW-3, EW-4, EW-5, PSMW-25, and PSMW-26 are listed as wells that will be used to extract contaminated groundwater. However, as noted in other sections of the draft permit, EW-5, PSMW-25, and PSMW-26 are permanently out of service, will be removed from the corrective action program, and ultimately plugged and abandoned.

PNM suggests that this section be revised to clearly indicate that these three wells are out of service and are no longer used to extract groundwater.

• 3.3.1 Groundwater Treatment System

Although all the wells listed in Table 3-2 have been below the relevant COC standards for at least three years, NMED indicated that water associated with the GWTS is still considered a listed hazardous waste, therefore, the requirement to not allow it to contact soils surrounding the system will remain in the final permit.

PNM suggests that since water associated with GWTS is non-hazardous as defined by the groundwater protection standards in Section 3.3.5, the NMED allow for some enforcement flexibility in the unlikely event that water associated with the GWTS does contact soils surrounding the system.

• 3.3.1 Groundwater Treatment System

The draft permit conditions indicate that the GWTS is to be monitored daily. The Person Generating Station and GWTS are unmanned facilities. Consequently, there are no personnel on site to perform daily monitoring activities. However, since the GWTS is automated, it is not necessary for personnel to monitor it daily.

The GWTS is equipped with automated shutdown functions. In the event of a system malfunction, the GWTS is automatically shut down and an alarm is sent to the PNM Reeves Generating Station (RGS) control room. RGS personnel are

dispatched to investigate the cause of the system shutdown, make the necessary repairs, and restart the system.

The GWTS does not have the telemetry capability to provide operating parameters to RGS. The GWTS is visited at least monthly by RGS personnel to collect the required samples and perform any needed maintenance. Therefore, PNM suggests that the GWTS monitoring requirement be changed to a monthly schedule.

NMED indicated that they will revise the permit conditions to allow for a monthly monitoring schedule.

• 3.3.4 Corrective Action Groundwater Monitoring

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PNM requested clarification as to which groundwater standards are to be used in determining compliance with groundwater cleanup levels, i.e., COC concentration limits listed in Tables 3-4 and 3-5 or Section 4.3.1 requirements.

Although the draft permit references toxic pollutants in 20.6.2.7 WW NMAC as part of Section 4.3.1, NMED indicated that the applicable groundwater quality standards are the COCs and their respective concentration limits listed in Tables 3-4 and 3-5.

• 3.3.5 Groundwater Protection Standard

PNM requested clarification on the regulatory process to terminate corrective action if after the one-year gradual GWTS shutdown period, the COCs in the groundwater as monitored at the wells listed in Table 3-2 do not exhibit any rebound effect.

NMED indicated that a Class III permit modification is required to terminate corrective action and post-closure care.

• 3.3.5 Groundwater Protection Standard

• 3.3.6 Groundwater Monitor and Extraction Well Network

Monitoring well PSMW-37 is listed as the upgradient plume boundary well. The well is located on adjacent property owned by Capital Lumber. The lumber yard has been closed and the property is for sale. To avoid potential future access/easement issues, PNM requests that NMED consider eliminating PSMW-37 from the monitoring requirements and replacing it with another suitable well.

Subject to further review, PNM may suggest replacing PSMW-37 with PSMW-2, PSMW-3, or PSMW-3B. All three of these wells are west and upgradient of the source area, and are on PNM property.

PNM has not yet determined the suitability of these wells as a replacement for PSMW-37. Per NMED's suggestion, PNM will attempt to assess the suitability of these wells within the next few weeks.

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• 3.3.7.1 Groundwater Analytes

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PNM requested clarification if it is NMED's intent to allow for a reduced Appendix IX analyses to be performed on the wells listed in Table 3-3 by eliminating pesticide, herbicide, and pharmaceutical constituents from the analyte list.

NMED indicated that a reduced Appendix IX analyses is permissible. No Appendix IX analyses for pesticide, herbicide, and pharmaceutical constituents are required to be conducted on the wells listed in Table 3-3.

• 3.3.7.2 Groundwater Sampling

In previous permits, temperature has not been used as a stability indicator. On wells with dedicated bladder pumps, the water discharge tube is connected to the down-hole tubing at the top of the well head. The plastic tubing is exposed to sunlight and ambient temperatures. In warm weather, the tubing warms up rapidly causing the measured temperature of the purge water to increase and fluctuate. The temperature data collected at this point is not representative of the groundwater temperature.

NMED indicated that using temperature as a stability indicator would remain as a permit requirement, however, they would allow for a ± 2.0 °C range. If the new temperature stability criteria cannot be met, a Class I permit modification may be required to change or eliminate the temperature stability criteria from the permit requirements.

• 3.3.7.2 Groundwater Sampling

Although all the wells listed in Table 3-2 have been below the relevant COC standards for at least three years, NMED indicated that water associated with the wells and the GWTS is still considered a listed hazardous waste and therefore, the requirement to containerize the well purge water for later discharge into the GWTS will remain as a permit condition.

Collecting the well purge water and pumping it into the GWTS has been the standard operating practice in the past. PNM will continue with this practice.

• 3.3.7.2 Groundwater Sampling

PNM requested clarification as to why TCE, chromium, and nickel are listed as COCs that are to be monitored for in Table 3-6 of the draft permit.

NMED indicated that TCE, chromium, and nickel will be deleted from Table 3-6 as COCs, and only EPA Method 8260 and reduced Appendix IX analyses will be required in the final permit.

• 3.5.3 Inspection of Monitoring and Extraction Wells

PNM understands that NMED will revise this section to require that wells be checked for sediment build-up only when a pump is removed for maintenance or repair.

• A.5.3 Groundwater Treatment System

PNM understands that NMED will revise this section to indicate that the current DP-1006 requirements no longer require monitoring of the two irrigation lagoons.

A.5.3 Groundwater Treatment System

PNM understands that NMED will revise Table A-2 to show that PSMW-25 and PSMW-26 are extraction wells, and have the same status description as EW-5.

• B.5 Unlined Well Inspection/Maintenance/Repair

Removal of the RCRA cap is permitted and approved under Section 3.6 of the draft permit. Consequently, PNM believes that there should be no permit requirement to continue to inspect, maintain, and repair the cap. However, NMED has indicated that until the RCRA cap is physically removed, PNM must continue to perform inspections and conduct maintenance/repair as required under Section B.5.

PNM will continue to comply with the requirements of this section. However, PNM requests that NMED consider revising Section B.5 to be consistent with Section 3.6, which approves removal of the RCRA cap.

If you have any questions, please contact me at (505) 241-2014.

Sincerely,

John Hale, P.E. Technical Project Manager

CC: Brian Salem, NMED-HWB, 5500 San Antonio Dr. NE, Albuquerque, NM 87109 Rick Threet – PNM