

March 26, 2024

Iowa Department of Natural Resources
Planning, Permitting & Engineering Services
Attn: Mr. Mike Sullivan, Solid Waste & Contaminated Sites Section Supervisor
Wallace State Office Building
502 East Ninth Street
Des Moines, IA 50319

Dear Mr. Sullivan:

This letter shall serve as notice pursuant to Iowa Administrative Code 567, section 103, that Central Iowa Power Cooperative is providing financial assurance for the Fair Station CCR Monofill (closed).

Management asserts that Central Iowa Power Cooperative has complied with the Iowa Administrative Code 567, section 103.3, as of December 31, 2023. Financial assurance is provided by Letter of Credit #00615526 with CoBank in Greenwood Village, Colorado, as last amended on December 28, 2016 to the amount of \$500,000. This amount exceeds the engineer's updated post-closure cost estimate of \$225,951. The letter of credit automatically renews unless proper notice is given to the Iowa Department of Natural Resources. These funds are restricted for remaining post-closure care of the Fair Station CCR Monofill located along Ward Avenue in Muscatine, Iowa.

If you have any questions regarding this notice or enclosures, please contact me at 319-734-4321.

Sincerely,

Dave Nicholson

Vice President and Chief Financial Officer

David Micholan

cc: Sam Stineman, CIPCO Director, Generation Assets
Sam Honold, CIPCO Supervisor, Generation Engineering

Enclosures









Coal Combustion Residue Monofill Financial Assurance Report Form

SECTION 1: FACILITY INFORMATION

(please print or type)

Information Requested							
Facility Name: Fair Station CCR Monofill			Permit Number:	70-SDP-09-91C			
Permitted Agency/Entity: Central Iowa Power Cooperative							

SECTION 2: CLOSURE/POSTCLOSURE OR CORRECTIVE ACTION COST ESTIMATES

Information Requested	Cost Estimate	Date of Cost Estimate		
Updated Closure Cost Estimate	\$0	January 15, 2024		
Updated Postclosure Cost Estimate	\$ 225,951	January 15, 2024		
Initial or Updated Corrective Action Cost Estimate	\$ N/A	January 15, 2024		

^{*}Attach closure/postclosure cost estimate(s) signed and certified by an lowa-licensed professional engineer. Cost estimates shall include, at a minimum, each of the cost line items defined in 103.3(3)"c" for closure and 103.3(4)"c" for postclosure. Please provide closure and/or postclosure site area acreage information with the estimates.

Provide a cost estimate for corrective action only if corrective action is required and a corrective action plan has been approved by the Department. Attach the corrective action cost estimate signed and certified by an lowa-licensed professional engineer. The cost estimate shall account for total costs of the activities described in the approved corrective action plan for the corrective action period.

SECTION 3: FACILITY WASTE TONNAGE INFORMATION

Information Requested	Tons
Remaining permitted capacity as of the beginning of permit holder's current fiscal year	0
Amount of waste disposed of at the facility during the prior year	0

SECTION 4: PROOF OF COMPLIANCE

Publicly Owned Coal Combustion Residue Monofills	(ATTACH AUDIT REPORT)
Owner's Most Recent Annual Audit Report	
Prepared by:	_
For fiscal year ending:	

Privately Owned Coal Combustion Residue Monofills

(ATTACH AFFIDAVIT)

Attach owner/operator's affidavit indicating that an annual review has been performed by a certified public accountant to determine whether the privately owned monofill is in compliance with IAC 567 Chapter 103. The affidavit shall state the name of the certified public accountant, the dates and conclusions of the review, and the steps taken to rectify any deficiencies identified by the accountant.

SECTION 5: FINANCIAL ASSURANCE INSTRUMENT

Type and Value of Financial Assurance Instrument(s) (ATTACH INSTRUMENT(S))

Assurance Instrument	Establishment Date	Mechanism Covers	Instrument Value*
		Closure 🗌	
Trust Fund 567 IAC 103.3(6)"a"		Postclosure	\$
		Corrective Action 🗌	
C. a.t. David		Closure 🗌	
Surety Bond 567 IAC 103.3(6)"b"		Postclosure	\$
307 1110 103.3(0) 5		Corrective Action	
		Closure 🗌	
Letter of Credit 567 IAC 103.3(6)"c"	December 28, 2016	Postclosure 🔀	\$ 500,000
307 I/IC 103.3(0) C		Corrective Action 🗌	
		Closure 🗌	
Insurance 567 IAC 103.3(6)"d"		Postclosure 🗌	\$
307 IAC 103.3(0) d		Corrective Action	
		Closure 🗌	
Corporate Financial Test 567 IAC 103.3(6)"e"		Postclosure 🗌	\$
307 IAC 103.3(0) E		Corrective Action	
		Closure 🗌	
Local Gov't. Financial Test 567 IAC 103.3(6)"f"		Postclosure 🗌	\$
307 IAC 103.3(0) 1		Corrective Action 🗌	
		Closure 🗌	
Corporate Guarantee 567 IAC 103.3(6)"g"		Postclosure 🗌	\$
307 IAC 103.3(0) g		Corrective Action	
		Closure 🗌	
Local Gov't Guarantee 567 IAC 103.3(6)"h"		Postclosure 🗌	\$
307 IAC 103.3(0) 11		Corrective Action 🗌	
		Closure 🗌	
Local Gov't. Dedicated Fund 567 IAC 103.3(6)"i"		Postclosure 🗌	\$
307 IAC 103.3(0) I		Corrective Action	

SECTION 6: FUND PAYMENTS

(only if using dedicated or trust fund)

Completion of the following fund information complies with the annual financial statement requirements of IAC 567 103.3(3)"a" and 103.3(4)"a" by indicating the current balance(s) of the dedicated/trust fund and the projected amount(s) to be deposited in the fund(s).

Under "Beginning Balance", please state the fund balance 30 days after the start of the previous fiscal year, for "Ending Balance", indicate the fund balance 30 days after the close of the previous fiscal year, and for "Projected Deposit", indicate the amount to be deposited within 30 days of the close of the permit holder's fiscal year.

Information Requested	Beginning Balance	Ending Balance	Projected Deposit
Dedicated Fund Balance (see formula below)	\$	\$	\$
Trust Fund Balance (see formula below)	\$	\$	\$

Formula for Projected Deposits

Dedicated/Trust Fund

CE-CB v

Where "CE" is the closure or postclosure cost estimate, "CB" is the balance 30 days after close of the previous fiscal year, and "Y" is number of years remaining in the pay-in period.

If needed, the space below can be used to show calculations for projected deposits

SECTION 7: PERMIT HOLDER ENDORSEMENT

Submittal of this completed and endorsed form along with all required documentation establishes Notification and Proof of Permit Holder Compliance with IAC 567 Chapter 103.

Name of Official: Dave Nicholson	Title: _VP & CFO
Agency/Entity: Central lowa Power Cooperative	
Address: 1400 Highway 13 SE	
City: Cedar Rapids	State: IA Zip: 52403
Telephone: _ 319-734-4321	Fax: _316-366-8626
Email Address: dave.nicholson@cipco.net	
Signature of Official: David Micholson	Date: _ March 26, 2024

Questions? Contact Bill Blum at (515) 240-6048 or Bill.Blum@dnr.iowa.gov

COAL COMBUSTION RESIDUE MONOFILL OWNER'S AFFIDAVIT

As the Owner and/or Operator of Fair Station Coal Combustion Residue Monofill, a privately-owned coal combustion residue monofill landfill, I certify that a yearly review has been performed by a certified public accountant to determine whether the landfill is in compliance with Iowa Administrative Code Chapter 103. Conclusions of the review and the steps taken to rectify any deficiencies identified by the accountant are listed below.

Date of Review: March 26, 2024
Certified Accountant that performed the Review: Deloitte & Touche LLP, Hub Tower, 699 Walnut Street, Suite 1800 Des Moines, IA 50309
Company that owns the landfill: Central Iowa Power Cooperative
Conclusion(s) of the review: As of December 31, 2023, Central Iowa Power Cooperative complied
with all material respects of the Iowa Administrative Code Chapter 103.
Steps taken to rectify any deficiencies identified: None.
Owner/operator's Signature: David Micholson Date: 3/26/2024
Owner/operator's printed Name: Dave Nicholson

Owner/operator's Title: Vice President and CFO, Central Iowa Power Cooperative



Con 12-1-1 Doc # 88061

P.O. Box 5110
Denver, Colorado 80217 USA
6340 S. Fiddlers Green Circle
Greenwood Village, CO 80111 USA
303-740-4000
Fax 303-224-2758
SWIFT NBFCUS55

DATE: DECEMBER 28, 2016

COBANK, ACB LETTER OF CREDIT NUMBER 00615526

BENEFICIARY: IOWA DEPARTMENT OF NATURAL RESOURCES, ENERGY & WASTER MGMT 502 E. 9TH STREET DES MOINES, IOWA 50319

WE HAVE BEEN INSTRUCTED BY:

CENTRAL IOWA POWER COOPERATIVE 1400 HIGHWAY 13 E CEDAR RAPIDS, IA 52406-2517

TO AMEND OUR LETTER OF CREDIT 00615526 AS ISSUED IN YOUR FAVOR.

THIS AMENDMENT IS AN INTEGRAL PART OF THE ORIGINAL CREDIT AND MUST BE ATTACHED THERETO. PLEASE REVIEW CAREFULLY TO ENSURE YOU CAN COMPLY WITH THE TERMS AND CONDITIONS.

AMENDED TERMS AND CONDITIONS:

AMOUNT DECREASED BY: USD 1,300,000.00
NEW LETTER OF CREDIT AMOUNT: USD 500,000.00

ALL OTHER TERMS AND CONDITIONS OF THE ORIGINAL LETTER OF CREDIT AND ANY PREVIOUSLY ACCEPTED AMENDMENT(S) REMAIN UNCHANGED. WHEN PRESENTING DRAFT(S) AND/OR DOCUMENT(S) OR WHEN COMMUNICATING WITH US PLEASE MENTION OUR REFERENCE NUMBER SHOWN ABOVE.

PLEASE INDICATE YOUR ACCEPTANCE OR REJECTION OF THIS AMENDMENT BY SIGNING AND RETURNING THE ATTACHED COPY OF THE AMENDMENT.

IN CASE OF NEED YOU MAY CONTACT US BY EMAIL AT TRADESERVICES@COBANK.COM.

(AUTHORIZED SIGNATURE)

Patie Vigil
Letter of Credit Specialist II

11228 Aurora Avenue Des Moines, Iowa 50322-7905 United States www.ghd.com



Our reference: 12560436-LTR-3

January 15, 2024

Mr. Sam Steinman Central Iowa Power Cooperative 1400 IA-13 Cedar Rapids, IA 52403

January 2024 Post-Closure Cost Estimate for CIPCO Fair Station Coal Combustion Residue Monofill

1. Introduction

GHD prepared this letter to provide Central Iowa Power Cooperative (CIPCO) with cost estimates for post-closure activities at the closed Fair Station coal combustion residue (CCR) monofill (Monofill) in accordance with the Financial Assurance requirements of Chapter 567—103.3, <u>Iowa Administrative Code</u> (IAC). The Monofill is located along Ward Avenue in Muscatine, Iowa.

Closure construction was completed and the December 22, 2015 Construction Summary Report documenting closure activities was approved by the Iowa Department of Natural Resources (IDNR) with issuance of the Closure Permit (Permit#70-SDP-09-91C) on February 1, 2016. Per the Closure Permit, the post-closure period started with issuance of the permit. Since all closure construction is complete, this letter addresses only post-closure maintenance, monitoring, and associated activities. The post-closure period has been reduced by one year relative to the January 2023 Post-Closure Cost Estimate.

1.1 Estimate Structure

General information about the current and projected conditions at the Monofill is provided in Section 2. The details in this letter are organized to include the components listed in subparagraphs 567—103.3(3)c(6) and 103.3.(4)c(6), IAC. For each of the components listed, information is provided in Section 2 of this letter to support the estimate.

1.2 Estimate Basis

GHD prepared the estimates using several sources of data, including contractor pricing and costs from similar projects.

The unit rates considered in the January 2023 Post-Closure Cost Estimate were adjusted for inflation, using guidance provided by the IDNR. The inflation factor of 1.032 was applied based on the 2023 and 2022 third quarter implicit price deflator values for gross domestic product. The price deflator values were obtained from National Income and Product Accounts (NIPA) Table 1.1.9 Implicit Price Deflators for Gross Domestic Product available from the Bureau of Economic Analysis website at www.bea.gov. The price deflator values and sample calculation are included in Attachment A.

The estimates are similar in nature to the American Association of Cost Engineers (AACE) International Class 5 Cost Estimate, which has a range of 20 to 50 percent below, to 50 to 100 percent above, the actual cost. The cost estimates are provided in 2024 dollars and presented in the accompanying Table 1.

2. Post-Closure Costs

The required components of the post-closure cost estimates listed in subparagraph 567—103.3(4)c(6), IAC are presented below. The post-closure period is assumed to be 10 years from the issuance of the closure permit (February 1, 2016); however, the post-closure period may be longer or shorter depending on monitoring results and site conditions.

2.1 General Site Facilities, Access Roads, and Fencing Maintenance

During the post-closure period, site access roads must be maintained to permit cap maintenance. Site control through fencing must also be maintained. The amount of maintenance required will vary year to year and be dependent on weather and adjacent site activities. A maintenance allowance has been allotted for each year of the post-closure period; however, the actual annual maintenance activities and costs are expected to vary. Activities anticipated in this scope include adding gravel to roads, repairing site fencing or gates, and general site inspections.

2.2 Cap and Vegetative Cover Maintenance

The cap must be monitored for erosion or vegetation stress during the post-closure period and damage repaired. An allowance has been made for annual repair; however, the scope of maintenance activities will be highly dependent on-site conditions and activities.

2.3 Drainage and Erosion Control System Maintenance

Maintenance of a drainage and erosion control system may include removing soil or vegetation from drainageways, replacing rip rap, or other erosion control methods. As with other maintenance activities, the actual scope of required work will be highly variable, and a maintenance allowance has been made in the cost estimate.

2.4 Groundwater to Waste Separation Systems Maintenance

The Monofill expansion was designed to maintain a minimum 5-foot separation distance between high groundwater conditions and the base of CCR by use of fill soil. There is no active groundwater to waste separation system to be maintained during the post-closure period.

2.5 Groundwater and Surface Water Monitoring Systems Maintenance

Maintenance of monitoring wells may include installation of replacement wells, replacement of protective casings, grading around wells, or surveying. To account for the possibility of these maintenance activities, an annual allowance has been made in the cost estimate.

At the conclusion of the post-closure period, monitoring wells will be abandoned. Costs for well abandonment at the end of the post-closure period are included in this component of the cost estimate.

Surface water monitoring is not required in the post-closure period.

2.6 Groundwater and Surface Water Quality Monitoring and Reports

Annual groundwater sampling and reporting are required during the post-closure period. GHD estimated this cost using current sampling and reporting costs and including wells added to the monitoring network with Amendment #4 to the Operating Permit dated May 19, 2014. The first sampling event was completed October 24-25, 2016. As of preparation of this cost estimate, all 2023 sampling and reporting activities have been completed.

2.7 Groundwater Monitoring Systems Performance Evaluations and Reports

Evaluations of the groundwater monitoring systems are included in the annual water quality monitoring report and no additional costs are allocated.

2.8 Leachate Control Systems Maintenance

The Monofill does not include a leachate control system; therefore, no costs are allocated for this component of the cost estimate.

2.9 Leachate Management, Transportation, and Disposal

The Monofill does not include a leachate control system; therefore, no costs are allocated for this component of the cost estimate.

2.10 Leachate Control Systems Performance Evaluations and Reports

The Monofill does not include a leachate control system; therefore, no costs are allocated for this component of the cost estimate.

2.11 Facility Inspections and Reports

An annual engineering inspection of the completed cap is required. The engineering inspection will be documented in a report to the IDNR. The inspection typically consists of visible observation of the cover and noted apparent deficiencies in the cap thickness, erosion patterns, or areas where vegetation is not established.

2.12 Engineering and Technical Services

An annual allowance for engineering and technical services has been made in the cost estimate. The scope of engineering services during the post-closure period will likely be limited to support for any permit modifications or changes to erosion control features. Additional services such as groundwater sampling or the annual engineering inspection are included in other components of the cost estimate.

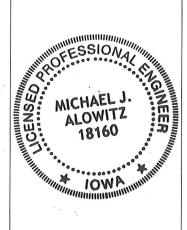
2.13 Legal, Financial, and Administrative Services

The scope of third-party legal financial and administrative services required to complete closure activities will vary by the entity. The land is entirely owned by CIPCO, therefore, reducing legal costs, and financial and administrative services during the closure period. The method of calculation is a percentage of costs for Items 2.1 through 2.12.

2.14 Financial Assurance, Accounting, Audits, and Reports

The costs of third-party financial assurance, accounting, audits, and reports are difficult to assess because the requirements may vary from entity to entity. To account for these costs, a uniform value has been applied for each year of the post-closure period based on a percentage of the annual costs for Items 2.1 through 2.12.

3. Certification



I hereby certify that this engineering document was prepared by me or under my direct personal supervision and that I am a duly licensed Professional Engineer under the laws of the State of Iowa.

Michael J. Alowitz, P.E.

Date

License Number:

18160

My license renewal date is: December 31, 2024

Pages or sheets covered by this seal: Entire Document

Regards,

Michael Alowitz Senior Engineer

515-414-3934

michael.alowitz@ghd.com

MA/lg/LTR-3

Encl.

Copy to: Sam Honold (CIPCO)

Table 1 Page 1 of 1

Post-Closure Cost Estimate CIPCO Coal Combustion Residue Monofill January 2024

						2024	2025	2026	2027
	osure - Complete - No Remaining Costs For Estimate st-Closure	Unit	Unit Cost		Quantity				
1	General site facilities, access roads, and fencing maintenance	Annual	\$6,869	#	1	\$6,869	\$6,869	\$6,869	
2	Cap and vegetative cover maintenance	Annual	\$9,528	#	1	\$9,528	\$9,528	\$9,528	
3	Drainage and erosion control system maintenance	Annual	\$2,740	#	1	\$2,740	\$2,740	\$2,740	
4	Groundwater to waste separation systems maintenance	Annual	\$0		0	\$0	\$0	\$0	
5	Groundwater and surface water monitoring systems maintenance								
	Annual allowance for repairs	Annual	\$1,483	#	1	\$1,483	\$1,483	\$1,483	
	Well abandonment	Well	\$2,317	#	10				\$23,173
6	Groundwater and surface water quality monitoring and reports								
	Gauging and Sampling	Annual	\$9,947	*	1	\$9,947	\$9,947	\$9,947	
	Reporting	Annual	\$9,947	*	1	\$9,947	\$9,947	\$9,947	
7	Groundwater monitoring systems performance evaluations and reports	Annual	\$0		0	\$0	\$0	\$0	
8	Leachate control systems maintenance	Annual	\$0		0	\$0	\$0	\$0	
9	Leachate management, transportation, and disposal	Annual	\$0		0	\$0	\$0	\$0	
10	Leachate control systems performance evaluations and reports	Annual	\$0		0	\$0	\$0	\$0	
11	Facility inspections and reports	Annual	\$5,495	#	1	\$5,495	\$5,495	\$5,495	
12	Engineering and technical services	Annual	\$5,984	#	1	\$5,984	\$5,984	\$5,984	
13	Legal, financial, and administrative services (percent of annual cost)	Percent	15%		1	\$7,799	\$7,799	\$7,799	
14	Financial assurance, accounting, audits, and reports (% of annual cost)	Percent	15%		1	\$7,799	\$7,799	\$7,799	
			Subtotal (fo	or giv	ven year):	\$67,593	\$67,593	\$67,593	\$23,173
					Total:	\$225,951			

Notes:

[#] Unit cost updated in January 2020 Cost Estimate. Current value reflects 1.046, 1.071, and 1.032 annual inflation factors.

^{*} Unit cost price estimate updated for 2023 cost estimate. Current value reflects inflation factor of 1.0320.

¹⁰⁻year post-closure monitoring started February 1, 2016. Final post-closure well abandonment work anticipated in 2027 after reporting complete.

Attachment A

ATTACHMENT A PRICE DEFLATOR VALUES AND SAMPLE CALCULATION

Adjustments of Cost Estimates for Inflation

As part of the financial assurance requirements for closure and postclosure of sanitary landfills [lowa Code sections 455B.304(8) and 455B.306(9)], the owner or operator is required to submit to the department a detailed written estimate in current dollars, certified by an lowa-licensed professional engineer, of the cost of hiring a third party to close and/or conduct postclosure care for a sanitary landfill [lowa Administrative Code 567 Chapters 103, 112, 113, 114 and 115].

During any year, if costs for the closure and postclosure line items are not recalculated using actual costs, then the cost estimates must be adjusted for inflation. Cost estimates are adjusted for inflation by multiplying the cost estimate by the inflation factor.

As of January 31, 2010, the most up-to-date Inflation Factor using the Gross Domestic Product equals **1.007**.

To calculate and adjust cost estimates using the most recent inflation factor use the following formula:

The implicit price deflator for Gross Domestic Product is located in Table 1.1.9 at the following website:

http://www.bea.gov/national/nipaweb/TableView.asp?SelectedTable=13&ViewSeries=NO&Java=no&Request3Place=N&3Place=N&FromView=YES&Freq=Qtr&FirstYear=2006&LastYear=2009&3Place=N&Update=Update&JavaBox=no

$$\frac{2009 \text{ 4}^{\text{th}} \text{ quarter implicit price deflator}}{2008 \text{ 4}^{\text{th}} \text{ quarter implicit price deflator}} = \text{Inflation Factor}$$

$$\frac{109.946}{109.172} = \textbf{1.007}$$

Source of the implicit price deflator for Gross Domestic Product:

U.S. Department of Commerce Bureau of Economic Analysis Washington DC (202) 606-9900 CustomerService@bea.gov

2023 3rd Q Price Deflator/2022 3rd Q Price Deflator 122.762/118.962 1.0320 = Inflation factor to use

Table 1.1.9. Implicit Price Deflators for Gross Domestic Product

[Index numbers, 2017=100] Seasonally adjusted

Last Revised on: December 21, 2023 - Next Release Date January 25, 2024

Line		2022	2022	2022	2022	2023	2023	2023
Line		Q1	Q2	O3	Q4	Q1	Q2	Q3
1	Gross domestic product	115.135	117.671	118.962	120.093	121.261	121.766	122.762
2	Personal consumption expenditures	113.574	115.568	116.902	118.098	119.309	120.044	120.814
3	Goods	111.145	113.795	114.617	114.643	114.844	114.911	115.163
4	Durable goods	108.072	108.435	109.214	108.764	108.521	108.547	107.332
5	Nondurable goods	112.754	116.745	117.591	117.899	118.366	118.457	119.600
6	Services	114.572	116.205	117.809	119.624	121.370	122.461	123.506
7	Gross private domestic investment	112.891	115.431	117.389	118.176	119.228	119.087	119.557
8	Fixed investment	113.626	116.227	118.098	119.140	120.384	120.370	120.890
9	Nonresidential	107.135	109.070	110.673	111.545	113.278	113.334	113.581
10	Structures	120.356	124.898	129.638	131.830	134.127	134.429	133.634
11	Equipment	103.584	105.640	107.073	108.610	110.700	110.381	111.009
12	Intellectual property products	104.286	104.992	105.446	105.158	106.326	106.610	106.985
13	Residential	136.374	141.401	144.306	146.043	145.102	144.779	146.487
14	Change in private inventories							
15	Net exports of goods and services							
16	Exports	120.539	126.104	123.075	121.326	121.359	120.169	121.362
17	Goods	122.478	129.886	125.159	121.694	120.799	118.816	120.088
18	Services	115.923	117.610	118.141	120.013	122.021	122.504	123.531
19	Imports	112.364	115.284	114.025	112.795	112.426	111.052	111.145
20	Goods	112.147	115.147	113.368	111.429	110.763	109.048	109.240
21	Services	112.903	115.420	116.629	118.687	119.701	119.938	119.550
22	Government consumption expenditures and gross investment	118.109	121.271	122.113	123.086	123.548	123.221	124.756
23	Federal	112.726	114.600	115.953	117.119	118.311	118.917	120.081
24	National defense	113.494	115.983	116.800	117.838	118.805	119.356	120.596
25	Nondefense	111.749	112.827	114.876	116.207	117.684	118.359	119.428
26	State and local	121.503	125.482	126.005	126.858	126.855	125.936	127.707
	Addendum:							
27	Gross national product	115.050	117.582	118.872	120.002	121.168	121.673	122.668