



March 12, 2025

Iowa Department of Natural Resources
Attn: Mary Klemesrud, Program Planner Land Quality Bureau
6200 Park Avenue, Suite 200
Des Moines, IA 50321

Dear Ms. Klemesrud:

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, 2024. 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 \$162,001. 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.

On February 20, 2025, Central Iowa Power Cooperative received from the Iowa Department of Natural Resources a 5-year extension of our Fair Station CCR Monofill Closure Permit due to elevated levels of boron, lithium, molybdenum, sodium, strontium and sulfate in some of our monitoring wells. This information was received after December 31, 2024 and has not been factored into management's assertion above. Central Iowa Power Cooperative is currently assessing any adjustments to our Letter of Credit to ensure it covers the post-closure costs for the 5-year extension.

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

Sincerely,

A handwritten signature in blue ink that reads "David Nicholson".

Dave Nicholson

Vice President and Chief Financial Officer

cc: Sam Stineman, CIPCO Director, Generation Assets

Sam Honold, CIPCO Supervisor, Generation Engineering

Enclosures



319.366.8011
800.373.8011
319.366.8626 (fax)



1400 Highway 13 SE
P.O. Box 2517
Cedar Rapids, IA 52406-2517



www.cipco.net



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 14, 2025
Updated Postclosure Cost Estimate	\$ 162,001	January 14, 2025
Initial or Updated Corrective Action Cost Estimate	\$ N/A	January 14, 2025

*Attach closure/postclosure cost estimate(s) signed and certified by an Iowa-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 Iowa-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*
Trust Fund 567 IAC 103.3(6)“a”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Surety Bond 567 IAC 103.3(6)“b”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Letter of Credit 567 IAC 103.3(6)“c”	December 28, 2016	Closure <input type="checkbox"/> Postclosure <input checked="" type="checkbox"/> Corrective Action <input type="checkbox"/>	\$ 500,000
Insurance 567 IAC 103.3(6)“d”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Corporate Financial Test 567 IAC 103.3(6)“e”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Local Gov’t. Financial Test 567 IAC 103.3(6)“f”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Corporate Guarantee 567 IAC 103.3(6)“g”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Local Gov’t Guarantee 567 IAC 103.3(6)“h”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$
Local Gov’t. Dedicated Fund 567 IAC 103.3(6)“i”		Closure <input type="checkbox"/> Postclosure <input type="checkbox"/> Corrective Action <input type="checkbox"/>	\$

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 <i>(see formula below)</i>	\$	\$	\$
Trust Fund Balance <i>(see formula below)</i>	\$	\$	\$

Formula for Projected Deposits

Dedicated/Trust Fund

$$\frac{CE-CB}{Y}$$

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

Submission 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 Iowa Power Cooperative

Address: 1400 Highway 13 SE

City: Cedar Rapids State: IA Zip: 52403

Telephone: 319-366-8011 Fax: 316-366-8626

Email Address: dave.nicholson@cipco.net

Signature of Official:  Date: March 12, 2025

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 12, 2025

Certified Accountant

that performed the Review: KPMG LLP, 666 Grand Avenue, Suite 2500, Des Moines, IA 50309

Company that

owns the landfill: Central Iowa Power Cooperative

Conclusion(s) of the review: As of December 31, 2024, 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:  **Date:** 3/12/2025

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.

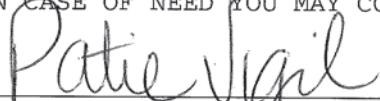
AMENDED TERMS AND CONDITIONS:

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


1/6/17
Bill Blum Iowa DNR

Our reference: 12560436-LTR-4

January 14, 2025

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

January 2025 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, Iowa Administrative Code (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 2024 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 2025 Post-Closure Cost Estimate were adjusted for inflation, using guidance provided by the IDNR. The inflation factor of 1.023 was applied based on the 2024 and 2023 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 2025 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 2024 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.

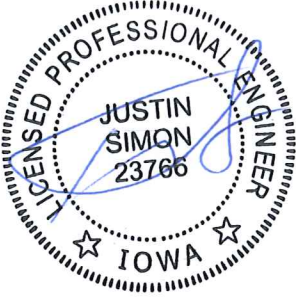

2.13 Legal, Financial, and Administrative Services

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 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.	
		<u>1-14-2025</u>
	Justin Simon, P.E.	Date
	License Number: <u>23766</u>	
	My license renewal date is: <u>December 31, 2025</u>	
Pages or sheets covered by this seal: <u>Entire Document</u>		

Regards,



Justin Simon
Environmental Engineer
+1 515 414-3946
justin.simon@ghd.com

JS/lg/LTR-4

Encl.

Copy to: Sam Honold (CIPCO)



Michael Alowitz
Senior Engineer
+1 515 414-3934
michael.alowitz@ghd.com

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 [Iowa 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 Iowa-licensed professional engineer, of the cost of hiring a third party to close and/or conduct postclosure care for a sanitary landfill [Iowa 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:

$$\frac{\text{Implicit price deflator from most recent quarter}}{\text{Implicit price deflator from previous year's corresponding quarter}} = \text{Inflation Factor}$$

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>

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

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

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

2024 3rd Q Price Deflator/2023 3rd Q Price Deflator
125.532/122.768
1.023 = Inflation factor to use

Table 1.1.9. Implicit Price Deflators for Gross Domestic Product

[Index numbers, 2017=100] Seasonally adjusted

Bureau of Economic Analysis

Last Revised on: December 19, 2024 - Next Release Date January 30, 2025

Line		2022				2023				2024		
		Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3
1	Gross domestic product	115.119	117.731	119.057	120.157	121.251	121.804	122.768	123.241	124.163	124.943	125.532
2	Personal consumption expenditures	113.567	115.663	117.01	118.169	119.316	120.177	120.978	121.473	122.501	123.269	123.741
3	Goods	111.176	113.989	114.677	114.734	114.95	115.112	115.256	114.805	114.658	114.856	114.396
4	Durable goods	108.307	108.602	109.36	108.97	108.852	108.773	107.599	106.724	106.596	105.909	105.276
5	Nondurable goods	112.667	116.928	117.576	117.89	118.3	118.604	119.531	119.332	119.173	119.897	119.542
6	Services	114.567	116.28	117.968	119.697	121.325	122.548	123.688	124.673	126.301	127.359	128.307
7	Gross private domestic investment	112.565	115.15	117.227	118.25	119.445	119.074	119.495	120.212	120.488	121.255	122.099
8	Fixed investment	113.304	115.973	117.952	119.063	120.093	120.051	120.472	121.157	121.437	122.212	123.177
9	Nonresidential	106.71	108.778	110.507	111.434	112.964	113.036	113.172	113.649	114.026	114.678	115.56
10	Structures	121.035	126.066	131.1	133.695	135.716	135.405	134.127	135.261	134.563	134.675	135.301
11	Equipment	103.177	105.406	107.052	108.611	110.478	110.527	111.218	111.533	112.586	113.059	113.746
12	Intellectual property products	103.265	103.861	104.209	103.828	104.829	105.088	105.365	105.683	105.959	107.013	108.184
13	Residential	136.369	141.251	144.209	146.082	144.89	144.358	146.031	147.605	147.443	148.718	149.995
14	Change in private inventories	---	---	---	---	---	---	---	---	---	---	---
15	Net exports of goods and services	---	---	---	---	---	---	---	---	---	---	---
16	Exports	120.597	126.208	123.241	121.371	121.333	120.223	121.439	120.791	121.528	122.337	122.064
17	Goods	122.39	129.795	125.038	121.366	120.424	118.458	119.739	118.718	118.946	119.629	118.723
18	Services	116.336	118.217	118.951	120.805	122.607	123.23	124.294	124.397	126.15	127.205	128.191
19	Imports	112.348	115.479	114.096	112.788	112.345	111.041	111.061	111.058	111.786	112.372	112.314
20	Goods	112.12	115.393	113.387	111.347	110.632	109.043	109.071	109.149	109.649	110.269	110.119
21	Services	113.03	115.481	116.987	119.018	119.844	119.857	119.851	119.492	121.22	121.663	122.01
22	Government consumption expenditures and gross investment	118.349	121.673	122.361	123.037	123.112	122.789	123.985	124.399	125.548	126.193	126.946
23	Federal	112.636	114.68	116.175	117.361	118.602	119.629	120.755	121.895	122.964	123.821	124.572
24	National defense	113.576	116.168	117.283	118.387	119.432	120.715	122.041	123.498	124.653	125.477	126.056
25	Nondefense	111.421	112.757	114.743	116.033	117.526	118.226	119.095	119.825	120.784	121.684	122.66
26	State and local	121.956	126.095	126.276	126.633	125.97	124.797	126.04	126.005	127.204	127.719	128.474
Addendum:												
27	Gross national product	115.038	117.647	118.972	120.071	121.164	121.716	122.679	123.152	124.074	124.853	125.441