

State is letting AES Indiana discharge toxic water into White River, group says

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(IBJ File Photo)

An Indiana environmental group says the state is allowing utility AES Indiana to release more than 1 million gallons of contaminated water a day into the White River from coal ash ponds at its Eagle Valley Generating Station in Martinsville in violation of the federal Clean Water Act.

The Hoosier Environmental Council said Wednesday it has filed an administrative appeal with the Indiana Office of Environmental Adjudication, challenging a water permit issued by state regulators that allows the utility to discharge toxic contaminants from its leaking coal ash ponds directly into the West Fork of the White River.

An AES Indiana spokeswoman said the company is complying with environmental regulations.

A spokesperson for the Indiana Department of Environmental Management did not respond Wednesday to questions.

The White River provides drinking water for more than 2 million people, according to the Conservation Law Center at Indiana University Maurer School of Law in Bloomington.

Coal ash is a byproduct of burning coal to generate electricity, and it includes a wide variety of carcinogens, neurotoxins and poisons, including arsenic, lead, mercury, thallium and hexavalent chromium.

The utility, formerly known as Indianapolis Power & Light Co., began operating the Eagle Valley Generating Station in 1949 as a coal-fired power plant. It decommissioned the coal plant and switched it to natural gas in 2016.

Over more than seven decades, the utility built up nearly 3 million cubic yards of coal ash near the plant.

The coal ash was mixed with water and dumped into massive, unlined ponds just west of the power plant in the floodplain of the White River, the environmental group said.

The Indiana Department of Environmental Management issued a permit to AES Indiana that allows it to pump the coal ash-contaminated groundwater, use it as process

and cooling water at the power plant and then discharge it untreated into the White River.

The Hoosier Environmental Council said the state permit issued to Eagle Valley violates several provisions of the Clean Water Act and federal law governing the proper disposal of coal ash waste.

“The Hoosier Environmental Council has been advocating for years to ensure safe containment coal ash,” Dr. Indra Frank, the group’s director of environmental health and water policy, said in written remarks. “Unfortunately, legal action is required in the face of this permit approval. The permit from the state essentially allows AES to pump contaminated groundwater into the river and they are call that a cleanup. That is not acceptable for Hoosiers and is a violation of EPA coal ash regulations.”

Kelly Young, a spokeswoman for AES Indiana, said the Indianapolis-based utility is “committed to the safety of our people and the communities we serve.”

“AES Indiana, including its Eagle Valley Generating Station, takes pride in its compliance with the environmental regulations and permits issued by regulatory authorities that establish limits and requirements for the purpose of protecting human health and the environment,” Young said in an email to IBJ.

IDEM originally issued a discharge permit for the coal ash-contaminated groundwater in 2017, and the utility started operating the wells and pumping the water into the White River in 2018, although the practice was discontinued for a time when the plant was shut down during an extended breakdown.

The discharge permit renewal application submitted by AES Indiana in March 2022 included data showing up to 1.3 million gallons per day of contaminated water being discharged.

An IDEM spokesperson did not respond to questions from IBJ on Wednesday concerning whether the permit violates the Clean Water Act, and if so, why regulators are permitting AES to discharge untreated water into the White River.

The coal ash ponds at Eagle Valley have long been a problem. More than a decade ago, the ponds spilled 60 million gallons of coal ash into the West Fork of the White River when a levee failed.

“We have coal ash rules specifically to protect irreplaceable resources like this for public health more than anything,” Christian Freitag, director of the Conservation Law Center, said in written remarks.”

Two years ago, AES Indiana **sued more than a dozen insurance companies**, claiming they refused to indemnify and defend the utility for coal ash environmental cleanup that could exceed \$177 million at its three generating stations.