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Bryan Gruesbeck
Town Manager
Town of Pittsboro
PO Box 759
Pittsboro, NC 27312

Dear Bryan Gruesbeck:

We at Duke Energy care deeply about North Carolina and the health and safety of our communities. I am writing to affirm my commitment to working with you and other leaders throughout the State to fully address the events of the past several weeks, as well as reach sound, responsible solutions for how we manage coal ash in our state.

As CEO of a public utility, I have the privilege of helping North Carolinians meet their energy needs for their businesses and their everyday lives. I am also responsible for ensuring that we operate safely and without incident. And when accidents occur, I take ownership for our response and how we implement lessons learned to continually improve how we operate and serve our communities. Our families and loved ones live in these communities. Our future is closely linked to the future of the communities we serve.

As I wrote to Governor McCrory and Secretary Skvarla, North Carolina Department of Environment and Natural Resources (NCDENR), on March 12, 2014, we are developing and implementing a disciplined, fact-based approach to evaluating long-term solutions for ash basins at the Company's retired Dan River plant, as well as to ensure safe monitoring and management of all our ash basins. Each power plant site is unique, and the long-term solutions require analysis of trade-offs, risks and costs. Drinking water from the Dan River has remained safe and the river has returned to normal water quality levels.

With the high priority this calls for, we are moving aggressively to update, expand and accelerate our actions:

- We have established an internal strategic task force, with deep expertise, to oversee the comprehensive engineering review of every Duke Energy ash basin, as well as to implement near-term actions and develop longer-term solutions system wide. This team is directly accountable to me.

Coal Ash in North Carolina



According to the U.S. Energy Information Administration, about 37 percent of all electricity generated in the United States comes from coal. In the Carolinas, Duke Energy produces about 28 percent of its electricity from coal, and that number is expected to drop to 25 percent by 2015.

All coal naturally contains inorganic matter from the rocks and minerals in the coal seam where it was mined. Coal-fired power plants burn coal to make steam, and the steam turns turbines to generate electricity. When that coal is burned, the inorganic matter in the coal becomes coal ash. Coal ash has been accumulating at sites throughout the United States for more than nine decades.

Different types of coal ash

Coal combustion results in two forms of ash:

- Fly ash — a fine material similar to the consistency of talcum powder. Fly ash accounts for about 78 percent of the coal ash generated annually in the United States.
- Bottom ash — a coarser material collected from the bottom of coal-fired boilers.

In addition to fly ash and bottom ash, some power plants also produce synthetic gypsum as a byproduct. This happens at coal-fired plants that have emissions-control equipment called scrubbers installed to remove sulfur dioxide emissions.

A state and national issue

- Duke Energy has approximately 102 million tons of coal ash stored in North Carolina in 33 ash basins. According to the U.S. Environmental Protection Agency (EPA), there are approximately 676 ash basins throughout the United States.
- The head of EPA's waste office testified in February 2013 that "coal ash is one of the largest waste streams generated in the United States," with almost 136 million tons generated in 2008. Approximately 46 million tons are landfilled; 29 million tons are disposed of in surface impoundments, such as ash basins; 50 million tons are beneficially used; and 11 million tons are placed in mines.

Destinations of coal ash generated in the US

