



FREQUENTLY ASKED QUESTIONS ABOUT AES PUERTO RICO'S GROUNDWATER TESTING RESULTS

1. What are we announcing?

We are announcing results from groundwater sample testing as part of our compliance with the EPA's CCR Rule, a comprehensive set of requirements established in 2015 for the safe management of CCR. The EPA Rule lays out a prescriptive, phased process for monitoring groundwater, and then addressing any potential adverse groundwater impacts through corrective action, when required. We are committed to providing safe, reliable, and affordable power to the people of Puerto Rico, and will continue to comply with the CCR Rule and all applicable environmental regulations.

2. What do the results show?

The most recent groundwater monitoring results (October 2018) are included in the 2018 Groundwater Monitoring Report posted to our website. Pursuant to the program AES Puerto Rico tested samples from groundwater monitoring wells at the perimeter of its inventory of coal combustion residuals (CCR). Environmental experts have concluded that, based on the sampling results, there are levels above groundwater protection standards in three assessment monitoring constituents: selenium, lithium, and molybdenum. These sampling results from the monitoring wells at the edge of the facility are not representative of groundwater in other locations. In fact, a separate study conducted by leading environmental experts concludes that there is no impact on drinking water. The study also confirms that there is no evidence of impact to human health or the environment.

3. Are these groundwater results unusual?

There are hundreds of coal-fired power plants in the United States, which generate nearly one-third of the nation's electricity and produce 130 million tons of coal ash every year. Across the United States, numerous facilities are monitoring groundwater under the EPA's CCR Rule. AES Puerto Rico is committed to completing the evaluation of corrective measures and taking all appropriate measures needed to ensure that we do not adversely affect the environment.

4. What do these results mean? Is drinking water affected?

A separate study conducted by leading environmental experts concludes that there is no impact on drinking water. The study also confirms that there is no evidence of impact to human health or the environment. However, when levels of constituents of the groundwater samples are found above standards, the CCR Rule calls for corrective measures to be evaluated. Working with environmental experts we will develop a plan to implement corrective actions to bring these three constituents to levels meeting applicable standards. We will continue to evaluate the nature and extent of groundwater impacts in the coming months.

5. What actions will you take to address the results?

AES Puerto Rico will begin to evaluate corrective measures and determine the nature and extent of groundwater impacts. Based on expert guidance, we will address any affected areas and help prevent any adverse groundwater impacts by evaluating corrective actions that protect human health and the environment. These corrective actions could include adding a liner beneath the CCR inventory, treating the affected groundwater, and/or taking measures to prevent groundwater from spreading beyond the operating area. AES will hold a public meeting in order to consider public concerns and feedback. We currently expect to publish our Assessment of Corrective Measures by August 14, 2019.

6. How often does the company need to monitor as stated in EPA's CCR Rule?

As part of AES Puerto Rico's groundwater monitoring program, samples are analyzed on a semi-annual basis. The CCR Rule sets forth reporting requirements for groundwater monitoring, including an Annual Groundwater Monitoring Report published to our CCR Website in early March of each year. AES Puerto Rico collected the first round of monitoring data in 2017 and those initial results were provided to the EQB (now known as DNER) and posted to AES Puerto Rico's CCR website, in accordance with EPA's CCR Rule. AES Puerto Rico is currently in the assessment monitoring phase of the rule and has posted all 2018 monitoring to the CCR website.

7. Do these results have to do with AES Puerto Rico's inventory of CCR in Guayama?

Consistent with the CCR Rule, the results reflect samples taken from groundwater monitoring wells installed at the perimeter of our inventory of CCR, where concentrations are expected to be highest. These sampling results from the monitoring wells at the edge of the facility are not representative of groundwater in other locations. We are committed to reducing our inventory of manufactured aggregate and to implementing any and all corrective measures in accordance with the CCR Rule to ensure that we do not have an adverse impact on the environment.

8. Is coal ash hazardous?

The EPA has determined that CCR is a non-hazardous waste. This means that the EPA does not classify CCR as a hazardous waste, which the agency defines as a waste with properties that make it dangerous or capable of having a harmful effect on human health or the environment. The EPA encourages the beneficial use of coal ash in an appropriate and protective manner, which can have environmental, economic, and product benefits. Across the United States, approximately 130 million tons of CCR are produced every year, and 40 percent is beneficially used across the country. It is often recycled for beneficial use in construction projects such as the the Hoover Dam, the Washington D.C. Metro System, the "Big Dig" in Boston, and the Museum of Modern Art in New York City.



Researchers have also evaluated coal ash more broadly and found it is not toxic. For example, the European Union's (EU) REACH (Registration, Evaluation, Authorization and Restriction of Chemicals) program, which includes the potential impact on human and ecological health, concluded that coal ash is not classified as hazardous.